

As a matter of proper business decorum, the Board of Commissioners respectfully request that all cell phones be turned off or placed on vibrate. To prevent any potential distraction of the proceeding, we request that side conversations be taken outside the meeting room.

**REGULAR BOARD MEETING**  
**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY**  
**VICTORVILLE CITY HALL, CONFERENCE ROOM D**  
**14343 CIVIC DRIVE, VICTORVILLE CA 92392**  
**Thursday, July 17, 2025**  
**Open Session 8:30 a.m.**

*VVWRA is committed to protecting public health and the environment in the Victor Valley by providing effective and fiscally responsible wastewater collection, treatment, and recycling.*

**Call to Order**

**Gregg**

**Roll Call**

**Casteel**

**Pledge of Allegiance**

**Gregg**

**Public Comment (Government Code Section 54954.3)**

**Gregg**

Opportunity for members of the public to directly address the Board on items of public interest within its jurisdiction. The public may also address the Board on items being considered on this agenda. VVWRA requests that all public speakers complete a speaker's card and provide it to the Secretary. Persons desiring to submit paperwork to the Board of Commissioners shall provide a copy of any paperwork to the Board Secretary for the official record. We request that remarks be limited to five minutes or less. Pursuant to Government Code Section 54954.3, if speaker is utilizing a translator, the total allotted time will be doubled.

**Possible Conflicts of Interest**

**Gregg**

**Consent Calendar**

**Gregg**

All matters placed on the Consent Calendar are considered as not requiring discussion or further explanation and unless any particular item is requested to be removed from the Consent Calendar by a Commissioner, staff member or member of the public in attendance, there will be no separate discussion of these items. All items on the Consent Calendar will be enacted by one action approving all motions and casting a unanimous ballot for resolutions included on the consent calendar. All items removed from the Consent Calendar shall be considered in the regular order of business.

**Item 1. Receive, Approve and File Minutes**

**Poulsen**

- Regular Board Meeting 6/26/2025

**Item 2. Receive, Approve and File June 2025 Disbursement**

- Warrant Summary Disbursements

**Board Action Required**

Staff Recommendation: Approve as presented

**Action Items**

*The Executive Leadership Team will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

**Item 3. Recommendation to Adopt Resolution 2025-09 Amend and Adopt 2025 Local Guidelines for Implementing the California Environmental Quality Act (CEQA)**

Casteel

It is recommended that the Board of Commissioners adopt Resolution 2025-09 to amend and adopt 2025 local guidelines for implementing the California Environmental Quality Act

**Board Action Required**

Staff Recommendation: Approve as presented

**Item 4. Recommendation to Authorize the General Manager to Approve the Purchase of a Brown Bear 400E, Using Sole Source Pricing, From Broyhill Equipment for an Amount Not to Exceed \$785,000**

Tompkins

It is recommended that the Board of Commissioners to authorize the General Manager to approve the purchase of a Brown Bear 400E from Broyhill Equipment, using sole source pricing, for an amount not to exceed \$785,000

**Board Action Required**

Staff Recommendation: Approve as presented

**Item 5. Recommendation to Authorize the General Manager to Amend the Professional Services Agreement with Steeno Design Studio for an Amount Not to Exceed \$125,000 for Change Order Modifications to Existing Design and Construction Drawings as Needed**

Tompkins

It is recommended that the Board of Commissioners authorize the General Manager to amend the Professional Services Agreement with Steeno Design Studio for an amount not to exceed \$125,000 for change order modifications to existing design and construction drawings as needed, pending legal review and approval of the agreement

**Board Action Required**

Staff Recommendation: Approve as presented

<p><b><u>Item 6. Recommendation to Authorize the General Manager to Approve a Purchase Order with Fibracast Ltd for Module Replacement and System Upgrades at the Apple Valley and Hesperia Subregional Plants for an Amount Not to Exceed \$200,000</u></b></p> <p>It is recommended that the Board of Commissioners authorize the General Manager to approve a purchase order with Fibracast Ltd for the replacement of membrane modules and associated upgrades at the Apple Valley and Hesperia Subregional facilities, in an amount not to exceed \$200,000</p>	Tompkins
<p><b><u>Board Action Required</u></b></p> <p>Staff Recommendation: Approve as presented</p>	
<p><b><u>Item 7. Recommendation to Authorize the General Manager to Sign a Three-Year General Services Agreement with Babcock Laboratories, Inc. to Provide Environmental Services for \$400,000.00, Pending Legal Review and Approval of the Agreement</u></b></p> <p>It is recommended that the Board of Commissioners authorize the General Manager to execute a three-year general services agreement with Babcock Laboratories Inc. for environmental sampling and analysis services, in an amount not to exceed \$400,000 per fiscal year</p>	Tompkins
<p><b><u>Board Action Required</u></b></p> <p>Staff Recommendation: Approve as presented</p>	

**Item 8. General Managers Report**

**Poulsen**

- VVWRA Internship Program (Tomorrow's Talent)

Report Range	Board Meeting Date (Thursday)
1st Quarter January 2025-March 2025	May 15, 2025
2 <sup>nd</sup> Quarter April 2025-June 2025	August 21, 2025
3 <sup>rd</sup> Quarter July 2025- September 2025	November 20, 2025
4 <sup>th</sup> Quarter October 2025- December 2025	February Board 2026

## **American Disabilities Act Compliance Statement**

Government Code Section 54954.2(a)



*Any request for disability-related modifications or accommodations (including auxiliary aids or services) sought to participate in the above public meeting should be directed to the VVWRA's Secretary at (760) 246-8638 at least 72 hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.*

### **Agenda posting**

Government Code Section 54954.2

*This agenda has been posted in the main lobby of the Authority's Administrative offices not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.*

### **Agenda items received after posting**

Government Code Section 54957.5

*Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the VVWRA office located at, 20111 Shay Road, Victorville CA 92394. The materials will also be posted on the VVWRA website at [www.vvwra.com](http://www.vvwra.com).*

### **Items Not Posted**

Government Code Section 54954.2(b)

*In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done as an emergency item or because there is a need to take immediate action, which came to the attention of the Board subsequent to the posting of the agenda, or as set forth on a supplemental agenda posted in the manner as above, not less than 72 hours prior to the meeting date.*

### **Items Continued**

Government Section 54954.2(b)(3)

*Items may be continued from this meeting without further notice to a Committee or Board meeting held within five (5) days of this meeting*

### **Meeting Adjournment**

*This meeting may be adjourned to a later time and items of business from this agenda may be considered at the later meeting by Order of Adjournment and Notice*

*VVWRA's Board Meeting packets and agendas are available for review on its website at [www.vvwra.com](http://www.vvwra.com). The website is updated on Friday preceding any regularly scheduled board meeting.*

**MINUTES OF MEETING  
MEETING OF THE BOARD OF COMMISSIONERS  
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWVRA)  
June 26, 2025**

**CALL TO ORDER:** Chair Debra Jones called the meeting to order at 8:01 AM; in Conference Room D at Victorville City Hall, located at 14343 Civic Drive, Victorville California, with the following members present:

<b>CITY OF VICTORVILLE</b>	<b>Debra Jones, Chair</b>
<b>CITY OF HESPERIA</b>	<b>Cameron Gregg, Vice-Chair</b>
<b>ORO GRANDE (CSA 42) AND</b>	<b>Dakota Higgins, Secretary</b>
<b>SPRING VALLEY LAKE (CSA 64)</b>	
<b>TOWN OF APPLE VALLEY</b>	<b>Scott Nassif, Treasurer</b>

**VWVRA Staff and Legal Counsel:**

**Darron Poulsen**, General Manager  
**Kristi Casteel**, Executive Assistant  
**Piero Dallarda**, Legal Counsel (BB&K)  
**Robert Coromina**, Director of Administration  
**David Wylie**, Safety & Communications Officer  
**Latif Laari**, Environmental Compliance Manager  
**Hillary Chavez**, Administrative Aide  
**Mike Medina**, IT Technician

**Guests**

**Jenele Davidson**, City of Victorville  
**Doug Matthews**, City of Victorville  
**Fredy Bonilla**, City of Victorville  
**Casey Brooksher**, City of Hesperia  
**Rachel Molina**, City of Hesperia  
**Guy Eisenbrey**, Town of Apple Valley  
**Daniel Best**, City of Victorville  
**Scott Webb**, City of Victorville

**CLOSED SESSION**

Piero requested to add item 2 to closed session under Government Code 54954.2 in the matter of Emily Wilson vs. VWVRA. It is a workers' compensation case, the number CSNJ549126. After the agenda was posted, we received notice from the workers compensation attorney that there is a settlement offer on the table, and it has a deadline before the next Board Meeting therefore it must be addressed today.

<b>Moved: Commissioner Higgins</b>	<b>Second: Commissioner Nassif</b>
<b>Approval to add Item 2 to closed session. The title will be Litigation- Workers Compensation Case CSNJ549126 Emily Wilson vs. VWVRA</b>	
<b>1-1</b>	

**Chair Jones- Yes**  
**Commissioner Gregg - Yes**  
**Commissioner Higgins - Yes**  
**Commissioner Nassif- Yes**  
**Motion passed by a 4-0 roll call vote**

**REGULAR SESSION**

**CALL TO ORDER & PLEDGE OF ALLEGIANCE**

**Chair Jones called the meeting to order at 8:30 AM.**

**PUBLIC COMMENTS- REGULAR SESSION AGENDA**

**NONE**

**POSSIBLE CONFLICT OF INTEREST**

**NONE**

**CONSENT CALENDAR:**

- 2. Receive, Approve, and File Minutes, May 15, 2025 Regular Meeting**
- 3. Receive, Approve and File May 2025 Disbursement**

**Moved: Commissioner Higgins**                      **Second: Commissioner Nassif**

**Approval of the Consent Calendar Items 2 and 3**

**Chair Jones- Yes**  
**Commissioner Gregg - Yes**  
**Commissioner Higgins - Yes**  
**Commissioner Nassif- Yes**  
**Motion passed by a 4-0 roll call vote**

**PUBLIC HEARING**

- 4. SSMP**

**Chair Jones opened the Public Hearing at 8:33 AM.**

The Secretary of the Board confirmed the posting and publication of the Hearing Notice as required by law.

Latif Larri gave a brief presentation on the SSMP and the updates that have been made.

Chair Jones asked if there were any comments from the public. There were no public comments.

Chair Jones closed the public hearing at 8:35 am

**5. FY 2025-2026 Budget**

Chair Jones opened the Public Hearing at 8:36 AM.

The Secretary of the Board confirmed the posting and publication of the Hearing Notice as required by law.

Chair Jones asked if there were any comments from the public. There were no public comments.

Chair Jones closed the public hearing at 8:37 am

**ACTION ITEMS**

**6. Recommendation to Adopt Resolution 2025-06 Sanitary Sewer Management Plan Six Year Update**

The Board will consider adoption of Resolution No. 2025-06 VVWRA Sanitary Sewer Management Plan Six (6) years update

<p><b>Moved: Commissioner Higgins</b></p> <p><b>Approval to adopt Resolution No. 2025-06 VVWRA Sanitary Sewer Management Plan Six (6) years update</b></p> <p><b>Chair Jones- Yes</b>  <b>Commissioner Gregg - Yes</b>  <b>Commissioner Higgins - Yes</b>  <b>Commissioner Nassif- Yes</b></p> <p style="text-align: center;"><b>Motion passed by a 4-0 roll call vote</b></p>	<p><b>Second: Commissioner Gregg</b></p>
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**7. Recommendation to Adopt Resolution 2025-07 FY 2025-2026 Budget**

The Board will consider adopting Resolution No. Adoption of the Proposed Budget as presented for the year ending June 30, 2026



**10. Recommendation to Approve VVWRA Employees Association MOU**

The Board will consider approval VVWRA Employees Association MOU pending amendments from Legal Counsel for grammatical changes.

<p><b>Moved: Commissioner Nassif</b></p> <p><b>Approval of VVWRA Employees Association MOU pending amendments from Legal Counsel for grammatical changes.</b></p> <p><b>Chair Jones- Yes</b>  <b>Commissioner Gregg - Yes</b>  <b>Commissioner Higgins - Yes</b>  <b>Commissioner Nassif- Yes</b></p> <p style="text-align: right;"><b>Motion passed by a 4-0 roll call vote</b></p>	<p><b>Second: Commissioner Higgins</b></p>
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**11. Rotation of Officers**

The Board will consider approval of the rotation of officers for the FY 2025-2026, effective July 1, 2025

<p><b>Moved: Commissioner Higgins</b></p> <p><b>Approval of the rotation of officers for the FY 2025-2026, effective July 1, 2025</b></p> <p><b>Chair Jones- Yes</b>  <b>Commissioner Gregg - Yes</b>  <b>Commissioner Higgins - Yes</b>  <b>Commissioner Nassif- Yes</b></p> <p style="text-align: right;"><b>Motion passed by a 4-0 roll call vote</b></p>	<p><b>Second: Commissioner Nassif</b></p>
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**ADJOURNMENT**

VVWRA Meeting Minutes  
Friday, June 26, 2025  
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APPROVAL:

DATE: July 17, 2025 BY: \_\_\_\_\_

Approved by Scott Nassif Secretary  
VVWRA Board of Commissioners



## Victor Valley Wastewater Reclamation Authority

*A Joint Powers Authority and Public Agency of the State of California*

Administrative Offices

20111 Shay Road, Victorville, CA 92394

Telephone: (760) 246-8638

Fax: (760) 948-9897

e-mail: mail@vwwra.com

**DATE:** July 17, 2025

**TO:** Darron Poulsen  
General Manager

**FROM:** Xiwei Wang  
Accounting Supervisor

**SUBJECT:** Cash Disbursements Register

### RECOMMENDED ACTION

It is recommended that the Board of Commissioners approve the cash disbursements and payroll register for the Victor Valley Wastewater Reclamation Authority.

### BACKGROUND

The Cash Disbursements Register totals represented below are for the month of JUNE 2025, check numbers 126182-126210 and ACH's.

<i>Accounts Payable</i>			
<i>Checks</i>	<i>ACH's and EFT's</i>	<i>Payroll</i>	<i>Total</i>
<i>\$145,762.44</i>	<i>\$1,081,738.63</i>	<i>\$584,418.45</i>	<i>\$1,811,919.52</i>

**Victor Valley Wastewater Reclamation Authority  
Cash Disbursement Register  
From 06/01/2025 through 06/30/2025**

Vendor Name	Payment #	Date	Total
Adscot Pest Control, Inc.	126182	06/04/2025	\$ 1,530.00
City Of Victorville / Utility Billing	126183	06/04/2025	\$ 607.85
Doane And Hartwig Water Systems, Inc	126184	06/04/2025	\$ 3,863.62
Ponton Industries, Inc.	126185	06/04/2025	\$ 5,024.95
Quill Corporation	126186	06/04/2025	\$ 165.46
Rain For Rent	126187	06/04/2025	\$ 2,716.40
Rockwell Engineering	126188	06/04/2025	\$ 1,605.35
Swains Electric Motor Service	126189	06/04/2025	\$ 9,081.79
Blue Ally Technology Sol. (Prev. Virtual Graffiti)	126190	06/10/2025	\$ 14,225.75
Edenbros, Llc	126191	06/10/2025	\$ 1,769.67
Hesperia Unified School District	126192	06/10/2025	\$ 190.78
Hi-Desert Communications	126193	06/10/2025	\$ 150.00
Mojave Printing Solutions	126194	06/10/2025	\$ 298.73
Multi W Systems, Inc	126195	06/10/2025	\$ 2,286.33
Quill Corporation	126196	06/10/2025	\$ 93.50
Verizon Wireless	126197	06/10/2025	\$ 2,866.67
Victor Valley College Foundation	126198	06/10/2025	\$ 5,000.00
Adscot Pest Control, Inc.	126199	06/17/2025	\$ 1,375.00
Big Sky Electric	126200	06/17/2025	\$ 27,060.00
Freeus Llc	126201	06/17/2025	\$ 704.53
Napa Victorville	126202	06/17/2025	\$ 143.46
Parker, Kyle	126203	06/17/2025	\$ 2,231.33
Wageworks, Inc	126204	06/17/2025	\$ 170.75
Apex Rentals	126205	06/24/2025	\$ 26.23
Big Sky Electric	126206	06/24/2025	\$ 8,476.00
City Of Victorville / Utility Billing	126207	06/24/2025	\$ 18,564.46
Geotab Usa, Inc	126208	06/24/2025	\$ 369.00
Graham Equipment	126209	06/24/2025	\$ 34,848.00
Harrington Industrial Plastics	126210	06/24/2025	\$ 316.83
			<b>\$ 145,762.44</b>
Beck Oil, Inc.	23485	06/05/2025	\$ 35.67
Best, Best & Krieger, L.L.P.	23486	06/05/2025	\$ 50,591.82
Biogas Engineering	23487	06/05/2025	\$ 1,365.00
Brad Aubrey	23488	06/05/2025	\$ 9,253.12
Broyhill Equipment Llc	23489	06/05/2025	\$ 3,854.97
Bsk Associates	23490	06/05/2025	\$ 1,587.50
Camfil Usa Inc.	23491	06/05/2025	\$ 3,624.92
Cintas Corporation	23492	06/05/2025	\$ 148.23
Ehs International Inc.	23493	06/05/2025	\$ 1,620.00
England Thims & Miller Inc.	23494	06/05/2025	\$ 3,190.00
Fha Services, Inc.	23495	06/05/2025	\$ 11,030.00
Grainger	23496	06/05/2025	\$ 2,561.91
Hoch Consulting	23497	06/05/2025	\$ 3,557.50
Koncur, Michael	23498	06/05/2025	\$ 40.00
Mcmaster-Carr Supply Co.	23499	06/05/2025	\$ 1,514.88
Ndk Chem, Inc.	23500	06/05/2025	\$ 6,463.88
Prudential Overall Supply	23501	06/05/2025	\$ 889.63
Quinn Company	23502	06/05/2025	\$ 1,229.19
Walters Wholesale Electric	23503	06/05/2025	\$ 851.52
Water Resources Economics	23504	06/05/2025	\$ 267.50
Xylem Water Solutions	23505	06/05/2025	\$ 27,341.04
Applied Maintenance Supplies & Solution	23506	06/11/2025	\$ 2,695.27
Beck Oil, Inc.	23507	06/11/2025	\$ 34.80
Bsk Associates	23508	06/11/2025	\$ 1,734.50

**Victor Valley Wastewater Reclamation Authority**  
**Cash Disbursement Register**  
**From 06/01/2025 through 06/30/2025**

<b>Vendor Name</b>	<b>Payment #</b>	<b>Date</b>	<b>Total</b>
Cintas Corporation	23509	06/11/2025	\$ 1,115.62
Culligan Water Conditioning	23510	06/11/2025	\$ 996.60
Fluid Components Intl. C/O Ponton Industries	23511	06/11/2025	\$ 6,220.90
G.A. Osborne Pipe & Supply	23512	06/11/2025	\$ 622.27
Grainger	23513	06/11/2025	\$ 808.44
Larry Walker Associates	23514	06/11/2025	\$ 7,838.75
Luiten, Jack	23515	06/11/2025	\$ 224.00
Mcmaster-Carr Supply Co.	23516	06/11/2025	\$ 221.75
Ndk Chem, Inc.	23517	06/11/2025	\$ 29,967.62
Ovivo Usa, L.L.C.	23518	06/11/2025	\$ 4,732.04
Procurement Consulting Services, Llc.	23519	06/11/2025	\$ 1,050.00
Prudential Overall Supply	23520	06/11/2025	\$ 882.66
Siemens Industry Inc.	23521	06/11/2025	\$ 5,189.55
T-Mobile	23522	06/11/2025	\$ 116.76
Victor Valley Wastewater Employees Assoc	23523	06/11/2025	\$ 1,421.00
Waxie Sanitary Supply	23524	06/11/2025	\$ 557.37
A.D.S. Corp.	23525	06/18/2025	\$ 10,780.00
Adt Commercial	23526	06/18/2025	\$ 562.51
Anaergia Technologies, Llc	23527	06/18/2025	\$ 217,656.90
Anthony, Donna	23528	06/18/2025	\$ 250.31
Billings, Richard	23529	06/18/2025	\$ 413.00
Blue Ally Technology Sol. (Prev. Virtual Graffiti)	23530	06/18/2025	\$ 11,948.58
Cintas Corporation	23531	06/18/2025	\$ 147.65
Consumers Pipe & Supply, Co.	23532	06/18/2025	\$ 1,367.14
Correia, Linda	23533	06/18/2025	\$ 413.00
Dagnino, Roy	23534	06/18/2025	\$ 413.00
Davis Electric, Inc	23535	06/18/2025	\$ 19,015.00
Davis, Tim	23536	06/18/2025	\$ 413.00
Dudek	23537	06/18/2025	\$ 7,197.50
Environmental Systems Research Institute, Inc.	23538	06/18/2025	\$ 11,600.00
Evoqua Water Technologies Llc	23539	06/18/2025	\$ 12,394.19
Fha Services, Inc.	23540	06/18/2025	\$ 25,602.71
Flint, Terrie Gossard	23541	06/18/2025	\$ 413.00
G.A. Osborne Pipe & Supply	23542	06/18/2025	\$ 468.07
Grainger	23543	06/18/2025	\$ 1,297.15
Gyurcsik, Darline	23544	06/18/2025	\$ 413.00
Hach Company	23545	06/18/2025	\$ 8,746.34
Hinojosa, Thomas	23546	06/18/2025	\$ 413.00
Keniston, Olin	23547	06/18/2025	\$ 413.00
Main, Randy	23548	06/18/2025	\$ 413.00
Mcgee, Mark	23549	06/18/2025	\$ 413.00
Mcgrath Rentcorp	23550	06/18/2025	\$ 7,599.19
Mcmaster-Carr Supply Co.	23551	06/18/2025	\$ 818.08
Montgomery, Lillie	23552	06/18/2025	\$ 284.25
Nalian, L. Christina	23553	06/18/2025	\$ 284.25
Nave, Patrick	23554	06/18/2025	\$ 413.00
Prudential Overall Supply	23555	06/18/2025	\$ 870.83
Royal Industrial Solutions	23556	06/18/2025	\$ 4,025.25
Waxie Sanitary Supply	23557	06/18/2025	\$ 412.19
Westover, Kalin	23558	06/18/2025	\$ 3,767.00
Xylem Water Solutions	23559	06/18/2025	\$ 14,399.53
2G Energy Inc.	23560	06/25/2025	\$ 1,876.66
American Express	23561	06/25/2025	\$ 29,798.74
Babcock Laboratories, Inc.	23562	06/25/2025	\$ 17,516.51
Biogas Engineering	23563	06/25/2025	\$ 1,365.00

**Victor Valley Wastewater Reclamation Authority  
Cash Disbursement Register  
From 06/01/2025 through 06/30/2025**

<b>Vendor Name</b>	<b>Payment #</b>	<b>Date</b>	<b>Total</b>
Brenntag Pacific, Inc	23564	06/25/2025	\$ 9,982.63
Cdw Government, Inc	23565	06/25/2025	\$ 3,439.06
Cintas Corporation	23566	06/25/2025	\$ 254.48
Consumers Pipe & Supply, Co.	23567	06/25/2025	\$ 258.27
Grainger	23568	06/25/2025	\$ 4,008.35
Hach Company	23569	06/25/2025	\$ 2,110.96
Howden Usa Company	23570	06/25/2025	\$ 40,520.18
Mcmaster-Carr Supply Co.	23571	06/25/2025	\$ 1,199.67
Ndk Chem, Inc.	23572	06/25/2025	\$ 21,926.02
Polydyne Inc.	23573	06/25/2025	\$ 8,304.15
Prudential Overall Supply	23574	06/25/2025	\$ 882.14
S. Christensen Engineering, Inc	23575	06/25/2025	\$ 186,041.63
U.S. Bank	23576	06/25/2025	\$ 18,477.94
Veteran Janitorial, Llc	23577	06/25/2025	\$ 3,730.00
Westair Gases & Equipment	23578	06/25/2025	\$ 1,888.61
Lincoln Financial Group	DFT04906	06/04/2025	\$ 6,608.84
Principal Life Ins. Co.	DFT04907	06/04/2025	\$ 3,462.34
Lincoln Financial Group	DFT04908	06/03/2025	\$ 87.01
Spectrum (Prev. Charter Communications)	DFT04909	06/04/2025	\$ 2,201.90
Konica Minolta Business Solutions	DFT04910	06/04/2025	\$ 391.50
Liberty Utilities	DFT04911	06/04/2025	\$ 131.01
Ups	DFT04912	06/04/2025	\$ 97.25
Flyers Energy, Llc	DFT04914	06/11/2025	\$ 1,870.69
Southern California Edison	DFT04915	06/11/2025	\$ 866.42
Southern California Edison	DFT04916	06/11/2025	\$ 99,310.80
Town Of Apple Valley	DFT04917	06/11/2025	\$ 200.09
Southern California Edison	DFT04922	06/18/2025	\$ 25,836.06
Southern California Edison	DFT04923	06/18/2025	\$ 2,507.82
Southern California Edison	DFT04924	06/18/2025	\$ 20,472.11
Southwest Gas Company	DFT04925	06/18/2025	\$ 31.25
Southwest Gas Company	DFT04926	06/18/2025	\$ 25.00
Southwest Gas Company	DFT04927	06/18/2025	\$ 57.57
At&T Mobility	DFT04928	06/25/2025	\$ 129.72
Ups	DFT04929	06/25/2025	\$ 384.45
<b>Total EFT's and ACH</b>			<b>\$ 1,081,738.63</b>

**Approved**



<b>Total Checks</b>	<b>\$ 145,762.44</b>
<b>Total EFT's and ACH</b>	<b>\$ 1,081,738.63</b>
<b>Total Payroll - June 2025</b>	<b>\$ 584,418.45</b>
<b>Total</b>	<b>\$ 1,811,919.52</b>



**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY**  
**Board of Commissioners Staff Report**

**TO:** VWRA Board of Commissioners

**FROM:** Darron Poulsen, General Manager

**SUBMITTED BY:** Kristi Casteel, Executive Assistant to the General Manager and Board of Commissioners

**DATE:** July 17, 2025

**SUBJECT:** **RECOMMENDATION TO ADOPT RESOLUTION 2025-09: AMEND AND ADOPT 2025 LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

**For Action**                       **Fiscal Impact**                      **\$ 0**

**Information Only**                       **Account Code: N/A**

**Funds Budgeted/ Approved:**

**STAFF RECOMMENDATION**

It is recommended that the Board of Commissioners adopt Resolution 2025-09 to amend and adopt 2025 local guidelines for implementing the California Environmental Quality Act.

**PREVIOUS ACTION(S)**

It is routine for the Board of Commissioners to amend and adopt the local guidelines for implementing the California Environmental Quality Act on an annual basis.

**BACKGROUND INFORMATION**

The California Environmental Quality Act (“CEQA”), as contained in Public Resources Code sections 21000 et seq., is California's most comprehensive environmental law. It requires all public agencies within the state to evaluate the environmental effects of their actions before they are taken. CEQA also aims to prevent significant environmental effects from occurring as a

result of agency actions by requiring agencies to avoid or reduce, when feasible, the significant environmental impacts of their decisions.

To this end, CEQA requires all public agencies to adopt specific objectives, criteria and procedures for evaluating public and private projects that are undertaken or approved by such agencies.

As a result, the Victor Valley Wastewater Reclamation Authority's Local CEQA Guidelines have been revised and amended to reflect recent changes to the State CEQA Guidelines, the Public Resources Code and relevant court opinions.

**Attachment(s):**

**Exhibit 1- Resolution 2025-09 Amend and Approve the 2025 CEQA Guidelines**

# EXHIBIT 1

**RESOLUTION NO. 2025-09**

**A RESOLUTION OF THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY AMENDING AND ADOPTING LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (PUB. RESOURCES CODE §§ 21000 ET SEQ.)**

**WHEREAS**, the California Legislature has amended the California Environmental Quality Act (“CEQA”) (Pub. Resources Code §§ 21000 et seq.), the Natural Resources Agency has amended the State CEQA Guidelines (Cal. Code Regs., tit. 14, §§ 15000 et seq.) and the California courts have interpreted specific provisions of CEQA; and

**WHEREAS**, Public Resources Code section 21082 requires all public agencies to adopt objectives, criteria and procedures for (1) the evaluation of public and private projects undertaken or approved by such public agencies, and (2) the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

**WHEREAS**, the Victor Valley Wastewater Reclamation Authority must revise its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA and the State CEQA Guidelines.

**NOW, THEREFORE**, the Victor Valley Wastewater Reclamation Authority (“VWVRA”) hereby resolves as follows:

**SECTION 1.** The VWVRA adopts the “2025 Local Guidelines for Implementing the California Environmental Quality Act,” a copy of which is on file at the offices of VWVRA and is available for inspection by the public.

**SECTION 2.** All prior actions of VWVRA enacting earlier guidelines are hereby repealed.

**ADOPTED AND APPROVED** this 17<sup>th</sup> day of July, 2025.

\_\_\_\_\_  
Cameron Gregg, Chair  
VWVRA Board of Commissioners

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott Nassif, Secretary  
VWVRA Board of Commissioners

\_\_\_\_\_  
Piero Dallarda of  
Best Best & Krieger LLP, Counsel VWVRA

**CERTIFICATION:**

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Commissioners held on July 17, 2025.

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Kristi Casteel – Clerk of the Board



**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
BOARD OF COMMISSIONERS STAFF REPORT**

**TO:** VWRA Board of Commissioners

**FROM:** Darron Poulsen, General Manager

**SUBMITTED BY:** Kody Tompkins, Director of Operations and Maintenance

**DATE:** January 17, 2025

**SUBJECT:** **RECOMMENDATION TO AUTHORIZE THE GENERAL MANAGER TO APPROVE THE PURCHASE OF A BROWN BEAR 400E, USING SOLE SOURCE PRICING, FROM BROYHILL EQUIPMENT FOR AN AMOUNT NOT TO EXCEED \$785,000.**

---

<input checked="" type="checkbox"/>	<b>For Action</b>	<input checked="" type="checkbox"/>	<b>Fiscal Impact:</b>	<b>\$785,000</b>
<input type="checkbox"/>	<b>Information Only</b>	<input checked="" type="checkbox"/>	<b>Account Codes:</b>	<b>01-02-535-9015-9999</b>
		<input checked="" type="checkbox"/>	<b>Funds Budgeted/Approved</b>	

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**STAFF RECOMMENDATION**

Recommendation to authorize the General Manager to approve the purchase of a Brown Bear 400E from Broyhill Equipment, using sole source pricing, for an amount not to exceed \$785,000.

**PREVIOUS ACTION(S)**

N/A

**BACKGROUND INFORMATION**

Our biosolids program utilizes windrow turning and drying beds to manage and convert digested sludge into Class A biosolids, which can then be hauled off for land application. While we currently own a Brown Bear 300 unit, it is Tier 1 and therefore subject to air quality restrictions. Due to its engine classification, it is used only on a limited or emergency basis, leaving us without a dependable full-time backup to our now aging Brown Bear 400, which has been experiencing more breakdowns as it ages.

The Brown Bear 400E is a Tier 4 final emissions-compliant biosolids turner that offers a significant upgrade in both environmental compliance and operational efficiency. Designed for the turning and aeration of biosolids in drying beds, the 400E uses a powerful paddle drum system to uniformly mix and expose sludge material to air to accelerate the drying process

The sole source pricing provided by Broyhill Equipment is permitted under VVWRA's purchasing policy. The quote and sole source letter are attached (Exhibit 1) (Exhibit 2). This item was budgeted to be purchased this fiscal year.

This recommendation is to authorize the General Manager to approve the purchase of a Brown Bear 400E from Broyhill Equipment, using sole source pricing, for an amount not to exceed \$785,000.

**Attachment(s):**

**Exhibit 1:** Vendor Quote

**Exhibit 2:** Sole Source Letter

# EXHIBIT 1

# QUOTATION:



when only perfection will do

Broyhill Equipment LLC  
One N. Market Square  
Box 475, Dakota City NE 68731-0475  
Phone: 800.228.1003 x134

**ATTENTION:** Victor Valley Water Reclamation

**NAME:** Raymond Lopez

**ADDRESS:** 20111 Shay Road

Victorville CA 92394

**DATE:** 4/23/2025

**PRICE LIST REF. NO.:** 1-1-2024

**WORK PHONE:** \_\_\_\_\_

**CELL PHONE:** 760-246-8638 Ext 281

**EMAIL:** rlopez@vwwrca.gov

**EQUIPMENT:**

1 Ea Brown Bear Model 400E at 275 hp . Product # 400E00 with Cat 7.3L Tier 4f at 275hp, 107106 horn, 107397 Exterior Mirrors, 108519 Tires of 28L X 26 R1 tread, 39" X 12' wide paddle aerator front implement.

**PRICE EX WORKS:** Dakota City NE \$ \$709,105.00

**OTHER:** \_\_\_\_\_ \$ \_\_\_\_\_

**TRADE COST:** \_\_\_\_\_ \$ NA

**ESTIMATED LTL FREIGHT NEW UNIT TO:** Voictorville CA \$ \$7,000.00

**ESTIMATED LTL FREIGHT USED UNIT TO:** \_\_\_\_\_ \$ \_\_\_\_\_

**ESTIMATED TOTAL:** \_\_\_\_\_ \$ \$716,105.00

**LEAD TIME:** 180-220 days from date of order and receipt of deposit

**TERMS:** 20% down non-refundable deposit with balance due net 30

Prices are F.O.B. Dakota City NE, U.S. funds and subject to change without notice. Purchaser's order is accepted subject to Broyhill Equipment's price and terms & conditions in effect at time of shipment.

The warrant, terms & provisions on the reverse side are a part of this quotation. Broyhill Equipment LLC makes no other representations or warranties, express or implied (AND EXPRESSLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS) and has no other obligations to the purchaser except as provided on the reverse side hereof.

This equipment covered by warranty:

A - New Equipment Limited Warranty & Parts & Labor

B - "Approved Equipment" Vendor Product Warranty

Broyhill Equipment LLC  
 PO BOX 475, Dakota City NE 68731-0475  
 Phone: 800-228-1003 email: sales@broyhill.com  
 NEW EQUIPMENT LIMITED WARRANTY, PARTS & LABOR

Broyhill Equipment LLC, makes the following warranty to the original purchaser, hereinafter referred to as "Purchaser" of new Broyhill Equipment. Equipment used less than 200 hours for demonstration is "new" for this purpose. Before any warranty is allowed, Broyhill Equipment reserves the right to insist that any part or equipment be first returned to Broyhill Equipment with transportation prepaid by Purchaser for examination. Under these conditions Broyhill Equipment warrants new parts and equipment to Purchaser from the delivery date shown on the "Delivery Acknowledgment and Registration".

### 1. Parts and Labor

Broyhill Equipment warrants equipment it manufactures for 180 days or 1000 hours after delivery, whichever occurs first, but not to exceed six consecutive months from equipment delivery date, to be free from defects in material and workmanship which, under normal use and service, impairs the equipment's proper functioning. Broyhill Equipment's liability shall, at its option, be limited to:

- (a) Repair or replace the defective part without charge for parts or installation labor or:
- (b) Issue credit or the amount Broyhill Equipment paid for the part.

Parts and labor shall be provided "at" the business establishment of Broyhill Equipment or its authorized Distributor during regular working hours.

### 2. Replaced Parts Furnished Under Warranty

Replacement or repair parts Installed in the equipment covered by this warranty are warranted only for the remainder of any warranty as if such parts were original components of said equipment. Replaced parts furnished or installed by Broyhill Equipment or its authorized representative are warranted from equipment delivery date Under Section 1.

### 3. Components

Broyhill Equipment warranty shall not apply to component parts or accessories of products not manufactured by Broyhill Equipment and which carry the warranty of the manufacturer thereof. If a component part manufacturer's warranty exceeds the Broyhill Equipment warranty the only obligation Broyhill Equipment assumes is to attempt to obtain that component's warranty for the purchaser.

### 4. Exclusions

Any unauthorized altering or tampering with the equipment's service hour recorder completely voids any Broyhill Equipment warranty. In addition, the following is excluded from warranty.

- (a) Normal maintenance and service. See Section 9.
- (b) Equipment or products which have been subject to misuse, negligence, accident, unauthorized repair, or substitution of parts not approved by Broyhill Equipment or alteration or use of the equipment for a purpose for which the equipment was not designed.
- (c) Broyhill Equipment warranty will not apply when failure is due to a defect in plans or specifications supplied to Broyhill Equipment by or on behalf of the Purchaser.
- (d) Broyhill Equipment warranty will not apply to damages that are the result of operator or maintenance negligence, for example, failure to acknowledge warning lights, warning buzzers, and instrument readings, or operation after discovery of defective or worn parts.
- (e) Broyhill Equipment warranty will not apply to products or parts used or operated in submerged application.

### 5. New Equipment Deficient on Delivery

Broyhill Equipment will repair, replace or refund the purchase price (as provided in Section 1) of new equipment, which at the time of delivery to the Purchaser, was deficient, or not in conformity with the written "Retail Purchase Order", provided that the Purchaser gives Broyhill Equipment written notice by mail of such deficiency, or deviation within 10 days following receipt of goods. THIS SHALL BE PURCHASER'S SOLE AND EXCLUSIVE REMEDY for deficient or non-conforming equipment at time of delivery. In no event shall Broyhill Equipment be liable for labor costs (except as provided in Section 1) expanded on such goods or consequential damages.

### 6. No Representations or Implied Warranties

The provisions of this warranty are Broyhill Equipment's sole obligation and exclude all other warranties of merchantability and/or fitness for a particular purpose whether expressed or implied or of equipment's conformance to Buyer's specifications. Broyhill Equipment EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS. Broyhill Equipment further disclaims any responsibility whatsoever to the Purchaser, or to any other person, for injury to person(s) or damage to or loss of property or value caused by any product which has been subject to misuse, negligence, accident, or misapplied, or modified or repaired by unauthorized person(s), or improperly installed. BROYHILL EQUIPMENT SHALL NOT BE LIABLE TO PURCHASER OR ANY OTHER PERSON FOR LOSS OR DAMAGE DIRECTLY OR INDIRECTLY ARISING FROM THE USE OF THE EQUIPMENT OR FROM ANY OTHER CAUSE. In no event will Broyhill Equipment be liable for incidental or consequential damages or injuries including but not limited to loss of profits, rental of substitute equipment or other commercial loss.

### 7. Securing Warranty Service

To secure warranty service the Purchaser shall make all arrangements for service and make the equipment available to Broyhill Equipment or its authorized Distributor at its place of business. The Purchaser will pay waiting charges at the current labor rate if the machine is not available for service when arranged. When work is not done at Broyhill Equipment or at the business establishment of the Distributor, Purchaser must provide reasonable (if requested, sheltered) working conditions and a suitable place to perform warranty service. When two men are required to perform warranty service, the Purchaser shall make a man available to assist or, in the alternative, if Broyhill Equipment or the Distributor provides the extra man, the Purchaser shall pay all additional charges. Purchaser shall pay for straight labor, any premium for overtime labor, and charges for making service calls which include, but are not limited to: tolls, mileage, meals, lodging and labor to and from the equipment. The following conditions, payments, terms and limitations must be additionally understood and agreed to by Purchaser to secure warranty service.

- (a) On products manufactured by Broyhill Equipment and those components which Broyhill Equipment or its authorized Distributor is authorized to service, for example, hydrostatic pumps, warranty service will be performed by Broyhill Equipment or its Distributor.
- (b) All costs for parts & labor will be first charged to and paid by the Purchaser. Parts must be returned, transportation prepaid, for inspection by Broyhill Equipment or the component manufacturer, if said parts are warranted by Broyhill Equipment, they will credit the Purchaser through its authorized Distributor as appropriate under the terms of Section 1.
- (c) In some cases, it may be advantageous in Broyhill Equipment's opinion, for a warranty claim to be processed by someone other than Broyhill Equipment or Its representative. In these cases, for Purchaser to prevent voiding this warranty, prior written authorization for claim processing must be obtained from Broyhill Equipment. The Purchaser shall be responsible for all costs incurred when the warranty claim is processed. On determination of the warranty and upon receipt of proof of parts and, if applicable, labor performed to satisfy the claim, Broyhill Equipment will, at its option, reimburse the Purchaser for the lesser of: Broyhill Equipment's cost of parts and labor or, the actual amount spent by the Purchaser.
- (d) When Broyhill Equipment or its authorized Distributor is not authorized to service or repair a component, for example engines or tires, it is the Purchaser's complete responsibility to seek redress under the component's warranty. All charges incurred shall be the responsibility of the Purchaser.

### 8. Forms Required

Broyhill Equipment shall have no obligation under this warranty unless the Distributor and the Purchaser have properly completed, dated and returned the required forms, which are, but not limited to, the "Retail Purchase Order", the "Delivery Acknowledgment and Registration", the "Initial Delivery Inspection Report" and the "Ninety (90) Day Inspection Report".

### 9. Normal Service and Maintenance Not Covered by Limited Warranty

This warranty does not cover depreciation or damage caused by normal wear and tear, accident, lack of improper maintenance, improper protection or storage or improper use.

The cost and replacement of service items as, for example, filters, belts, brake linings, hydraulic fluid, o rings, wearing or cutting parts, tires, tubes, batteries, grease, lights and cab glass are the responsibility of the Purchaser.

Normal maintenance includes, but is not limited to: tightening loose bolts and nuts, tightening hoses and adapters, tire repair, clutch, brake and cable adjustments.

### 10. Used Equipment

Used equipment is sold "AS IS" and "WITH ALL FAULTS" unless there is a specific written notation from Broyhill Equipment on:

- (a) A properly completed "Retail Purchase Order", a
- (b) Registration receipt, and a
- (c) Delivery receipt showing the date of delivery.

### 11. No Broyhill Equipment Officer or Employee Warranty

No officer or employee of Broyhill Equipment, or selling Distributor is authorized to make any oral representations or warranty of merchantability or fitness or to waive any of the foregoing terms and none shall be binding on Broyhill Equipment LLC.

# EXHIBIT 2



May 5, 2025

Raymond Lopez  
VWRA Maintenance Supervisor  
20111 Shay Road  
Victorville CA 92394  
760-246-8638 Ext 281

Mr Lopez,

It is my understanding that your organization plans to purchase a Brown Bear 400E tractor with front mounted paddle aerator for sludge drying at your waste water treatment plant.

This would be a Sole Source purchase item. There is no domestic or foreign competition to this unit. It is unique with it's front mounted paddle aerator with dual hydrostatic circuits for the ground drive propel and the paddle aerator drive system which mixes, aerates and displaces the sludge to the right as the machine passes through it. No one else builds this type of unit.

Thank you for your consideration of the Brown Bear product.

Regards,

Phil Brown  
Brown Bear / Broyhill



**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
Board of Commissioners Staff Report**

**TO:** VVWRA Board of Commissioners  
**FROM:** Darron Poulsen, General Manager  
**SUBMITTED BY:** Kody Tompkins, Director of Operations and Maintenance  
**DATE:** July 17, 2025

**SUBJECT:** **RECOMMENDATION TO AUTHORIZE THE GENERAL MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH STEENO DESIGN STUDIO FOR AN AMOUNT NOT TO EXCEED \$125,000 FOR CHANGE ORDER MODIFICATIONS TO EXISTING DESIGN AND CONSTRUCTION DRAWINGS AS NEEDED**

---

<input type="checkbox"/> <b>For Action</b>	<input checked="" type="checkbox"/> <b>Fiscal Impact</b>	<b>\$ 125,000.00</b>
<input type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Account Code:</b>	<b>01-02-515-9000-R149</b>
	<input checked="" type="checkbox"/> <b>Funds Budgeted/ Approved:</b>	<b>Yes</b>

---

**STAFF RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the General Manager to amend the Professional Services Agreement with Steeno Design Studio for an amount not to exceed \$125,000 for change order modifications to existing design and construction drawings as needed, pending legal review and approval of the agreement.

**PREVIOUS ACTION(S)**

March 17, 2022 – It is recommended that the Board of Commissioners approve the General Manager to award an Architectural Services Agreement to Steeno Design Studio in the amount of \$ \$45,000, pending legal review and approval of the agreement

November 16, 2023 - It is recommended that the Board of Commissioners authorize the General Manager to award a Professional Services Agreement to Steeno Design Studio in the amount of \$ \$187,000 to develop construction drawings, pending legal review and approval of the agreement.

**BACKGROUND INFORMATION**

The Victor Valley Wastewater Reclamation Authority staff have been unable to occupy the main administrative building due to run-down and unsafe conditions since 2007. Over the past 18 years, the VVWRA administrative staff has spent 5 years performing their duties in rented office space in the City of Hesperia, and for the last 13 years, they have operated in temporary construction trailers.

In March 2022, following the VVWRA Board’s approval, a service agreement was entered into with Steeno Design Studio to develop a design for the rehabilitation and improvement of the old

administration building. Several designs were developed, and a final version was brought to the Board for final approval in November 2023. At this board meeting, the final design was approved, and a new contract with the Steeno Design studio was approved to develop construction plans for the proposed improvements to the building.

The work to complete the preliminary construction plans was completed in May 2025. At that time, the staff engaged an outside engineering firm to perform a preliminary review of the plans. Several changes to the plans were found to be necessary during this review. These necessary changes will require a change order to the existing contract with the Steeno Design Studio to complete the work. A larger contract for an owner's representative to review the plans and help develop a bid package for the project will go out to bid in the next few months. This effort may also identify additional changes from the architect, Steeno Design. Due to the current changes required to the plans and possible future changes identified by the future owner's representative, it is necessary to proceed with a change order with Steeno Design Studios to provide as-needed design services, which will help modify the plans as we prepare them for the final bid process.

It is recommended that the Board of Commissioners authorize the General Manager to amend the Professional Services Agreement with Steeno Design Studio for an amount not to exceed \$125,000 to cover change order modifications to existing design and construction drawings as needed, pending legal review and approval of the agreement.



**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
Board of Commissioners Staff Report**

**TO:** VVWRA Board of Commissioners

**FROM:** Darron Poulsen, General Manager

**SUBMITTED BY:** Kody Tompkins, Director of Operations and Maintenance

**DATE:** July 17, 2025

**SUBJECT:** **RECOMMENDATION TO AUTHORIZE THE GENERAL MANAGER TO APPROVE A PURCHASE ORDER WITH FIBRACAST LTD FOR MODULE REPLACEMENT AND SYSTEM UPGRADES AT THE APPLE VALLEY AND HESPERIA SUBREGIONAL PLANTS FOR AN AMOUNT NOT TO EXCEED \$200,000**

<input checked="" type="checkbox"/>	<b>For Action</b>	<input checked="" type="checkbox"/>	<b>Fiscal Impact: \$ 200,000.00</b>
<input type="checkbox"/>	<b>Information Only</b>	<input checked="" type="checkbox"/>	<b>Account Code: 01-54-535-6010-9999 (\$100,000) 01-55-535-6010-9999 (\$100,000)</b>
		<input checked="" type="checkbox"/>	<b>Funds Budgeted/Approved: Yes</b>

**STAFF RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the General Manager to approve a purchase order with Fibracast Ltd for the replacement of membrane modules and associated upgrades at the Apple Valley and Hesperia Subregional facilities, in an amount not to exceed \$200,000.

**PREVIOUS ACTION(S)**

None

**BACKGROUND INFORMATION**

Victor Valley Wastewater Reclamation Authority (VVWRA) operates two Membrane Bioreactor (MBR) subregional facilities in Apple Valley and Hesperia, which rely on Fibracast modules for high-efficiency wastewater treatment. Over time, module performance has degraded due to age and fouling, requiring replacement to restore capacity and optimize energy use.

Fibracast Ltd, the original equipment manufacturer, has submitted a proposal (Exhibit 1) for the full replacement of:

- 96 FPM500 modules in Train #2 at Hesperia (0.5 MGD)

- 130 FPM400 modules each for Train #1 at Hesperia, and Train #1 and Train #2 at Apple Valley (0.5 MGD/train)

The scope includes:

- Removal and disposal of all old modules, including those stored in the dip tank.
- Installation of sludge valves (provided by VVWRA) on the existing ducting for both facilities.
- Full onsite coordination by a Fibracast Field Service Representative (FSR), subcontractor labor, and programming updates.
- Calibration of blowers to optimize aeration for the new module design.

Fibracast will cover the costs of shipping and onsite labor. VVWRA will provide necessary site access, lifting equipment, and tools (e.g., forklift, spreader bar, dip tank).

Schedule:

- Apple Valley replacement is scheduled for July
- Hesperia replacement is scheduled for August

The total cost is \$200,000. Payment terms include a 30% upfront payment with PO, 50% upon delivery, and 20% upon startup.

Fibracast's warranty and standard terms and conditions (Exhibit 2) apply to this procurement. All work will be conducted under the oversight of VVWRA staff to ensure proper installation and integration with the existing SCADA and operational systems.

It is recommended that the Board of Commissioners authorize the General Manager to approve a purchase order with Fibracast Ltd in an amount not to exceed \$200,000 for module replacement and associated upgrades at the Apple Valley and Hesperia Subregional Plants.

**Attachments:**

- Exhibit 1:** Fibracast Proposal (May 16, 2025) (Appendix A)
- Exhibit 2:** Fibracast Standard Terms and Conditions (Appendix B)

# EXHIBIT 1

Kody Tompkins  
Victor Valley Wastewater Reclamation Authority  
20111 Shay Road, Victorville, CA 92394

16 May, 2025

**Re: Apple Valley & Hesperia Plant Module Replacement & Associated Upgrades**

Kody

As your MBR partner, Fibracast takes seriously our commitment to your success. Below is our proposal for the replacement of existing modules at the Apple Valley & Hesperia plants with our FIBREPLATE Fusion modules.

Included in this proposal are all the necessary mechanical and programming upgrades that will be implemented to improve the overall performance of the plants.

**Scope of Supply**

- Replace 96 FPM500 modules in Train #2 at Hesperia to provide 0.5MGD.
- Replace 130 FPM400 modules on Train #1 at the Hesperia plant and 130 modules each for Train #1 & Train #2 at Apple Valley to provide 0.5MGD/train.
- Dispose of old modules, including modules in the dip tank at Hesperia.
- Install sludge valves on the existing ducting on both trains at the Apple Valley & Hesperia plant (8 complete sets of the sludge valve & fasteners to be supplied by VVWRA).
- Fibracast will cover the shipping and onsite labor cost. Fibracast will have an FSR onsite to coordinate all the work, as outlined in this proposal, using a subcontractor.
- On completion of the new module population, Programming updates will be made on both plants to maximize the performance of the new modules.
- The blowers will be calibrated to optimize the cassette aeration for the new modules.

**Customer Supply**

At both plants, Fibracast will need access to the:

- Site to perform the prescribed work
- Site crane for handling of the modules
- Forklift & pallet truck
- Dip tank
- Spreader bar tool



### Schedule

Apple Valley will be scheduled for July & Hesperia for August.  
 A detailed work plan & schedule will be provided to the VVWRA team two weeks before

Chuck Bennett  
 905 906 0145

Copy: Steve Watzeck, Darren Poulsen

### Commercial Offer

Pricing	
Fibracast Module Supply & Equipment Upgrades	USD\$ 200,000.00

### Taxes

Not applicable

### Payment Terms

Milestone	Payment
1. With Purchase Order (PO)	30%
2. On delivery	50%
3. Upon startup	20%
	\$200,000.00

### Terms & Conditions

See attached Fibracast Standard Terms and Conditions of sale.

[END]

# EXHIBIT 2

## APPENDIX - A

### STANDARD TERMS AND CONDITIONS OF SALE

#### 1. Agreement, Integration and Conflict of Terms

These terms and conditions, Appendix A, together with any special conditions expressly incorporated in the quotation and Appendix B will govern the Seller and Buyer relationship with respect to the Agreement. "Seller" means FIBRACAST LTD., HANNON, ONTARIO, CANADA or any of its applicable affiliate entity that is party to the Agreement. "Buyer" means the entity that is party to the Agreement with Seller. "Agreement" means these terms and conditions, together with all other documents, including the accompanying quotation and Appendix - B, any special conditions, limited process guarantees, and documents referred to or included within the quotation and expressly made a part of this Agreement. Seller's sale of the goods and/or services set forth on the quotation or sales forms are conditioned on Buyer's acceptance of these terms and conditions. Any additional or different terms and conditions contained in Buyer's purchase order or other communication will have no effect on the Agreement unless specifically agreed to in writing by the parties; and Seller hereby objects, and any such proposed modifications will not constitute Seller's acceptance of any such modifications. Seller's commencement of performance or delivery will not be deemed or construed as acceptance of Buyer's additional or different terms and conditions. In the case

of any conflict among the foregoing documents, these terms will take precedence with the exception of (i) price and delivery, which will be governed by the order acknowledgment (if any) and invoice; and (ii) the warranty, which will be governed by Seller's product documentation and Appendix - B. This Agreement supersedes all prior negotiations, representations, or agreements, either written or oral, between the parties and, further, can only be altered, modified or amended with the express written consent of Seller.

#### 2. Quotation, Pricing, Withdrawal, Expiration, Change Requests to Specifications

Quotations provided by the Seller to the Buyer are valid for sixty (60) calendar days from the date of issuance, unless otherwise provided therein. Seller reserves the right to cancel or withdraw the quotation at any time with or without notice or cause prior to acceptance by Buyer. There is no Agreement if any conditions specified within the quotation or sales form are not completed by Buyer to Seller's satisfaction within thirty (30) calendar days of Seller's acknowledgement in writing of an order. Seller nevertheless reserves its right to accept any contractual documents received from Buyer after this 30-day period. Prices apply to the specific quantities stated on the quotation. Prices include handling fees and standard packing according to Seller's specifications for delivery.

Buyer will, as an additional charge, pay all costs and taxes for special packing requested by Buyer, including packing for exports. To the extent allowed under law, prices are subject to change without notice. The price for the goods does not include any applicable sales, use,



**Fibracast Ltd.**  
 525 Glover Road  
 Hannon, Ontario  
 Canada LOR 1P0

T: 905.218.6665  
 T: 905.218.6669  
 E: [info@fibracast.com](mailto:info@fibracast.com)  
[www.fibracast.com](http://www.fibracast.com)

excise, Goods and Services Tax, Value Added Tax, or similar tax, duties or levies. Buyer will have the responsibility for the payment of all such applicable taxes.

Changes in specifications requested by Buyer are subject to Seller's written approval. If such changes are approved, the price for the goods and the delivery schedule will be changed to reflect such changes. Buyer will not make purchases, nor will Buyer incur any labor that would result in a back charge to Seller without prior written consent of an authorized employee of Seller.

Any requested change(s) to the work set forth in this Agreement requires the parties to enter into a written Change Order containing approval by both the Seller and Buyer. The Change Order contains a description of the change(s) and all other applicable terms, including change in price and delivery schedule. Should the entirety of a Buyer's change request be to revise Seller's delivery schedule, this also will require a Change Order that specifies, among other things, the revised Agreement price. The Seller will not be obliged to proceed with any change and no such change will be binding or have any effect on Seller or this Agreement unless/until the parties enter into a Change Order. Should Seller's ability to proceed with the work be altered by Buyer's delay in entering into a Change Order, Seller will be entitled to assess late fees and suspend performance of all work for the period of delay.

### 3. Payment Terms

Payment by electronic method is required. Seller reserves the right to require payment in advance or C.O.D. and otherwise modify credit terms should Buyer's credit standing not meet Seller's acceptance. Unless different payment

terms are expressly set forth in the applicable quotation or sales form or order acknowledgment or Sales Policy Manual, goods will be invoiced upon shipment. Payment in full is due within thirty (30) days from the invoice date, unless otherwise stated in Seller's documentation. If Buyer fails to make payment when due, Buyer agrees that Seller may apply a service or finance charge of the lesser of (i) one and one-half percent (1.5%) per month (eighteen percent (18%) per annum), or (ii) the highest rate permitted by applicable law, on the unpaid balance of the invoice from and after the invoice due date. Buyer is responsible for all costs and expenses associated with any checks returned due to insufficient funds. All credit sales are subject to prior approval of Seller's credit department. Export shipments will require payment prior to shipment, or an appropriate Letter of Credit issued by the Buyer's bank that is acceptable to the Seller's bank. If, during the performance of the Agreement, the financial responsibility or condition of Buyer is such that Seller in good faith deems Buyer insecure, Seller may: (a) request financial assurances; (b) suspend performance and will not be obligated to continue performance under the Agreement; (c) stop goods in transit and defer or decline to make delivery of goods, except upon receipt of satisfactory security or cash payments in advance; and/or (d) terminate the order per Article 9. Seller also retains any/all rights to enforce payment defaults to the full price of the work completed and in process. Upon default by Buyer in payment when due, if Buyer fails to immediately and without demand pay to Seller the entire unpaid amounts for any and all shipments made to Buyer, irrespective of the applicable terms and/or contract under which those shipments were as a debt due to Seller, Seller may withhold all subsequent shipments until the full amount is settled. Acceptance by Seller of

less than full payment will not be a waiver of any of its rights hereunder.

#### 4. Title, Delivery, Risk of Loss

Delivery dates are estimates, and time is not of the essence. Unless otherwise specified by Seller, delivery and transfer of risk of loss for shipments to Buyers that are not Related Party Buyers will be made Ex Works, Seller's plant or Distribution Center (Incoterms 2020). Title will pass when risk of loss transfers; provided, however, that if Seller warehouses or stores the goods on behalf of Buyer, risk of loss will be borne by Buyer from the start of this period. Seller will not be responsible to Buyer for any loss, whether direct, indirect, incidental or consequential in nature, or for any loss of profits or revenue, or liquidated damages, arising out of or relating to any failure of the goods to be delivered by the specified delivery date. In the absence of specific instructions, Seller will select the carrier. Buyer will reimburse Seller for the additional cost of its performance resulting from inaccurate or lack of delivery instructions, or by any act or omission on Buyer's part. Any such additional cost may include storage, insurance, protection, re-inspection and delivery expenses. Buyer further agrees that any payment due on delivery will be made on delivery into storage as though goods had been delivered in accordance with the order. Buyer grants to Seller a continuing security interest in and a lien upon the goods supplied by Seller under this Agreement and the proceeds thereof (including insurance proceeds), as security for the payment of all such amounts and the performance by Buyer of all of its obligations to Seller under the Agreement and all such other sales, and Buyer will have no right to sell, encumber or dispose of the goods. Buyer will execute any and all

financing statements and other documents and instruments and do and perform any and all other acts and things which Seller may consider necessary, desirable, or appropriate to establish, perfect or protect Seller's title, security interest and lien. In addition, Buyer authorizes Seller and its agents and employees to execute any and all such documents and instruments and do and perform any and all such acts and things, at Buyer's expense, in Buyer's name and on its behalf. Such documents and instruments may also be filed without the signature of Buyer to the extent permitted by law.

#### 5. Buyer's Limited Warranty

Appendix B shall be the superseding document, insofar as it relates to warranty matters only, containing scope, detailed terms and conditions governing warranty for different types of goods (including equipment and products) and the Buyer shall demonstrate its compliance with those terms and conditions at the time of making a warranty claim to be considered by the Seller for its acceptance or rejection thereof. Implied warranties, included but not limited to warranties of fitness for particular purpose, use or application, and all other obligations or liabilities on the part of Seller, unless such warranties, obligations or liabilities are expressly agreed to in writing by Seller, are null and void.

Buyer warrants the accuracy of any and all information relating to the details of its operating conditions, including temperatures, pressures, and where applicable, the nature of all hazardous materials. Seller can justifiably rely upon the accuracy of Buyer's information in its performance. Should Buyer's information prove inaccurate, Buyer agrees to reimburse



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Seller for any losses, liabilities, damages and expenses that Seller may have incurred as a result of any inaccurate information provided by Buyer to Seller. Unless otherwise agreed to in writing, Seller warrants its products to be free from defects in material or workmanship for a specified period from the shipment of the product by Seller, provided that such products are used, cleaned, operated and maintained in accordance with the Seller's instructions that are appended herewith in a separate Warranty document as APPENDIX - B which is an integral part of these general terms and conditions insofar as it relates to the scope and claims for Warranty.

This warranty does not apply to normally replaceable parts of components such as filters, cartridges, pump seals and so on. Buyer undertakes to give immediate notice to Seller if goods or performance appear defective and to provide Seller with reasonable opportunity to make inspections and tests. If Seller is not at fault, Buyer shall pay Seller the costs and expenses of the inspections and tests.

Seller's obligations under this warranty are limited to the repair or replacement at its factory, of any device or part thereof which shall prove to have been thus defective. If Buyer asks Seller to replace defective parts at Buyer's premises, Seller agrees to pay for any travelling time and expenses, plus the Seller's labor to complete the replacement and or repair. Goods shall not be returned to Seller without Seller's permission. Seller will provide Buyer with a "Return Goods Authorization" number to use for returned goods. Repaired or replaced items will be shipped back to Buyer from Seller Ex-works Hannon, Ontario, Canada.

## 6. Inspection

Buyer will have the right to inspect the goods upon their receipt. When delivery is to Buyer's site or to a project site ("Site"), Buyer will notify Seller in writing of any nonconformity of the goods with this Agreement within three (3) days from receipt by Buyer, unless a shorter period is required in Seller's quotation. For all other deliveries, Buyer will notify Seller in writing of any nonconformity with this Agreement within fourteen (14) days from receipt by Buyer. Failure to give such applicable notice will constitute a waiver of Buyer's right to inspect and/or reject the goods for nonconformity and will be equivalent to an irrevocable acceptance of the goods by Buyer. Claims for loss of or damage to goods in transit must be made to the carrier, and not to Seller.

## 7. Seller's Limitation of Liability

EXCEPT AS OTHERWISE PROVIDED BY LAW, IN NO EVENT WILL SELLER'S LIABILITY EXCEED THE AMOUNT PAID BY BUYER UNDER THIS AGREEMENT. SELLER WILL HAVE NO LIABILITY FOR LOSS OF PROFIT, LOSS OF ANTICIPATED SAVINGS OR REVENUE, LOSS OF INCOME, LOSS OF BUSINESS, LOSS OF PRODUCTION, LOSS OF OPPORTUNITY, LOSS OF REPUTATION, LIQUIDATED, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES. THE FOREGOING LIMITATIONS OF LIABILITY WILL BE EFFECTIVE WITHOUT REGARD TO SELLER'S ACTS OR OMISSIONS OR NEGLIGENCE OR STRICT LIABILITY IN PERFORMANCE OR NON-PERFORMANCE HEREUNDER.

To the extent the Agreement provides a specified remedy for a default or breach, the given remedy will be Seller's sole liability and



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Buyer's sole and exclusive remedy for the default or breach to the exclusion of any and all other remedies that may be available at law, in equity, or otherwise. The terms of this Article 7 survive expiry or termination of the Agreement and prevail over all other provisions contained in the Agreement.

## 8. Force Majeure

Seller may cancel, terminate, or suspend this Agreement and Seller will have no liability for any failure to deliver or perform, or for any delay in delivering or performing any obligations, due to acts or omissions of Buyer and/or its contractors, or due to circumstances beyond Seller's reasonable control, including acts of God, fire, flood, outbreak of pandemic or disease or other natural disasters, war (declared or not declared) and civil disturbance, riot, acts of governments, significant and unforeseen economic changes such as imposition of tariffs, terrorism, disease, currency restrictions, labor shortages or disputes, unavailability of materials, fuel, power, energy or transportation facilities, failures of suppliers or subcontractors to effect deliveries, in which case, for suspensions, the time for performance will be extended in an amount equal to the period necessary for Seller to recover from the event, provided that Seller will, as soon as reasonably practicable after it has actual knowledge of the beginning of any excusable delay, notify Buyer of the delay and of the anticipated duration and consequence thereof. Seller will resume performance of its obligations hereunder with the least possible delay.

## 9. Cancellation; Termination

No order may be terminated by Buyer except

by mutual agreement in writing. Terminations by mutual agreement are subject to the following conditions:

Buyer will pay, at applicable contract prices, for all products which are completely manufactured and allocable to Buyer at the time of Seller's receipt of notice of Termination.

Buyer will pay all costs, direct and indirect, which have been incurred by Seller with regard to products which have not been completely manufactured at the time of Seller's receipt of notice of termination. Buyer will pay a termination charge on all other determined costs and other charges. To reduce termination charges, Seller will divert completed parts, material or work-in-process from terminated contracts to other buyers whenever, in Seller's sole discretion, it is practicable to do so.

Seller may terminate the agreement for cause, at its discretion, whenever approved payments are overdue.

Except as otherwise provided in this Agreement, no order may be cancelled on special or made-to-order goods or unless otherwise requested in writing by either party and accepted in writing by the other.

If a cancellation is requested by Buyer in writing, the Buyer will, within thirty (30) days of such cancellation, pay the Seller a cancellation fee, which will include all costs and expenses incurred by Seller prior to the time of receipt of the request for cancellation including, but not limited to, all commitments to its suppliers, subcontractors and others, all fully burdened labor, costs incurred to date for materials, and related overhead expended by Seller, plus a

reasonable profit charge. Return of goods will be in accordance with Seller's most current Return Materials Authorization and subject to a minimum fifteen percent (15%) restocking fee, unless otherwise specified by the Seller.

Notwithstanding anything to the contrary in the Agreement, if the commencement by or against Buyer of any voluntary or involuntary proceedings in bankruptcy or insolvency, or if Buyer will be adjudged bankrupt, make a general assignment for the benefit of its creditors, or if a receiver will be appointed on account of Buyer's insolvency, Seller may, upon providing Buyer notice that has immediate effect upon issuance, terminate the Agreement.

If Buyer fails to make any payment when due under this Agreement, or if Buyer does not correct or, if immediate correction is not possible, commence and diligently continue action to correct any default of Buyer to comply with any of the provisions or requirements of this Agreement within ten (10) calendar days after being notified in writing of such default by Seller, Seller may, by written notice to Buyer, without prejudice to any other rights or remedies which Seller may have, terminate its further performance of this Agreement. If there is any termination under this Article 9, the Seller will be entitled to receive payment as if Buyer has cancelled the Agreement as per the preceding paragraph immediately and without notice as a debt due. Seller may nevertheless elect to complete its performance of this Agreement by any means it chooses. Buyer agrees to be responsible for any additional costs incurred by Seller in so doing. Upon termination of this Agreement, the rights, obligations and liabilities of the parties which will have arisen or been incurred under this Agreement prior to its termination will survive such termination.

## 10. Drawings

All drawings are the property of Seller. Seller does not supply detailed or shop working drawings of the goods; however, Seller will supply necessary installation drawings. The drawings and bulletin illustrations submitted with Seller's quotation show general type, arrangement and approximate dimensions of the goods to be furnished for Buyer's information only and Seller makes no representation or warranty regarding their accuracy. Unless expressly stated to the contrary within the quotation, all drawings, illustrations, specifications or diagrams form no part of this Agreement. Seller reserves the right to alter such details in design or arrangement of its goods which, in its judgment, constitute an improvement in construction, application or operation. After Buyer's acceptance of this Agreement, any changes in the type of goods, the arrangement of the goods, or application of the goods requested by Buyer will be made at Buyer's expense.

## 11. Confidential Information

Seller's designs, illustrations, drawings, specifications, technical data, catalogues, "know-how", economic or other business or manufacturing information (collectively "Confidential Information") disclosed to Buyer will be deemed proprietary and confidential to Seller. Buyer agrees not to disclose, use, or reproduce any Confidential Information without first having obtained Seller's written consent. Buyer's agreement to refrain from disclosing using or reproducing Confidential Information that will survive completion of the work under this Agreement. Buyer acknowledges that its improper disclosure of Confidential Information to any third party will result in Seller's suffering irreparable harm.

Seller may also seek injunctive or equitable relief to prevent Buyer's unauthorized disclosure.

## 12. Installation and Start-up

Unless otherwise agreed to in writing by Seller, installation will be the sole responsibility of Buyer. Where start-up service is required with respect to the goods purchased hereunder, it must be performed by Seller's authorized personnel or agents; otherwise, the Warranty is void. If Buyer has engaged Seller to provide an engineer for start-up supervision, such engineer will function in a supervisory capacity only and Seller will have no responsibility for the quality of workmanship of the installation. In any event, Buyer understands and agrees that it will furnish, at Buyer's expense, all necessary foundations, supplies, labor and facilities that might be required to install and operate the goods.

## 13. Product Recalls

In cases where Buyer purchases for resale, Buyer will take all reasonable steps (including those measures prescribed by the Seller) to ensure: (a) all customers of the Buyer and authorized repairers who own or use affected products are advised of every applicable recall campaign of which the Buyer is notified by the Seller; and (b) modifications notified to Buyer by Seller by means of service campaigns, recall campaigns, service programs or otherwise are made with respect to any goods sold or serviced by Buyer to its customers or authorized repairers. Should Buyer fail to perform any of the actions required under this obligation, Seller will have the right to obtain names and addresses of the Buyer's customers from Buyer and Seller will be entitled to get into direct contact with such customers.

## 14. Governing Law

THE TERMS OF THIS AGREEMENT AND ALL RIGHTS AND OBLIGATIONS HEREUNDER WILL BE GOVERNED BY THE LAWS OF THE PROVINCE OF ONTARIO, CANADA IN WHICH JURISDICTION THE SELLER'S OFFICES AND MANUFACTURING FACILITY ARE LOCATED (WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAWS). THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER WILL NOT BE GOVERNED BY THE 1980 U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS. THIS ARTICLE 16 WILL SURVIVE ANY TERMINATION, CANCELLATION, OR EXPIRATION OF THE AGREEMENT.

## 15. Export Regulation

Seller's goods, including any software, documentation and any related technical data included with, or contained in, or utilized by such goods or deliverables, may be subject to applicable export laws and regulations, including United States Export Administration Regulations and Buyer will comply with all such applicable laws and regulations. In particular, the Buyer will not, and will not permit any third parties to, directly or indirectly, export, re-export or release any goods to any jurisdiction or country to which, or any party to whom, the export, re-export or release of any goods is prohibited by applicable law, regulation or rule. The Buyer will be responsible for any breach of this Article 15, Export Regulation.

## 16. Titles; Waiver; Severability

The article titles are for reference only, and will not limit or restrict the interpretation or construction of this Agreement. Seller's failure to insist, in any one or more instances, upon Buyer's performance of this Agreement, or to



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exercise any rights conferred, will not constitute a waiver or relinquishment of any such right or right to insist upon Buyer's performance in any other regard. The partial or complete invalidity of any one or more provisions of this Agreement will not affect the validity or continuing force and effect of any other provision.

### 17. Performance

Seller will make all reasonable effort to observe its dates indicated for performance. However, Seller shall not be liable in any way because of any delay in performance hereupon due to unforeseen circumstances or to causes beyond its control, including, without limitation, strike, lockout, riot, war, acts of terrorism, fire, outbreak of pandemic, act of God, accident, failure or breakdown of components necessary to order completion, subcontractor, supplier or customer caused delays, inability to obtain or substantial rises in the price of labor, materials or manufacturing facilities, curtailment of, or failure to obtain sufficient, electrical or other energy supplies, or compliance with any law, regulation or order, whether valid or invalid of any cognizant governmental body or any instrument thereof whether now existing or hereafter created.

Performance shall be deemed suspended during and extended period for such time as any such circumstances or causes delay its execution. Whenever such circumstances or causes are remedied, Seller will make, and Buyer shall accept, performances hereupon. In addition, Seller's inventories and current production must be allocated so as to comply with applicable Government regulations. In the absence of such regulations, Seller reserves the right, in its sole discretion, to

allocate inventories and current production and substitute suitable materials when, in its opinion, such allocation or substitution is necessary due to such circumstances or causes. No penalty clause of any kind shall be effective. As used herein, "performance" shall include, without limitations, fabrication, shipment, delivery, assembly, installation, testing, and warranty repair or replacement as applicable.

### 18. Acceptance

The furnishing by Seller of a product to the Buyer shall constitute acceptance of the product by Buyer, unless notice of defect or nonconformity is received by Seller within thirty (30) days of receipt of the product at Buyer's designated receiving address; provided that, for product for which Seller agrees in writing to perform acceptance testing after installation, the completion of Seller's applicable acceptance tests, or execution of Seller's acceptance form by Buyer, shall constitute acceptance of the product by Buyer. Notwithstanding the foregoing, any use of a product by Buyer, its agents, employees, contractors or licensees for any purposes, after receipt thereof, shall constitute acceptance of that product by Buyer. Seller may repair or, at its option, replace defective or non-conforming parts after receipt of notice of defect or nonconformity.

### 19. Assignments

Any assignment by Buyer of any contract hereupon without the express written consent of Seller is void.

### 20. Patents and Other Industrial Property Rights

Seller will hold Buyer harmless, as set forth



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herein, in respect to any claim that the design or manufacture of any product in Seller's commercial line of products or manufactured to specifications set by Seller and furnished herein, constitutes an infringement of any patent or other industrial property rights of the United States or Canada. Seller will pay all damages and costs, either awarded in a suit or paid, in Seller's sole discretion, by way of settlement, which are based on such claim of infringement, provided that Seller is notified promptly in writing of such claim of infringement but there is no liability whatsoever herein with respect to any claims settled by Buyer without Seller's prior written consent. In the event that Seller is required to hold Buyer harmless hereupon, Seller will, in its sole discretion and at its own expense, either procure for Buyer the right to continue using said product, replace it with a non-infringing product, or remove it and refund an equitable portion of the selling price and transportation costs thereof. This shall constitute Seller's entire liability for any claim based upon or related to any alleged infringement of any patent or other industrial rights. Buyer shall hold Seller harmless against any expense, loss, costs or damages resulting from claimed infringement of patents, trademarks, or other industrial property rights arising out of compliance by Seller with Buyer's designs, specifications, or instructions. Seller disclaims liability for U.S. or Canadian patent or copyright infringement arising from use or manufacture by anyone of inventions in connection with products or services sold, used, or intended for sale or use, in performing contracts within the United States or Canada.

## 21. Marketing

Buyer shall obtain prior written approval for any and all marketing content referring to the

Seller, including all forms of brand, logo, artwork and copy.

## 22. Dispute Resolution

The parties shall first attempt to resolve any dispute relating to the Standard Terms and Conditions in Appendix A and B through good faith negotiations within a reasonable timeframe. All disputes under any contract concerning products not otherwise resolved between Seller and Buyer shall be resolved in a court of competent jurisdiction for the location of Seller's plant at Hannon, Ontario, Canada, and no other place. Provided that, in Seller's sole discretion, such action may be heard in some other place designated by Seller, if necessary, to acquire jurisdiction over third persons, so that the dispute can be resolved in one action. Buyer hereby consents to the jurisdiction of such court or courts and agrees to appear in any such action upon written notice thereof. No action, regardless of form arising out of, or in any way connected with, the Products, equipment or Services furnished by Seller, may be brought by Buyer more than one (1) year after the cause of action has occurred. If any part, provision or clause of the Terms and Conditions of Sale, or the application thereof to any person or circumstances, is held invalid, void or unenforceable, such holding shall not affect and shall leave valid all other parts, provisions, clauses or applications of the Terms and Conditions remaining, and to this end the Terms and Conditions shall be treated as severable. Each party is responsible for their respective costs including legal fees throughout the dispute resolution process.



**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
Board of Commissioners Staff Report**

**TO:** VVWRA Board of Commissioners

**FROM:** Darron Poulsen, General Manager

**SUBMITTED BY:** Kody Tompkins, Director of Operations and Maintenance

**DATE:** July 17, 2025

**SUBJECT:** **RECOMMENDATION TO AUTHORIZE THE GENERAL MANAGER TO SIGN A THREE-YEAR GENERAL SERVICES AGREEMENT WITH BABCOCK LABORATORIES, INC. TO PROVIDE ENVIRONMENTAL SERVICES FOR \$400,000.00, PENDING LEGAL REVIEW AND APPROVAL OF THE AGREEMENT**

<input checked="" type="checkbox"/>	<b>For Action</b>	<input checked="" type="checkbox"/>	<b>Fiscal Impact: \$ 400,000.00</b>
<input type="checkbox"/>	<b>Information Only</b>	<input checked="" type="checkbox"/>	<b>Account Code: 01-02-535-7170-9999 (\$240,000)</b> <b>01-54-535-7170-9999 (\$80,000)</b> <b>01-55-535-7170-9999 (\$80,000)</b>
		<input checked="" type="checkbox"/>	<b>Funds Budgeted/Approved: Yes</b>

**STAFF RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the General Manager to execute a three-year general services agreement with Babcock Laboratories Inc. for environmental sampling and analysis services, in an amount not to exceed \$400,000 per fiscal year.

**PREVIOUS ACTION(S)**

None.

**BACKGROUND INFORMATION**

Babcock Laboratories, Inc. (Babcock) has provided environmental and pretreatment laboratory support to the Victor Valley Wastewater Reclamation Authority (VVWRA) for over two decades. Historically, VVWRA has entered into multiple short-term agreements with Babcock for these specialized services.

Staff has undertaken a comprehensive evaluation of Babcock's performance and price evaluation. Based on this review, the staff has concluded that Babcock consistently delivers high-quality work with exceptional value. Their deep institutional knowledge of VVWRA's facilities, data systems,

and regulatory requirements enables them to provide expert-level service that would take any new lab years to develop. Additionally, Babcock's billing rates for required services have been found to be competitive, and often lower, than those of other labs.

To ensure continued value and price stability, staff negotiated a multi-year agreement with Babcock that locks in annual pricing. Both parties have agreed to a three-year contract (Exhibit 1) for environmental and pretreatment laboratory services, at an annual amount not to exceed \$400,000 per fiscal year. The contract total amount will be \$1,320,000, which is equivalent to three fiscal years, not to exceed \$400,000, plus a 10% contingency. This agreement provides cost certainty, maintains continuity of service, and helps safeguard VVWRA against regulatory compliance risks due to Babcock's long-standing familiarity with our operations.

It is recommended that the Board of Commissioners authorize the General Manager to execute a three-year general services agreement with Babcock Laboratories, Inc., for environmental and pretreatment laboratory services, in an amount not to exceed \$400,000 per fiscal year.

**Attachments:**

**Exhibit 1:** VVWRA Babcock General Services Agreement

# EXHIBIT 1

**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
AGREEMENT FOR LABORATORY SERVICES**

1. PARTIES AND DATE.

This Agreement for Laboratory Services (“Agreement”) is made and entered into this 1<sup>st</sup> day of July, 2025, by and between the **Victor Valley Wastewater Reclamation Authority**, (“Authority”) and **Babcock Laboratories, Inc**, a corporation, with its principal place of business at 6235 River Crest Dr. Ste H, Riverside, CA 92507 (“Contractor”). Authority and Contractor are sometimes individually referred to herein as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain **Laboratory services** required by Authority on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing **Laboratory services** to public clients, is licensed in the State of California, and is familiar with the plans of Authority.

2.2 Project.

Authority desires to engage Contractor to render such services for the Annual Lab Services project (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services; Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to Authority all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the services and advice on various issues affecting the decisions of Authority regarding the Project and on other programs and matters affecting Authority (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the date first specified above to **June 30<sup>th</sup>, 2028**, unless earlier terminated as provided herein. Authority shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than **one** additional one-year terms. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. Neither Authority nor Contractor shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; pandemics or epidemics; war; riots and other civil disturbances; strikes,

lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Contractor's exclusive remedy in the event of delay covered under this section shall be a non-compensable extension of time for performance.

### 3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Authority retains Contractor on an independent contractor basis and not as an employee of Authority. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of Authority and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Contractor represents that it has the skilled personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the Schedule, Authority shall respond to Contractor's submittals in a timely manner. Upon request of Authority, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of Authority.

3.2.4 Substitution of Key Personnel. Contractor has represented to Authority that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence and experience upon written approval of Authority. In the event that Authority and Contractor cannot agree as to the substitution of key personnel, Authority shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to Authority, or who are determined by Authority to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by Contractor at the request of Authority. The key personnel for performance of this Agreement are as follows:

3.2.5 Authority's Representative. Authority hereby designates **Darron Poulsen**, or his or her designee, to act as its representative for the performance of this Agreement

("Authority's Representative"). Authority's Representative shall have the power to act on behalf of Authority for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than Authority's Representative or his or her designee.

3.2.6 Contractor's Representative. Contractor hereby designates [INSERT NAME OR TITLE], or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Agreement. Contractor's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Contractor agrees to work closely with Authority staff in the performance of Services and shall be available to Authority's staff, contractors and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by contractors in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from Authority, any services necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein, and shall be fully responsible to Authority for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Contractor's errors and omissions.. Any employee of Contractor or its subcontractors who is determined by Authority to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to Authority, shall be promptly removed from the Project by Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to Authority, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold Authority, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

### 3.2.10 Insurance.

(a) Time for Compliance. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall not commence work under this Agreement until it has provided evidence satisfactory to Authority that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to Authority that the subcontractor has secured all insurance required under this section.

(b) Types of Required Coverages. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, Contractor in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance.

(i) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as the latest version of the Insurance Services Office “occurrence” form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

(ii) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as the latest version of Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.

(iii) Workers' Compensation and Employer's Liability: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(iv) Contractors Pollution Liability: Contractors Pollution Liability Insurance covering all of Contractor's operations to include onsite and offsite coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs with minimum limits of \$5 million per loss and \$10 million total all losses. Non-owned disposal site coverage shall be provided if handling, storing or generating hazardous materials or any material/substance otherwise regulated under environmental laws/regulations.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

(c) Endorsements.

(i) The policy or policies of insurance required by Section 3.2.10(b) (i) Commercial General Liability and (ii) Automobile Liability Insurance and (iv) Contractor's Pollution Liability shall be endorsed to provide the following:

- (1) Additional Insured: Authority, its officials, officers, employees and agents shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Endorsements shall be issued on a combination of ISO CG 20 10 and CG 20 37 or exact equivalents. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Contractor; or (4) contain any other exclusions contrary to the Agreement.
- (2) Primary Insurance and Non-Contributing Insurance: This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the Authority, its officials, officers, employees and agents shall not contribute with this primary insurance.
- (3) Severability: In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.
- (4) Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon Authority except ten (10) days prior written notice shall be allowed for non-payment of premium.
- (5) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the Authority, its officials, officers, employees and agents.
- (6) Duties: Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the Authority, its officials, officers, employees and agents.
- (7) Applicability: That the coverage provided therein shall apply to the obligations assumed by Contractor under the indemnity provisions of the Agreement, unless the policy or policies contain a blanket

form of contractual liability coverage.

(ii) The policy or policies of insurance required by Section 3.2.10(b) (iii) Workers' Compensation shall be endorsed, as follows:

- (1) **Waiver of Subrogation:** A waiver of subrogation stating that the insurer waives all rights of subrogation against the Authority, its officials, officers, employees and agents.
- (2) **Cancellation:** The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon Authority except ten (10) days prior written notice shall be allowed for non-payment of premium.

(d) **Deductible.** Any deductible or self-insured retention must be approved in writing by Authority and shall protect the Authority, its officials, officers, employees and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

(e) **Evidence of Insurance.** Contractor, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by Authority. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with Authority. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with Authority evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

(f) **Failure to Maintain Coverage.** Contractor agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to Authority. Authority shall have the right to withhold any payment due Contractor until Contractor has fully complied with the insurance provisions of this Agreement.

In the event that Contractor's operations are suspended for failure to maintain required insurance coverage, Contractor shall not be entitled to an extension of time for completion of the work because of production lost during suspension.

(g) **Acceptability of Insurers.** Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A-:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

(h) Insurance for Subcontractors. Contractor shall be responsible for causing subcontractors to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding Authority as an Additional Insured to the subcontractor's policies.

3.2.11 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.12 Use of Recycled Paper. Reserved.

### 3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **One Million Three Hundred Twenty Thousand dollars (\$1,320,000), which is equal to three fiscal years of \$400,000 plus a 10% contingency**, without written approval of Authority's **General Manager**. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to Authority a monthly itemized statement which indicates work completed and hours of Services rendered by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. Authority shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by Authority.

3.3.4 Extra Work. At any time during the term of this Agreement, Authority may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by Authority to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from Authority's Representative.

3.3.5 Rate Increases. The rates set forth in Exhibit "C" shall be subject to adjustment on an annual basis, effective on each anniversary of the Effective Date, in accordance with the Consumer Price Index, All Urban Consumers (CPI-U), or at the percentage rate set forth

in Exhibit “C”, whichever is specified therein. Such adjustments shall occur annually regardless of whether the Agreement is renewed pursuant to Section 3.1.2. In the event that this Agreement is renewed pursuant to Section 3.1.2, the rates set forth in Exhibit “C” shall be adjusted each year at the time of renewal in accordance with the Consumer Price Index, All Urban Consumers, or at the percentage rate set forth in Exhibit “C.”

### 3.3.6 California Labor Code Requirements

(a) Contractor is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects (“Prevailing Wage Laws”). If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor shall defend, indemnify and hold the Authority, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

(b) If the Services are being performed as part of an applicable “public works” or “maintenance” project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of the Project and require the same of any subcontractors, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

(c) This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor’s performance of Services, including any delay, shall be Contractor’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay and shall not be compensable by the Authority. Contractor shall defend, indemnify and hold the Authority, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

### 3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of Authority during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

### 3.5 General Provisions.

#### 3.5.1 Termination of Agreement.

(a) Grounds for Termination. Authority may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been fully and adequately rendered to Authority through the effective date of the termination, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

(b) Effect of Termination. If this Agreement is terminated as provided herein, Authority may require Contractor to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

(c) Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, Authority may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

**Babcock Laboratories, Inc  
6235 River Crest Dr. Ste H  
Riverside, CA 92507  
Tiffany Gomez**

Authority:

Victor Valley Wastewater Reclamation Authority  
20111 Shay Rd  
Victorville, California 92394  
Attn: **Darron Poulsen General Manager**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48)

hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.4 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

3.5.5 Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless Authority and its officials, officers, employees, agents, and volunteers from and against any and all claims, demands, causes of action, damages, liabilities, losses, costs, or expenses, including reasonable attorneys' fees, but only to the extent caused by the negligent acts, errors or omissions, or willful misconduct of Contractor, its officers, employees, agents, or subcontractors in connection with the performance of the Services, the Project, or this Agreement.

The Contractor's duty to defend shall arise only upon a determination by a court of competent jurisdiction, arbitration award, or mutual agreement, that the claim was caused by such negligent acts, errors, omissions, or willful misconduct.

This indemnity obligation shall not apply to claims arising from the sole or active negligence, or willful misconduct, of the Authority or its officials, officers, employees, agents, or volunteers. The Contractor's obligation to indemnify shall not be limited by any insurance coverage maintained by the Authority. This Section shall survive expiration or termination of this Agreement.

3.5.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be supplemented, amended or modified by a writing signed by both Parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 Authority's Right to Employ Other Contractors. Authority reserves the right to employ other Contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of Authority. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to Authority include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.13 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.15 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.16 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.17 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Authority shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of Authority, during the term of his or her service with Authority, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff

or termination. Contractor shall also comply with all relevant provisions of any minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.19 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.20 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.22 Employment Adverse to Authority. Contractor shall notify Authority, and shall obtain Authority's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against Authority during the term of this Agreement.

3.5.23 Conflict of Employment. Employment by Contractor of personnel currently on the payroll of Authority shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by Contractor of personnel who have been on Authority's payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon Contractor securing this or related Agreements with Authority, is prohibited.

3.5.24 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, and the obligations related to receipt of subpoenas or court orders, shall survive any such expiration or termination.

3.5.25 Subcontracting. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of Authority. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**SIGNATURES ON FOLLOWING PAGE**

**SIGNATURE PAGE FOR AGREEMENT  
FOR LABORATORY SERVICES**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the 1<sup>st</sup> day of July, 2025.

VICTOR VALLEY WASTEWATER  
RECLAMATION AUTHORITY

Babcock Laboratories, Inc.

By: \_\_\_\_\_  
Darron Poulsen  
General Manager

By: \_\_\_\_\_  
Its: Chief Executive Officer

Printed Name: Tiffany Gomez

EXHIBIT "A"  
SCOPE OF SERVICES

LABORATORY shall perform work, as defined by individual Work Orders and Chain-of-Custody forms, detailing laboratory tests and field services, if applicable, to be performed in accordance with Unit Prices.

Each Work Order shall specify the type and number of tests to be performed, the time within which test results as requested, final reporting requirements (email, pdf, Electronic Deliverables, J-flags, etc.) and the project site name and any special requirements as related to specific CLIENT requirements. Chain-of-Custody forms will identify and specify the *Specific* number and type of tests to be performed for each delivery group with the required turn-around time.

If CLIENT requires LABORATORY to perform any services independent of this agreement, said services shall be defined on a Work Order and will be binding to the terms and conditions of this agreement. Any costs for independent services shall amend the Unit Price schedule in Exhibit A and be billed at List Price.

EXHIBIT "B"  
SCHEDULE OF SERVICES

There is no Schedule of Services for this agreement. Services will be conducted based on individual Work Orders or Task Orders.

In the event that this Agreement is renewed pursuant to Section 3.1.2, the first renewal period shall be from July 1<sup>st</sup>, 2028 to June 30<sup>th</sup>, 2029.

EXHIBIT "C"  
COMPENSATION

Please see the attachment below for Rates and Compensation.