



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES

Regular Special

Meeting Date: May 5, 2026

Title: Information on the City of Needles and the Needles Public Utility Authority Due To/Due From: YTD January 2026 and the Purchase and Management Agreements between the Entities

Background: At the last meeting, Chairman Campbell requested an update on the “due to/due from” between the City and the Needles Public Utility Authority. In the mid-1990’s, the City experienced a financial crisis which resulted in the City’s creation of the Needles Public Utility Authority, a separate and legal entity separate from the City of Needles. Concurrent with the NPUA’s creation in 1997, long-term bonds were issued to finance the NPUA’s purchase of the utilities. A Management Agreement was developed which allows the City to be reimbursed by the NPUA for managing and operating the utilities on behalf of the NPUA. All employees are City employees and all operating expenditures are spent through the City and reimbursed monthly by the NPUA.

Enclosed is an up to date “due to, due from” through January 2026. The water entity owes a balance of \$456,677.37, Wastewater owes a balance of \$252,133.51, Electric owes a balance of \$5,270,424.01, and the All-American Canal has a credit of \$521,397.77. These figures are preliminary and unaudited.

The monthly transfers are presented and approved annually at a flat amount and at an amount that is estimated to be owed to the city each month. The “due to, due from” does fluctuate based on balances owed when term purchases are made or when unplanned expenditures happen in the utilities.

Fiscal Impact: Balanced owed to the City from the NPUA for operating expenses per the Management Agreement.

Environmental Impact: N/A

Recommended Action: No Action Needed - Information Only

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 4/29/2026

Other Department Approval (when required): _____

Date: _____