



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: October 28, 2025

Title: Ratify the Utility Manager's purchase of Greenhouse Gas Emissions Instruments for the calendar year 2024 compliance period from Amerex for a total cost of \$80,851.50

Background: The California Air Resources Board regulation for Greenhouse Gas Emissions requires annual compliance obligations.

The annual compliance obligations for a covered entity equals to 30% of the emissions, with a compliance obligation reported from the previous data year that received a positive or qualified positive emissions data verification statement. The deadline for the required compliance instruments to be submitted into the City's CITSS compliance account no later than November 3, 2025.

For 2024, the City of Needles has verified emissions 8,944 instruments, of which the City has 6,082 free instruments entered into the compliance accounting; the remaining balance of 2,862 instruments was needed to meet compliance.

The city went into the open market and purchased the instruments at \$28.00 for vintage year 2024 or earlier instruments to meet compliance. The remaining 70% of emissions are not due until the tri-annual compliance period in 2027. Failure to meet the compliance deadline will result in a 10 to 1 penalty fine issued by the California Air Resources Board.

The Board of Public Utilities approved the recommended action on October 21, 2025.

Fiscal Impact: The fiscal impact for 2,862 instruments at \$28 each is \$80,136 plus the broker fee of \$715.50 for a total cost of \$80,851.50, funded by the adopted FY 26 Electric O&M Budget

Environmental Impact: Offset Greenhouse Gas Emissions reported and verified in 2024.

Recommended Action: Ratify the Utility Manager's purchase of Greenhouse Gas Emissions Instruments for the calendar year 2024 compliance period from Amerex for a total cost of \$80,851.50

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/23/2025
Other Department Approval (when required): Jill Tabora, Interim Finance Director Date: 10/23/2025