

BOARD OF PUBLIC UTILITIES

March 3, 2026

The regular meeting of the Board of Public Utilities held on the 3rd day of March, 2026, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL presiding and the following COMMISSIONERS present:

COMMISSIONERS JONES, WALTERS, BROWN, McNEIL, CAIRNS AND POWELL

Also Present: SECRETARY SALLIS, CITY MANAGER MARTINEZ, UTILITY MANAGER TORRANCE AND OTHER KEY STAFF

APPROVAL COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER
AGENDA BROWN, to approve the agenda. Motion carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS JONES,
WALTERS, BROWN, McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: NONE

CORSPNDN: None

PBLC APRN: None

CNST CAL: COMMISSIONER JONES requested to pull agenda item #2 (Authorize Reliable Pump to repair one hydromatic 40 HP pump at a cost not to exceed \$20,384 utilizing Wastewater Asset Replacement funds).

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER CAIRNS, to pull agenda item #2 and approve agenda items 1, 3, 4 and 5.

1. Approval of the minutes of the regular meeting held January 20, 2025
3. Accept and file the Bureau of Reclamation's Post 2026 Draft EIS Public Comment from the City of Needles dated February 10, 2026 relating to proposed adoption of new guidelines and coordinated management strategies to address Lake Powell and Lake Mead through full operating range, to be implemented upon the expiration of existing guidelines and agreements the end of 2026
4. Receive and file the State Water Resources Control Board's Final Project Inspections for the City of Needles Project Nos. 3610032-001C, 3610032-0102C, 3610032-003C, 3610032-006C; and Interim Project Inspection for Project No. 3610032-004C; Funding Agreement No. D19-02030 dated February 2, 2026 for the renovation of two water booster stations, installation of a backup emergency generator, completion of pipe replacements projects, and installation of a new water treatment facility
5. Approve the Power Cost Adjustment (PCA) for the period August through November 2025 and continue the over-hydro rate of \$0.1159 as adopted in October 2025

Motion to approve item 1 carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS JONES,
WALTERS, BROWN, McNEIL AND CAIRNS
NOES: NONE
ABSENT: NONE
ABSTAIN: COMMISSIONER POWELL

Motion to approve items 3 through 5 carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS JONES,
WALTERS, BROWN, McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: NONE

WW PUMP
REPAIR

COMMISSIONER JONES questioned if this pump is different than the other one recently done and the shaft being replaced. Kris Hendricks, EUSI Managing Member, explained the work to be done on the motor noting that this is the third pump replaced, two replaced and one backup.

COMMISSIONER JONES MOVED, SECONDED BY COMMISSIONER WALTERS, to authorize Reliable Pump to repair one hydromatic 40 HP pump at a cost not to exceed \$20,384 utilizing Wastewater Asset Replacement funds. Motion carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS JONES,
WALTERS, BROWN, McNEIL, CAIRNS AND POWELL
NOES: NONE
ABSENT: NONE

REG ITEMS:
EPA PRPSD
RULE TO
END GHG
RPT PRGM

CHAIRMAN CAMPBELL noted that the Board previously approved a letter during the comment period proposing to get rid of the finding that CO₂ gases were an endangerment. The initial focus is on mobile sources, being vehicles, with stationary sources being considered later. If reporting CO₂ is eliminated from stationary sources, it will be good for the ratepayers because the city does self-report to the California Air Resources Board (CARB) how much CO₂ is generated from the energy purchased from states outside of California and if we don't get that data, there is nothing to report. The Board should consider a strategy, thinking ahead, and maybe get the city attorney's advice on options available to protect the ratepayers from having to pay that \$1.5 million each year. Utility Manager Torrance agreed that legal counsel can be involved should the Board wish as we do have special legal counsel outside of SBEMP that assists with electric related matters such as this. Staff can reach out to them and get recommendations and report back to the Board. City Manager Martinez explained that there will be many lawsuits filed by agencies with bigger banks, including the State of California, trying to figure this out and suggested letting them take the lead and our staff monitor it and keep the Board informed before we start spending money on attorney fees. CHAIRMAN CAMPBELL felt the city

attorney discussion should be limited to the city's liability exposure and how to defend ourselves should those stationary sources out-of-state no longer report greenhouse gases and we get caught in the middle. Discussion ensued on the possibility of eliminating the greenhouse gas reporting, the effects of such, and Needles filing as a Friend of the Court in lawsuits that are filed to expound on the costs to our ratepayers. Utility Manager Torrance reminded the Board that Needles is a member of the California Municipal Utilities Association (CMUA) who has other large jurisdictions that staff can reach out to and get direction and feedback on what they're doing. Staff could work with CMUA at a reasonable cost and bring back more information. CHAIRMAN CAMPBELL suggested that the city needs to have a position statement and that position be conveyed to all our elected state representatives.

Discussion continued on greenhouse gas reporting and stationary sources that come from outside California. City Manager Martinez suggested the Board appoint an ad hoc committee as this issue will be ongoing and the committee could come back with recommendations. Utility Manager Torrance will reach out to CMUA to get them involved and will bring back at the next meeting the appointment of an ad hoc committee.

REPORTS: CHAIRMAN CAMPBELL acknowledged: 1) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system January 2026; 2) Western Area Power Administration FY26 Q4 Term Purchase; and 3) Present Perfected Rights Report January 2026.

MGR'S RPT: Utility Manager Torrance gave a brief report on 1) electric crews relocating inventory to new warehouse location on California Ave and installing equipment at two substations for SCADA system; 2) pole fire on February 18 near the Needles bridge; 3) water crews replacing 6" main to Riverview Terrace Apartments; 4) midyear budget revisions on next agenda; and 5) provided calendar year 2025 annual consumer confidence report and water meets all US EPA and state drinking water health standards. System did not violate any maximum contaminant levels or other water quality standards during this period.

City Manager Martinez reported on upcoming events.

BRD RQSTS: None

CHAIRMAN CAMPBELL declared the regular meeting of the Board of Public Utilities held on the 3rd day of March, 2026, adjourned at 4:35 p.m.

ATTEST: _____

Chairman

Secretary