

BOARD OF PUBLIC UTILITIES

January 20, 2026

The regular meeting of the Board of Public Utilities held on the 20th day of January, 2026, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL presiding and the following COMMISSIONERS present:

COMMISSIONERS JONES, WALTERS, BROWN, McNEIL AND CAIRNS

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

EX ABSNC COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER BROWN, to grant an excused absence to COMMISSIONER POWELL. Motion carried by the following roll call vote:

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

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 AND CAIRNS  
NOES: NONE  
ABSENT: COMMISSIONER POWELL

CHAIRMAN CAMPBELL opened for public comments pertaining to the executive session item - None

CHAIRMAN CAMPBELL declared the regular meeting adjourned at 4:02 p.m. for the purpose of an Executive Session pursuant to California Government Code Section 54956.9(d)(4) - Conference with legal counsel regarding potential initiation of litigation - one potential case

CHAIRMAN CAMPBELL declared the regular meeting reconvened at 4:15 p.m. with all persons heretofore mentioned present.

City Manager Martinez reported there was no reportable action taken.

CORSPNDN: None

PBLC APRN: None

PRESENTN Mark DeMay, Finance Director, noted that today's presentation is of the Needles Public Utility Authority Audit Report for the fiscal year ended June 30, 2024 and

NPUA  
AUDIT  
FY 2024

introduced Roger Martinez, Engagement Partner, Vasques & Company LLP. Mr. Martinez went through his PowerPoint presentation reporting the results of the audit and noting that this is an unmodified “clean” opinion, there were no material weaknesses or noncompliance material to the financial statements, however, there was one significant deficiency on internal controls over inventories. The city’s management owns the financial statement and the auditors provide guidance necessary to staff to implement the standards.

City Manager Martinez addressed the significant deficiency in inventory control noting that the new electric building is completed and will be moving inventory to the new building allowing an opportunity to look at and account for all inventory. There is also a new software program that will be utilized for inventory control.

Discussion followed on the audit report as submitted with questions asked by the Board Members and answered by the auditor including inventory issues.

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER BROWN, to accept the Needles Public Utility Authority Audit Report for the Fiscal Year Ended June 30, 2024 and send on to the Needles Public Utility Authority. Motion carried by the following roll call vote:

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

CNST CAL: COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER CAIRNS, to approve consent calendar items 2 through 4

2. Approval of the minutes of the special joint meeting with the Needles Public Utility Authority / City Council held November 12, 2025
3. Approval of the minutes of the regular meeting held November 18, 2025
4. Authorize the City Manager to execute the First Amendment to the California River Contractors Forbearance Agreement for 2024–2026 Conservation Agreement under the Lower Colorado Conservation and Efficiency Program

Motion to approve items 2 and 4 carried by the following roll call vote:

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

Motion to approve item 3 carried by the following roll call vote:

AYES: COMMISSIONERS JONES, WALTERS, BROWN,  
AND CAIRNS

NOES: NONE  
ABSENT: COMMISSIONER POWELL  
ABSTAIN: CHAIRMAN CAMPBELL AND COMMISSIONER McNEIL

REG ITEMS: COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER BROWN, to appoint CHAIRMAN CAMPBELL as Chairman for the ensuing year of 2026. Motion carried by the following roll call vote:

CHAIR &  
V CHAIR

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

COMMISSIONER McNEIL MOVED, SECONDED BY CHAIRMAN CAMPBELL, to appoint COMMISSIONER BROWN as Vice Chairman for the ensuing year of 2026. Motion carried by the following roll call vote:

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

MO MTGS COMMISSIONER CAIRNS MOVED, SECONDED BY COMMISSIONER JONES, to approve holding regular monthly meetings on the first Tuesday of each month with the option of calling a special meeting on the third Tuesday should the need arise for Board action. Motion carried by the following roll call vote:

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

PRESENT CHAIRMAN CAMPBELL noted that it has been a while since the Board talked  
PERFECTED about the city's present perfected water rights (PPR). After the agenda was  
RIGHTS distributed, a notice from the Bureau of Reclamation (BoR) was received on an  
(PPR) environmental impact statement with some options of which will not be good for  
Needles. Additionally, a letter was sent to all holders of a water rights agreement  
notifying of a January 20 deadline to report water usage and a request for  
allocation for next year by September 1.

Utility Manager Torrance provided an educational PowerPoint presentation on the City of Needles Present Perfected Rights ("PPR") and explained that the BoR will be holding virtual meetings during a 45 day public comment period. She will be registering for the January 29 meeting if any Board Member would like to join. A general discussion ensued regarding the city's present perfected water rights; areas in Needles that have perfected rights and contracts with BoR for such; and negotiations being held between the Upper Basin States and Lower Basin States regarding Colorado River water and potential effects on Needles.

CHAIRMAN CAMPBELL noted that California, Arizona and Nevada are suggesting cuts across the board and he questioned why Needles and Blythe aren't part of the team negotiating. Utility Manager Torrance responded that, at this point, the closed door stakeholder meetings have been with only the higher ups representing each state. When it comes to a point that a PPR reduction is on the table, that's when Needles will step up. Until then, Needles won't be at the table but our fight to keep our entitlement is a top priority. She spoke on past drought agreements and Metropolitan Water District and Imperial Irrigation District bearing those for the entire state. Needles has taken no hits so far. General discussion continued on protecting Needles' Present Perfected Rights.

2026 GOALS Utility Manager Torrance reminded the Board that they act as a recommending body to the City Council on matters relating to utility operations and staff is seeking input on the top goals for 2026 that will provide guidance to the midyear and fiscal year budget. Examples of top priorities include SCADA (supervisory control and data acquisition) which has already been approved; solar 2MW microgrid or something small scale and put on a city building; and continue capital improvement system reliability infrastructure. She's looking for the Board's goals to help staff going forward. CHAIRMAN CAMPBELL spoke on the Alternative Energy Ad-Hoc Committee and locating a site for a solar project to which Utility Manager Torrance explained an unsolicited proposal has been received so will be calling the first Ad-Hoc Committee meeting of 2026. COMMISSIONER McNEIL agreed with continuing to work on solving inexpensive power for the city.

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER WALTERS, to accept the top priorities for 2026 as 1) SCADA substation installation completion, 2) solar 2MW solar farm/pole yard building, and 3) capital improvement system reliability infrastructure. Motion carried by the following roll call vote:

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

LWR COL  
RVR TOUR Utility Manager Torrance briefly explained the Lower Colorado River Tour scheduled for March 11-13, 2026. Reservations were filled within 24 hours and Needles got put on a wait list. She inquired if any Board Members would like to attend should there be openings. A limit of two persons per agency has been set. COMMISSIONERS CAIRNS AND WALTERS would like to attend.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER McNEIL, to authorize COMMISSIONERS CAIRNS AND WALTERS to attend the Lower Colorado River Tour scheduled for March 11-13, 2026. Motion carried by the following roll call vote:

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

REPORTS: CHAIRMAN CAMPBELL acknowledged: 1) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system November and December 2025; and 2) Present Perfected Rights Report November 2025

MGR'S RPT: CHAIRMAN CAMPBELL acknowledged the written Manager's Report - January 20, 2026 which was distributed at this meeting.

BRD RQSTS: None

CHAIRMAN CAMPBELL declared the regular meeting of the Board of Public Utilities held on the 20th day of January, 2026, adjourned at 5:08 p.m.

ATTEST: \_\_\_\_\_

Chairman

\_\_\_\_\_

Secretary