

BOARD OF PUBLIC UTILITIES

October 21, 2025

The regular meeting of the Board of Public Utilities held on the 21st day of October, 2025, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL presiding and the following COMMISSIONERS present:

COMMISSIONERS JONES, WALTERS, BROWN AND CAIRNS

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

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

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

APPROVAL COMMISSIONER CAIRNS 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 AND CAIRNS
NOES: NONE
ABSENT: COMMISSIONERS McNEIL AND 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 4:26 p.m. with all persons heretofore mentioned present.

Utility Manager Torrance reported there was no reportable action taken.

CORSPNDN: None

PBLC APRN: None

CNST CAL: COMMISSIONER JONES requested to pull agenda item 3 (Authorize Reliable Pump Inc. to rebuild the Hydromatic Pump for the Wastewater Pump at a cost not

to exceed \$18,081.96 plus sales tax in the amount of \$1,114.43 for a total project cost of \$19,196.39 to be funded by the Wastewater Asset Replacement Fund).

COMMISSIONER JONES MOVED, SECONDED BY COMMISSIONER CAIRNS, to approve consent calendar items 1 and 2

1. Approval of minutes of the regular meeting held September 16, 2025
2. Approve a License Agreement for the Joint Use of Poles between the City of Needles and Route 66 Broadband for Cable Attachment to City Poles dated 2025

Motion carried by the following roll call vote:

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

REBUILD
WW PUMP

Utility Manager Torrance introduced Aaron Gilmer, an employee of EUSI, the contract operator of the wastewater treatment plant, and then explained that the hydromatic pump failed and needs repaired. Staff got competitive quotes to replace versus rebuild and, due to funding, rebuild is the option. COMMISSIONER CAIRNS pointed out that this is a \$100,000 pump.

Mr. Gilmer spoke on the research done and the range of \$70,000 to \$80,000 to replace and repair is at \$18,000 noting that some of the work could be done by staff but some must be sent out. Discussion followed on the equipment in the sequencing batch reactor (SBR) at the wastewater treatment plant, the age of the failed pump, warranty on rebuild, and Reliable Pump being the authorized repair representative for Hydromatic Pump as well as being located in Las Vegas which avoids delivery charges. Kris Hendricks, EUSI Managing Member, pointed out that the turnaround for repairs is estimated at four weeks compared to purchase of new at 16 weeks to 6 months.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER CAIRNS, to authorize Reliable Pump Inc. to rebuild the Hydromatic Pump for the Wastewater Pump at a cost not to exceed \$18,081.96 plus sales tax in the amount of \$1,114.43 for a total project cost of \$19,196.39 to be funded by the Wastewater Asset Replacement Fund. Motion carried by the following roll call vote:

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

REG ITEMS: Utility Manager Torrance explained staff has completed a review of water, wastewater and electric terms and conditions and now revisiting electric with two areas that need to be cleaned up. Section 4.6.4 regarding permanent pay date:
RESOL NO staff is recommending that only residential customers be allowed a permanent
10-21-25BPU

RE CHPTR
6C ELECT
SERVICE

pay date and not large commercial customers. She elaborated on the issue with delayed payment and disconnect with commercial customers. Section 7.3.2(i) regarding termination of service: there are requirements for termination of service and the current language is not clear and specific so have revised it to be clear and specific that the amount due is both the delinquent amount and current bill to restore service. The entire bill balance is due before service is restored. Kim Krasinski, business office manager, spoke on previous issues encountered with it not being clarified the amount due includes delinquent and current amounts.

Utility Manager Torrance noted that, while there are other corrections being made to the terms and conditions including typographical errors, these are the only two sections staff is asking the Board to approve.

COMMISSIONER CAIRNS MOVED, SECONDED BY COMMISSIONER WALTERS, to adopt Resolution No. 10-21-25 BPU rescinding Chapter 6C, establishing terms and conditions for the sale of electric services, of the Needles Municipal Code in its entirety and adopting a new Chapter 6C, Electric Service, regarding the terms and conditions for the sale of electric services. Motion carried by the following roll call vote:

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

GHG RPTNG
PROGRAM

CHAIRMAN CAMPBELL referenced the letter approved by the Board last month supporting the Environmental Protection Agency's (EPA) proposal to repeal its 2009 Endangerment Finding. It is now being commented on to stop the greenhouse gas (GHG) and there's a website available to comment on the rule-making with a 45 day comment period. He spoke on the annual reporting to the California Air Resources Board (CARB), available credits and purchase of the rest of the allowances at auction. After the EPA rescinded the GHG endangerment, California extended the Cap & Trade. He explained that CO² is not a pollutant and felt the Board needs to stay on top of how the utility responds to reports on CO² to the State of California.

Utility Manager Torrance explained the GHG instruments and how they are calculated and reported to offset brown energy. If the utility does not buy instruments, there is a huge penalty to CARB. She suggested staff could engage legal counsel to pursue concerns of the Board, get their legal input and respond back. CHAIRMAN CAMPBELL noted that the Board does not need to act today on this matter.

GHG EMSN
INSTRMTS
CY2024

Utility Manager Torrance explained the process and procedures of free allowances and every year must retire 30% which has been covered by our free allowances. This is the first year that the free allowances have not covered that retirement and got a broker to get the required instruments at a cost of \$80,851.50. The action today is to ratify the utility manager's purchase.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER CAIRNS, to 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. Motion carried by the following roll call vote:

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

REPORTS: CHAIRMAN CAMPBELL acknowledged the EUSI, LLC operational support services relating to the wastewater treatment facility and collection system September 2025.

MGR'S RPT: Utility Manager Torrance provided a written report dated October 21, 2025 and covered the highlights: 1) Prop 218 community workshops underway for water and wastewater rate increases; 2) contractor issued a notice of substantial completion of well #11 treatment plant; 3) met with Bureau of Reclamation for the annual 2026 Colorado River conditions update; and 4) utility staff matters including new certifications.

CHAIRMAN CAMPBELL noted that there are nine areas in Needles that have Perfected Water Rights and the city is one. He spoke on the Lower Colorado Water Supply Project (All American Canal) and the offset of water.

City Manager Martinez provided a brief update on the city's award as the best public works project in California for the Bob Belt Beach Park and two visits by Assemblymember Jeff Gonzalez who would be a good partner on the greenhouse gas issue.

BRD RQSTS: COMMISSIONER JONES explained that the water system in Colorado Shores has a lot of lateral water leaks and the city must spend a lot of dollars to repair. He questioned when the water line replacement project will be in that area and felt there needs to be a plan. City Manager Martinez responded there is a plan and agreed to provide the information.

COMMISSIONER BROWN asked for an update on the water treatment plant to which Utility Manager Torrance responded it is working fantastic and 100% of the water is going through the treatment plant which is producing an average of 1.3 million gallons per day.

CHAIRMAN CAMPBELL declared the regular meeting of the Board of Public Utilities held on the 21st day of October, 2025, adjourned at 5:15 p.m.

ATTEST: _____
Chairman

Secretary