

## BOARD OF PUBLIC UTILITIES

July 1, 2025

The regular meeting of the Board of Public Utilities held on the 1st day of July, 2025, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL presiding and the following COMMISSIONERS present:

COMMISSIONERS JONES, WALTERS, BROWN, CAIRNS AND POWELL

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

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

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

Deputy City Clerk Sallis administered the Oath of Office to new Board Member Keith Jones and all extended a welcome.

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

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

CORSPNDN: None

PBLC APRN: None

PRESENTN: Utility Manager Torrance explained that for several months staff has been working on a financial model for a new rate study for water, wastewater and electric. The PowerPoint presentation today is water and wastewater and will show the model for those two departments. She introduced the consultant, Brian Bass, Manager, Raftelis.  
WTR & WW  
RATE STDY

Mr. Bass went over his PowerPoint including the rate study process, financial planning and rate projections, financial assumptions, water and wastewater status quo pro forma, financial plan results detail, proposed water and wastewater rates and bill impacts. He noted that a cost of service analysis is required under Prop 218.

Utility Manager Torrance spoke on the importance of a rate study to assure the utilities have enough revenue to cover all expenses noting that there cannot be borrowing between funds and each must stand independently. Water has been successful and only looking at a 3% increase but that's not the case with wastewater which has a lot of capital needs that are not able to be done. In order to avoid debt in wastewater, the rate increase will be spread over a five year plan. This is for information only today. The electric update will be on the next agenda and will be looking at different rate structures.

CHAIRMAN CAMPBELL explained that the Board approved the wastewater budget which included a list of capital projects so if any Board Member wants to see the millions of dollars, they're on that list. He also noted that the annual cost of living adjustment (COLA) will be coming in August or September to be implemented in October. COMMISSIONER BROWN asked that the list of capital projects be provided to the Board.

CNST CAL: COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER CAIRNS, to pull agenda item 5 (Adopt the State Water Resources Control Board Cross Connection Control [CCC] Plan as prepared by John Bush, Bush's Backflow, Cross Connection Control Specialist) and approve consent calendar agenda items 2, 3, 4 and 6

2. Approval of minutes of the regular meeting held June 17, 2025
3. Approve the Annual Depository Statement for fiscal year 2025-2026 for bond debt service, contract services, purchase payments, and reimbursement of non-utility sanitation revenues deposited with the Authority and authorize finance staff to make monthly transfers from NPUA to City accounts
4. Accept the 2025 Reservoir Inspection Reports for the East Tank and West Tank located on San Clemente at Clary Drive and the High Tank located on Parkway
6. Approve the Power Purchase Cost Adjustment (PCA) for April 2025 and continue the over-hydro rate of \$0.1238 as established June 1, 2025

Motion to approve agenda item 2 carried by the following roll call vote:

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

Motion to approve agenda items 3, 4 and 6 carried by the following roll call vote:

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

CRSS CNCT CONTROL PLAN COMMISSIONER BROWN questioned if all water systems were required to adopt the Cross Connection Control (CCC) Plan by July 1, 2024. Utility Manager Torrance explained that the city requested an extension and have submitted this draft plan for State review and comment. The due date of July 1, 2024 on the Board cover sheet is in error and should be July 1, 2025.

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER CAIRNS, to approve consent calendar agenda item 5 and adopt the State Water Resources Control Board Cross Connection Control [CCC] Plan as prepared by John Bush, Bush's Backflow, Cross Connection Control Specialist. Motion carried by the following roll call vote:

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

REG ITEMS: COMMISSIONER CAIRNS MOVED, SECONDED BY COMMISSIONER BROWN, to appoint COMMISSIONER WALTERS to the Alternative Energy Ad Hoc Committee. Motion carried by the following roll call vote:

ALT ENGY AD HOC COMM

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

CHAIRMAN CAMPBELL briefly explained the purpose and goals of the Ad Hoc Committee and COMMISSIONER BROWN requested that COMMISSIONER WALTERS be provided a copy of the latest engineering study on the different sites.

REPORTS: CHAIRMAN CAMPBELL acknowledged the following reports: 1) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system May 2025; 2) Present Perfected Rights Report May 2025; 3) Monthly activity report April 2025

MGR'S RPT: Utility Manager Torrance reported: 1) provided an update on the California Avenue pole yard improvements; 2) power outage on Saturday when a tumbleweed got into the powerlines and caught fire near the Murl Shaver Substation; 3) water leak on Beach Drive involving electric with water leaking out of conduit lines; 4) California Public Utilities Commission (CPUC) inspection/audit was conducted on the electric system regarding General Order (GO) 95. Will bring final report to the Board along with findings and cost estimate/plan to implement; and 5) water dept. is cleaning up well #15 site as it has been a junk yard for scrap/surplus materials.

BRD RQSTS: None

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CHAIRMAN CAMPBELL declared the regular meeting of the Board of Public Utilities held on the 1st day of July, 2025, adjourned at 4:41 p.m.

ATTEST: \_\_\_\_\_  
Chairman Secretary