



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ BOARD OF PUBLIC UTILITIES ☒ Regular ☐ Special

Meeting Date: August 5, 2025

Title: Approve Change Order #1 with Raftelis Financial Consultants, Inc. to include a Joint Pole Cost of Service Analysis in the Comprehensive Electric, Water and Wastewater Utility Cost of Service Ratemaking Study at a cost not to exceed \$5,000 to be funded from the adopted FY26 electric budget

Background: The City of Needles issued a solicitation for qualified firms to conduct a Rate Study. The goal is to assist in determining how the City funds the administration, operation, maintenance, capital replacement, and improvements of its electric, water, and wastewater system. Raftelis was awarded the contract in October 2024. Raftelis subcontracted the electric review to K.R. Saline & Associates, PLC.

During the scope development, staff requested K.R. Saline & Associates, PLC to conduct a detailed Joint Pole Cost of Service Analysis into the electric rate analysis. The current joint pole fees have not been reviewed since the early 80's. The annual joint pole fees must include the actual cost to provide this service, including the current market replacement costs of power poles, wires, and other equipment.

The Joint Pole Cost of Service will be incorporated into the electric rate analysis, and a final report will be provided in late August 2025.

Fiscal Impact: Change order fees of \$5,000 to be funded by the electric adopted FY 26 budget.

Environmental Impact: N/A

Recommended Action: Approve Change Order #1 with Raftelis Financial Consultants, Inc. to include a Joint Pole Cost of Service Analysis in the utility ratemaking study, at a cost not to exceed \$5,000, to be funded from the adopted FY26 electric budget

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 7/28/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____