



(ACT) ACTION NEEDED
(INF) INFORMATION ONLY
(DIS) DISCRETIONARY

AGENDA

REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES OF THE
CITY OF NEEDLES, CALIFORNIA
TUESDAY, OCTOBER 15, 2024 AT 4:00 PM
EL GARCES HISTORIC DEPOT
950 FRONT STREET, NEEDLES

THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS
IN WRITING PRIOR TO NOON ON THE DAY OF THE MEETING BY
EMAILING csallis@cityofneedles.com

TO JOIN THE LIVE TEAMS MEETING: log into the City of Needles website at
www.cityofneedles.com to access the agenda and [click here to join the meeting](#)

If asked, enter the following: Meeting ID: 555 641 292#
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 555 641 292#
Meetings are being recorded

CALL TO ORDER - ROLL CALL

APPROVAL OF AGENDA

(ACT)

CORRESPONDENCE

PUBLIC APPEARANCE: Persons wishing to address the Board on subjects other than those scheduled are requested to do so at this time. When called by the Chairman, please come to the podium and announce your name and address for the record. In order to conduct a timely meeting, a three minute time limit per person has been established by Municipal Code Section 2-18. Amendments to California Government Code Sec. 54950 prohibits the Board from taking action on a specific item until it appears on the agenda.

CONSENT CALENDAR: All matters listed on the Consent Calendar are considered to be routine and will be enacted by one motion in the form listed. The Chairman or any Member of the Board may pull an item from the Consent Calendar for discussion. Prior to Board action, a member of the public may address the Board on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **Recommended Action:** Approve Items 1 through 3 on the Consent Calendar by affirmative vote. (ACT)

- [1.](#) Minutes of adjourned regular meeting held October 1, 2024
- [2.](#) Cancel the 2nd regular meetings of November 19 and December 17, 2024 due to the upcoming holidays
- [3.](#) Approve the 2023 Greenhouse Gas Emissions Allowance Transaction from CP Energy Marketing LP (\$614,631.60) and Evolution Market (\$6,146.32) for a total amount not to exceed \$620,778 to be funded from the adopted FY25 electric budget

REGULAR ITEMS (A three minute time limit per person has been established per Municipal Code Section 2-18)

- 4. Accept the bid of Raftelis Financial Consultants, Inc. to prepare a Comprehensive Electric, Water, and Wastewater Cost of Service Ratemaking Study at a cost not to exceed \$98,774 utilizing the adopted FY25 NPUA budget (ACT)
- 5. Appoint three Board Members to the 2024 Ratemaking Study Ad Hoc Committee (ACT)

REPORTS (INF)

- 6. EUSI, LLC operational support services relating to the wastewater treatment facility and collection system September 2024
- 7. Monthly Activity Report June 2024
- 8. Present Perfected Rights (PPR) Report September 2024

PENDING MATTERS (not for discussion at this time)

Arc Flash Study System Improvements Cost Estimate and Timeline Report (per Board action on April 4, 2023)

Report on Park Moabi powerline after November 2024 election (Board request on July 2, 2024)

MANAGER'S REPORT

- 9. Manager's Report September 27 and October 4, 2024

BOARD REQUESTS

ADJOURNMENT

INTERNET ACCESS TO BOARD AGENDA AND STAFF REPORT MATERIAL IS AVAILABLE PRIOR TO THE MEETING AT: [HTTP://WWW.CITYOFNEEDLES.COM](http://www.cityofneedles.com)

Posted: October 10, 2024

SB 343-DOCUMENTS RELATED TO OPEN SESSION AGENDAS -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the City Administrative Office, 817 Third Street, Needles, CA 92363.

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact Cheryl Sallis, Secretary to the Board, at (760) 326-2113 ext 115. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-104 ADA Title II).

BOARD OF PUBLIC UTILITIES

October 1, 2024

The adjourned regular meeting of the Board of Public Utilities held on the 1st day of October, 2024, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL presiding and the following COMMISSIONERS present:

COMMISSIONERS LeJEUNE, SCHNEIDER AND McNEIL

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

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

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE,
SCHNEIDER AND McNEIL
NOES: NONE
ABSENT: COMMISSIONERS BROWN AND MOFFITT

COMMISSIONER MOFFITT entered the meeting at 4:01 p.m.

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

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE,
MOFFITT, SCHNEIDER AND McNEIL
NOES: NONE
ABSENT: COMMISSIONER BROWN

CORSPNDN: None

PBLC APRN: None

CNST CAL: COMMISSIONER MOFFITT requested that item #3 be pulled (California Colorado River Contractors Forbearance Agreement for 2024-2026 with the Coachella Valley Water District, Imperial Irrigation District, Palo Verde Irrigation District and Metropolitan Water District of Southern California).

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER MOFFITT, to pull consent item #3 and approve consent calendar items 1,2,4&5.

1. Minutes of adjourned regular meeting held September 3, 2024
2. Authorize the purchase of two pumps for the Bazoobuth Lift Station from Brax at a cost not to exceed \$35,000 to be funded with Wastewater Asset Replacement funds

4. Authorize the City Manager to execute the Physical Security Exemption letter dated October 1, 2024 and to submit to the California Public Utilities Commission
5. Adopt the 2024 Needles Public Utility Authority Wildfire Mitigation Plan Version 5.0

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

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE, MOFFITT AND McNEIL
NOES: NONE
ABSENT: COMMISSIONER BROWN
ABSTAIN: COMMISSIONER SCHNEIDER

Motion to approve item 2,4&5 carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE, MOFFITT, SCHNEIDER AND McNEIL
NOES: NONE
ABSENT: COMMISSIONER BROWN

COMMISSIONER MOFFITT questioned the 35,000 acre feet of water from Coachella Valley Water District and where it will be coming from and going to. Utility Manager Torrance responded it will be coming from the Bureau of Reclamation and going to Imperial Irrigation District to disperse.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER McNEIL, to authorize the City Manager to execute the California Colorado River Contractors Forbearance Agreement for 2024-2026 with the Coachella Valley Water District, Imperial Irrigation District, Palo Verde Irrigation District and Metropolitan Water District of Southern California to allow water to be conserved under the U.S. Bureau of Reclamation conservation program to be added to Lake Mead. Motion carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE, MOFFITT, SCHNEIDER AND McNEIL
NOES: NONE
ABSENT: COMMISSIONER BROWN

REG ITEMS: Utility Manager Torrance explained the request for proposal (RFP) process to retain a company to do a solar energy project for a 2-3 megawatt solar system. ENG EVAL & FEASBL STUDY, SOLAR ENG SITES She introduced Arlen Barksdale, PhD, Chief Technology Officer, Unisol Solar, who reviewed the 10 potential sites for such a project and the rationale for selection of each including estimated costs over the life of the project. At the conclusion, Utility Manager Torrance asked for Board acceptance of the Study noting that staff will use this document for additional Dept. of Energy applications and it may possibly generate some unsolicited proposals.

City Manager Martinez noted that the city/utility are a long way from the financing/funding stage of a solar project and that this is a playbook to get there. This document is for future growth. General discussion ensued on the engineering evaluation and feasibility study, funding of any future projects, cost of renewable energy credits (RECs), and impact from any solar project.

COMMISSIONER SCHNEIDER MOVED, SECONDED BY COMMISSIONER LeJEUNE, to accept the Engineering Evaluation & Feasibility Study, Needles Solar Energy Sites Evaluation dated August 12, 2024 as prepared by Unisol Solar Energy Solutions. Motion carried by the following roll call vote:

AYES: CHAIRMAN CAMPBELL, COMMISSIONERS LeJEUNE, MOFFITT, SCHNEIDER AND McNEIL

NOES: NONE

ABSENT: COMMISSIONER BROWN

REPORTS: CHAIRMAN CAMPBELL acknowledged the following reports: 1)) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system August 2024; and 2) Present Perfected Rights (PPR) report August 2024

MGR’S RPT: Utility Manager Torrance reported: 1) closed on the rate study request for proposals and will be on the next Board agenda to award; 2) no incidents to report; and 3) waiting for heat wave to be over so customers can see a decrease in their utility bills.

City Manager Martinez referenced his weekly manager's reports included in the packet and updated the Board on various current matters.

BRD RQSTS: COMMISSIONER LeJEUNE expressed concern with storage of water and the condition of the water tanks asking what's being done to take care of the tanks. Utility Manager Torrance explained that all the city's water tanks are inspected by a licensed contractor who goes inside the tanks and tests the integrity of the structures. She agreed to share the most recent report with the Board Members.

COMMISSIONER SCHNEIDER asked when the new treatment plant would be coming online to which City Manager Martinez responded we're expecting mid-November.

CHAIRMAN CAMPBELL declared the adjourned regular meeting of the Board of Public Utilities held on the 1st day of October, 2024, adjourned at 4:28 p.m.

ATTEST: _____

Chairman

Secretary



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: Cancel the 2nd regular meetings of November 19 and December 17, 2024 due to the upcoming holidays

Background: The City Council, at their meeting of October 8, canceled their second meetings during the months of November and December due to the holidays and staff is recommending that the Board do the same. Should an urgent need arise, a special meeting could be called.

Fiscal Impact:

Environmental Impact:

Recommended Action: Cancel the 2nd regular meetings of November 19 and December 17, 2024 due to the upcoming holidays

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/9/2024
Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: Approve the 2023 Greenhouse Gas Emissions Allowance Transaction from CP Energy Marketing LP and Evolution Market

Background: Assembly Bill 32 requires California to return to 1990 levels of greenhouse gas emissions by 2020. Under California’s Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR), industrial sources, fuel suppliers, and electricity importers must report their annual GHG emissions to the California Air Resources Board (CARB). For reporters subject to the California Cap-and-Trade Program, submitted data are verified by a CARB-accredited independent third-party verifier.

Every year, covered entities turn in allowances and offsets for 30 percent of the previous year’s emissions. The City of Needles meets this requirement annually by utilizing the free allocation of allowances provided by CARB.

In each compliance period, covered entities turn in the remaining 70 percent allowances and a limited number of offsets covering the remainder of emissions in that compliance period. To meet the remaining 70 percent requirements entities may participate in CARB auctions or purchase allowances and offsets from the open market. For the upcoming compliance period ending in November 1, 2024 staff purchased 2021-2022 allowances and offsets to meet regulatory requirements in June 2024 for \$1,138,090. For 2023 the city had an obligation of 16,434 allowances. The total cost of GHG allowances and offsets for the triannual compliance period (2021-2023) was \$1,758,868.14.

Fiscal Impact: Evolution Markets located the vintage year 2023 allowances at \$37.40/allowance. The cost for the allowances to Capital Power is \$614,631.60 and the broker fee to Evolution Markets is 1% of the transaction for a cost of \$6,146.32. The adopted FY 25 electric budget included funds to cover this transaction for the upcoming compliance period.

Environmental Impact: Offsets reduce CO2e emissions generated by facilities.

Recommended Action: Approve the 2023 Greenhouse Gas Emissions Allowance Transaction from CP Energy Marketing LP (\$614,631.60) and Evolution Market (\$6,146.32) for a total amount not to exceed \$620,778 to be funded from the adopted FY25 electric budget

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/9/2024
Other Department Approval (when required): [Signature] Date: 10/9/24

Approved: Not Approved: Tabled: Other:
Agenda Item: _____



EVOLUTION MARKETS

TRANSACTION CONFIRMATION

To: Rainie Torrance
City of Needles

We hereby confirm, that acting as broker on your instruction, we have arranged the following transaction on your behalf:

Trade Date:	2024-10-09 11:04 EST
Trade Type:	California Carbon Allowance (CCA)
Transaction #:	637275

Buyer: City of Needles
Seller: CP Energy Marketing LP.
Vintage: 2023 or earlier
Delivery: Delivery to occur promptly upon execution of a contract.
Settlement: As agreed between the counter-parties.
Volume: 16,434 CCA(s)
Price: 37.40 USD per CCA(s) **Total Price:** 614,631.60 USD
Contract Detail: This transaction is subject to contract and credit. Buyer and Seller shall act in good faith to promptly execute a purchase and sale agreement.
Total Commission: 6,146.31 USD
Counterparty: **CP Energy Marketing LP.**
James Renouf
jrenouf@capitalpower.com
Gulf Canada Square
Suite 1200, 401-9th Ave SW
Calgary, Alberta T2P 3C5
Canada
P: 403.717.8930

We trust that the above accurately reflects your understanding of the referenced transaction. Thank you for your business.

The Buyer and Seller (each a Party) understand that Evolution Markets Inc. ("Evolution") has acted as broker for both Parties hereto solely for the purpose of introducing the Parties with respect to the herein confirmed transaction ("the Transaction"). Each Party acknowledges and agrees that (i) it is capable of understanding the Transaction, assessing the merits thereof, and, in fact, understands and accepts the terms and conditions of the Transaction and also assumes the risks attendant thereto; (ii) each Party (and not Evolution) is responsible for evaluating the merits of the Transaction and the creditworthiness of the other Party thereto; (iii) Evolution shall not be responsible for either Party's performance of its respective obligations with respect to the Transaction nor does Evolution make any representations or assume any liability in respect of the creditworthiness, financial condition, or legal capacity of a Party; and (iv) Evolution shall have no liability to either Party in the event a Party is prohibited, restricted, or otherwise prevented from entering into the Transaction or if the Transaction is voided or rejected for any reason, including, without limitation, by an exchange or either Party's clearing facility.

All aspects and terms of the Transaction were determined and agreed to solely by the Parties hereto and adherence to the terms of the Transaction is strictly the obligation of the Parties. Each Party further agrees to hold Evolution, its affiliates, officers, directors, employees, agents, and successors harmless from any and all liabilities and/or damages that may arise from or in connection with a dispute between the Parties concerning the Transaction.

The Parties should confirm their acknowledgement of and agreement to the terms and conditions of the Transaction directly to their respective counterparty.

Item 3.

**WCI COMPLIANCE INSTRUMENTS PURCHASE AND SALE AGREEMENT
(the “Agreement”)**

Seller:	CP Energy Marketing (US) Inc.	Address: Suite 2500, 215- 2nd Street SW Calgary, Alberta, Canada T2P 1M4
Seller Contact:	Contact Name: James Renouf Director, Environmental Portfolio ON & US	Phone: (403) 717-8934 Email: jrenouf@capitalpower.com With a copy of legal notices to: notices@capitalpower.com
Buyer:	City of Needles	Address: 817 Third Avenue Needles, CA 92363
Buyer Contact:	Contact Name: Rainie Torrance	Phone: (760) 326-2115 x 140 Email: rtorrance@cityofneedles.com
Product:	Vintage 2023 or earlier Allowances eligible for use as compliance instruments for the California Cap and Trade Program, 17 CCR Division 3, Subchapter 10, Article 5.	
Quantity:	16,434 CCAs	
Purchase Price:	US\$37.40/CCA	
Delivery Date:	Within three (3) Business days after Payment	
Payment Date:	On or before October 15 , 2024	
Applicable Registry:	CITSS (Compliance Instrument Tracking System Service)	
Purchase and Sale Obligation:	Seller shall sell and initiate delivery to Buyer, and Buyer shall purchase, accept delivery from Seller and pay Seller for, the Quantity of Product multiplied by the purchase price.	
Transfer of Product:	Seller shall initiate transfer of the Product to Buyer via the Applicable Registry by the Delivery Date. Buyer shall accept transfer in accordance with registry rules. Delivery and title transfer shall be deemed complete upon transfer of Product to Buyer’s CITSS account.	
	<u>Buyer’s CITSS Account Information:</u> Name: City of Needles CITSS Account No.: CA1456-1566 (General) Entity Reference Code: 69639180	<u>Seller’s CITSS Account Information:</u> Name: CP Energy Marketing (US) Inc. Account No.: CA2050-2386 (General) Entity Reference Code: 58976845
Payment:	Buyer shall pay Seller the Purchase Price times the Quantity by the Payment Date. All funds to be paid to Seller shall be rendered in the form of immediately available funds (U.S. Dollars) by wire transfer or in such other form as agreed to by the parties. If either party fails to remit any amount payable by it when due, interest on such unpaid portion shall accrue at a rate equal to the prime interest rate in effect at the time as published in <i>The Wall Street Journal</i> plus two percent (2%) from the date payment is due to the date of payment.	
General Terms and Conditions:	<u>Definitions and Interpretations.</u> Terms used in this Agreement not otherwise defined shall have the meanings set forth in the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulation (being Subchapter 10 Climate Change, Article 5, Sections 95800 to 96023, Subchapter 10, Chapter 1, Division 3, Title 17, California Code of Regulations) promulgated and adopted by ARB effective January 1, 2012, as amended from time to time (the “ Cap and Trade Regulations ”) or if not defined therein, shall be interpreted as commonly used for agreements for the sale of CCOs for use in compliance pursuant to the Cap and Trade Regulations.	

Representations and Warranties. Each Party represents and warrants to the other Party as of the date of this Agreement, as of each transfer of Product, and as of each payment hereunder as follows: (i) it is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing; (ii) it has all necessary power and authority to execute, deliver, and perform its obligations hereunder; (iii) the execution, delivery, and performance of this Agreement by such Party have been duly authorized by all necessary action and do not violate any of the terms or conditions of its governing documents, any contract to which it is a party, or any law applicable to it; and (iv) is a registered account for/in CITSS with full right to transfer the Products among accounts.

Additional Representation and Warranties of Seller. Seller represents and warrants to Buyer that as of and at the time of each transfer hereunder: (i) each Product meets the specifications set forth in this Agreement and the legal requirements applying to such Product; (ii) Seller has good and marketable title to the Product; and (iii) all right, title and interest in and to the Product delivered is free and clear of any liens, taxes, claims, security interests, or other encumbrances. Except for the express representation and warranties set out in this Agreement, the SELLER EXPRESSLY NEGATES AND DISCLAIMS ANY OTHER REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE.

Event of Default. For purposes of this Agreement, a party shall be in default (each of the following, an “**Event of Default**”): (i) if that party fails to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) business days of written notice from the other party; (ii) if that party materially breaches any or all of its obligations under this Agreement and such breach is not cured within ten (10) business days of written notice of such breach from the other party; (iii) if any representation or warranty made by a party pursuant to this Agreement proves to have been misleading or false in any material respect when made and such party does not cure the underlying facts so as to make such representation and warranty correct and not misleading within ten (10) business days of written notice from the other party; or (iv) if a party, (a) makes an assignment or any general arrangement for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors; (c) has a petition filed against it, and such petition is not dismissed within sixty (60) days; or (d) otherwise becomes bankrupt or insolvent (however evidenced).

Remedies upon Default. If either Party is in default, the non-defaulting party may select any or all of the following remedies: (i) upon two (2) business days’ written notice to the defaulting party, terminate this Agreement, (ii) withhold any payments and deliveries due in respect of this Agreement, and (iii) exercise such other remedies available at law or in equity.

If Buyer is in default and Seller elects to terminate this Agreement, then Buyer shall pay Seller, within ten (10) business days of invoice receipt, an amount equal to the sum of (i) the Contract Price multiplied by the quantity for any Products delivered to Buyer for which Seller has not been paid, and (ii) the positive difference, if any, obtained by subtracting the market price, as reasonably determined by Seller, for the Product from the Contract Price multiplied by the remaining balance of the Quantity of Product not received, plus reasonable third party fees (including broker fees) and legal costs incurred by Seller in enforcement and protection of its rights under this Agreement.

If Seller is in default and Buyer elects to terminate this Agreement, then Seller shall pay Buyer, within ten (10) business days of invoice receipt, an amount equal to the positive difference, if any, obtained by subtracting the Contract Price from the market price, as reasonably determined by Buyer, for the Product multiplied by the remaining balance of the Quantity of Product not delivered, plus reasonable third party fees (including broker fees) and legal costs incurred by Buyer in enforcement and protection of its rights under this Agreement. In no event does the foregoing relieve Buyer of its obligation to pay Seller the Contract Price multiplied by the quantity for any Product delivered to Buyer for which Seller has not been paid, but only to the extent such Product is of like kind and vintage as described above and are consistent with Seller’s warranties set forth herein.

Limitations of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INCIDENTAL, INDIRECT, EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING LOSS OF PROFITS (EXCEPT TO THE EXTENT THAT ANY DIRECT DAMAGES INCLUDE AN ELEMENT OF PROFIT).

Confidentiality. “**Confidential Information**” means all oral and written information provided by either party as “Provider” to the other party as “Recipient” with respect to the subject matter of this Agreement, including, without limitation, the terms of this Agreement. The following information does not constitute Confidential Information for purposes of this Agreement: (i) Provider’s information that is or becomes generally available to the public other than as a result of a disclosure by Recipient in violation of this Agreement; (ii) Provider’s information that was already known by Recipient on a non-confidential basis prior to this Agreement; or (iii) Provider’s information that becomes available to Recipient on a non-confidential basis from a source other than the Provider if such source was not known by the Recipient to be subject to any prohibition against disclosing the information to such party. Except as provided in this Section, neither party shall publish, disclose, or otherwise divulge the other party’s Confidential Information to any person at any time during or after the term of this Agreement, without the other party’s prior express written consent. Each party shall permit knowledge of and access to the other party’s Confidential Information only to those of its affiliates, officers, members, directors, contractors, consultants, attorneys, accountants, representatives, agents, investors, financing parties and employees who have a need to know related to the implementation of this Agreement (collectively, the “**Representatives**”). Recipient shall be responsible for any breach of this Agreement by its Representatives. If required by any law, statute, ordinance, decision, order or regulation passed, adopted, issued or promulgated by a court, governmental agency or authority having jurisdiction over a party, that party may release Confidential Information, or a portion thereof, to the court, governmental agency or authority, as required by the applicable law, statute, ordinance, decision, order or regulation, provided that such party has notified the other party of the required disclosure (if permitted by applicable law) so that the other party may take such action as the other party deems advisable to cause such court, governmental agency, authority or accountant to treat such information in a confidential manner and to prevent such information from being disclosed or otherwise becoming part of the public domain. This Section shall survive for a period of one (1) year following the expiration of this Agreement.

Notices. All notices, demands, and other communications hereunder shall be effective only if given in writing and shall be deemed given: (i) when delivered in person; (ii) when delivered by private courier (with confirmation of delivery); (iii) when transmitted by facsimile or email facsimile (with confirmation of transmission); or (iv) five (5) business days after being deposited in the United States mail (or Canada Post, as applicable), first-class, registered or certified, return receipt requested, with postage paid. For purposes hereof, all notices, demands and other communications shall be sent to the contacts and addresses above (or to such other address furnished in writing by one party to the other party).

Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may transfer or assign this Agreement, in whole or in part, without the other party’s prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, that the other party’s prior written consent shall not be required for a party’s assignment to an affiliate.

Amendment. This Agreement may be amended at any time, but only by a written agreement signed by both parties.

No Waiver. No delay or omission by a party in the exercise of any right under this Agreement shall be taken, construed, or considered as a waiver or relinquishment thereof. If any of the terms and conditions herein are breached and thereafter waived in writing by a party, such waiver is limited to the particular breach so waived and is not deemed to waive any other breach hereunder.

Severability. If any provision or portion of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible, and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of the Parties as expressed herein.

	<p><u>Complete Agreement.</u> This Agreement represents the parties’ final and mutual understanding concerning its subject matter. It replaces and supersedes any prior agreements or understandings, whether written or oral.</p> <p><u>Governing Law.</u> This Agreement shall be construed in accordance with and governed by the laws of the State of New York, excluding any choice of law or conflicts of law rules or principles that would result in application of the laws of a different jurisdiction.</p> <p><u>Dispute Resolution.</u> The Parties irrevocably and unconditionally agree that any and all actions, suits, or other legal proceedings shall be brought only in a state or federal court located in the Southern District of New York and consent to the exclusive jurisdiction of such courts in such legal proceedings. EACH PARTY HEREIN WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY TRANSACTIONS.</p> <p><u>Counterparts and Electronic Signatures.</u> This Agreement may be signed electronically, including through DocuSign™ and similar applications. This Agreement may be signed in any number of counterparts (including counterparts by scanned or Electronic Signature) and each counterpart will be deemed an original; taken together, all counterparts will be deemed to constitute one and the same instrument. Delivery of a printed counterpart (whether or not the counterpart was signed electronically) and electronic delivery (including by email transmission or transmission over an electronic signature platform) of an executed counterpart of this Agreement are each as valid, enforceable and binding as if the signatures were upon the same instrument and delivered in person.</p> <p><u>Forward Contract.</u> This Agreement constitutes a “forward contract”, and each party represents and warrants that it is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.</p>
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By signing below, the parties agree to be bound by the terms and conditions contained in this Agreement.

<p>Buyer: City of Needles</p> <p>By: _____</p> <p>Name:</p> <p>Title:</p> <p>Date:</p>	<p>Seller: CP Energy Marketing (US) Inc.</p> <p>By: _____</p> <p>Name:</p> <p>Title:</p> <p>Date:</p>
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City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: Accept the bid of Raffelis Financial Consultants, Inc. to prepare a Comprehensive Electric, Water, and Wastewater Cost of Service Ratemaking Study at a cost not to exceed \$98,774 utilizing the adopted FY25 NPUA budget

Background: The City of Needles issued a solicitation for proposals from qualified firms to conduct a Rate Study to assist in determining how the City funds the administration, operation, maintenance, capital replacement, and improvement of its electric, water, and wastewater systems. The City is seeking a multi-year plan to align revenue with expenses, including ongoing maintenance, repairs, and upgrades to infrastructure and at the time set for bid opening on October 1, 2024, only one bid had been received from Raffelis Financial Consultants, Inc.

The study will evaluate all current electric, water, and wastewater rates, system revenue generation, and full cost recovery. The study will provide recommendations for a revenue structure that will comply with all federal, state, and local regulations, and will meet all debt-service requirements. The electric entity will present different potential rate structures.

The City anticipates submission of a draft Rate Study by June 2025. Following the acceptance of the draft rate study, the consultant will provide presentations to the Board of Public Utilities and the City Council within one to two months. A final report will be prepared based on input received during these presentations. If necessary and approved, a new rate structure would take effect on October 1, 2025.

Fiscal Impact: The adopted FY25 NPUA budget allocated funds for Electric, Water, and Wastewater to cover the 2024 Rate Study.

Environmental Impact: None

Recommended Action: Accept the bid of Raffelis Financial Consultants, Inc. to prepare a Comprehensive Electric, Water, and Wastewater Cost of Service Ratemaking Study at a cost not to exceed \$98,774 utilizing the adopted FY25 NPUA budget

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: *Rainie Torrance* Date: 10-10-24

Other Department Approval (when required): *WHA* Date: 10/10/24

Approved: Not Approved: Tabled: Other:
Agenda Item: _____

Bid Form

To: CITY OF NEEDLES
 817 THIRD STREET
 NEEDLES, CA 92363

DATE: October 1, 2024

In compliance with the Invitation for Sealed Bids to Conduct a Comprehensive Electric, Water and Wastewater Cost of Service Ratemaking Study undersigned, as Bidder, hereby offers to sell to the City, in accordance with the terms, conditions, requirements and specifications set forth in the Bid documents for the price quoted on this Bid Form to complete the requested study.

Consulting Firm: Raftelis Financial Consultants, Inc.
 Primary Contact: Todd Cristiano
 Address: 445 S Figueroa Street, Suite 1925, Los Angeles, CA 90071
 Phone Number: 303.305.1138

TOTAL BID ELECTRIC RATE STUDY	\$	<u>30,014</u>
TOTAL BID WATER RATE STUDY	\$	<u>34,380</u>
TOTAL BID WASTEWATER RATE STUDY	\$	<u>34,380</u>

City of Needles

Electric, Water & Wastewater Utility Cost of Service Rate Making Study

EL2501 / PROPOSAL / OCTOBER 1, 2024



October 1, 2024

City of Needles
817 3rd Street
Needles, California 92363


Subject: Proposal for Electric, Water & Wastewater Utility Cost of Service Rate Making Study (RFP No. EL2501)


Dear Selection Committee:


Financial sufficiency, water and power supply resiliency, and fair and equitable rate structures. This is what we believe to be at the forefront of this rate study. And you're not alone, many utilities across Southern California and your neighbors in Arizona are facing similar challenges. This rate study with Raftelis Financial Consultants, Inc. (Raftelis) and K. R. Saline & Associates, PLC (KRSA) as your advisors will ensure the utilities surpass the customer expectations for reliable utility services while promoting the City's internal goals.

Raftelis was established in 1993 to provide financial, rate, and management consulting services to water, wastewater, and electric utilities with the highest levels of quality and customer service. We have offices nationwide including California where we partner with utilities all across the state. There's more on us and KRSA in the following pages.

Our approach to the project will directly benefit the City by helping you achieve the goals of this study, and here are the key factors that support this:

 **Project Management.** Effective project management means proactive communication and keeping staff up-to-date with the study's progress. However, we realize that staff's time is at a premium. We recognize this and have tailored our approach to make the most efficient use of your time.

 **Project Team.** We have selected key consultants who align with the expertise required for this project. This includes California Proposition 218 specialists, cost-of-service experts, and seasoned industry professionals who are readily available to you. Our subconsultant, KRSA, brings extensive electric experience and regional knowledge to help navigate the complexities of electric rate-setting."

 **Issue Prevention.** With our services, you are investing in reduced risks, less rework, and higher compliance with industry standards. The potential pitfalls of choosing less experienced consultants can lead to costly mistakes that we help you avoid. To accomplish this, we believe in exploring all ideas and collaborating with you to identify the most actionable and politically viable solutions that serve both the utility and its customers.

I will serve as the Project Manager for this engagement. My 25 years' experience in the utility industry both as a consultant and as the Rates Manager at Denver Water will provide the City with the level of expertise and quality

expected during this study. Brian Bass will serve as the Assistant Project Manager for water and wastewater. Brian has 19 years of experience in utility financial consulting and water and wastewater engineering design. KRSA is our subconsultant for the electric scope of work, and Ashley Blank will serve as the Assistant Electric Project Manager. Finally, we have included Subject Matter Experts who are detailed in the organization chart. Of particular importance is Amanda Guci, who helps lead Raftelis' energy division. She will serve as a link between Raftelis and KRSA sharing her experience and expertise as needed.

We are eager to work with you and believe our team and experience will result in a successful outcome while showcasing the financial and operational strength of the utilities.

I am eager to discuss this opportunity with you in more detail and to demonstrate how Raftelis can help you achieve your financial and rate objectives. Please feel free to contact me at 303.305.1138 or tcristiano@raftelis.com if you have any questions.

Sincerely,



Todd Cristiano, *Vice President*

445 S Figueroa Street, Suite 1925, Los Angeles, CA 90071



Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.



Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

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A. COMPANY OVERVIEW

A. Company Overview

Local government and utility leaders partner with Raftelis to transform their organizations by enhancing performance, planning for the future, identifying top talent, improving their financial condition, and telling their story. We've helped more than 700 organizations in the last year alone.

We believe that Raftelis is the right fit for this project. We provide several key factors that will benefit the City and help to make this project a success.

RESOURCES & EXPERTISE: This project will require the resources necessary to effectively staff the project and the skillsets to complete all of the required components. With more than 180 consultants, Raftelis has the largest water-industry financial and management consulting practice in the nation, including many of the industry's leading rate consultants and experts in key related areas, like stakeholder engagement and data analytics. Our depth of resources will allow us to provide the City with the technical expertise necessary to meet your objectives.

Choosing the right partner is about more than just the initial cost; it's about ensuring the best possible outcome for your utilities. We are committed to delivering unmatched value and sustainable results that justify the investment in our services.

DEFENSIBLE RECOMMENDATIONS: When your elected officials and customers are considering the validity of recommended changes, they want to be confident that they were developed by experts using the latest industry standard methodology. Our staff are involved in shaping industry standards by chairing committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF) and co-authoring many industry-standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

HISTORY OF SIMILAR SUCCESSES: An extensive track record of past similar work will help to avoid potential pitfalls on this project and provide the know-how to bring it across the finish line. Raftelis staff has assisted 1,700+ local governments and utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives. Our extensive experience will allow us to provide innovative and insightful recommendations to the City and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

USER-FRIENDLY MODELING: A modeling tool that your staff can use for scenario analysis and financial planning now and into the future will be key for the City going forward. Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. We offer model options including Microsoft Excel-based and web-based tools that are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

EXPERTS ON CALIFORNIA REGULATORY REQUIREMENTS: This expertise will allow the City to be confident that our recommendations take into account all of these regulatory requirements. The regulatory environment in California has become more stringent due to Proposition 218. Besides developing well-thought-out financial plans, Raftelis staff members are very knowledgeable about these regulations and have made presentations on this subject at various industry conferences. In addition, we are frequently called on to be expert witnesses regarding these regulatory matters.

COMPANY OVERVIEW INFORMATION

1. & 6. Year founded and number of continuous years and length of time and years during which the Proposer has provided the Services contemplated by this RFP (longevity)

1993 (31 years)

2. Ownership status (public or private company, LLC, LLP, S-Corp, Sole Proprietor)

S- Corporation

3. Federal tax identification number

20-1054069

4. & 5. Name, address, telephone number, and title of the person(s) whom the CITY can contact about the Proposal and who will serve as primary Proposer contact

Todd Cristiano, Vice President

445 S Figueroa Street, Suite 1925, Los Angeles, CA 90071 / P: 303.305.1138 / E: tcristiano@raftelis.com

ADDITIONAL COMPANY OVERVIEW INFORMATION

Names of Principals

Peiffer Brandt (President and CEO) and William Stannard, PE (Chair Emeritus and Executive Vice President)

Number of Employees

218 employees

Client base

Local government and utilities

Areas of specialization

- **Finance:** Meet your goals while maintaining a financially sustainable organization
- **Organization:** Plan for long-term sustainability and operate with maximum efficiency
- **Communication:** Communicate strategically to build an informed, supportive community
- **Technology:** Use your data and technology to improve experience and gain valuable insights
- **Strategic planning:** Set the direction for the future of your organization and community
- **Executive recruitment:** Identify top talent to lead local governments and utilities

Stability and financial strength

Raftelis is financially stable and has the resources to provide the requested services to the City in a satisfactory manner. Raftelis has experienced steady growth throughout our 31 years of successfully providing consulting

services to hundreds of public agencies across the country. During our 31-year history, we have produced a consistent annual revenue stream and positive net income in every year. Upon request, we would be willing to provide information regarding our tax filings from our accountant, Dixon Hughes Goodman, or regarding our financial activity and current financial position from our bank, First Citizens Bank, if requested. We would ask that all financial information provided be kept confidential.



Project Leadership

Our Project Manager, Todd Cristiano, has broad experience leading rate studies and similar projects. Todd is a co-instructor for the American Water Works Association Fundamentals of Rate Setting multi-day course, hosted twice a year. Todd also brings utility experience to this project serving as the previous Rate Manager at Denver Water.

OUR SUBCONSULTANT

K. R. Saline & Associates, PLC (KRSA)

The principals of KRSA have provided ongoing consulting engineering services and management consulting to their clients regarding their long-term and short-term electric, water, and gas operations for over 20 years. KRSA has performed various engineering and economic analyses for these entities and has represented their interests in front of numerous federal and state agencies. KRSA makes recommendations to the management and governing bodies of its clients and negotiates necessary programs and policies on their behalf. The continuity of providing ongoing services for their clients enables KRSA to provide quality services to our clients efficiently and with attention to the specific details of their unique operations. KRSA staff includes registered professional engineers, technicians, utility operations specialists, and financial specialists, as well as administrative personnel. They employ a horizontal management structure that empowers its employees and encourages cross-training and discussion across the functional areas of the company.

B. PROJECT TEAM

B. Project Team

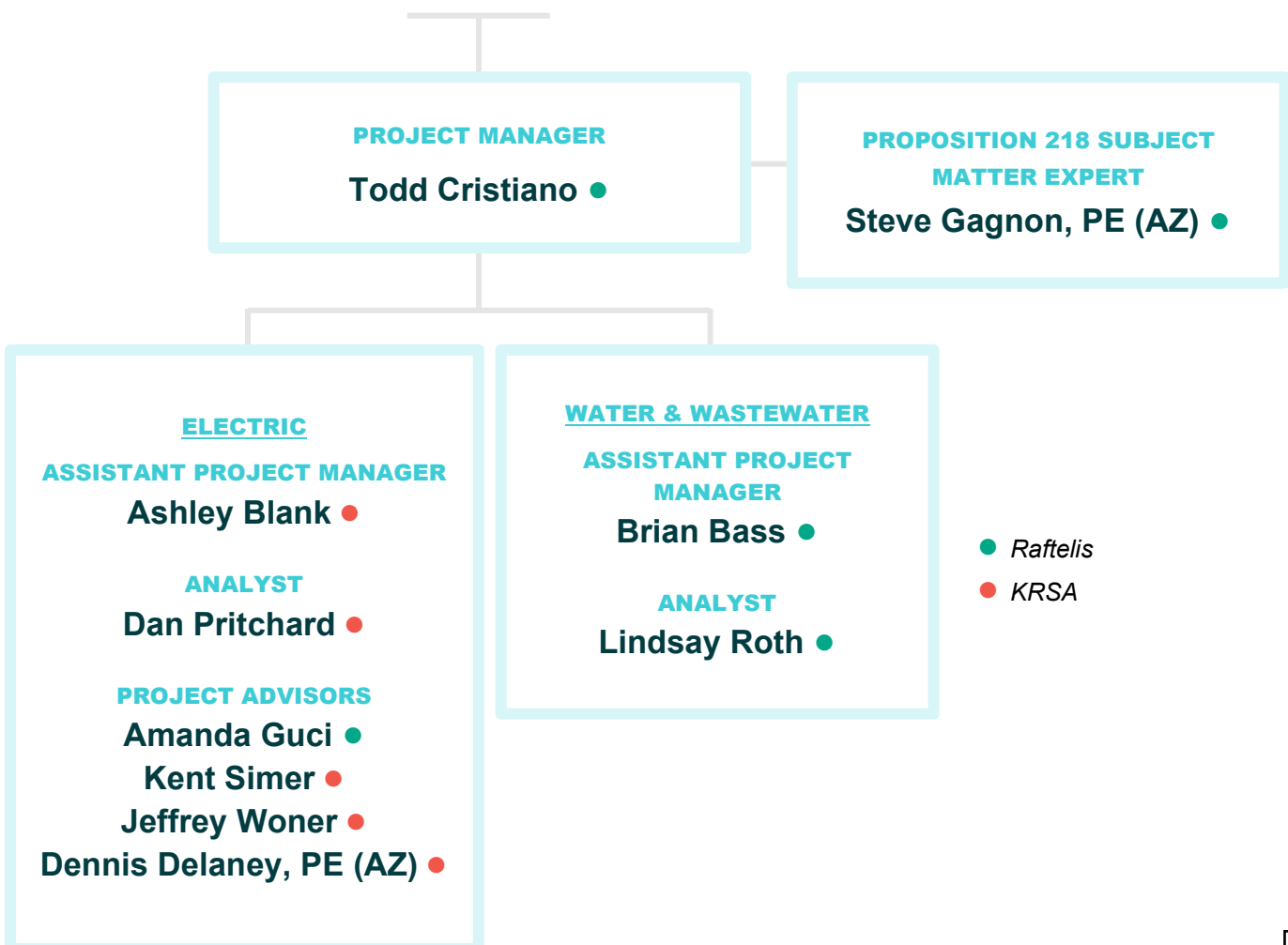
We have developed a team of consultants who specialize in the specific elements that will be critical to the success of the City’s project. Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the City with confidence in our capabilities.

1. Project Team Organization: Below, we have included an organizational chart showing the structure of our project team. On the following page we provided brief qualifications for each team member.

2. Resumes: In Appendix A, we have included resumes for each of our team members as well as a description of their role on the project.

3. Relevant Licenses: Though there are no specific license to conduct the services, we have provided our Secretary of State registration in Appendix B.

City of Needles





Todd Cristiano | Project Manager | Vice President (Raftelis)

Role: Responsible for overall project accountability and quality assurance. Provide input and guidance to ensure exceptional rate change communications for this project for each utility study. Lead presenter on all water and wastewater-related meetings and presentations.

Career/Experience Highlights:

- 25 years of experience with water, wastewater, electric cost of service and rates
- Former Rates Manager for Denver Water
- Instructor for AWWA's biannual Rate-Setting Essentials seminar
- Past chair and member of AWWA's Rates and Charges Committee/Lead for the update of the AWWA *MI Manual, Principles of Rates, Charges, and Fees*

Education: Bachelor of Science Chemical Engineering; Master of Business Administration

Key Clients: San Diego (CA), Milpitas (CA), Manteca (CA), Crestview Mutual Water Company (CA), Santa Cruz (CA), Scotts Valley (CA)

Areas of Competence: Water, wastewater, solid waste, and electric financial planning; Cost-of-service & rate structure studies; Economic feasibility analyses, Impact fee studies - utility & non-utility; Budget processes; Economic feasibility analyses



Brian Bass | Water and Wastewater Assistant Project Manager | Manager (Raftelis)

Role: Oversee the day-to-day operations and provide technical direction for water and wastewater. Reports to the Project Manager and main contact with the City's utility project team. Brian, along with Todd, will be the primary points of contact with the client.

Career/Experience Highlights:

- 20 years of experience in consulting providing financial, project management, and engineering services
- Vice-Chair of AWWA CA-NV Financial Management Committee
- Member of the AWWA Rates and Charges Committee and one of the co-authors for the update of the AWWA *MI Manual, Principles of Rates, Charges, and Fees*

Education: Bachelor of Science Agricultural and Biological Engineering, Master of Business Administration

Key Clients: Scottsdale Water (AZ), Los Angeles County Waterworks District (CA), Ontario (CA), Sacramento (CA), Whittier (CA), Columbus (OH), Washington Suburban Sanitary Commission (MD)

Areas of Competence: Water and wastewater cost of service and rate structure studies; capacity fee studies; financial capability assessment and affordability studies; bond feasibility studies; economic feasibility studies



Lindsay Roth | Water and Wastewater Analyst | Consultant (Raftelis)

Role: Will work at the direction of Todd and Brian in conducting analyses and preparing deliverables for water and wastewater portion of the project.

Career/Experience Highlights:

- Four years of experience providing water and wastewater financial services
- Contributed to financial models and analyses for water and wastewater rate studies as well as bill impact analyses

Education: Bachelor of Science Earth and Environmental Science, Master of Environmental Management Water Resources Management

Key Clients: Thousand Oaks (CA); Ventura (CA); San Benito County Water District (CA); Coronado (CA)

Area of Competence: Water, wastewater, and recycled water financial planning, cost of service analysis, and rate design studies; drought rate studies; groundwater sustainability agency (GSA) fee studies; capacity fee studies



Steve Gagnon PE (AZ) | Proposition 218 Subject Matter Expert | Vice President (Raftelis)

Role: Provide input and guidance for Proposition 218 requirements.

Career/Experience Highlights:

- Over 25 years of experience in financial analysis and environmental engineering, including over 14 years of providing financial planning and rate setting services to agencies all over California
- Professional Engineer (AZ) and Series 50 Municipal Advisor Representative
- Member of AWWA and former Chair of the CA NV AWWA Financial Management Committee

Education: Master of Science Environmental Engineering; Master Business Administration

Key Clients: Hi-Desert Water District (CA); Pasadena (CA); Burbank Water and Power (CA); San Francisco Public Utilities Commission (CA); Otay Water District (CA); Ontario (CA), (CA); Sweetwater Authority (CA)

Areas of Competence: financial analysis and modeling; cost of service; rate design; affordability analysis; capital overhead studies; capital prioritization/ asset management; economic feasibility evaluation, financial forecasting; bond feasibility studies



Amanda Guci | Electric Project Advisor | Manager (Raftelis)

Role: Support KRSA’s team offering assistance and guidance as needed.

Career/Experience Highlights:

- Over a decade of experience in rate and regulatory consulting for municipal and investor-owned electric, gas, water, and wastewater utilities
- Specializes in cost of service and rate design, financial modeling, and financial planning
- Municipal Advisor Representative (Series 50), APPA, and AWWA member

Education: Albanian School of Diplomatic Arts

Key Electric Clients: Aspen (CO), Cleveland Public Power (OH), Orangeburg (SC), Camden (SC), Greenville Utilities Commission (NC)

Areas of Competence: Regulated and municipal electric and gas cost of service rate studies; EV rate structure pricing; affordability analysis; capital overhead studies; capital prioritization/ asset management; economic feasibility evaluation, financial forecasting; bond feasibility studies



Ashley Blank | Electric Assistant Project Manager | Analyst (KRSA)

Role: Will lead and provide technical direction for the electric portion of the project.

Career/Experience Highlights:

As an analyst at KRSA, Ashley’s experience includes 15 years in the special retail industry analyzing sales and inventory budgets as well as two years in data engineering and process improvement in the RPO industry. Ashley

has a proven track record of success in identifying trends, improving processes, and providing valuable data-driven insights.

Education: iMBA, Southern New Hampshire University



Kent Simer | Electric Project Advisor | Senior Analyst (KRSA)

Role: Provide input and guidance for the electric portion of the project.

Career/Experience Highlights:

As a senior analyst at K. R. Saline & Associates, Kent's 25+ years of experience in the utility industry has included economic analyses and computer-aided modeling for power supply planning, load forecasting, financial forecasting, cost/benefit analysis, rate studies, and expert testimony on revenue requirements and rate design matters. Kent previously conducted the electric, gas, water, and wastewater rate studies for the City of Safford.

Education: B.I.S., Arizona State University, APPA Rate Certified 2003



Jeffrey Woner | Electric Project Advisor | Partner (KRSA)

Role: Provide input and guidance for the electric portion of the project.

Career/Experience Highlights:

Jeffrey has participated in several utility financings (approximately \$700 million) as well as several projects relating to the compliance of environmental regulations. Jeffrey provides ongoing consulting services for numerous irrigation and electrical districts, municipal utilities and tribal utilities located in Arizona.

Education: M.S. Economics, University of Arizona



Dennis Delaney PE (AZ) | Electric Project Advisor | Partner (KRSA)

Role: Provide input and guidance for the electric portion of the project.

Career/Experience Highlights:

Dennis was instrumental in the development of the Southwest Public Power Agency and has served as its project manager since 2014. Prior to the formation of SPPA Dennis oversaw the resource management and scheduling for over 25 irrigation and electrical districts, municipal utilities, and tribal utilities in Arizona.

Education: B.S., Electrical Engineering, Arizona State University, P.E.



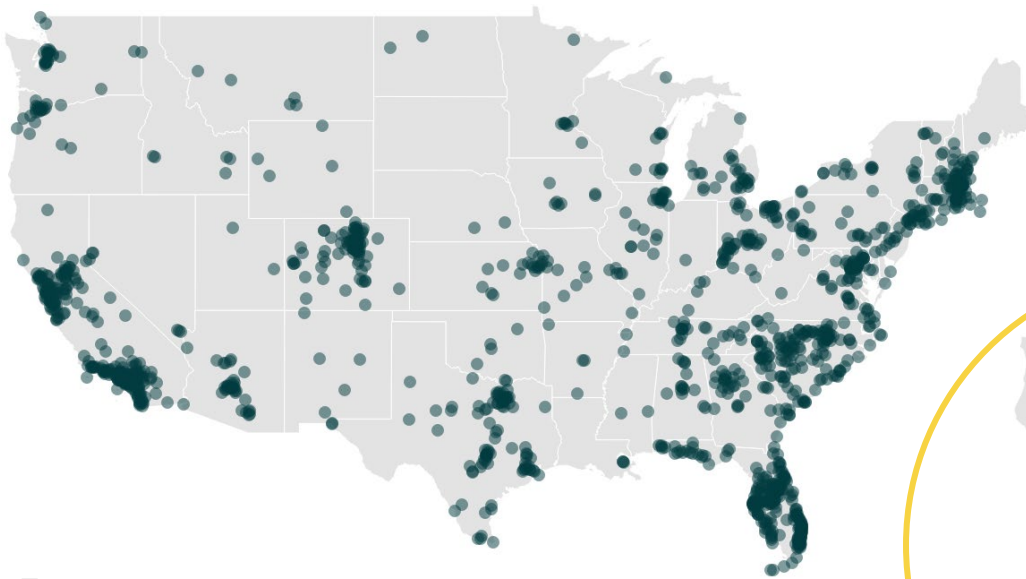
Daniel Pritchard | Electric Analyst | Senior Analyst (KRSA)

Role: Will work at the direction of Ashley in conducting analyses and preparing deliverables for electric portion of the project.

Career/Experience Highlights:

For the past 16+ years, Dan has provided ongoing consulting service responsibilities for numerous electric districts, and municipal utilities in Arizona ranging from power forecasting, ad-hoc economic analysis, and compliance with federal reporting mandates. Dan participates in multiple scheduling, administration, and public ratemaking processes for hydroelectric resources available to Arizona utilities and in the scheduling activities of the Southwest Public Power Agency.

Education: B.S. Economics, University of Arizona



RAFTELIS HAS PROVIDED FINANCIAL/
ORGANIZATIONAL/TECHNOLOGY ASSISTANCE
TO UTILITIES SERVING MORE THAN
25% OF THE U.S. POPULATION.

C. REFERENCES

C. References

Our staff has assisted more than 1,700 public agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 1,300 financial, organizational, and/or technology consulting projects for over 700 agencies in 47 states, the District of Columbia, and Canada. Below, we have provided descriptions of projects that we have worked on that are similar in scope to City’s project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

RAFTELIS

City of San Diego CA

Owner/Reference: Adam Jones, Deputy Director of Finance
525 B Street, San Diego, CA 92101 / P: 858.614.4030 / E: jonesal@sandiego.gov
System size (kW DC): N/A / **Date Completed:** 2022; 2024 - Current

The City of San Diego (City) provides retail water, wastewater, and recycled water service to approximately 1.4 million people in metropolitan San Diego County. Raftelis has been providing consulting service to the City for over 20 years. During the period 2019 – 2021 Raftelis completed a comprehensive wastewater cost-of-service study that resulting in the adoption of Proposition 218 compliant wastewater and recycled water rates that were approved by the San Diego City Council for the period FY 2022 – FY 2026.

The City retained Raftelis again in 2024 to complete a 5-year update to the water and wastewater cost of service and rate studies. Due to recent litigation surrounding Prop 218, the City wanted to ensure that their cost of service studies withstood the scrutiny from the California Courts in recent cases. For both water and wastewater, Raftelis completed a comprehensive billing analysis, developed the revenue requirement, and completed a detailed cost allocation process with the City's input. This study is on-going and is anticipated to be complete by the end of 2024.

In addition, the City retained Raftelis to complete a comprehensive review of their Industrial Pretreatment Program fees. A lawsuit had been filed against the City for its current fee structure which had over 100 different fee structures. Raftelis worked with the IPT staff to simplify the fees to three major categories – Permits, Enforcement, and Trucked Waste. The fees were based on direct labor costs and indirect for services provided by other departments within the utility. Fees were adopted in 2021.

Hi-Desert Water District CA

Owner/Reference: Tanya Gruwell, Chief Financial Officer

55439 29 Palms Highway, Yucca Valley, CA 92284 / P: 760.228.6271 / E: tanyag@hdwd.com

System size (kW DC): N/A / **Date Completed:** 2019; 2023

Raftelis was hired by Hi-Desert Water District in 2019 to perform a water rate study and again in 2023 to perform a water and wastewater rate study. The District's wastewater system is a few years old. Customers were mandated to connect to the sewer system to prevent groundwater contamination. The prior wastewater system rates did not consider reserves and the system was operating at a deficit. Raftelis worked with the Board to select revenue adjustments to fund wastewater reserves by the end of the 5-year study period. The District is in a low-income area and the Board was very sensitive to rate increases. At a public outreach event and at the public hearing, the public was informed about the tremendous distance (over 400 miles) its water travels to come from the Bay Delta area, through the desert, and to the District. The public seemed more understanding of rate increases after learning of cost and effort to bring water to their desert community. The rates were adopted at the public hearing in 2024.

City of Manteca CA

Owner/Reference: Somporn Boonslat, Deputy Director

1001 W. Center Street, Manteca CA 95337 / P: 209.456.8429 / E: sboonsalat@manteca.gov

System size (kW DC): N/A / **Date Completed:** 2021 – current

The City retained Raftelis to complete a comprehensive water rate and fee study. Rates and fees had not been updated in nearly a decade and their current rate structure was not in compliance with Proposition 218. Raftelis worked with staff to gather the study information; billing data, financial, operational, and other data to complete the study. Raftelis evaluated several financial planning scenarios to return the utility to a financially sufficient state. Because of time since the last increase, large increases were proposed. Raftelis' strategic communications group is currently working with staff to develop an outreach plan to engage the public with understanding the urgent needs of the utility. The study is anticipated to be completed, and rates implemented in the 2nd quarter of 2025.

KRSA

Electrical District No. 3 AZ

Owner/Reference: Brian Yerges, General Manager

41630 W Louis Johnson Drive, Maricopa, AZ 85138 / P: 520.424.0420 / E: brian.yerges@ed-3.org

System size (kW DC): 260 MW / **Date completed:** 2001 – current

Since 2001, Electrical District No. 3 (ED3) has retained KRSA to provide annual load forecasting, power planning, budgeting, customer policies and rate design. These efforts have corresponded with the changing needs of the district as its customer base has transformed from an agriculturally based economy to an enterprising city of 65,000+ citizens and an energy environment that is being challenged by rapid growth, drought impacts and changing customer requirements.

Project Highlights

- Detailed customer statistics analysis used to develop future demand and revenue forecasts by major customer category, allowing for different growth rates by class, resulting in revenue forecasts that reflect the sensitivity of demand changes
- Comprehensive review and modeling of future power needs including incorporation of existing power contracts, planned power projects, and changes in hydro availability and natural gas pricing.
- Customized budget model facilitating real-time sensitivity analysis result from changes to growth, debt funding, capital timing and rate increase planning
- Evaluated alternative customer classifications including residential time-of-use, electric vehicle, and specialized industrial rates
- Development and annual adjustment of a transmission wheeling rate based on cost-of-service principals
- Rate structure prioritization conducted with the management staff to provide consistency when evaluating rate design alternatives
- Worked across departments with key personnel to develop capital budgets, expense forecasts, and pro forma revenue requirement adjustments
- Develop and deliver annual budget materials to ED3 board of directors and public stakeholders

Page Utility Enterprises AZ

Owner/Reference: Bryan Hill, General Manager

640 Haul Road, Page, AZ 86040 / P: 928.645.2637 / E: bryan@pageutility.com

System size (kW DC): 30 MW / **Date completed:** 2021

In 2021, Page Utility Enterprises retained KRSA to review the financial operations of the electric utility as the utility faced significant impacts due to rising power costs, a tourism-dependent economy, and stagnant population growth.

Project Highlights

- Detailed customer statistics analysis used to develop future demand and revenue forecasts by major customer category, allowing for different growth rates by class, resulting in revenue forecasts that reflect the sensitivity of demand changes
- Comprehensive review and modeling of future power needs including incorporation of existing power contracts, planned power projects, and changes in hydro availability and bilateral market pricing
- Developed a multi-year rate plan to address potential rate shock considerations supported by customer impact analysis broken down by unique commercial business categories (i.e. public, school, hotel)

- Rate structure prioritization conducted with the management staff to provide consistency when evaluating rate design alternatives
- Worked with key personnel to incorporate capital budgets, expense forecasts, and pro forma revenue requirement adjustments
- Attended multiple workshops with the PUE Board of Directors as well as separate City Council meetings to communicate the distinct issues, findings, and rate alternatives
- Successful implementation of multi-year rate plan

City of Williams AZ

Owner/Reference: Tim Pettit, City Manager

113 South 1st Street, Williams, AZ 86046 / P: 928.635.4451 ext. 201 / E: tpettit@williamsaz.gov

System size (kW DC): 8 MW / **Date completed:** 2002 – current

Since 2002, KRSA has been providing utility management service and rate support. KRSA routinely reviews the financial operations of the electric utility and has helped guide the City through significant impacts due to volatile power costs, major system upgrades, and customer growth.

Project Highlights

- Detailed customer statistics analysis revenue forecast in-depth evaluation by major customer category and customer categorization
- Comprehensive review and modeling of future power needs including incorporation of existing power contracts and changes in hydro availability and natural gas pricing
- Evaluated alternative customer classifications including residential time-of-use, electric vehicle, and differentiated commercial rates
- Development and annual adjustment of a transmission wheeling rate based on cost-of-service principals
- Rate structure prioritization conducted with the management staff to provide consistency when evaluating rate design alternatives
- Worked across departments with key personnel to develop capital budgets, expense forecasts, and pro forma revenue requirement adjustments
- Develop and deliver annual budget materials to the key City staff and city manager, the city council, and public stakeholders to ensure clear understanding of the study results

CALIFORNIA EXPERIENCE

This table lists the California utilities that Raftelis has assisted over the past five years on financial, rate, and/or management consulting projects.

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Alameda County Water District		●		●		●	●	●	●			
Anaheim, City of				●		●	●	●				
Arroyo Grande, City of				●		●	●	●				
Atwater, City of				●	●	●		●				
Bakersfield, City of		●		●		●		●				
Benicia, City of									●			
Beverly Hills, City of		●		●		●	●	●	●		●	
Borrego Water District			●	●		●						
Brea, City of				●		●		●				
Brentwood (CA), City of				●		●	●	●				
CAL FIRE/San Luis Obispo								●				
Calleguas Municipal Water District		●		●		●	●	●				
Camarillo, City of		●		●		●			●			
Carlsbad Municipal Water District		●		●		●	●	●				
Casitas Municipal Water District				●		●		●				
Castaic Lake Water Agency			●	●		●	●	●	●			
Central Basin Municipal Water District		●		●		●	●	●				
Central Contra Costa Sanitary District				●		●		●				
Channel Islands Beach Community Services District				●		●		●				
Chino Hills, City of				●		●		●				
Chino, City of				●		●		●				
Chowchilla, City of				●		●	●	●				
Corona, City of						●			●			
County of San Diego				●				●		●		
Crescenta Valley Water District				●		●		●				
Cucamonga Valley Water District				●		●						
Del Mar Union School District		●										
Delta Diablo Sanitation District											●	
East Bay Municipal Utility District				●				●	●			
East Orange County Water District				●		●		●	●			
East Valley Water District				●		●	●	●				
Eastern Municipal Water District				●								
El Toro Water District				●		●		●				
Elk Grove Water District	●			●		●	●	●	●			
Elsinore Valley Municipal Water District				●		●		●	●			
Escondido, City of		●		●		●	●	●	●			
Galt, City of		●		●		●		●	●			
Glendora, City of						●						
Goleta Water District				●		●	●	●				
Goleta West Sanitary District			●	●		●	●	●	●			
Helix Water District				●		●		●				
Henderson, City of				●		●		●	●			
Hollister, City of				●		●		●	●			
Holtville, City of				●				●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Huntington Beach, City of				●		●	●	●				
Imperial County				●		●		●				
Inland Empire Utilities Agency				●								
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Leucadia Wastewater District				●		●						
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●				●				
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Agency				●		●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Pomona, City of				●		●		●	●			
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●	●	●			
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				
Salton Community Services District				●				●				
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Department		●	●	●		●	●	●	●			
San Dieguito Water District				●		●		●				
San Eljijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
Sonoma, City of				●		●		●				
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●		●		●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●		●	●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

D. PROJECT DEVELOPMENT EXPERIENCE

D. Project Development Experience

1. Total number of utility cost of services studies the firm has constructed over the past five years

Raftelis has worked on nearly 1,000 utility cost of service studies in the past five years. A detailed list can be provided upon request.

2. Types of customers the firm has worked with in the past

Customers we work with consists of utilities and local government.

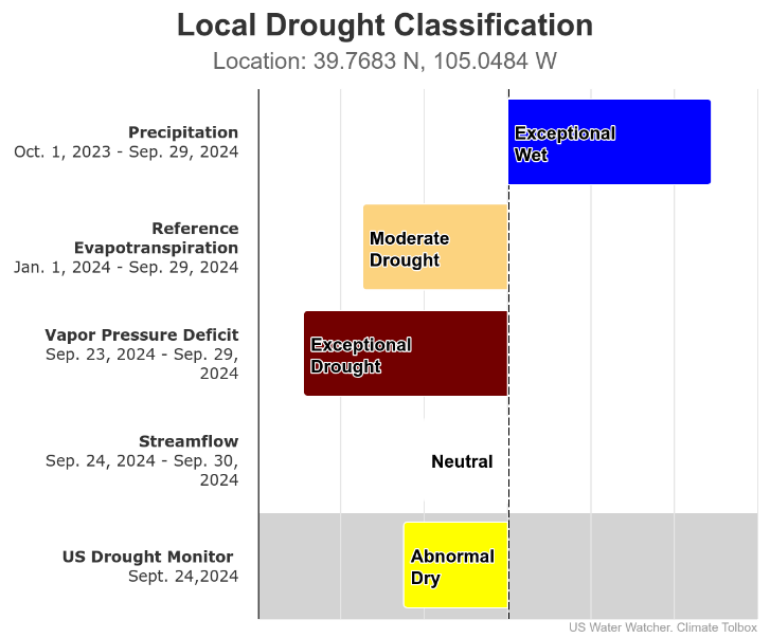
E. TERMS

Proposer’s Understanding and Approach

Water and Wastewater Project Understanding

This project is about ensuring the future financial viability of the City’s utilities, which must be supported by equitable and defensible rate structures. To achieve this, Raftelis has pulled a knowledgeable and dedicated core team from its pool of subject-matter experts. The Raftelis Project Manager will work the Water and Wastewater Leads and KRSA Electric Project Manager to ensure that we don’t lose sight of the broad project goals. When the time comes to revise rate structures, prioritize shifts, and tell the story to your customers, the Raftelis team will stand with the City to support the study's results. We will help you usher in a resilient future for Needles utilities. The organization of our project team is provided in B. Project Team. The City has identified key several key areas of focus for the water and wastewater rate study:

- A financial plan which shows the ability of rates and fees to fund operations, capital, any proposed debt service, reserves, and debt service coverage.
- A cost of service and rate analysis that demonstrates both an equitable distribution of costs between customer classes and rates that are set to recover those costs.
- Rate design alternatives that promote the City’s specific pricing objectives, such as sustainability, wise water use and efficiency, and equitable cost recovery all while being Proposition 218 compliant and meeting recent state laws such as SB 1157.
- A stress test of the rate alternatives through bill impact comparison among a variety of usage levels and a comparison of proposed bills and rates to that of peer utilities in the area
- As one of the hottest cities in California – and hotter than Phoenix or Houston, Needles suffered a catastrophic drought in 2021 where well production was reduced to one well according The Los Angeles Times. We will evaluate water use data from that period and model revenue projections under similar conditions to test the viability of the water utility’s revenue stability. Based on records from *climatetoolbox.org* which is supported by NOAA and CIRC, the City is currently in a severe drought.



Water and Wastewater Project Approach

Task 1: Project Management

Nimble. Flexible. Adaptable. Those are three adjectives we often hear clients use to describe our performance on projects at end-of-study project close-out meetings. We have high expectations for ourselves and a strong sense of what goes into a successful project. In addition to solid work products, you can expect:

- **Efficient Use of Time:** Your time is valuable, and we treat it that way. We commit to running well-planned, useful, and efficient meetings from the project's launch. We will arrive at all meetings with a game-plan and expectation to move the project forward.
- **Regular Check-Ins:** Many decades of project experience have taught us that the best way to keep a project on track is to ensure that it doesn't have too much room to drift off course. We like to schedule short weekly (or bi-weekly) check-in calls to ensure everyone's questions are answered, data needs are met, and no bottlenecks are developing in the project process. You will know we are on track because we will touch base with you regularly.
- **Thorough Documentation of Calls and Meetings:** The Raftelis team takes detailed meeting notes and shares them promptly after each meeting or important call. This allows the full project team to stay abreast of progress, agreements made, and results delivered.

Raftelis begins each project with a standard process wireframe shell that is built on two key foundational pillars:

- Best practices from the AWWA, WEF, American Public Power Association (APPA), and American Public Gas Association (APGA)
- Similar past successful Raftelis projects

Raftelis will conduct careful and detailed project management and administration throughout the project. Our Project Manager will plan, coordinate, monitor, and control all project tasks in concert with other appropriate project team members to ensure continuity and momentum throughout the project.

Raftelis uses internal safeguards to forecast and track all personnel hours and expenses incurred on each task, which the Project Manager closely monitor. Analyzing weekly costs helps prevent cost overruns and allows the City to shift funding priorities if necessary. In our monthly invoicing of services to the City, we typically indicate the dollar value of project work completed so our clients can see where the work stands in any given month. As necessary, the regular reporting will indicate how the project schedule is proceeding and whether there are issues that need to be addressed relative to analysis, approach, assumptions, schedule, and/or administration.

TASK 1 DELIVERABLES:

- Established lines of communication
- Regularly scheduled project meeting calls
- Regular project management updates on budget, deliverables, and other milestones

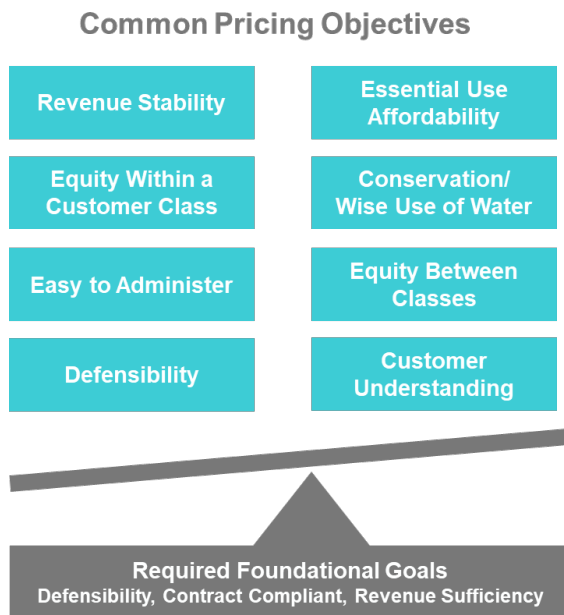
Task 2: Project Initiation Meeting

We will facilitate separate on-site project initiation meetings for each of the studies awarded to our team.

- **Project Initiation:** Finalize scope, milestones, and deliverables, set up regular project conference calls, and determine primary points of contact. Finalize project goals and objectives to establish guiding principles for the study against which we will measure results. Our project schedule can be found in the Schedule section.

of this proposal. With every major milestone meeting or regular project meeting, we will produce and circulate an email summarizing the key points of the discussion.

- **Data Request:** Prior to the meeting we will submit a data request list for the information needed for this study. Gathering this information prior to the kick-off meeting will allow us to review and aggregate our list of questions and clarifications.
- **Project Initiation Meeting:** We will facilitate a one and one-half day meeting with City staff to review the key aspects of the study, current challenges and discuss the current political environment and how that may influence our strategic communications plan. We will also review data we have received to date, get clarification on certain items where needed and present our initial model populated with the validated data. This will give staff a perspective on how we should interpret the data.
- **Rate Structure Pricing Objectives:** This workshop allows for a facilitated discussion where decision-makers review and rank pricing objectives to use for developing alternative rate structures. This will help us determine how well the existing rate structure meets those objectives and identify potential rate structure changes to make it better align with those objectives. Typical pricing objectives are listed to the right. Many of these are “standard” or “must haves,” such as defensibility and revenue sufficiency. However, others can be ranked in order of importance. We will also develop measurable criteria to benchmark the objectives against the alternatives.



TASK 2 DELIVERABLES:

- Data request list
- Agenda for kick-off meeting
- Documentation summarizing the kick-off meeting
- On-site kick-off meeting at the City of Las Cruces

Task 3: Financial Plan

One of the most important aspects of a utility rate study is the forecast of revenue requirements. The City’s stakeholders and customers must have confidence that projected water and wastewater rates are sufficient to meet future annual revenue needs to fully fund the desired level of infrastructure investment. This creates a clear path toward maintaining a secure financial position for the utility. We will develop the test year revenue requirements for each utility considering:

- Current budget, unadjusted, adjusted and budgeted fiscal year by fund (operations, capital improvements equipment replacement reserve, shared services)
- Annual Comprehensive Financial Reports
- Financial policies
- Debt policies and covenant requirements
- Maintaining the integrity of the layout of the City’s current revenue requirement tables
- Determining the level of adjustment required to rates to meet annual requirements

How much capital investment can we achieve while keeping rates affordable for our customers?

TASK 3 DELIVERABLES:

- Draft revenue requirement
- Technical memorandum summarizing the results
- Two virtual meetings (per utility) to review findings with staff
- Finalized technical memorandum summarizing final results

Task 4: Cost of Service

Raftelis will start with industry-accepted cost-of-service principles and customize our analysis to account for the specific requirements of this study. The cost-of-service analysis will provide the City with a defensible justification explaining the reason why the costs are assigned in the manner they are. Raftelis needs this information to evaluate the level of the current and proposed rates.

The cost-of-service analysis is a multi-step process. It includes determining the revenue requirement, assigning the revenue requirement to various facilities (functional areas), and further allocating those costs based on their design criteria or function in the system. Those costs are then distributed to customer classes based on their water demands as well as accounts or equivalent meters. Raftelis will use the cost allocation process based on the industry standard methodologies published in the AWWA’s *Manual M1, Principles of Water Rates, Fees, and Charges* and the WEF, *Manual of Practice M027, Financing and Charges for Wastewater Systems*.

The graphic to the right illustrates the basics for the cost of service for each utility. Although some of the steps vary between each utility, the result is the same: the cost to service is the proportionate allocation of costs to customer classes based on their unique demands and customer characteristics.

TASK 4 DELIVERABLES:

- Draft cost of service results (per utility)
- Technical memorandum summarizing the results
- Three virtual meetings (per utility) to review findings with staff
- Finalized technical memorandum summarizing results

Task 5: Rate Design

The rate design task will identify the appropriate costs to be recovered from each customer class for each utility. For example, water volume-related costs recover the costs to treat, store, and distribute water to customers. Wastewater-related costs recover the costs to collect, treat, and discharge wastewater. Customer-related costs typically include meter reading and maintenance and administrative costs.

Raftelis will calculate the test-year rates under the current structure for each utility. Raftelis will also develop test-year rates for up to three (3) structure alternatives for each utility. Rate structure alternatives will be based on the results of the pricing objectives identified in Task 2, and here’s how we’ll do it:

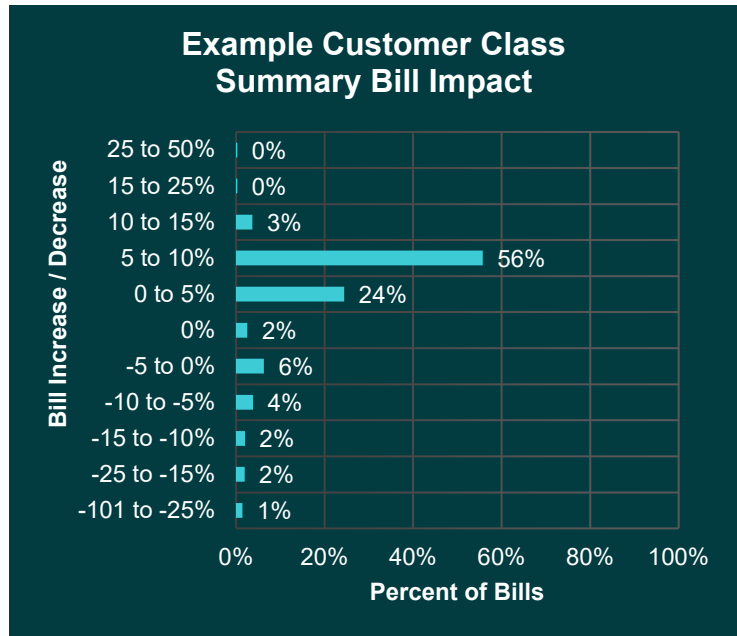
Cost proportionality
This is the common denominator for cost of service across all utilities.

Raftelis follows industry standard approaches along with our experience to ensure this proportionality is maintained within each class.

Cost-of-Service Summary by Utility

WATER COST OF SERVICE	WASTEWATER COST OF SERVICE
<ul style="list-style-type: none"> • Functionalization of revenue requirement • Allocation of functional costs to cost components • Units of service – average day, peak, customer costs • Proportional distribution of costs to customer classes based on class unit of service 	<ul style="list-style-type: none"> • Functionalization of revenue requirement • Allocation of retail and wholesale costs • Allocation of functional costs to cost components • Units of service <ul style="list-style-type: none"> • Flow, BOD, TSS, P, TKN, Customer • Proportional distribution of costs to customer classes based on class unit of service

- Using the selected pricing objectives and evaluation metric identified in Task 2, gauge the alignment the existing rate structure has with the objectives. Assess the ability of proposed rate structures to align with the evaluation metrics. Rank the existing structure against the alternatives and select up to three structures to determine test-year rates.
- Update the current utility rates with the test-year revenue requirement increase. This serves as the baseline for comparison against other rate structures.
- Based on the rate structure ranking results, develop test-year rates for each alternative. Compare results from proposed rates under each structure against the ability to meet ranked pricing objectives.
- Develop a bill impact table for each customer class that compares typical monthly and annual bills under existing and proposed rate structures.
- Compare how each rate design alternative meets the pricing objectives.
- Develop a bill comparison under the City’s existing and proposed rate alternatives compared against up to 10 peer utilities for each utility.



TASK 5 DELIVERABLES:

- Draft proposed rates under current schedules
- Proposed rate structure alternatives for each utility
- Three virtual meetings (per utility) to review findings with staff
- Finalized technical memorandum summarizing results

Task 6: Reports and Presentations

Draft Report

The draft report will document the rate development process, describe any recommended changes to the existing rate structures and the reason for such changes, and present the results of the cost-of-service and rate study. An electronic copy of the draft report will be provided to City staff for their review and comment. We will complete two rounds of draft report review. We can provide a draft report as a searchable .pdf or provide a link to the word document through our SharePoint for your review and edits.

Final Report

Raftelis will incorporate the City staff’s comments on the draft report into a final report. On finalization of the report, the City will be provided an electronic copy.

City Council Presentations

Raftelis will prepare the presentation materials to be used at the City Council meetings. Advance draft copies will be provided to staff for review and comment. Raftelis will attend up to two (2) meetings either with the City Council

TASK 6 DELIVERABLES:

- Virtual meeting to review draft report with City staff
- Draft report, searchable .pdf
- Final report, searchable .pdf
- PowerPoint material for NPUA and City Council meeting
- Participation in one meeting with either the NPUA or City Council

Electric Project Understanding

KRSA uses a proven, industry-standard approach to cost of service (COS) and rate studies, grounded in the principles of fairness, transparency, and long-term financial sustainability. Our past clients have successfully implemented our strategies to manage revenue, control expenses, build reserve funds, and ensure competitive rates.

Our approach to electric utility rate studies involves key activities such as comprehensive data collection, critical analysis of 5-year operating needs, capital planning review, and stakeholder engagement. KRSA will rely on industry standards for COS analysis (e.g., APPA, NARUC) and adhere to any regulatory requirements of California to ensure the final recommendations are equitable, defensible, aligned with your operational goals and consistent with California law. Below, we outline the common features of our methodology and approach to performing COS and rate studies.

Electric Project Approach

Preparation of Financial Plan

We will start by gathering relevant financial, operational, and customer data, and capital improvement plans and conduct a thorough review of your financial data, capital improvement plans, and system maintenance needs. The data will be incorporated with a comprehensive review of enterprise revenues to develop a 5-year financial plan. We will work with the City's staff to identify opportunities for cost savings and operational efficiency.

Our team will evaluate your capital planning strategies to ensure that long-term infrastructure investments are adequately supported. In addition, we will help you develop or refine reserve fund strategies for emergency repairs and future capital expenditures. These reserve fund strategies are grounded in best practices that have been successfully implemented by other utility clients, allowing them to strengthen financial reserves while maintaining competitive rates.

Special considerations for the City's utilities will include:

- Evaluate existing monthly fees and rate structure for all utilities
- Evaluate the impact of implementing a new tiered rate system
- Propose rate structures that promote conservation
- Assess the rate structure for support of capital and debt expense coverage
- Evaluate Post 2028 Parker Davis Remarketing efforts and impacts to power supply

Cost-of-Service Analysis

Once the financial and capital needs assessments are complete, we will perform a detailed COS analysis using industry-standard methodologies (APPA/NARUC). This analysis will fairly allocate costs across customer classes based on their respective demand and impact on the system. We will ensure that all operational costs, capital expenditures, and future needs are appropriately reflected in the rates.

Rate Design

In collaboration with your management team, we will use the results of the COS analysis to develop cost-justified, equitable, and defensible rates that are appropriate for the City. These rates will align with your utility's financial and operational goals while maintaining fairness and conservation across customer classes. We will also benchmark your rates against peer utilities to ensure competitiveness and provide stakeholders with a clear indication of any bill impacts that result from our proposed rates. Our team will ensure that the final rate structures are well-supported by data, enabling you to confidently present them to the City Council and your customers for approval.

Communication

We will engage with stakeholders throughout the study to ensure transparent communication of findings and recommendations. This includes regular updates to the utility staff, workshops to gather feedback, and communication materials to explain any proposed rate changes. Our goal is to ensure that all stakeholders understand and support the final rate design.

Deliverables

The results will be thoroughly summarized and a final report along with presentation materials, and customer information packets.



Schedule

WATER AND WASTEWATER SCHEDULE

Raftelis will complete the scope of services within the timeframe shown in the schedule below. If the City elects to extend the project completion schedule beyond the initial schedule, we will work with the City to identify any necessary revisions to the project budget.

TASKS	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
1. Project Management	Project Management					
2. Project Initiation	[Grey bar from start of Month 1 to start of Month 2]					
3. Financial Plan		[Grey bar from start of Month 2 to start of Month 3]				
4. Cost of Service			[Grey bar from start of Month 3 to start of Month 4]			
5. Rate Design				[Grey bar from start of Month 4 to start of Month 5]		
6. Reports and Presentations					[Grey bar from start of Month 5 to start of Month 6]	[Grey bar from start of Month 6 to end of Month 6]

- In-Person Meeting
- Draft and Final Reports
- City Council Meetings
- Deliverables/Tech Memos/PPT
- Virtual Meetings

ELECTRIC SCHEDULE

KRSA anticipate the overall project duration will be approximately 4 months. Initial data collection and review will take place over 6 weeks, followed by COS analysis and rate design over the next 8 weeks. Stakeholder engagement, reporting, and presentation of final recommendations will be completed in the final phase.

By applying a methodical, industry-standard approach, they will help the utility enterprises of the City of Needles achieve cost-effective and sustainable rate structures. KRSA team’s proven track record of helping utilities manage revenue and expenses, optimize capital planning, and build reserve funds positions us as a valuable partner in your rate study.

F. EXCEPTIONS

Exceptions

We request that the City consider making the following modifications, shown in red below, to the Draft Professional Services Agreement. Please contact us if you have any questions or concerns about these modifications.

3.2.2 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California ~~as of the time of the services are provided~~. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the applicable standard of care. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of a Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-assigned to perform any Services to City.

3.2.3 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services. If the Consultant performs any work contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the City, its officials, directors, officers, ~~and~~ employees ~~and agents~~ and agents harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability ~~arising out of~~ ~~caused by~~ arising out of any failure or alleged failure ~~of Consultant~~ to comply with such laws, rules or regulations.

4.2 Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, ~~protect~~, defend and hold harmless the City and ~~any and all of~~ its officials, ~~and~~ employees ~~and agents~~ ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees ~~and costs,~~ ~~to the extent~~ caused ~~in whole or in part~~ by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

4.3 Indemnity Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and ~~any and all of~~ its

employees, ~~and officials and agents~~ from ~~and against any~~ all liability (including liability for claims, suits, actions, ~~arbitration proceedings, administrative proceedings, regulatory proceedings,~~ losses, expenses or costs ~~of any kind, whether actual, alleged or threatened,~~ including legal counsel fees ~~and costs, court costs, interest, defense costs, and expert witness fees),~~ where), to the ~~same arise out of, are a consequence of, or are in any way attributable to, in whole or in part,~~ extent caused by the negligent performance of this Agreement by Consultant or by any individual or the City for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant. ~~Notwithstanding anything to the contrary in this Agreement, in no event will Consultant have an obligation to indemnify, defend or hold harmless City or any other Indemnified Parties against liability for claims by a third party for failure to comply with its obligations under Article XIII D of the California Constitution (Proposition 218).~~

4.4 Duty to Defend. In the event the City, its officers, employees, ~~agents~~ and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding ~~arising~~ from the performance of the Services encompassed by this Agreement, and upon demand by City, Consultant shall ~~have an immediate duty to~~ defend the City ~~at Consultant's cost or at City's option, to reimburse City for to the extent of its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters. Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.~~ obligations set forth above.

7.3.1 City Ownership. All documents and data ("Documents & Data"), including data on electric, digital or magnetic media, prepared by Consultant under this Agreement ~~and intended by Consultant as a deliverable hereunder~~ shall be the property of the City, except that Consultant shall have the right to retain copies of all Documents & Data for its records. The City shall not be limited in any way in its use of the Documents & Data at any time-; ~~provided that any use other than as intended and any re-use, modification or alteration thereof shall be at City's sole risk.~~ Should Consultant, either during or following termination of this Agreement, desire to use any Documents & Data prepared in connection with this Agreement, Consultant shall first obtain the written approval of the City Manager. ~~Nothing in this Agreement shall be deemed or construed as a waiver, release, transfer, assignment or divestiture by Consultant of any of its intellectual property, know-how or trade secrets.~~

7.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of the City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project-, ~~unless disclosure is legally compelled.~~ Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. ~~Consultant may rely on all data and information provided by or on behalf of City without additional investigation.~~ Consultant shall not use the City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the City.

APPENDIX A: RESUMES

Appendix A: Resumes



Todd Cristiano

PROJECT MANAGER

Vice President (Raftelis)



PROFILE

Todd has nearly 25 years of utility finance experience—19 years as a consultant to utilities and 6 years as the Manager of Rates at Denver Water. He has completed studies across the U.S. for water, wastewater, stormwater, electric, and gas utilities. His experience covers technical areas and industries such as municipal fee development, utility cost-of-service and rate structure studies, economic feasibility analyses, impact fee studies, and budget processes. While at Denver Water, he oversaw four significant rate- and fee-related studies, all unanimously approved by the Board of Water Commissioners, and also served as interim budget manager at Denver Water. As a member of the AWWA, he has helped to develop industry guidelines regarding financial and rate-making practices. In particular, as the Past Chair and current member of the AWWA Rates and Charges Committee, he co-authored the water reuse chapter in the latest edition of *Manual M1, Principles of Water Rates, Fees and Charges*. Todd is also co-instructor for the AWWA's biennial *Financial Management: Cost-of-Service Rate-Making Seminar*.

KEY PROJECT EXPERIENCE

City of San Diego (CA): Water and Wastewater Cost of Service, Rate and Fee Study

Key Areas of Focus: Regular 5-year update; Evaluation of tiered residential rate structure to comply with Proposition 218; ensuring rate revenue met annual expenditures; evaluation of bond funding options. Updates to wastewater structure to account for infiltration and inflow; corrections made to multifamily sewer rate. Update pretreatment program costs.

City of Manteca (CA): Water Financial Plan, Cost of Service, and Rate Study

Key Areas of Focus: Last rate increase was in 2018; unknown when most recent rate study had been completed. Frequent turnover in staff left financial in poor health; repair and replacement capital projects had been significantly delayed; Raftelis made significant investment in untangling billing data, and developing robust financial planning models to analyze various debt funding options.

City of Milpitas (CA): Water and Wastewater Cost of Service, Rate and Fee Study

Key Areas of Focus: Update to 2018 study; most recent water and wastewater master plan indicated significant investment in repair and replacement capital; evaluated debt funding strategies to minimize rate increases; updated cost of service based on the new revenue requirement. Set uniform volume rates to comply with Prop 218.

City of Santa Cruz (CA): Wholesale Water Inter-Tie Contract Rates

Key Areas of Focus: The City of Santa Cruz (City) retained Raftelis to complete a water rate analysis for supplying 1.0 million gallons per day of water to Scotts Valley in exchange for water storage in their well field. Raftelis developed rate using the cost causation principals set forth in the AWWA M1 manual. For this study, costs were separated between common-to-all costs (costs that benefit all customers) and those costs specific to Scotts Vall

Specialties

- Financial planning
- Cost-of-service & rate structure studies
- Litigation support
- Economic feasibility analyses
- Impact fee studies - utility & non-utility
- Reviews of policies, procedures, & operating practices
- Budget processes

Professional History

- Raftelis: Vice President (2024-present); Senior Manager (2019-2023); Manager (2017-2018)
- Stantec (2016-2017)
- Denver Water: Manager of Rates (2010-2016)
- Malcolm Pirnie-Arcadis-US (2005-2010)
- Black & Veatch (1998-2005)

Education

- Master of Business Administration - University of Colorado (2003)
- Bachelor of Science in Chemical Engineering - University of Tulsa (1995)

Professional Memberships

- AWWA: Past Chair and current member of Rates & Charges Committee
- WEF

Water District. Raftelis analyzed asset records, GIS data, and asset management systems to determine which assets Scotts Valley specifically benefited from to receive service. Asset values were set to an annual lease rate which served as a proxy for annual capital costs. The study is currently on-going pending approval from the State on this wheeling agreement.

Crestview Mutual Water Company (CA): Financial Plan and Rate Structure Review

The Crestview Mutual Water Company serves under 1,000 customers. Their current rate structure was based on a tiered structure which scaled based on the share ownership of each customer. The Utility requested Raftelis to create a 5-year financial plan to ensure that revenue from rates met annual expenditures and revised the existing rate structure to further conservation without risking losing their annual allocated water shares. Raftelis developed several rate structure alternatives for the Board’s review. The Board adopted an alternative which incorporated a 4-tiered structure in 2024.

City of Tolleson (AZ): Water and Wastewater Financial Planning Study

Key Areas of Focus: Raftelis worked with Staff to develop attainable financial plan goals while minimizing the impact to customers. The wastewater utility was also undertaking a proactive renewal and replacement program. Because the City’s wastewater treatment plant is co-owned by three large industrial customers, the increased costs were spread among the City and the industrial users. Remaining costs were passed onto rate payers. Current reserves were able to absorb the nominal increased costs to retail wastewater customers, so no increase was necessary over the 10-year study period. The City Council adopted a 25% revenue adjustment for water - the first increase since 2011.

City of Scottsdale (AZ): Water Financial Planning, Cost-of-Service Analysis, and Rate Study

Key Areas of Focus: The City of Scottsdale (City) retained Raftelis to complete a comprehensive water financial planning, cost-of-service analysis, and rate study. The study also included developing a model for City staff to use. Raftelis analyzed the detailed billing records and developed demand profiles for each customer class. This was used to forecast rate revenues and in evaluating rate design alternatives. We used industry-standard methodologies to allocate costs to the customer classes. Because the City conducts these studies every five years, the analysis yielded nominal changes in the class cost of service. We modified the rate designs for multifamily and irrigation to reflect their equity pricing objectives.

City of Glendale (AZ): Water and Wastewater Cost of Service Study

The City retained Raftelis to complete a comprehensive water and wastewater cost of service study. The City updates its cost of service and rates every five years. For this study, Raftelis analyzed billing data, the 5-year revenue requirement as well as operational and other financial data. The goal of the rate study was to update rates and transition changes over a five-year period. Raftelis also updated the City’s model for their review in interim years. Rates were adopted for 2022. The City recently awarded Raftelis their 2025 – 2030 cost of service rate study contract to prepare a comprehensive 5-year cost of service and rate design study.

PUBLICATIONS

- “Evaluating Pricing Levels and Structures to Support Reclaimed Water Systems,” Research Report, WateReuse Foundation, 2009

PRESENTATIONS

- “A Guide to Designing Conservation-Oriented Water System Development Charges,” AWWA and Western Resources Advocates , 2018, <https://westernresourceadvocates.org/projects/water-system-development-charges/>

- Co-Instructor for American Water Works “Financial Management - Cost-of-Service Rate Making Seminar,” 2010-present
- “The Grass is Always Greener...Building Consensus of Reclaimed Water Project Pricing for Jointly Operated Systems,” Water Environment Federation Technical Exhibition and Conference, 2008
- “Honestly, What’s the Reuse,” WateReuse Symposium, 2008
- “Showers to Flowers - Objectives and Approaches for Reclaimed Water Pricing,” Utility Management Conference, 2010
- “Which Conservation Rate Structure is Best for Your Utility,” Utility Management Conference, 2013
- “Financial Management and Ratemaking Challenges for Reuse Water,” Utility Management Conference, 2015
- “Rate Perception Surveys: Leveraging Customer Knowledge to Create the Right Rate Structure,” Annual Conference Exhibition (ACE), 2015
- “Assessing Household Affordability in the Denver Water Service Area,” ACE, 2015
- “Rate Perception Surveys: Leveraging Customer Knowledge to Create the Right Rate Structure,” Utility Management Conference (ACE), 2016

Brian Bass

WATER AND WASTEWATER ASSISTANT PROJECT MANAGER

Manager (Raftelis)



PROFILE

Brian has over 19 years of experience in consulting and providing financial, project management, and engineering services to utility clients. He has performed cost-of-service rate studies, bond feasibility studies, water and wastewater rate design studies, long-term financial plans for asset management programs, financial capability and affordability studies. He has also provided recommendations on appropriate financial ratios and metrics for municipal utilities.

KEY PROJECT EXPERIENCE

Scottsdale Water (AZ): Water Rate and Cost-of-service Analysis

Raftelis helped Scottsdale Water develop a financial plan to ensure rate revenue recovers all operating and capital revenue requirements while accounting for fluctuations in water demand. We completed a cost-of-service study to allocate costs to each customer class and a rate design to collect costs from each class based on the cost-of-service results.

Sacramento County Water Agency (CA): Water Rate Study

Brian helped the Sacramento County Water Agency (Agency) establish water rates. We prepared a ten-year financial plan to ensure rate revenue recovers all operating and capital revenue requirements. The study also included ensuring the proposed rates have a nexus with the cost of service complying with CA legal requirements. It also included presenting the results of the study and the proposed rates to the Board of Directors.

San Dieguito Water District (CA): Water and Recycled Water Cost-of-service Rate Study

Raftelis helped the San Dieguito Water District (District) establish water, recycled water, and drought water rates. We prepared a three-year financial plan to ensure rate revenue recovers all operating and capital revenue requirements and to achieve the District's fiscal policies. We completed a cost-of-service study to allocate costs to each customer class and a rate design to collect costs from each class based on the cost-of-service results. We updated drought rates to ensure the collection of sufficient revenue during periods of reduced water demand due to drought or other water shortage emergencies. We presented the proposed rates and supported the City staff in several Board meetings to successfully implement the new rates, complying with CA legal requirements.

City of Ontario (CA): Water, Recycled Water, and Wastewater Rate and Cost-of-service Analysis

Raftelis helped the City of Ontario (City) establish water, recycled water, and wastewater rates. Our evaluation included cost-of-service studies demonstrating the nexus between utility rates and the City's costs to serve each customer class as required by Proposition 218.

City of Pleasanton (CA): Water Rate and Cost-of-service Analysis

Raftelis helped the City of Pleasanton (City) establish water and drought water rates. We prepared a financial plan to ensure rate revenue recovers all operating and capital revenue requirements. We completed a cost-of-service study

Specialties

- Utility cost of service and rate structure studies
- Capacity fee studies
- Financial capability assessment and affordability studies
- Bond feasibility studies
- Water and sewer rate studies
- Economic feasibility studies

Professional History

- Raftelis: Manager (2022-present)
- Arcadis: Senior Management Consultant (2004–2022)

Education

- Master of Business Administration - Indiana University (2013)
- Bachelor of Science in Agricultural and Biological Engineering - The Ohio State University (2004)

Professional Memberships

- AWWA Rates and Charges Committee
- AWWA CA-NV Financial Management Committee (Vice-Chair)

to allocate costs to each customer class and a rate design to collect costs from each class based on the cost-of-service results. We presented the proposed rates and supported the City staff in several City Council meetings to successfully implement the new rates, complying with CA legal requirements.

City of Pleasanton (CA): Water and Wastewater Connection Fee Study

Brian helped the City of Pleasanton (City) update their water and wastewater connection fees. The water and wastewater connection fees were calculated using the incremental methodology. The incremental method is forward-looking, and growth-related capital improvements are allocated to new development based on their estimated usage. The City's water connection fees are charged by meter size. The City's wastewater connection fees are charged based on a unit factor, which differs by customer class. The City will implement the new connection fees in the fall of 2024.

City of Shafter (CA): Water and Wastewater Cost-of-service Rate Study

Brian is helping the City of Shafter (City) establish water and wastewater rates. The study includes two financial plans to ensure rate revenue recovers all operating and capital revenue requirements. It also includes a cost-of-service study complying with CA legal requirements to allocate costs to each customer class and a rate design to collect costs from each class based on the cost-of-service results. The results will be presented to the City Council.

City of Sacramento (CA): Water and Wastewater Funds Analysis

Brian is helping the City of Sacramento (City) complete a water and wastewater enterprise fund analysis. The analysis includes a detailed review of fiscal policies and procedures, benchmarking against peer communities, review of service level and capacities of the water and wastewater systems, evaluation of the impact of deferred maintenance and capital investments on the value of water and wastewater infrastructure, and the development of 25-year financial plans to ensure financial sufficiency and funding to meet projected operations and maintenance costs, the City's capital programs, proposed capital repair and replacement recommendations, and operating and capital gaps identified by the City that are not included in the budget or capital improvements schedule.

Fort Collins-Loveland Water District (CO): Water Rate and Cost-of-service Analysis and Tap Fee Study

Raftelis assisted the Fort Collins-Loveland Water District (District) with completing a financial plan for a ten-year study period, a water cost-of-service analysis, and a tap fee study. The District is experiencing continued growth, requiring significant investments in water resources. Raftelis helped the District to plan and implement rates to address these concerns and still achieve the requirements of their fiscal policies.

PRESENTATIONS

- "Assessment Today to Prepare for Tomorrow," Indiana Water Environment Association Annual Conference, 2022.
- "Long Term Planning for Utility Managers," American Water Works Association Michigan Annual Conference and Exhibits, 2022.
- "Building the Foundation of Equitable Water Rates," Metropolitan Planning Council's Drinking Water Academy (IL), 2019.

Steve Gagnon PE (AZ)

PROPOSITION 218 SUBJECT MATTER EXPERT Vice President (Raftelis)



PROFILE

Steve has 25 years of experience in financial analysis and environmental engineering. For the past 15 years Steve has provided financial planning and rate setting services to agencies all over California. He has also helped utilities make major investment decisions such as whether to invest in food waste to energy projects. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the U.S. Army.

KEY PROJECT EXPERIENCE

Hi-Desert Water District (CA): Water Rate Study

Steve helped the Hi-Desert Water District (District) establish defensible and affordable water rates for a District with a high number of low-income residents. The study included an update of their miscellaneous fees. The District has one main source of water, which limits the rate differentiation between tiers. The study included an extensive outreach program to educate customers as to the need for rate adjustments.

City of Oxnard (CA): Water Rate Study

In early 2023, Raftelis assisted the City of Oxnard to develop a financial plan and set rates for their water and utility. The City of Oxnard has a very vocal and involved customer base. We simplified their rate structure and helped assess capital spending. We held a series of open houses that discussed the basics of rate setting. We also presented to council; the first meeting was a rate-setting basics workshop and the second presented the draft rates. During the public hearing, Raftelis and Staff fielded questions from the public. The rates were implemented by Council in the Spring of 2023. Steve served as the Project Manager.

Burbank Water and Power (CA): Water Rate Study

Raftelis assisted Burbank Water and Power with a professional water rate study. Raftelis helped staff select a rate structure from three structures including Budget Based Tiered Rates and performed a cost-of-service study to allocate costs to the customer classes. Burbank currently has a seasonal rate for commercial classes and has decided to go with a traditional tiered rate structure for single-family customers and a uniform rate for non-residential classes. Steve served as the Project Manager.

City of Pasadena (CA): Water and Wastewater Rate Study

Raftelis assisted Pasadena Water and Power in preparing its first professional water rate study, and Steve is serving as the Project Manager. Raftelis helped

Specialties

- Utility cost-of-service & rate structure studies
- Conservation rate studies
- Economic feasibility studies
- Capital budgeting studies
- Wastewater rate studies
- Capital recovery/capacity fee studies
- Survey research of water & wastewater utility characteristics & rates

Professional History

- Raftelis: Vice President (2023-present); Senior Manager (2020-2022); Manager (2017-2019); Senior Consultant (2014-2016)
- APTwater, Inc. (Now Ultura): project manager (2011-2014)
- PBS&J (now ATKINS): project manager - Utility Finance (2005-2011)
- Earth Tech (now AECOM): Senior project manager (2004-2005)
- Malcolm Pirnie, Inc. (now ARCADIS): Consultant (2002-2003)
- National Parks Conservation Association - Business Plan Initiative: Business Plan Consultant (2000)
- U.S. Army Corps of Engineers - New England Division: project manager (1995-1999)
- Geophex, Limited: Graduate Research Assistant (1994)

Education

- Master of Business Administration - University of Southern California (2001)
- Master of Science in Environmental Engineering - University of Massachusetts (1995)
- Bachelor of Science in Civil Engineering - University of Massachusetts (1994)

Certifications

- Registered Professional Environmental Engineer in Arizona
- Series 50 Municipal Advisor Representative

Professional Memberships

- AWWA

the City select a rate structure by discussing the pros and cons of different rate structures. We prepared a financial plan to ensure rate revenue recovers all costs and will complete a cost-of-service study to allocate costs to each customer class, followed by a rate design to collect costs from each class based on the cost of service. Raftelis is conducting a wastewater rate study.

City of San Francisco Public Utilities Commission (CA): Water and Wastewater Rate Study

In early 2023, Raftelis assisted the City of San Francisco Public Utilities Commission to develop a financial plan and set rates for their water and wastewater utilities. The City has one of the lowest per capita water use in the state at 4 hundred cubic feet per single-family home per month. The City operates a very large water system that serves the city and many surrounding wholesale agencies. Raftelis worked with City Staff to functionalize their operating costs and develop a two-tiered rate for residential customers. Raftelis supported staff during rate committee presentations. The rates were adopted in the Spring of 2023. Steve served as the Project Manager for the water rate study.

City of Manhattan Beach (CA): Water Financial Plan and Rate Study

Steve helped the City of Manhattan Beach to create a water financial plan and set rates. The City had two major concerns; 1) wells were impaired in the near term and the city would have to purchase more imported water and 2) the City was unsure about tiered rates given recent litigation. Steve worked with city staff to discuss the pros and cons of tiered rates. After reviewing these pros and cons with the city attorney and manager, staff recommended cost based tiered rates as of this writing. Steve presented the financial need and rate study results to city council and the public.

Otay Water District (CA): Wate Rate Study

Steve led a recent water rate study for the District in the Spring of 2022. Working with the District he updated their cost-of-service study, rate structure which included tier breakpoints. The District decided to use the Commodity Demand method and only base (commodity) and max day cost components as opposed to max day and max hour components. Based on discussions with District operations staff, the project team decided to allocate water purchase costs to what is termed base costs, reducing the water rate for tiers 1 and 2.

City of Tracy (CA): Wastewater Rate Study

In 2019, the City of Tracy (City) engaged Raftelis to perform a wastewater rate study. Raftelis is currently working with City staff to best plan for expenses to minimize customer impacts, and Steve is serving as Project Manager.

Running Springs Water District (CA): Water and Wastewater Rate Study

Steve assisted the Running Springs Water District (District) establish water and wastewater rates and evaluate the financial health of the Fire and Ambulance Department. The District is unique in that many residents are absentee owners of vacation homes. As such, the District is maintaining a higher than average level of fixed charges for both water and sewer to equitably distribute costs among full-time and part time residents. Steve also prepared a 10-year financial plan for the Fire and Ambulance Department showing its financial health under different property tax, other revenue and expenses assumptions, including fire engine replacement.

City of Pomona (CA): Water, Recycled Water, and Wastewater Rate Study

Steve helped the City of Pomona (City) establish water, recycled water and wastewater rates. He established defensible tiered rates based on the City's multiple sources of water and use characteristics. He also established pumping charges based on the costs associated with serving water to high elevation customers. The engagement included working with rate committee members, staff and council members to ascertain their rate setting goals. It also included a 10-year financial plan and modeling rates under industry standard reserve targets.

Amanda Guci

ELECTRIC PROJECT ADVISOR Manager (Raftelis)



PROFILE

Amanda is a manager with extensive utility regulatory experience focusing in the areas of cost of service and rate design, financial modeling, and financial plans. She provides rate and regulatory consulting for municipal and investor-owned electric, gas, water and wastewater utilities. She is an expert modeler in the development of long-range financial plan models customized to client’s needs. Her expertise also includes studies such as cost-of-service, financial and operational feasibility, asset management and affordability analyses.

KEY PROJECT EXPERIENCE

Cleveland Public Power (OH): Comprehensive Electric Financial Plan, Cost of Service Study and Rate & Fee Analyses

Amanda is serving as the project manager for the Comprehensive Financial Plan, Cost of Service Study and Rate & Fee Analyses. The team is currently developing a financial planning model for the Electric utility. Raftelis will complete a comprehensive cost of service study and implement rate restructuring for the next 5 years to ensure that the utility meets debt service coverage and other key financial metrics. The team also established ancillary fees as identified by the client to cover expected costs. And finally, we will assist with a strategic communications plan to present the study results to the Mayor, City Council and other public stakeholders.

City of Orangeburg (SC): Electric and Gas Comprehensive Cost of Service Study

Amanda is serving as the Electric and Gas lead for the Comprehensive Cost of Service Study for its Electricity, Natural Gas, Water, Wastewater and Fiber Optic systems and evaluation of shared services and costs. The team updated the financial planning model for all utility systems and is currently evaluating cost of service. This study will identify the costs to serve each specific type of utility the DPU offers and will be used to help support rate development and modeling in future years.

City of Georgetown (SC): Utility Rates Study – Water, Sewer, and Electric

Amanda was serving as the Electric lead for the Utility Rates Study – Water, Sewer, and Electric. The team evaluated the utility fund revenues and expenses and examined the current Water, Sewer and Electric rate structure. Raftelis established a strategic plan to self-sustain each enterprise fund and provided recommendations on existing rate ordinances based on the study findings. Amanda is currently serving as the project manager for a Comprehensive Rate study that is performing financial planning, cost of service and rate restructuring analysis.

City of Aspen (CO): Cost of Service Utility Rate Analysis and Business Plan

Amanda was serving as the Electric lead for the Cost-of-Service Utility Rate Analysis and Business Plan. The team evaluated the long-range financial plan and developed a revenue recovery and cost of service model. In addition, the team assisted the City with critical tasks such as the evaluation of energy and demand pattern of Electric Vehicles

Specialties

- Financial Analysis and Modeling
- Cost of Service
- Rate Design
- Affordability Analysis
- Capital Overhead Studies
- Capital Prioritization/ Asset Management
- Economic Feasibility Evaluation
- Financial Forecasting
- Bond feasibility studies

Professional History

- Raftelis: Manager (2022-present)
- Black & Veatch: Manager (2020-2021)
- Black & Veatch: Consultant (2013-2020)

Education

- Master’s in Business Administration - University of Central Florida (2012)
- Bachelor of Science in Business Administration, Finance – University of Florida (2010)

Certifications

- Municipal Advisor Representative (Series 50)

Professional Memberships

- AWWA
- APPA

(EV) charging stations, impacts of increased demand for beneficial electrification, and the evaluation of costs associated with PV solar customers.

Greenville Utilities Commission (NC): Water and Wastewater Cost of Service, System Development Fees and Rate and Financial Planning Model Reset; Gas System Rate Study; Electric Cost of Service and Rate Design

Amanda is currently serving as the project manager for a comprehensive Gas System Rate Study for GUC (2024-2025). The study entails developing GUC's revenue requirements for its gas utility and reviewing in detail the costs of service to determine the functional cost components and evaluating the rate structure for its effectiveness in equitably recovering revenues from customers served within each rate class. The Gas System Rate Model will incorporate new elements to promote functionality and the reporting requirements requested by GUC.

The water and wastewater rate and financial planning model, currently in use by GUC staff was rebuilt in 2012, 2017 and was rebuilt once again in 2022. Amanda served as the assistant project manager for the 2022 study and lead the rebuild of revenue model as well as the cost of service and rate design model. In addition, Raftelis built a miscellaneous fees model to assess the adequacy of these fees and charges.

Experience under previous employer. Amanda led the development of an Electric Cost of Service and Rate Design in 2015 and an update of the study in 2018. Amanda developed a comprehensive financial model which evaluated the adequacy of the existing rates for utility service, provides a class cost of service analysis, and a detailed rate design. Amanda also complete a weather normalized analysis and the Miscellaneous Service Fees and Charges study.

Amanda also performed a bond feasibility analysis for the City of Greenville, NC Electric and Gas Utility (2016 and 2019). She prepared the feasibility evaluation of the Forecast Statements of Revenues, Expenses, Debt Service and Debt Service Coverage relating to the electric and gas systems. She reviewed the methodologies, procedures and assumptions utilized in developing the projections. Amanda served as the lead consultant for a comprehensive Gas System Rate Study for GUC (2019-2020).

City of Camden (SC): Work Utility Rates Study – Water, Sewer, and Electric

Amanda served as the Electric lead for the Work Utility Rates Study – Water, Sewer, and Electric. The team developed financial planning models for the all three utilities and evaluated the sufficiency of the revenues to meet the utilities revenue requirements. Raftelis designed equitable rates and provided recommendations for the City to ultimately reach self-sufficiency for each system during the forecast period.

Experience with Prior Employer

- Confidential Client (MN): Gas Cost of Service, Rate Design Study Rate and Rate Case Support
- Confidential Client (OH): Gas Cost of Service, Rate Design Study Rate and Rate Case Support
- Columbia Gas of Kentucky (KY): Zero Intercept Analysis
- Confidential Client (New Brunswick, Canada): Rate Study and Regulatory Support
- Sikeston Board of Municipal Utilities (MO): Five-Year Report on the Electric System
- Vectren Energy Delivery of Indiana, North and South (IN)
- Next Era-Gulf Power Company/ Florida Power and Light (FL): Rate and Tariff Provisions
- JEA (FL): Depreciation Study (2019) Cost of Service and Revenue Model Review

Lindsay Roth

WATER AND WASTEWATER ANALYST Consultant (Raftelis)



PROFILE

Lindsay has over four years of experience working in the environmental field and has a graduate degree in water resources management. At Raftelis, she has contributed to financial models and analyses for water and wastewater rate studies as well as bill impact analyses. Prior to joining Raftelis, Lindsay was a student consultant for the North Carolina Department of Environmental Quality, assessing the state's algal bloom monitoring program and nutrient criteria. She also interned for the Conservation Trust for North Carolina, developing best practices for the organization to participate in community-based environmental justice. She is based in Raftelis' Los Angeles Office.

KEY PROJECT EXPERIENCE

City of Coronado (CA): Wastewater Rate Study

The City of Coronado (City) engaged Raftelis in 2021 to review and evaluate the City's current rate-setting methodology, update the financial plan for a five-year period, and propose rates for 2022. The City's sewer rates included contracted transportation and treatment fees for three US Navy Campuses. Lindsay served as the lead analyst on the study update. She developed a financial plan and worked with the project team to evaluate potential rate structure alternatives.

City of Hayward (CA): Water, Recycled Water, Wastewater, and Capacity Fee Rate Study

The City of Hayward (City) engaged Raftelis in 2022 to conduct a comprehensive water, recycled water, and wastewater cost of service and rate study and a capacity fee study proposing rates for the next two years and to provide a financial plan and rate model to serve as a planning resource for future use. The project required a balance of multiple financial objectives, including managing increasing water costs from the San Francisco Public Utilities Commission while also producing rates that were affordable for all customer classes as well as planning for large wastewater capital expenditures over the next 10 years. Lindsay served as a consultant on the project and assisted in the development of an updated 10-year financial plan for the City and a detailed rate study report explaining each step of the rate study process.

City of Hollister (CA): Water Rate Study

City of Hollister (City) engaged Raftelis in 2021 to conduct a water and wastewater cost of service and rate study as well as a water and wastewater capacity fee study. Lindsay served as an associate consultant on the project and was the lead analyst for the cost of service and rate study. The study required Raftelis to develop rates that built up reserves over time without creating rate shock to water users as well as work with the project team and City staff to evaluate various rate structure options. Lindsay also wrote a detailed rate study report explaining every step of the rate study and capacity fee study process.

Specialties

- Data analysis & visualization
- Water & sewer financial analysis
- Statistical analysis

Professional History

- Raftelis: Consultant (2023-present); Associate Consultant (2020-2022)
- North Carolina Department of Environmental Quality: Student Consultant (2019-2020)
- Conservation Trust for North Carolina: Disaster Mitigation and Climate Resiliency Intern (2019)

Education

- Master of Environmental Management in Water Resources Management - Nicholas School of the Environment, Duke University (2020)
- Bachelor of Science in Earth and Environmental Sciences - Tulane University (2016)

City of Pleasanton (CA): Water, Wastewater, Capacity Fee, and Drought Rates Study

City of Pleasanton (City) engaged Raftelis in 2019 to update its water, recycled water, and wastewater rates as well as conduct capacity fee and drought rate studies. Lindsay is serving as lead analyst on the City's rate study. The study involves developing long-term financial plans, conducting cost of service analyses, and designing rate structures for each of the three enterprises. The main considerations for the study include funding capital projects to remediate PFAS groundwater contamination, maintaining financial sufficiency for all enterprises, encouraging conservation during periods of drought, and reducing rate shock to customers.

City of Redlands (CA): Water and Wastewater Rate Study

The City of Redlands (CA) engaged Raftelis in 2022 to conduct a water, wastewater, and recycled water rate study. Lindsay is serving as the lead analyst on the City's rate study. The study involves the development of a long-term financial plan, conducting updated cost of service analyses, and designing rates for each of the three utilities. Some of the main considerations for the study are increased CIP costs for the water and wastewater utilities in the short-term, maintaining sufficient reserves, and reducing rate shock to customers.

San Lorenzo Valley Water District (CA): Water and Wastewater Rate Study

The San Lorenzo Valley Water District (District) engaged Raftelis in 2023 to conduct a water and wastewater rate study. Lindsay is serving as the lead analyst on the District's rate study. The study involves the development of a long term financial plan for each utility, conducting an updated cost of service for the water utility, and designing rate alternatives for the water utility. The District has incurred large CIP costs in recent years as a result of wildfires throughout the region, so one of the main considerations for the study is modeling various funding sources for the District in addition to building up sufficient reserves to fund emergency expenses in the future while avoiding rate shock to customers.

Soquel Creek Water District (CA): Water Rate Study And Capacity Fee Study

The Soquel Creek Water District (District) engaged Raftelis in 2023 to conduct a comprehensive water rate study proposing rates for the next four years and to provide a financial plan and rate model to serve as a planning resource for future use. The project required balancing multiple financial objectives, including rate revenue stability, social equity of rates, promoting efficient water use, and reducing rate shock and bill impacts to customers. Lindsay is serving as lead analyst on the project and is developing a long term financial plan, a cost of service analysis, and rate design alternatives as part of the rate study model.

City of South Gate (CA): Wastewater Rate Study

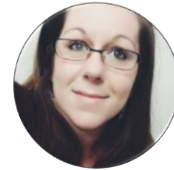
The City of South Gate (City) engaged Raftelis in 2022 to conduct a wastewater rate study proposing rates for the next five years. The City had not implemented any rate increases for several years before the rate study. Therefore, Raftelis had to balance the City's objectives of preventing rate spikes with ensuring revenue. Lindsay served as the lead analyst on the project and developed a long term financial plan, a cost of service analysis, and a rate design as part of the rate study model for the project.

City of Thousand Oaks (CA): Water and Wastewater Rate Study

City of Thousand Oaks (City) engaged Raftelis in 2021 to conduct water and wastewater financial plan update as well as a water rate study. Lindsay served as an associate consultant on the project and helped to develop an updated water rate model and an updated wastewater financial plan model forecasting projected revenues and expenditures for the next 5 years. The study required Raftelis to develop rates that accounted large CIP project expenditures planned for the study period for both the water and wastewater utilities while avoiding rate shock for customers. The updated models also included various capital expenditure and rate adjustment scenarios in order to aid in the City's decision-making process.

Ashley Blank

ELECTRIC ASSISTANT PROJECT MANAGER Analyst (KRSA)



PROFILE

As a new Analyst to K. R. Saline & Associates, Ashley's experience includes 15 years of past retail management experience analyzing, purchasing and managing budgets for multimillion dollar inventory selections. Ashley also brings an additional two years of experience as a project team leader where she was responsible for determining and implementing an organizational budget management and reporting process for clients and internal stakeholders.

Ashley has an excellent track record of analyzing large data sets and determining the best solutions for all stakeholders.

KEY EXPERIENCE

- Develop rate comparisons based on current rates, recommended rates based on usage, and competitive rate analysis.
- Provide monthly data analysis and formatted reporting of meter billing for multiple clients.
- Preparation of presentation materials for utility district analysis and overview of loads and resources.
- Creation and analysis of customer forecasts using long-term demand history to maintain visibility to budgetary needs.
- Responsible for negotiating purchase costs, purchasing inventory, and maintaining an inventory budget of \$120 million across two distinct categories.
- Established business measurables and metrics for success, developed business rules, data best practices, and effective collaboration with the development team to integrate a new internal database into our Power BI Reporting system.
- Leveraged project management tools to improve efficiency and collaborate with various teams to support company goals.
- Conducted in-depth analyses and offered valuable insights on recruiting metrics to both leadership stakeholders and the recruiting team, driving informed decision-making and facilitating positive change.
- Conducted a comprehensive review of inventory, forecasted long-term inventory needs, and served as a primary contact for suppliers in day-to-day interactions.
- Responsible for making decisions on buying, communications, and negotiation.

Experience

- 15 Years. Joined KRSA in 2024.

Education

- iMBA, Southern New Hampshire University, 2017

Kent Simer

ELECTRIC PROJECT ADVISOR Senior Analyst (KRSA)



PROFILE

As a Senior Analyst at K. R. Saline & Associates, Kent's experience in the utility industry includes economic analyses and computer-aided modeling for power supply planning, load forecasting, financial forecasting, cost/benefit analysis, rate studies, and expert testimony on revenue requirements and rate design matters. In recent years Kent has been assisting Tribal utilities throughout California conducting utility feasibility analysis, long range resource planning and CAISO integration, and resource adequacy compliance reporting.

KEY EXPERIENCE

- Supported utility planning through development of long-range load power requirements forecast based on econometric and time series techniques that incorporated regional economic, demographic, and climatological data to develop independent energy forecasts.
- Provide cost-of-service and rate design studies for public, municipal, and tribal utilities throughout the southwest and present results to the utility boards and city council representatives.
- Provided expert testimony before the Arizona Corporation Commission in water rate hearing regarding use and usefulness of plant, rate shock mitigation, and rate design. Analysis included the evaluation of rate impacts of alternative rate base treatment of plant, CFUDC and depreciation.
- Conducted feasibility analysis of a new wholesale Tribal Utility Authority in California.
- Supported renewable energy development through development of community survey, historical review, analysis of utility preparedness, prepare feasibility/cost-benefit analysis and provided strategic planning to Arizona utilities.
- Conduct integrated resource planning activities for utilities to evaluate energy resources contracts and long-term energy requirements to support resource RFP development.
- Assist California utility with California Energy Commission resource adequacy compliance and annual reporting requirements.
- Assist California utility with development of new resources and CAISO integration.

Experience

- 25+ Years. Joined KRSA in 1998.

Education

- B.I.S. Small Business & Communication, Arizona State University, 2003
- MBA, (Coursework toward), University of Phoenix

Certifications

- Advanced Cost of Service and Retail Rate Design
- American Public Power Association 2005

Publications

- 2008 Arizona Biannual Transmission Assessment

Jeffrey Woner

ELECTRIC PROJECT ADVISOR Partner (KRSA)



PROFILE

As one of the partners at K. R. Saline and Associates, Jeffrey provides clients with decades of experience in the fields of economic analyses and computer-aided modeling for power supply planning, load forecasting, financial forecasting, cost/benefit analysis and rate studies. He has participated in several utility financings (approximately \$500 million) as well as several projects relating to the compliance of environmental regulations. Jeffrey also provides ongoing consulting services for numerous irrigation and electrical districts, municipal utilities and tribal utilities located in Arizona.

Experience

- 30+ Years. Joined KRSA in 1995.

Education

- B.S. Biology, University of Arizona
- M.S. Economics, Arizona State University

KEY EXPERIENCE

- Jeffrey assists Colorado River Energy Distributors Association in the analysis of Western Area Power Administration PRS results, rate filings, and participates in Public Information Forums and Public Comment Forums for federal rate making for Salt Lake City Area Integrated Projects power and transmission rates on an ongoing basis.
- Jeffrey was responsible for the development of an unbundled open access transmission rate analysis, the development of rates for ancillary services and the development of an open access tariff. The cost-of-service study determined the unbundled cost of providing transmission service to customers wishing to use California Imperial Irrigation District's transmission system as well as the unbundled costs to provide scheduling services, regulation, energy imbalance, reactive supply & voltage control, spinning and supplemental reserves.
- Jeffrey was primarily responsible for the cost-of-service portion of the rate study for the City of Colton California which has an annual budget of more than \$23 million and an annual peak of 40MW. The cost-of-service study determined the cost to serve each of the City's customer classes and provided a guideline as to the amount of revenues that should be recovered from each rate class. Jeffrey was also instrumental in the actual rate design of the new rates. The design of the new rates included a marginal cost analysis and the development of time-of-use rates for one class of large general service customers.
- Jeffrey has been responsible for the development of financial plans and rate development for multiple Arizona utilities.

Dennis Delaney PE (AZ)

ELECTRIC PROJECT ADVISOR Partner (KRSA)



PROFILE

As one of the partners at K. R. Saline & Associates, Dennis provides ongoing consulting services to a number of Arizona and California irrigation and electrical districts, municipal utilities, and tribal utilities. Dennis has performed various engineering and economic analyses including representation of various entities in front of federal and state agencies. He consults with governing bodies and negotiates necessary programs and policies on their behalf. He has extensive experience in power scheduling, power supply, power pooling, and transmission and distribution planning.

KEY EXPERIENCE

- Dennis was instrumental in the development of SPPA and Joint Action Agency (JAA) formed under Arizona Statue. SPPA was formed in 2014. Dennis has served as the Project Manager from 2014 to date. Dennis reports directly to the SPPA Board of Directors. As the SPPA Project Manager, Dennis manages all SPPA activities including managing the SPPA Power Pool. The SPPA Power Pool aggerates the loads and resources of the pool participants. SPPA Power Pool peak load is approximately 800 MW. SPPA Power Pool resources include federal resources, thermal and renewable contracts. SPPA has no fulltime staff. KRSA staff assists Dennis in managing SPPA activities.
- Prior to the formation of SPPA Dennis oversaw the resource management and scheduling for over 25 irrigation and electrical districts, municipal utilities, and tribal utilities in Arizona.
- Dennis provided comments on FERC Order 888 rulemaking and expert testimony and analysis of FERC OATT filings of Arizona Utilities. He provides OATT economic and unbundling analysis and has assisted numerous clients in evaluating options of OATT service including Network Service Applications, Point-To-Point Service Applications, Good Faith Requests, Direct Assignment Facility cost analysis and advises on OATT administration, compliance and FERC Order 889 issues.

Experience

- 39+ Years. Joined KRSA in 1992.

Education

- B.S. Electrical Engineering, Arizona State University

Registration

- Professional Engineer, AZ #27320

Daniel Pritchard

ELECTRIC ANALYST Senior Analyst (KRSA)



PROFILE

Daniel provides ongoing consulting service responsibilities for numerous electric districts, tribal and municipal utilities in Arizona ranging from rate analysis support, economic and financial analysis, contract analysis, compliance with federal reporting mandates, and power invoice confirmation. Daniel participates in multiple scheduling, administration and public ratemaking processes for hydroelectric resources available to Arizona utilities. Daniel joined KRSA in 2006.

Experience

- 18+ Years. Joined KRSA in 2006.

Education

- B.S. Economics and Business Administration, University of Arizona, 2006

KEY EXPERIENCE

- Participates in Western Area Power Administration (Western) power and transmission rate processes.
- Develops and prepares monthly budget reporting documents including updated power forecasts based on prevailing market data.
- Assists the economic dispatch and integration of monthly Hoover schedules. Daniel assists in the management of the layoff program on behalf of numerous APA customers and works closely with the APA staff to monitor and manage the program.
- Oversees the preparation FORM-861 Energy Information Administration filings for 19 electric utilities. Additional responsibilities include the annual filing of FORM-176, Annual Report of Natural and Supplemental Gas Supply and Disposition, for the City of Safford's Gas Utility.
- Assist numerous Western Area Power Administration (Western) customers and is responsible for the hourly customer schedules and allocation of fixed contract costs.
- Oversees the preparation of integrated resource plans for a total of twenty-four utilities, including electrical, irrigation and power districts, municipal utilities and a tribal utility authority. These Plans are prepared in conformance as described in the Energy Planning and Management Program (10 CFR Part 905) and are submitted to the Western Area Power Administration.

APPENDIX B: RELEVANT LICENSE

Appendix B: Relevant License





**State of California
Secretary of State**

**Statement of Information
(Foreign Corporation)
FEES (Filing and Disclosure): \$25.00.
If this is an amendment, see instructions.**

IMPORTANT – READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

F

**G920963
FILED**

In the office of the Secretary of State
of the State of California

SEP-09 2019

1. CORPORATE NAME

RAFTELIS FINANCIAL CONSULTANTS, INC.

2. CALIFORNIA CORPORATE NUMBER

C2670972

This Space for Filing Use Only

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

3. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to **Item 13**.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 4 and 5 cannot be P.O. Boxes.)

4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY	STATE	ZIP CODE
227 WEST TRADE STREET SUITE 1400, CHARLOTTE, NC 28202			
5. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
445 S. FIGUEROA STREET SUITE 1925, LOS ANGELES, CA 90071			
6. MAILING ADDRESS OF THE CORPORATION, IF DIFFERENT THAN ITEM 4	CITY	STATE	ZIP CODE

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

7. CHIEF EXECUTIVE OFFICER/ PEIFFER A BRANDT	ADDRESS 227 WEST TRADE ST., STE 1400, CHARLOTTE, NC 28202	CITY	STATE	ZIP CODE
8. SECRETARY MATTHEW R JACKSON	ADDRESS 227 WEST TRADE ST., STE 1400, CHARLOTTE, NC 28202	CITY	STATE	ZIP CODE
9. CHIEF FINANCIAL OFFICER/ MATTHEW R JACKSON	ADDRESS 227 WEST TRADE ST., STE 1400, CHARLOTTE, NC 28202	CITY	STATE	ZIP CODE

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 11 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 11 must be left blank.

10. NAME OF AGENT FOR SERVICE OF PROCESS [Note: The person designated as the corporation's agent MUST have agreed to act in that capacity prior to the designation.] STEVE GAGNON				
11. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL 17171 BOLSA CHICA ST., APT. 89, HUNTINGTON BEACH, CA 92649	CITY	STATE	ZIP CODE	

Type of Business

12. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
WATER/STORMWATER CONSULTANTS

13. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

09/09/2019 MATTHEW R JACKSON CORPORATE SECRETARY
DATE TYPE/PRINT NAME OF PERSON COMPLETING FORM TITLE SIGNATURE

Item 4.



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: Appoint three Board Members to the 2024 Ratemaking Study Ad Hoc Committee

Background: Historically, the Board of Public Utilities appoints an Ad Hoc Committee to assist staff in developing and reviewing the rate study for the electric, water, and wastewater entities. The last Ratemaking Ad Hoc Committee was reconvened on October 18, 2022 and included Chairman Campbell and Board Members Schneider and LeJeune. Staff is requesting the appointment of a Ratemaking Study Ad Hoc Committee of not more than three Board Members to participate in the development of the 2024 rate study.

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Appoint Board Members _____, _____, and _____ to the 2024 Ratemaking Study Ad Hoc Committee.

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/9/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: EUSI, LLC operational support services relating to the wastewater treatment facility and collection system September 2024

Background: See attached report

Fiscal Impact:

Environmental Impact:

Recommended Action: No action needed - information only

Submitted By: Kris Hendricks, EUSI LLC

City Manager Approval: Patrick J. Martinez

Date: 10/9/2024

Other Department Approval (when required): _____

Date: _____

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: _____

**EUSI, LLC Operational Support Services Relating
To the
Wastewater Treatment Facility and Collection System
September 2024**

Mrs. Rainie Torrance,

Please find below a summary of our services provided associated with the operational support services for the wastewater treatment facilities for the month of September 2024.

- The daily average flow for the month of September 2024 was 0.452 MGD.
- Completed the August monthly 2024 monitoring report for the state.
- Conducted in-house process control testing for the SBRs.
- Sent out the weekly and monthly samples as required by the monitoring permit.
- Tested the plant lift station and plant alarm callouts.
- Administrative coordination with finance and the administrative staff at 3rd street is ongoing.
- Inspected facility perimeter fences and percolation ponds.
- Operations staff ripped percolation pond #3 and switched from percolation pond #2 to pond #3.
- Drained digester to drying beds 18 and 20.
- Completed routine monthly inspection of the Kubota tractor, the 4" trash pump, and the jetter.
- Preventive Maintenance Program is ongoing per operating hours of the various plant components.
- Completed the bar screen service and inspections throughout the month.
- Replaced the drying bed valves on beds 1, 3, 5, and 7.
- Completed weekly inspection of the emergency generator prior to and during its weekly test runs.
- Ongoing communication with City staff regarding items associated with the overall wastewater system.
- Staff replaced the junction box on SBR #2 for the motive pump and installed new bracket for the SBR #1 motive pump guide rails.

Supplemental repair services, exceptional event(s) during the month of June.

- September 10, 2024 wastewater staff completed a confined space entry for the installation of the extension rod for the SBR #2 drain valve. 6 man hours - No charge for this activity.
- September 11, 2024 operations staff was called out for a sewer issue at around 1623 hours at 675 Channel Way. Staff responded and double checked with Rainie about City responsibility associated with the issue and she indicated that the City is not responsible at that residence. 1.5 hrs, No charge for this activity.
- September 19, 2024 Extreme Iron was on site to assist operations staff with the installation of the new motive pump guide rail bracket for SBR #1. 10 man hours - No charge for this activity.

Should you have any questions regarding the monthly activity please feel free to contact me at 602-300-7946.

Sincerely,



Kris Hendricks, EUSI, LLC; Managing Member



CITY OF NEEDLES, CALIFORNIA STAFF REPORT

MEETING TYPE: Regular
MEETING DATE: October 15, 2024
TITLE: Monthly Activity Report June 2024
BACKGROUND:

FISCAL IMPACT:

**ENVIRONMENTAL
IMPACT:**

**RECOMMENDED
ACTION:** No Action Needed – Information Only
Rainie Torrance, Utility Manager

SUBMITTED BY:

City Manager Approval: Patrick J. Martinecz Date: 10/9/2024
Other Department Approval (when required): _____ Date: _____

NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: **Jun-24**

MONTHLY REPORT OF REVENUE, CONSUMPTION, DEMAND, AND ACCOUNTS PAST DUE

YTD

CURRENT YEAR:

MONTH OF	Date through:	Fiscal Year to	Date through:	% change	prior year to	current year	Consumption	Jun-24	% change	prior year to	current year
Utility Revenue:	Electric	\$ 1,493,674	\$ 13,920,013	26%			9,357,054	KWH	30.8%		
	Water	\$ 255,355	\$ 2,787,474	8%			4,425,640	Cu. Ft.	39.9%		
	Sewer	\$ 173,081	\$ 2,123,160	5%							
TOTALS		\$ 1,922,110	\$ 18,830,647								

PRIOR YEAR:

MONTH OF	Date Through:	Fiscal Year to	Date Through:	Consumption	Jun-23	Jun-24
Utility Revenue:	Electric	\$ 1,001,953	\$ 11,045,829		7,155,011	KWH
	Water	\$ 208,523	\$ 2,580,153		3,163,937	Cu. Ft.
	Sewer	\$ 171,136	\$ 2,018,787			
TOTALS		\$ 1,381,612	\$ 15,644,769			

Note: Elec
Custs total:
3,019
Jun-24

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)
 \$ 313,813 at end of current month
 Percent of current month Revenue 0.163264912
 Percent of Year to Date Revenue 1.67%
Excludes Cultivation Deposits

Customer Service Office
 Number of Disconnections 15
 Number of Reconnects 10

Electric Demand (MWH)
 Current Period 24.17
 Prior Year 18.34

Sources: Revenue: General Ledger (Finance Dept numbers)

A/C's past due: Billing system
 Electric Demand: AES Representative

This report shows the current year utility revenue, consumption, electric demand, & purchased power expense compared to the prior year.

Purchased Power Expense (Per AESWAPA Schedule):	MTD	YTD
Current Period	\$ 663,016	\$ 7,168,050
Prior Year	\$ 725,935	\$ 7,400,794
Percentage change in cost YTD		-3%

Note: Purchased Power Expense is calculated by AES, not the G/L

Report Prepared by: Rainie Torrance
Utility Manager

Date: 10/08/24

NPUA					
Recap of Water Consumption: Comparing FY 22 to FY 24					
	FY 22 / 23	Monthly Consumption	FY 23 / 24	Monthly Consumption	Difference
	July-22	4,474,381	July-23	4,831,733	8%
	August-22	(3,696,936)	August-23	4,218,990	-214%
	September-22	14,010,463	September-23	5,195,966	-63%
	October-22	4,640,041	October-23	3,677,178	-21%
	November-22	4,155,128	November-23	3,395,139	-18%
	December-22	2,968,415	December-23	3,579,785	21%
	January-23	2,925,712	January-24	3,169,772	8%
	February-23	3,523,802	February-24	2,929,896	-17%
	March-23	3,407,584	March-24	2,689,773	-21%
	April-23	2,246,332	April-24	2,655,443	18%
	May-23	4,080,103	May-24	3,969,846	-3%
	June-23	3,163,937	June-24	4,425,640	40%
		45,898,962		44,739,161	

This report shows the current month consumption, compared to the prior year. Shown in cubic-feet.

NPUA
 Recap of Electric Consumption / Purchases / Costs: Comparing FY 23 to FY 24

	FY 22 / 23			FY 23 / 24			
	Monthly Consumption	Monthly Purchases	Monthly \$ Cost	Monthly Consumption	Monthly Purchases	Monthly \$ Cost	
July-22	9,009,422	11,143,000	\$ 1,300,629	July-23	9,184,037	12,138,000	\$ 1,351,064
August-22	8,835,530	10,205,000	\$ 1,629,552	August-23	8,975,885	10,746,000	\$ 1,260,375
September-22	11,253,281	8,951,000	\$ 870,981	September-23	10,674,155	8,768,000	\$ 899,885
October-22	6,475,130	6,797,000	\$ 435,142	October-23	6,665,913	7,361,000	\$ 426,346
November-22	2,692,996	5,356,000	\$ 339,806	November-23	6,251,463	3,035,000	\$ 370,759
December-22	7,367,839	5,861,000	\$ 451,247	December-23	5,760,973	6,433,000	\$ 429,070
January-23	5,051,412	5,871,000	\$ 416,137	January-24	5,871,862	6,652,000	\$ 504,186
February-23	5,270,574	5,197,000	\$ 380,049	February-24	5,710,524	5,993,000	\$ 375,593
March-23	4,506,948	5,469,000	\$ 287,115	March-24	6,411,943	6,420,000	\$ 247,535
April-23	5,449,483	5,989,000	\$ 257,302	April-24	5,673,847	7,086,000	\$ 269,526
May-23	5,387,134	7,668,000	\$ 306,900	May-24	7,311,259	9,065,000	\$ 370,696
June-23	7,155,011	8,747,000	\$ 725,935	June-24	9,357,054	11,710,000	\$ 663,016
	78,454,760	87,254,000	\$ 7,400,793		87,848,915	95,407,000	\$ 7,168,051

This report shows the current month consumption, monthly purchases and monthly cost compared to the prior year.

NEEDLES PUBLIC UTILITY AUTHORITY									
ACCOUNTS PAST DUE (OVER SIXTY DAYS)									
COMPARISONS TO SALES									
MONTH CURR YEAR	YTD SALES	OVER SIXTY/ NINETY	% TO SALES	Amount over 120 & beyond	MONTH CURR YEAR	YTD SALES	OVER SIXTY/ NINETY	% TO SALES	Amount over 120 & beyond
Jul-22	\$ 1,601,148	\$ 224,691	14.03%	see attached	Jul-23	\$ 1,680,167	\$ 213,695	12.72%	see attached
Aug-22	\$ 3,168,652	\$ 236,690	7.47%	see attached	Aug-23	\$ 3,348,845	\$ 137,501	4.11%	see attached
Sep-22	\$ 5,221,151	\$ 284,747	5.45%	see attached	Sep-23	\$ 5,305,419	\$ 221,611	4.18%	see attached
Oct-22	\$ 6,354,665	\$ 291,970	4.59%	see attached	Oct-23	\$ 6,744,935	\$ 246,819	3.66%	see attached
Nov-22	\$ 6,986,210	\$ 506,913	7.26%	see attached	Nov-23	\$ 8,113,814	\$ 281,434	3.47%	see attached
Dec-22	\$ 8,650,348	\$ 528,096	6.10%	see attached	Dec-23	\$ 9,485,954	\$ 250,315	2.64%	see attached
Jan-23	\$ 9,737,332	\$ 355,322	3.65%	see attached	Jan-24	\$ 10,915,585	\$ 136,437	1.25%	see attached
Feb-23	\$ 10,887,126	\$ 350,665	3.22%	see attached	Feb-24	\$ 12,361,017	\$ 217,656	1.76%	see attached
Mar-23	\$ 12,950,792	\$ 351,498	2.71%	see attached	Mar-24	\$ 13,846,466	\$ 255,096	1.84%	see attached
Apr-23	\$ 13,075,792	\$ 267,145	2.04%	see attached	Apr-24	\$ 15,224,796	\$ 140,323	0.92%	see attached
May-23	\$ 14,263,137	\$ 223,554	1.57%	see attached	May-24	\$ 16,908,534	\$ 312,650	1.85%	see attached
Jun-23	\$ 15,644,769	\$ 207,373	1.33%	see attached	Jun-24	\$ 18,830,647	\$ 313,813	1.67%	see attached
source:									
aged Accounts Receivable Report (NPUA)									
this report shows the YTD sales for the utilities, and the over 60 & 90 by month.									

RCV CODE	DESCRIPTION	CURRENT OVER 120	OVER 30 OVER 180	OVER 60	OVER 90	TOTAL
* FINAL TOTALS *	AP ANNUAL WTR PURCHASE	.00	.00	.00	.00	43,938.97
	EL ELEC USAGE SALES	763,349.99	43,938.97	70,980.39	212,707.50	1,322,484.43
	E1 EL CONSERVATION	6,586.04	227,153.06	1,127.92	3,569.70	22,856.80
	E4 ELECTRIC EXCESS USE	13,036.18	41,707.05	2,544.64	770.70	79,089.72
	E5 ELECTRIC EST FEE	54,152.09	3,671.23	15.46	70.00	1,390.11
	E7 ELECTRIC TAX	833.02	1,299.68	137.06	417.43	2,643.23
	E8 BILLED UTIL. DEPOSIT	798.69	11,590.87	.00	.00	144.97
	FC ANNUAL FACILITY CHG	1,454.80	8,969.60	285.32	.00	43,902.73
	RA RECYCLE CM FEES	19.53	164.41	127.33	.00	5,176.58
	RR RECYCLING RE FEES	.00	43,617.41	72.36	32.53	3,493.89
	SA SANITATION CM FEES	2,212.49	517.95	1,546.71	172.64	62,144.75
	SE SEWER FEES	38.89	619.67	3,533.19	582.62	126,452.82
	SR SANITATION RE FEES	50,071.80	9,376.75	1,146.47	469.77	45,616.99
	S3 SANITATION MISC	10.92	12,843.82	22.24	8.55	404.66
	S7 SEWER EST FEE	285.63	14,000.00	.00	25.00	446.80
	UT UGT-EL,WA,SW TAX	24,562.22	6,549.40	1,963.08	5,988.97	41,796.52
	WA WATER SALES/OVER MIN	262.11	2,470.74	1,821.98	1,131.84	97,202.66
	W4 WATER MINIMUM CHARGE	77,417.54	7,962.99	1,725.55	766.17	85,195.71
	W5 WATER EST FEE	60,192.61	10,182.95	.00	50.00	472.35
		712.63	11,615.80			
		302.53	64.80			
		.00	55.02			
* TOTAL		1,178,095.23	297,757.59	87,049.70	226,763.42	1,984,854.69
		10,884.62	184,304.13			186,492.05-

* FINAL STATUS TOTALS *
 BALANCES DEBIT / ACCOUNTS
 BALANCES CREDIT / ACCOUNTS
 NET TOTAL
 NET BALANCES / ACCOUNTS
 NET BALANCES / ACCOUNTS
 TOTAL ACCOUNTS WITH 0 BALANCES

1,798,362.64
 1,984,854.69
 186,492.05-

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT:				
	06/30/23	06/30/24			
NPUA 'LOCKBOX" ACCOUNT & LAIF	\$ 6,321,231	\$ 6,845,555	***see note below		
CITY					
Water	\$ 293,606	\$ 402,017			
Sewer	\$ 197,076	\$ 251,696			
Electric	\$ 1,797,689	\$ 3,299,073			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
		\$ 2,821,478	06/30/24		
Source:					
Cash by Fund Monthly Report					
This report shows the cash balances in the NPUA, city utility funds, and Electric Asset Replacement fund in LAIF and CD.					

NPUA		Water	Sewer	Electric				TOTALS
REVENUE	Jul-23	\$ 252,266	\$ 178,687	\$ 1,249,214				\$ 1,680,167
	Aug-23	\$ 236,565	\$ 171,602	\$ 1,260,512				\$ 1,668,679
	Sep-23	\$ 262,038	\$ 172,156	\$ 1,522,378				\$ 1,956,572
	Oct-23	\$ 230,164	\$ 176,174	\$ 1,033,180				\$ 1,439,518
	Nov-23	\$ 216,270	\$ 172,751	\$ 979,859				\$ 1,368,880
	Dec-23	\$ 232,194	\$ 1,748,249	\$ 961,695				\$ 2,942,138
	Jan-24	\$ 221,639	\$ 177,579	\$ 1,030,413				\$ 1,429,631
	Feb-24	\$ 220,606	\$ 180,060	\$ 1,044,767				\$ 1,445,433
	Mar-24	\$ 207,002	\$ 177,893	\$ 1,100,554				\$ 1,485,449
	Apr-24	\$ 183,402	\$ 173,018	\$ 768,581				\$ 1,125,001
	May-24	\$ 245,014	\$ 184,056	\$ 1,254,668				\$ 1,683,738
	Jun-24	\$ 255,355	\$ 173,081	\$ 1,493,674				\$ 1,922,110
	YTD Total	\$ 2,833,506	\$ 3,751,683	\$ 13,699,494				\$ 20,147,316
CITY & NPUA		Water	Sewer	Electric	Elec Asset Repl Bal Fwd :	NPUA Exp (excl. bond debt)	Bond debt	TOTALS
EXPENSE					\$ 2,915,058			
					cur yr cum:			
	Jul-23	\$ 154,478	\$ 80,947	\$ 3,695,061	\$ 17,706	\$ 90,060	\$ 721,194	\$ 4,759,446
	Aug-23	\$ 141,554	\$ 93,907	\$ 1,037,972	\$ 22,570	\$ 98,332	\$ -	\$ 1,394,335
	Sep-23	\$ 158,934	\$ 103,941	\$ 351,066	\$ 24,680	\$ 96,577	\$ -	\$ 735,198
	Oct-23	\$ 158,978	\$ 123,410	\$ 1,595,796	\$ 24,680	\$ 105,805	\$ -	\$ 2,008,669
	Nov-23	\$ 154,488	\$ 69,537	\$ 297,452	\$ 566	\$ 91,705	\$ -	\$ 613,748
	Dec-23	\$ 176,741	\$ 146,298	\$ 407,805	\$ 30,129	\$ 90,074	\$ -	\$ 851,047
	Jan-24	\$ 147,019	\$ 102,372	\$ 504,302	\$ 19,973	\$ 91,426	\$ 721,192	\$ 1,586,284
	Feb-24	\$ 124,799	\$ 92,864	\$ 358,998	\$ 29,590	\$ 101,301	\$ -	\$ 707,552
	Mar-24	\$ 149,110	\$ 100,729	\$ 887,208	\$ 29,590	\$ 92,250	\$ -	\$ 1,258,887
	Apr-24	\$ 125,955	\$ 92,558	\$ 1,272,708	\$ 28,561	\$ 96,378	\$ -	\$ 1,616,160
	May-24	\$ 199,361	\$ 99,219	\$ 605,375	\$ 29,590	\$ 94,097	\$ -	\$ 1,027,642
	Jun-24	\$ 146,164	\$ 107,746	\$ 517,480	\$ 30,123	\$ 95,827	\$ -	\$ 897,340
	YTD Total	\$ 1,837,579	\$ 1,213,527	\$ 11,531,223	\$ 287,758	\$ 1,143,832	\$ 1,442,386	\$ 17,456,305
	Amount in Asset Replacement Fund.....				\$ 3,202,816			
Source:								
Monthly Budget Report by Fund (revenue & expense)								
This report shows the monthly revenues and expenditures by utility fund.								

NPUA			
Recap of Power Purchase Expense \$			
FY 22 / 23	At the end of	June 30, 2023	
Quarterly		Monthly	Cum YTD
	July-22	\$ 1,300,629	\$ 1,300,629
	August-22	\$ 1,629,552	\$ 2,930,181
\$ 3,801,162	September-22	\$ 870,981	\$ 3,801,162
	October-22	\$ 435,142	\$ 4,236,304
	November-22	\$ 339,806	\$ 4,576,110
\$ 1,226,196	December-22	\$ 451,247	\$ 5,027,357
	January-23	\$ 419,137	\$ 5,446,494
	February-23	\$ 380,049	\$ 5,826,543
\$ 1,086,301	March-23	\$ 287,115	\$ 6,113,658
	April-23	\$ 257,302	\$ 6,370,960
	May-23	\$ 306,900	\$ 6,677,860
\$ 1,290,137	June-23	\$ 725,935	\$ 7,403,795
\$ 7,403,795		\$ 7,403,794	
NPUA			
Recap of Power Purchase Expense \$			
FY 23 / 24	At the end of	June 30, 2024	
Quarterly		Monthly	Cum YTD
	July-23	\$ 1,351,064	\$ 1,351,064
	August-23	\$ 1,260,375	\$ 2,611,439
\$ 3,511,324	September-23	\$ 899,885	\$ 3,511,324
	October-23	\$ 426,346	\$ 3,937,670
	November-23	\$ 370,759	\$ 4,308,429
\$ 1,226,175	December-23	\$ 429,070	\$ 4,737,499
	January-24	\$ 504,186	\$ 5,241,685
	February-24	\$ 375,593	\$ 5,617,278
\$ 1,127,314	March-24	\$ 247,535	\$ 5,864,813
	April-24	\$ 269,526	\$ 6,134,339
	May-24	\$ 370,696	\$ 6,505,035
\$ 1,303,238	June-24	\$ 663,016	\$ 7,168,051
\$ 7,168,051		\$ 7,168,050	
This report shows the monthly purchased power expense compared to the prior year.			

NPUA				
Recap of Electric Consumption (kWh)				
FY 22 / 23	At the end of	June 30, 2024		
Quarterly		Monthly	Cum YTD	PEAK MW
	July-23	9,009,422	9,009,422	22.44
	August-23	8,835,530	17,844,952	20.53
29,098,233	September-23	11,253,281	29,098,233	21.11
	October-23	6,475,130	35,573,363	15.61
	November-23	4,155,128	39,728,491	9.43
17,998,097	December-23	7,367,839	47,096,330	10.43
	January-24	5,051,412	52,147,742	10.29
	February-24	5,270,574	57,418,316	9.80
14,828,934	March-24	4,506,948	61,925,264	9.43
	April-24	5,449,483	67,374,747	13.04
	May-24	5,387,134	72,761,881	16.57
17,991,628	June-24	7,155,011	79,916,892	18.34
79,916,892		79,916,892		
NPUA				
Recap of Electric Consumption (kWh)				
FY 22 / 23	At the end of	June 30, 2024		
Quarterly		Monthly	Cum YTD	PEAK MW
	July-23	12,138,000	12,138,000	23.71
	August-23	8,975,885	21,113,885	21.72
31,788,040	September-23	10,674,155	31,788,040	20.61
	October-23	6,665,913	38,453,953	16.49
	November-23	6,251,463	44,705,416	11.90
18,678,349	December-23	5,760,973	50,466,389	11.43
	January-24	5,871,862	56,338,251	12.50
	February-24	5,710,524	62,048,775	11.41
17,994,329	March-24	6,411,943	68,460,718	11.99
	April-24	5,673,847	74,134,565	16.57
	May-24	7,311,259	81,445,824	20.56
20,140,117	June-24	7,155,011	88,600,835	24.17
88,600,835		88,600,835		
This report shows the monthly electric consumption compared to the prior year.				

Needles Public Utility Authority
 Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds
 Y-T-D JUNE 2024

PRELIMINARY & NOTE: ARF &
 UNAUDITED NUMBERS done directly from

Item 7.

	Water	Wastewater	All Amer Canal	Electric	Total	
Reimbursements	1,936,000.00	1,283,063.00	1,008,000.00	12,270,484.00	16,497,547.00	Acct ball list - 381's
(Expenses)	(1,837,569.70)	(1,213,628.06)	(1,020,187.19)	(11,531,212.66)	(15,602,597.61)	Stmnt of exps & encls
~ Difference: (under-reimbursed) or over-reimbursed	98,430.30	69,434.94	(12,187.19)	739,271.34	894,949.39	
	<u>381.40</u>	<u>381.40</u>	<u>381.40</u>	<u>381.40</u>		
FY 23 (due to) / from - unaudited balances	205,781.13	253,573.60	235,806.13	3,265,913.71	3,961,074.57	
(DUE TO) subtotal* plus current difference	304,211.43	323,008.54	223,618.94	4,005,185.05	4,856,023.96	

NEEDLES PUBLIC UTILITY AUTHORITY		06/30/24	
Income Statement for fiscal year to date:			UNAUDITED NUMBERS
<u>WATER</u>			
Revenue		2,787,474	
Operating Expenses		1,837,571	
Water Dept. Asset Replacement Fund (current year)		259,308	
<i>*Contributions Only</i>			
Computation of NPUA expenses for WATER:			22%
Debt service	317,325		
Transfer expense	0		
UUT	88,317		
Purchase price	146,616		
Bank service charge	16,711		
		568,968	
	NET WATER	121,627	
<u>WASTEWATER</u>			
Revenue		2,123,160	
Operating Expenses		1,213,629	
Wastewater Asset Replacement Fund (current year)		35,676	
<i>*Contributions Only</i>			
Computation of NPUA expenses for WASTEWATER:			31%
Debt service	447,140		
Transfer expense	0		
UUT	124,446		
Purchase price	206,595		
Bank service charge	23,547		
		801,728	
	NET WASTEWATER	72,127	
<u>ELECTRIC</u>			
Revenue		13,920,013	
Less: Cultivation - Substations		0	
Operating Expenses		11,531,212	
Less: Cultivation - Substations		0	
Electric Dept. Asset Replacement Fund (current year)		355,080	
<i>*Contributions Only</i>			
Computation of NPUA expenses for ELECTRIC:			47%
Debt service	677,921		
Transfer expense	0		
UUT	188,676		
Purchase price	313,225		
Bank service charge	35,700		
		1,215,522	
	NET ELECTRIC	818,199	
<u>NPUA EXPENDITURES</u>			
Debt service	1,442,386		100%
Transfer expense	0		
UUT	401,439		
Purchase price	666,436		
Bank service charge+Trustee	75,957		
Arbitration Computations	2,586,218		



City of Needles, California Request for Commission Action

CITY COUNCIL BOARD OF PUBLIC UTILITIES Regular Special

Meeting Date: October 15, 2024

Title: Present Perfected Rights Report – September 2024

Background:

CURRENT YEAR:
September 2024

	Current	YTD	% change prior year to current year YTD
Net Diversion	202.94	1,523.83	11%
Measured Returns	40.37	372.53	
Unmeasured Returns	41.10	233.55	

Consumptive Use

121.47 917.75

(based on consumptive use)

PRIOR YEAR:
August 2023

Net Diversion	184.18	1,467.24
Measured Returns	44.92	400.56
Unmeasured Returns	33.94	253.00

% of PPR Remaining

40%

*Based on CY23 Water Order of 2,528 diversion

Consumptive Use

105.32 813.68

PPR Limits 1,223	1,223
SCIA Agreement (145)	- 145
PPR Entitlement	1,078

LCWSP SCIA Limit	+ 527
2023 Consumption	1,605
2023 Diversion 2,261	

Recommended Action:No action needed - information only

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 10/10/2024

Other Department Approval (when required): _____

Date: _____

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: _____

CITY OF NEEDLES
 WATER ACCOUNTING
 MONTHLY CALCULATION SHEET
 CALENDAR YEAR 2024

Diversions - Pumped from Wells	Pumped (Acre-Feet)												Total	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Well #8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Well #15 (formerly #10)	89.95	70.21	103.04	113.54	132.90	153.86	168.50	166.20	144.98	1,143.18				
Well #11	0.00	0.00	0.09	0.00	0.07	0.00	0.00	0.00	0.00	0.16				
Well #12	10.74	6.78	13.56	51.77	56.20	77.87	69.79	66.42	61.92	415.05				
Sub-Total	100.69	76.99	116.69	165.31	189.17	231.73	238.29	232.62	206.90	1,558.39				
Delivered to Ft. Mojave Indian Tribe (AZ)	2.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.78				
Delivered to Ft. Mojave Indian Tribe (CA)	0.00	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	31.78				
Sub-Total	2.78	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	34.56				
City of Needles' Net Diversion	97.91	68.69	114.90	163.41	182.97	226.66	234.66	231.69	202.94	1,523.83				
Uses of Water														
Commercial Accounts	45.45	32.92	50.17	53.28	60.59	64.62	78.80	67.72	59.57	513.12				
Residential Accounts	36.34	27.32	46.60	52.64	57.40	71.00	69.00	82.25	66.63	509.18				
Golf Course	10.74	6.78	13.56	51.77	56.20	77.87	69.79	66.42	61.92	415.05				
Parks, Ballparks, Cemetery	5.37	1.67	4.48	5.72	8.77	13.18	17.06	15.30	14.83	86.38				
Total	97.90	68.69	114.81	163.41	182.96	226.67	234.65	231.69	202.95	1,523.73				

**CALENDAR YEAR 2024
WASTEWATER TREATMENT PLANT**

	Mean Flow	# Days	A/F	A/F Return
Jan	0.481	31	45.76	44.39
Feb	0.421	29	37.47	36.35
Mar	0.429	31	40.82	39.59
Apr	0.436	30	40.14	38.94
May	0.425	31	40.44	39.22
Jun	0.482	30	44.38	43.05
Jul	0.495	31	47.10	45.68
Aug	0.487	31	46.33	44.94
Sep	0.452	30	41.62	40.37
Oct		31	0.00	0.00
Nov		30	0.00	0.00
Dec		31	0.00	0.00
TOTAL	4.108	366	384.05	372.53

Daily mean flow x #days mo X 1,000,000 = gal/mo
divided by 7.48 divided by 43560 = A/F mo

CITY OF NEEDLES
WATER ACCOUNTING
MONTHLY CALCULATION SHEET
CALENDAR YEAR 2024

Item 8.

	Diversions												Total
	Pumped (Acre-Feet)												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Pumped from Wells													
Well #8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Well # 15 (FKA #10)	89.95	70.21	103.04	113.54	132.90	153.86	168.50	166.20	144.98	0.00	0.00	0.00	1,143.18
Well #11	0.00	0.00	0.09	0.00	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16
Well #12	10.74	6.78	13.56	51.77	56.20	77.87	69.79	66.42	61.92	0.00	0.00	0.00	415.05
Sub-Total	100.69	76.99	116.69	165.31	189.17	231.73	238.29	232.62	206.90	0.00	0.00	0.00	1,558.39
Delivered to Ft. Mojave Indian Tribe (AZ)	2.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.78
Delivered to Ft. Mojave Indian Tribe (CA)	0.00	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	0.00	0.00	0.00	31.78
Sub-Total	2.78	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	0.00	0.00	0.00	34.56
City of Needles' Net Diversion	97.91	68.69	114.90	163.41	182.97	226.66	234.66	231.69	202.94	0.00	0.00	0.00	1,523.83

Return and Other Credits													
Measured Returns													
Sewer Plant's Rapid Infiltration Ponds ¹	44.39	36.35	39.59	38.94	39.22	43.05	45.68	44.94	40.37	0.00	0.00	0.00	372.53
Unmeasured Returns													
Percolation from Golf Course ²	0.00	0.00	0.00	30.79	11.66	28.12	24.29	24.26	29.57	0.00	0.00	0.00	148.69
Percolation from Parks ³	2.15	0.67	1.79	2.29	3.51	5.27	6.82	6.12	5.93	0.00	0.00	0.00	34.55
Percolation from Large Commercial Users ⁴	1.09	0.79	1.20	1.28	1.45	1.55	1.89	1.63	1.43	0.00	0.00	0.00	12.31
System Losses ⁵	0.01	0.00	0.09	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.12
Septic Tank Returns ⁶	4.12	3.84	4.41	4.22	4.12	3.96	4.54	4.48	4.16	0.00	0.00	0.00	37.88
Total Unmeasured Returns	7.37	5.30	7.50	38.57	20.75	38.91	37.56	36.49	41.10	0.00	0.00	0.00	233.55
Total Returns	51.76	41.65	47.09	77.51	59.97	81.96	83.24	81.43	81.47	0.00	0.00	0.00	606.08

Consumptive Use													
Diversion	97.91	68.69	114.90	163.41	182.97	226.66	234.66	231.69	202.94	0.00	0.00	0.00	1,523.83
Measured Returns	44.39	36.35	39.59	38.94	39.22	43.05	45.68	44.94	40.37	0.00	0.00	0.00	372.53
Unmeasured Returns	7.37	5.30	7.50	38.57	20.75	38.91	37.56	36.49	41.10	0.00	0.00	0.00	233.55
Consumptive Use	46.15	27.04	67.81	85.90	123.00	144.70	151.42	150.26	121.47	0.00	0.00	0.00	917.75

Footnotes:
1/Calculated as WWTP Total Discharge*0.97.
2/Calculated as Monthly Delivery to Golf Course*Efficiency-Monthly ET. Efficiency=0.9
3/Calculated as Delivery to Parks, Ballparks, Cemetry*0.40.
4/Calculated as 24% of Deliveries to Commercial Accounts*0.10.
5/Calculated as City of Needles' Net Diversions-Total Uses.
6/Total Annual UMRF from septic tanks = 50; assumes 210 septic units*0.6 A/F/Y*0.40 (where 0.40 = UMRF Factor). Annual volume is distributed monthly using a monthly distribution factor.



City of Needles

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www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: September 27, 2024

1. The City of Needles invites the community to a groundbreaking ceremony for the Obernolte Street Improvement Project, a \$971,988.40 initiative funded through the Community Project Funding/Congressionally Directed Spending program, sponsored by Congressman Jay Obernolte, with \$757,803 contributed by the program and the remainder from the City's General Fund. As part of the Citywide Pavement Management Program, this project will repave key streets including 4th St., 5th St., Collins St., L St., Highland St., Park St., Orange St., Erin Dr., and Coronado St. The event will take place on **Tuesday, October 1, 2024, at 9 a.m. at the intersection of North Erin Drive and Bailey Avenue**. These critical upgrades will enhance road safety, reduce maintenance costs, and improve driving conditions for residents, ensuring a safer, more resilient, and well-maintained community for years to come. **Refer to the attached image for more information on the roads being paved.**
2. The City of Needles proudly highlighted its reputation as the "hottest economy in the United States" at the Innovating Commerce Serving Communities (ICSC) Western Conference from September 23-25, 2024. In partnership with our Economic Development Consultant, city officials made valuable connections with retailers, developers, and brokers, focusing on attracting a grocery store and other key retailers to our community. The response was overwhelmingly positive, with many affirming that it's not a question of *if* but *when*, given the current strength of our market. **Refer to the attached image of our dynamic conference booth.**
3. City staff is dedicated to proactively addressing streetlight outages while upgrading our infrastructure with energy-efficient LED lights. As part of this phased initiative, the City focuses on converting all lights in our parks to LEDs. This week, staff continued efforts to replace outdated streetlight bulbs across the City with LED technology. These upgrades will significantly reduce energy consumption, leading

to substantial cost savings for our utility. **Refer to the attached image for a behind-the-scenes look at this critical process.**

4. We're thrilled to share a sneak peek of the Duke Watkins Improvement Project, a **\$3,965,400** investment in our community. This week, the concrete for the Route 66-themed splash pad was poured, marking a significant milestone in the park's transformation. A ribbon-cutting ceremony is planned for mid-October to celebrate the completion of this exciting project. **Refer to the attached image for more details.**
5. The Animal Shelter successfully held its bi-annual spay and neuter clinic this week, serving over 25 dogs and cats. A special thank you goes to Dr. Angelina Beeks of Angel's Touch Mobile Veterinary Unit, a trusted partner since April 2022, for her continued support. This event aligns with our mission to promote animal welfare and responsible pet ownership in our community. Don't miss out on this valuable opportunity! **Refer to the attached image for more details.**
6. The Recreation Center is excited to announce that our fall programs are now in full swing! Next week marks the official start of our full programming schedule, featuring volleyball, football, and soccer. We're thrilled to have over 230 children signed up for these activities. Volleyball will be held on Mondays and Wednesdays, football on Tuesdays and Thursdays, and soccer on Saturday mornings. These programs provide our youth with opportunities to develop leadership skills while honing their athletic abilities. If you have any questions, please contact Jennifer Valenzuela, Recreation Manager, at jvalenzuela@cityofneedles.com or call 760-326-2814.
7. The Chamber of Commerce is excited to invite the community to the groundbreaking ceremony for the Business Directional Sign Renovation Program, taking place on **Monday, September 30, 2024, at 8:30 a.m.** at the Westside Shell and Carl's Jr. located at 2601 Needles Hwy, Needles, CA 92363. Thanks to a generous \$8,700 donation from Supervisor Dawn Rowe, the revitalization of the first of 11 directional signs is now underway, with completion expected by the end of the year. Businesses interested in participating in this program are encouraged to contact the Chamber directly at info@needleschamber.com.
8. Although the golf course is temporarily closed for overseeding **until October 4, 2024**, now is the perfect time to plan and book your tee times for the upcoming season. With cooler weather approaching, it's an excellent opportunity to participate in some of the exciting tournaments on the horizon. The season kicks off with a "Welcome Back" 3-person scramble on **October 19**, followed by the Needles Women's Club inaugural scholarship and operations fundraiser on **November 16** **and** the return of the Jason Smith Memorial Golf Tournament on **December 7**. These events offer a fun and competitive way to reconnect with the game and support local causes. For those interested in hosting their tournament or booking their tee time, contact Rivers Edge at 760-326-3931. We're excited about the many upcoming activities and remain dedicated to ensuring Rivers Edge remains a

valued asset in the community as it grows into a championship-caliber golf destination.

9. The WIC program operates in San Bernardino County, supporting eligible pregnant and postpartum women, infants, and children under age 5. Services include breastfeeding assistance, access to nutritious food, health and community resources referrals, and nutrition education to help families make healthier choices. For more information, contact the Community Action Partnership of Kern at 760-903-4508. **Refer to the attached flyer for eligibility details.** The City of Needles is committed to connecting residents with valuable resources like WIC to support our community's well-being.
10. The Needles Department of Motor Vehicles (DMV) Field Office, which temporarily closed last May for remodeling to improve customer service, has experienced a delay in its reopening. City staff have been informed that the reopening date remains uncertain. We will update the community and notify everyone once a confirmed reopening date is established.
11. A community-organized trunk-or-treat event will take place on **October 26, 2024, from 5 p.m. to 7 p.m.** on Front Street along Santa Fe Park. This event aims to support local youth and provide a safe environment for trick-or-treating. Sponsorships are available, and vendors interested in participating can register by contacting Mia at 760-881-9021 or Christin at 760-220-8751. **For more details, please refer to the attached flyer.**

12. IMPORTANT UPCOMING DATES:

- **California Clean Air Day on Wednesday, October 2, 2024**, Needles Area Transit will be offering free fares all day long. No reservations are required—just hop on a Needles Area Transit bus and enjoy your complimentary ride!
- **Needles Chamber of Commerce State of the City, October 3, 2024, from 6:00 p.m. to 8:00 p.m.** Businesses are invited to participate in the **Market Night earlier from 4:00 p.m. to 6:00 p.m.** at the historic El Garces located at 950 Front Street. To reserve a table, please contact the Chamber at 760-326-2050 or email info@needleschamber.com.
- **Ventura Circus** will be performing in town from **October 10 through October 21, 2024**, with the opening night set for **7:00 p.m. on October 10 at 100 G Street in Downtown Needles**. Don't miss out on this unforgettable event—tickets can be purchased by clicking this [link](#).
- **Annual Bridge to Bridge First Responders Appreciation Day on Saturday, October 12, 2024, from 11 am-2 pm** at the Mohave Valley Legacy Community Park at 9200 Aquarius, Mohave Valley.
- **Ribbon Cutting Ceremony: The Well No. 11 Water Treatment Facility Project is anticipated for mid-October.** The date, time, and location are TBD.
- **SBCSD/Needles Police 5th Annual Trunk or Treat Event on Wednesday, October 30, 2024, from 4:00 PM to 6:00 PM** at the Recreation Center parking

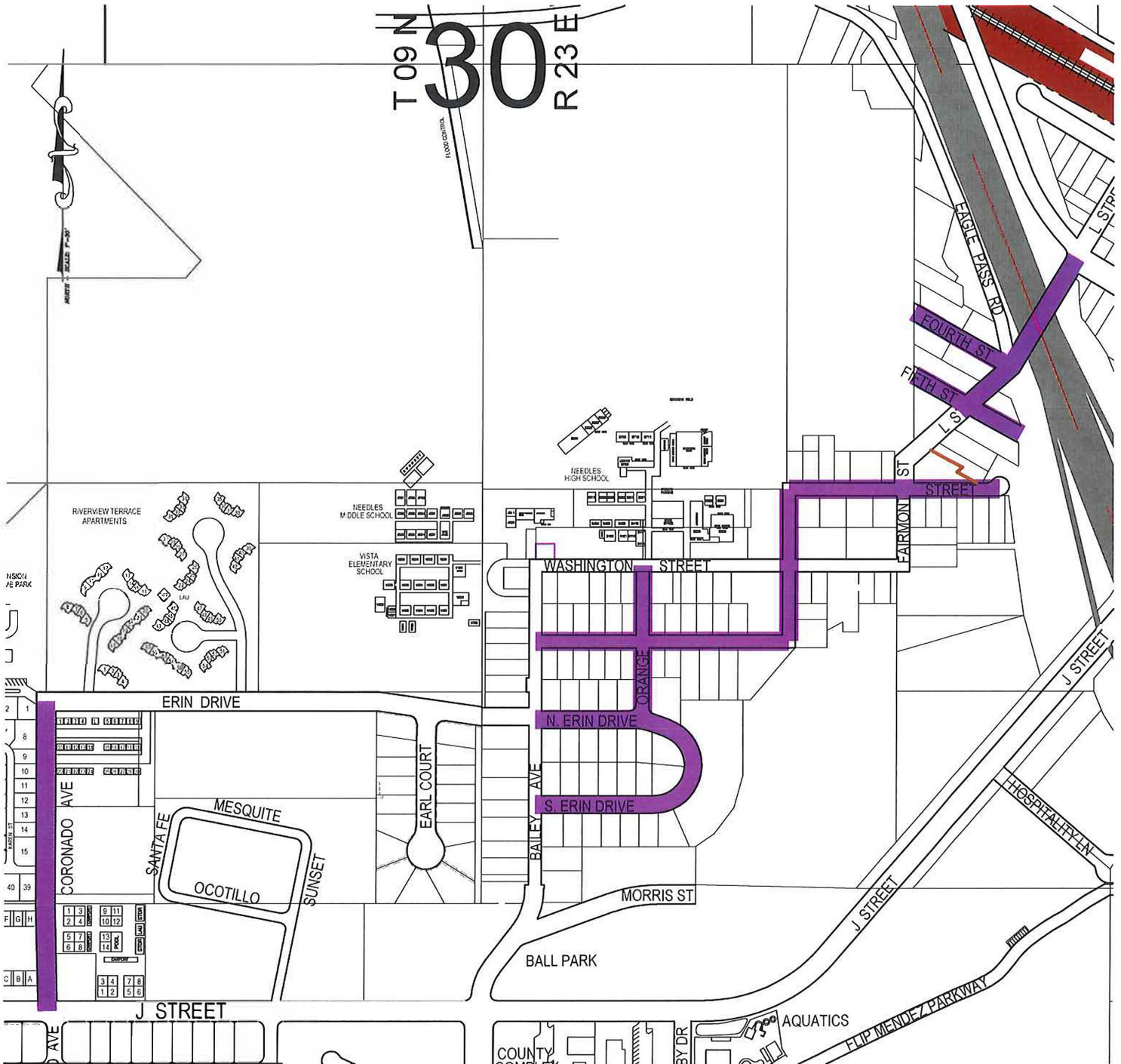
lot at 1705 J Street. If you're interested in participating, please get in touch with Misty Hunt at 760-526-9200 or mhunt@sbcasd.org.

- **Community Fall Festival: November 2, 2024, from 9:00 AM to 2:00 PM** at 950 Front Street. To participate vendors can contact Jennifer Valenzuela, Recreation Manager, via email at jvalenzuela@cityofneedles.com or directly at 760-326-2814.

1. STREET PAVING PROJECT

City of Needles Capital Projects Street Improvements & Water Service Replacement

OBERNOLTE STREET PROJECT



HIGH SCHOOL HILL

- L STREET (5th Street to W. Broadway Ave)
- 4TH STREET (L Street to End)
- 5TH STREET (L Street to End)
- HIGHLAND STREET (Park Ave to End)
- PARK AVE (Highland Street to Collins Street)
- ORANGE AVE (Washington Ave to Erin Drive)
- COLLINS STREET ((Bailey Ave to Park Ave)
- ERIN DRIVE (Bailey Ave - The Loop)
- CORONADO STREET (Erin Dr to J Street)

LEGEND



Obernolte Water Service Replacements & Street Improvements Project - Awarded by Rep. OBERNOLTE

Item 9.

2. ICSC WESTERN 2024



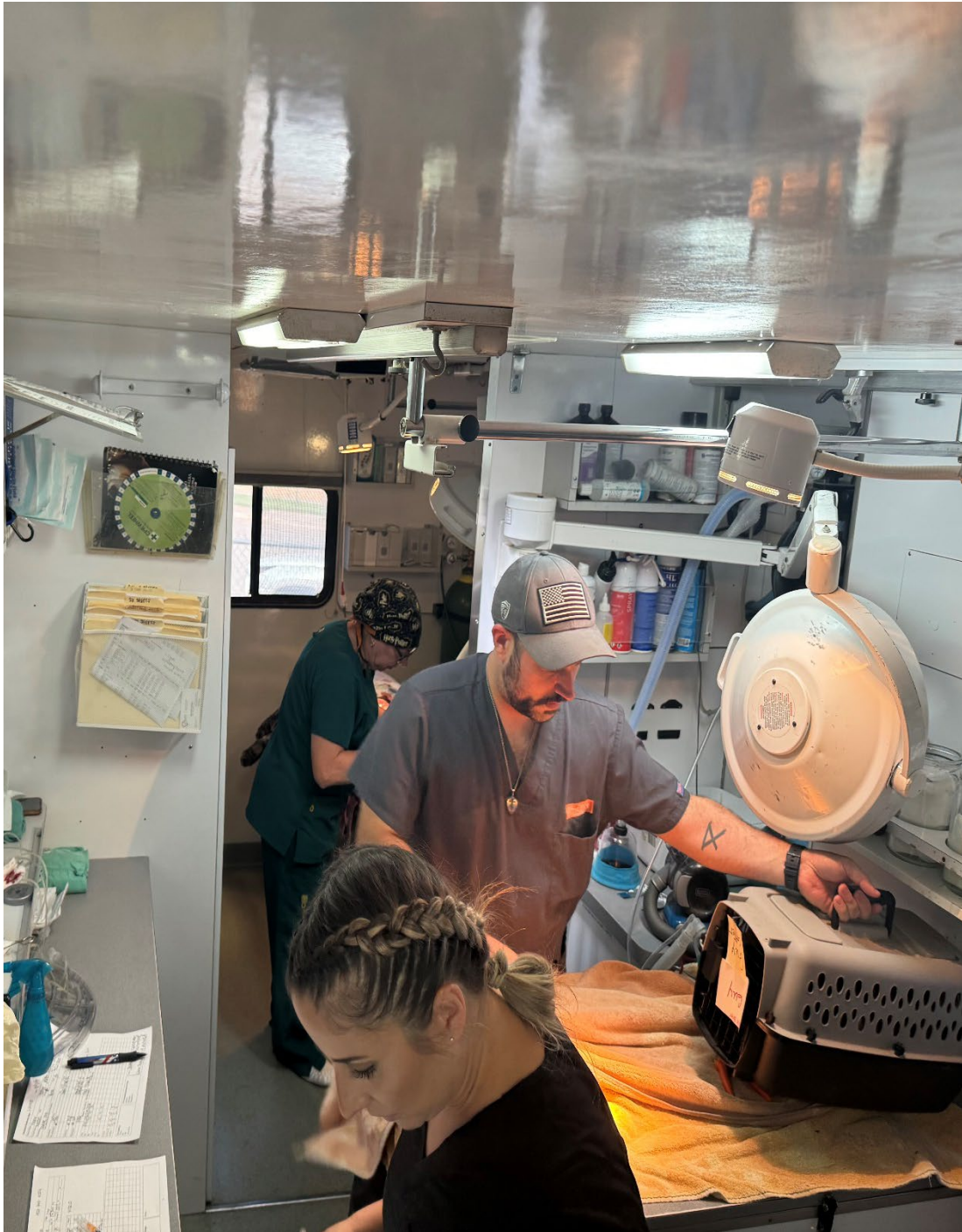
3. LED LIGHT UPGRADE



4. DUKE WATKINS UPDATE



5. ANIMAL SHELTER UPDATE



8. RIVERS EDGE GOLF COURSE



Upcoming Tournaments at The Edge

Don't miss out on all the fun with upcoming Golf Tournaments at Rivers Edge this Fall. With Rivers Edge Golf Course reopening back to fulltime hours on Friday, October 4th 2024, no better time to sign up than today.

Below are flyers with information regarding the upcoming events.

A flyer for a golf tournament. At the top left, a dark banner says 'GOLF TOURNAMENT'. To the right is the Rivers Edge Golf Course logo. Below the logo, the text 'INAUGURAL WELCOME BACK OUTING' is prominently displayed. The event details are listed in green boxes: 'OCTOBER 19TH 3-PERSON SCRAMBLE' and '\$70 PER PLAYER' with 'PAYOUTS/AWARDS AFTER GOLF - CASH PAYOUTS'. A schedule of events is provided: 7 AM REGISTRATION, 8:00 AM SHOTGUN START, and 1:30 PM AWARDS AT RIVERS EDGE. An 'OPTIONAL TEAM SKINS/BUY-IN' section mentions a drawing for a monthly membership. At the bottom, it says 'SIGN UP TODAY BY CALLING (760) 326-3931' and 'RAFFLE & 50/50 AFTER GOLF ON COURSE PRIZES/CONTESTS ALL MONEY GOES BACK TO PLAYERS'. Contact information 'Email: jjdeleon@golfneedlesca.com' and 'www.golfneedlesca.com' is at the very bottom.

A flyer for a fundraiser. The top left says 'NEEDLES, CA'. The main title is 'NEEDLES WOMENS CLUB Scholarship & Operations Fundraiser 2024'. The event is on 'Saturday, November 16th 2024' with an '8:30am Shotgun Start (CA)'. The format is a '3-Person Scramble w/ Handicap' for '\$70PP Includes Golf, Cart, Range, Donation, Prizes & Payouts'. Contact info is '(760) 326-3931'. It also mentions 'Hole Sponsorships Available \$75 per Sign'. The bottom of the flyer features a photograph of a golf course and the address '144 Marina Drive, Needles, CA 92363' and phone number '760.326.3931 • www.golfneedlesca.com'. A small box in the bottom right corner says 'Item 9.'.



4TH ANNUAL

JASON SMITH MEMORIAL GOLF OUTING

SATURDAY
December
7th 2024



Limited to First
48 Teams

3-Person Scramble

\$75 PER PLAYER | \$225 PER TEAM

Sign up Deadline

Thursday, December 5th 2024

OPTIONAL TEAM
SKINS/BUY-IN

On Course Prizes to Include
Closest to Pin - Longest Drive

Rivers Edge Golf Course
www.golfneedlesca.com

144 Marina Drive Needles, CA 92363

CALL US FOR REGISTRATION
+760 326-3931

Made with PosterMyWall.com

Rivers Edge Golf Course

9. WIC PROGRAM

California Families Grow Healthy with WIC

WIC is a nutrition program for Women,
Infants, and Children.



You may qualify if you:

- Are pregnant, breastfeeding, or just had a baby;
- Have a child under age 5; and
- Have a low to medium income; and/or
- Receive Medi-Cal, CalWORKs (TANF), or CalFresh (Food Stamps) benefits; and
- Live in California



Yes!

Newly pregnant women, migrant workers, and working families are encouraged to apply.

WIC provides:

- Nutrition tips and health information
- Breastfeeding support
- Monthly benefits for healthy foods (like fruits & vegetables)
- Referrals to medical providers and community services



Your family may qualify for WIC*

- A family of 2 can earn up to \$, 1455 per 2-week period
- A family of 3 can earn up to \$, 1838 per 2-week period
- A family of 4 can earn up to \$, 2220 per 2-week period



*Before tax income levels change annually. Contact your local WIC office or visit myfamily.wic.ca.gov for current information.

Enroll early! Call today if you are pregnant or have an infant or child under age 5:



Needles : (760) 903-4508
Phone number: (866) 327-3074
Text or call : 1(888) 826-9867
Website: www.capkwic.org



California Department of Public Health, California WIC Program
This institution is an equal opportunity provider.
1-888-942-9675 (1-888-WIC-WORKS)

Item 9.

11. TRUNK OR TREAT

TRUNK
OR
TREAT
On Front Street

Saturday October 26th

5:00 – 7:00PM

Front Street along Santa Fe Park

Sponsorships available – Vendors please contact Mia 760 881 9021 or Christin 760 220 8751 to register

"UNLEASH THE VILLAINS!!"

Item 9.

The poster features a dark purple background with various Halloween-themed illustrations. At the top, there are orange and black triangular bunting flags. A large orange full moon is on the left, with a witch silhouette flying across it. To the right, there are white spider webs and several white skulls. In the center, the event title 'TRUNK OR TREAT' is written in large, bold, orange letters, with 'OR' in a white oval. Below the title, the date and time are listed in white text on orange rounded rectangles. The location is also in white text on an orange rounded rectangle. A white rounded rectangle contains contact information for sponsorships. At the bottom, there is a colorful illustration of various Disney villains, including Cruella de Vil, the Evil Queen, the Mad Hatter, the Queen of Hearts, and Ursula, with the text 'UNLEASH THE VILLAINS!!' above them. On the left, there is a black cauldron with purple smoke and a skull, and a black silhouette of a tree against an orange moon. On the right, there is a black silhouette of a cat with yellow eyes. The background is decorated with white spider webs and colorful candies.



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: October 4, 2024

1. On **October 1, 2024**, city officials and staff came together to celebrate the groundbreaking of the **\$1.4 million Obernolte Street Improvement Project**. This initiative highlights the City Council's dedication to modernizing and enhancing our community's street and water infrastructure. Upon completion, it will finalize critical sections of the Pavement Management Plan (PMP) in the School District neighborhood, ensuring that these essential streets remain well-maintained and accessible for years to come. United Paving Company has already begun mobilizing equipment, with street grinding scheduled to commence next Monday, followed by paving in the weeks ahead. The project is being funded through a strategic combination of resources, a testament to the city's financial planning: \$757,000 from the Community Project Funding/Congressionally Directed Spending program, sponsored by Congressman Jay Obernolte, with the remainder sourced from the City's Cannabis Revenues and the NPUA's Water Asset Replacement Fund. The streets set for improvement include L Street, 4th Street, 5th Street, Highland Street, Park Avenue, Orange Avenue, Collins Street, Erin Drive, and Coronado Street—key routes near local schools that will significantly benefit from these upgrades. Refer to the attached image to for the spectacular event. **Refer the attached images for a glimpse of the groundbreaking event and updates on Phase IV-A Street Improvements, featuring a brand-new road.**
2. On **October 3, 2024**, city officials, staff, and community members came together for the Mayor's annual **State of the City address**, where key achievements and ongoing efforts to improve the quality of life for Needles residents and businesses were highlighted. **2023** was a year of remarkable growth, with significant strides in economic development, infrastructure upgrades, and expanded recreational opportunities—all laying the groundwork for a sustainable future. The numerous "Groundbreakings and Ribbon Cuttings" this year reflect the city's ongoing progress and commitment to positive change. The presentation also featured videos from The [Weather Channel's America's Morning Headquarters](#), showcasing [Bob Belt](#)

[Beach Park](#), [Jack Smith Park's Marilyn Hohstadt Mathews Walking Trail](#), Congressman Ruiz's \$1 million appropriation for the [Needles Behavioral Health Clubhouse](#), and a highlight of Needles' unique [historical charm](#). **Click [here](#) to listen to the address or view the presentation slides [here](#). Refer to the attached image for a glimpse of the event.**

3. We're thrilled to announce the **reopening of Rivers Edge Golf Course** after a successful overseeding over the last month. Locals, snowbirds, and golf enthusiasts from the region are invited to experience our championship-caliber course. With an exciting fall schedule ahead, now is the perfect time to book your tee time—call 760-326-3931 or visit our [website](#). For tournament inquiries, please contact JJ DeLeon at the same number.
4. Next week, Needles High School will host its 69th annual Homecoming celebration, starting on **Thursday, October 10, 2024**, with the **Mustang Drive at 5:30 PM**, followed by a spirited **Community Pep Rally at 6:00 PM**, and wrapping up with the **Senior Class Bonfire at 7:00 PM**. The excitement continues **Friday, October 11, 2024**, with the **Homecoming Parade** in the early afternoon, showcasing vibrant school spirit and community pride. That evening, the NHS Mustangs will face off against White Pine, with the **JV game at 4:00 PM** and the **Varsity game at 7:00 PM**.
5. On **September 30, 2024**, city officials, Needles Chamber, and staff celebrated the groundbreaking of the Business Directional Sign Program, an exciting initiative to guide travelers to local landmarks and businesses in Needles. Led by the Chamber since last April, the first of 11 signs is being renovated thanks to a generous \$8,700 grant from Supervisor Dawn Rowe. Expected to be completed by year's end, this project is a shining example of a successful public-private partnership that supports local businesses, enhances tourism, and fosters intergovernmental cooperation for economic growth. Businesses interested in participating can contact the Chamber at info@needleschamber.com. **Refer to the attached image for a glimpse of the groundbreaking.**
6. We are thrilled to congratulate **Ronny Sommers** on earning his **Water Distribution Operator Certification Grade 1 License**—a significant achievement that will help us continue delivering safe and reliable water services to our residents. The City is committed to providing ongoing professional development and ensuring our staff have the tools they need to improve the quality of life for everyone in the community. Additionally, the City Administration works hard to equip our team with the necessary resources to complete their tasks effectively. **Refer to the attached image highlighting our public works crew selecting new boots**—just one example of how we support our employees as they work to improve the community.
7. City staff are making significant progress on the Off-Highway Motor Vehicle (OHMV) Route Map as part of the OHMV Pilot Program, which aims to designate specific city streets for off-highway vehicles. On **October 4, 2025**, staff held a

productive meeting with representatives from the Bureau of Land Management (BLM) Lake Havasu Field Office, the agency overseeing local public lands. This collaborative effort, grounded in mutual respect and shared objectives, focused on identifying key connection points between BLM trails and city streets. The initiative aligns with the City Council's vision to enhance public amenities and promote tourism by providing unique recreational opportunities that attract visitors and boost the local economy.

8. On **October 10, 2024**, the City of Needles will proudly celebrate the 51st anniversary of its Double Ten-Day flag-raising ceremony in front of the Needles Courthouse. This long-standing tradition began in 1972 and has been held annually except for a pause after 9/11. Double Ten Day, celebrated as the National Day of the Republic of China, marks the start of the Wuchang Uprising, which led to the end of the Qing Dynasty and the establishment of the Chinese Republic. The event will feature the Republic of China Air Force Veterans Color Guard, the Needles High School Band, and dignitaries from the City, County, and the Taipei Economic and Cultural Office of Los Angeles. Join us for this meaningful occasion at **1111 Bailey Avenue at 10:00 AM on October 10, 2024**.
9. IMPORTANT UPCOMING DATES:
 - **Ventura Circus** will be performing in town from **October 10 through October 21, 2024**, with the opening night set for **7:00 p.m. on October 10 at 100 G Street in Downtown Needles**. Don't miss out on this unforgettable event—tickets can be purchased by clicking this [link](#).
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1. OBERNOLTE STREET PROJECT



1. PHASE IV-A STREET UPDATE



1. PHASE IV-A STREET UPDATE



2. STATE OF THE CITY 2024



5. NEEDLES CHAMBER UPDATE



6. PUBLIC WORKS UPDATE

