



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

AGENDA

REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES OF THE
CITY OF NEEDLES, CALIFORNIA
TUESDAY, JANUARY 21, 2025 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 meeting](#)

If asked, enter the following: Meeting ID: 759 412 75#
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 759 412 75#
Meetings are being recorded

CALL TO ORDER - ROLL CALL

ADMINISTER OATH OF OFFICE TO NEW BOARD MEMBER DAVID CAIRNS - WELCOME

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 4 on the Consent Calendar by affirmative vote (ACT)

- [1.](#) Minutes of regular meeting held December 3, 2024
- [2.](#) Authorize the City Manager to execute a Landis & Gyr Software as a Service Agreement providing for third-party hosted "software as a service" with respect to certain City information technology needs and related smart grid program

3. Power Purchase Cost Adjustment (PCA) for months of July through November 2024 and decrease the over-hydro rate from \$0.1538 to \$0.1338 with a reduction of .02 power cost adjustment effective as of February 1, 2025
4. Authorize the City Manager to execute Amendment No. 3 to Contract No. 06-XX-30-W0452 between the City of Needles and Metropolitan Water District of Southern California for delivery of Lower Colorado Water Supply Project Water

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

5. Selection of a Chair and Vice Chair for the ensuing year of 2025
6. PowerPoint presentation of Electric Services Terms and Conditions, Wastewater Collection & Treatment Services Terms and Conditions, and Water Services Terms and Conditions and adopt Resolutions
 - a) Resolution No. 1-21-25 BPU rescinding Chapter 6C, establishing terms and conditions for the sale of electric services, of the Needles Municipal Code in its entirety and adopting a new Chapter 6C, Electric Services, regarding the terms and conditions for the sale of electric services (ACT)
 - b) Resolution No. 1-21-25-1 BPU rescinding Chapter 17, Wastewater Collection and Treatment Services, of the Needles Municipal Code in its entirety and adopting a new Chapter 17, Wastewater Collection and Treatment Services, regarding the terms and conditions for the sale of wastewater services (ACT)
 - c) Resolution No. 1-21-25-2 BPU rescinding Chapter 22, Water, of the Needles Municipal Code in its entirety and adopting a new Chapter 22, Water Services, regarding the terms and conditions for the sale of water services (ACT)

REPORTS

7. EUSI, LLC operational support services relating to the wastewater treatment facility and collection system November and December 2024
8. Monthly Activity Report November 2024
9. Present Perfected Rights Report December 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

10. Manager's Report January 3 and January 10, 2025

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: January 16, 2025

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 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

December 3, 2024

The regular meeting of the Board of Public Utilities held on the 3rd day of December, 2024, was called to order at 4:00 p.m. with VICE CHAIRMAN SCHNEIDER presiding and the following COMMISSIONERS present:

COMMISSIONERS LeJEUNE, BROWN, MOFFITT, McNEIL AND POWELL

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

EX ABSNC COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER LeJEUNE, to grant an excused absence to CHAIRMAN CAMPBELL Motion carried by the following roll call vote:

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

Deputy City Clerk Sallis administered the Oath of Office to new Board Member Michael G. Powell and he was welcomed by the other Members.

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

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

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

VICE CHAIRMAN SCHNEIDER declared the regular meeting adjourned at 4:04 p.m. for the purpose of an Executive Session pursuant to California Government Code Section 54956.9(d)(2) and/or (3) and/or (4) - conference with legal counsel regarding potential litigation (one potential case adverse to Rio Buena Vista HOA)

VICE CHAIRMAN SCHNEIDER declared the regular meeting reconvened at 4:16 p.m. with all persons heretofore mentioned present.

City Manager Martinez reported there was no reportable action taken.

CORSPNDN: None

PBLC APRN: None

CNST CAL: VICE CHAIRMAN SCHNEIDER requested to pull item #2 (Accept the Annual Report to the California Energy Commission Power Content Label for the year ending December 31, 2023) so that an explanation can be provided for COMMISSIONER POWELL.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER BROWN, to pull consent item 2 and approve consent calendar item 1.

1. Minutes of adjourned regular meeting held October 1, 2024

Motion carried by the following roll call vote:

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

ANNL RPT TO CEC
PWR CNTNT LABEL 2023 Utility Manager Torrance briefly explained the annual report to the California Energy Commission Power Content Label for the year ending December 31, 2023. VICE CHAIRMAN SCHNEIDER noted that unfunded mandates are mentioned frequently by this Board as the California legislators enact laws with no funding sources and with no way for the utilities to pay the costs so they must be paid by the ratepayer.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER McNEIL, to accept the Annual Report to the California Energy Commission Power Content Label for the year ending December 31, 2023. Motion carried by the following roll call vote:

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

REG ITEMS: Utility Manager Torrance provided background on the Parker-Davis contract and allocating a certain amount of power each month. Parties met to discuss a voluntary reduction in Parker-Davis allocation by using pre-purchased term purchased energy. This is not saying our utilities will forego the Parker-Davis allocation but only if we have excess in term purchase which is for the benefit of the ratepayers. There is no harm no foul to this agreement.

PARKER-DAVIS VOL REDUCTN AGREEMNT

COMMISSIONER McNEIL MOVED, SECONDED BY COMMISSIONER LeJEUNE, to authorize the City Manager to execute the Parker-Davis Voluntary Reduction Agreement providing for a voluntary reduction in reliance on Western Area Power Administration purchased power. Motion carried by the following roll call vote:

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

RENEWABLE
ENERGY
RESOURCES
PROCUREMENT
PLAN

Utility Manager Torrance explained the renewable portfolio standards (RPS) and the mandate for carbon free emissions by 2045. She noted a revised Procurement Plan has been provided to the Board at this meeting that comes at the recommendation of legal and changes were made to set the procurement maximum at the cost of the 10 year RPS contract. She is recommending adoption of the revised Plan. A brief discussion followed on the excess solar power currently available in California due to an aggressive shift to renewable energy leading to a surplus and that energy being shipped out of California

COMMISSIONER BROWN MOVED, SECONDED BY COMMISSIONER LeJEUNE, to adopt the revised City of Needles Renewable Energy Resources Procurement Plan dated December 11, 2024 at a cost not to exceed \$454,000 to come from the adopted NPUA budget. Motion carried by the following roll call vote:

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

FORT MOJAVE
TRIBE JOINT
USE OF
POLES AGREEMENT

Utility Manager Torrance explained that currently the city has two joint use of poles agreements, one with Frontier and the other Route 66 Broadband. The Fort Mojave Tribe reached out as they have received funding to expand fiber optic but have run into permitting issues. A Fort Mojave executed Joint Pole Agreement with Fort Mojave Telecommunications, Inc., with a change of name per the entity's request, was distributed to the Board and is for two locations only: Eagle Pass - BNSF Crossing and Needles Highway - Flood Control Crossing.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER BROWN, to approve a License Agreement for the Joint Use of Poles between the City of Needles and Fort Mojave Telecommunications, Inc. for TC Attachment to City Poles. Motion carried by the following roll call vote:

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

REPORTS:

VICE CHAIRMAN SCHNEIDER acknowledged the following reports: 1) Western Area Power Administration FY25 Q3 term purchase; 2) Present Perfected Rights (PPR) report October 2024; 3) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system October 2024

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BRD RQSTS: VICE CHAIRMAN SCHNEIDER again welcomed COMMISSIONER POWELL and asked if he had any questions. VICE CHAIRMAN SCHNEIDER noted that there is a lot of history on this Board in regard to electric purchase, water rights and other utility matters.

ATTEST: _____

Vice Chairman

Secretary



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: January 21, 2025

Title: Authorize the City Manager to execute Landis & Gyr Software as a Service Agreement (SaaS)

Background: In 2021 the city issued a request for proposals for an Advanced Metering Infrastructure (AMI) project to install automatic electric and water meters. The contract was awarded to Landis & Gyr and to date 5,065 meters are automatic. Landis & Gyr utilizes the Command Center to communicate with all automatic meters. In 2021, the city executed the Software as a Service Agreement (SaaS) which expired on October 24, 2024. This service is critical to operating the Command Center.

Fiscal Impact: Current monthly pricing is \$950.00 per month. The increased monthly price is budgeted in the electric operations and maintenance annual budget.

Command Center Pricing up to 5,000 Endpoints	Monthly Fee Year 1	Year 2	Year 3	Year 4	Year 5
0-5,000	\$1,195.00	\$1,425.00	\$1,655.00	\$1,655.00	\$1,655.00

Environmental Impact: N/A

Recommended Action: Authorize the City Manager to execute Landis & Gyr Software as a Service Agreement (SaaS)

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Amended and Restated

Software as a Service Agreement

This Amended and Restated Software as a Service Agreement (this “**SaaS Agreement**”), dated as of last signature date below (“**Effective Date**”), is by and between City of Needles (“**Customer**”) with offices located at 817 3rd Street, Needles, CA 92363, and **LANDIS+GYR TECHNOLOGY, INC.** with offices located at 30000 Mill Creek Avenue, Suite 100, Alpharetta, GA 30022 (“**Landis+Gyr**”).

WHEREAS, Landis+Gyr and Customer are parties to that certain Software as a Service Agreement dated October 18, 2021 (the “**Prior Agreement**”) by which Customer required third-party hosted “software as a service” (the “**SaaS Services**,”) as further described herein) with respect to certain of Customer’s information technology needs and related smart grid program;

WHEREAS, Landis+Gyr and Customer desire to amend and entirely restate the terms and conditions as currently described in the Prior Agreement, in this Amended and Restated Software as a Service Agreement;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions; Schedules.** Capitalized terms used herein and not otherwise defined will have the meanings set forth in this Section.

“**Access Credentials**” means any user name, identification number, password, and/or other access keys or controls for access and use of the SaaS Services.

“**Affiliate**” means any entity (including any person, without limitation, any corporation, company, partnership, limited liability company or group) that directly through one or more intermediaries, controls, is controlled by or is under common control with Landis+Gyr or Customer for so long as such control exists. For purposes of this definition, “control” means having more than fifty percent (50%) of the shares or other equity interest with voting rights in the legal entity or organization at issue.

“**Aggregated Statistics**” means data and information that is derived by or through Customer’s use of the SaaS Services that is used by Landis+Gyr in an aggregate and anonymized manner, including to compile statistical and performance information related to the provision and operation of the SaaS Service.

“**Applicable Data Privacy Laws**” means all applicable local, state, national and foreign laws that apply to the processing of Personal Data processed by Landis+Gyr to render the Services for the Customer, including but not limited to, laws of the European Union and/or their member states, Switzerland and United Kingdom as they may be amended from time to time and in particular, the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or “**GDPR**”).

“Authorized Users” means any Customer employee, consultant, contractor or agent (a) who are authorized by Customer to access and use the SaaS Services under the rights granted to Customer under this Agreement; and (b) for whom access to the SaaS Services has been purchased hereunder.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by Law to be closed for business.

“Cloud Software” means cloud-based software to which Customer is provided access as part of the SaaS Service, including any updates or new versions.

“Customer Data” means, other than Aggregated Statistics, information, data, and other content, in any form or medium, relating to Customer’s end customers’ information relating to electricity, water or natural gas consumption, load profile, billing history, or credit history that is collected, downloaded or otherwise received, directly or indirectly, from Customer or an Authorized User by or through the SaaS Services or that incorporates or is derived from the Processing of such information, data or content by or through the SaaS Service.

“Customer Systems” means the Customer's information technology infrastructure, including computers, software, hardware, databases, electronic systems (including database management systems) and networks, whether operated directly by Customer or through the use of third-party services.

“Documentation” means any online user manuals for the SaaS Services as updated from time to time, that describes the functions, operation, and use of the SaaS Services, and that Landis+Gyr makes generally available to subscribers of the SaaS Services.

“Endpoints” means each of the following types of physical sensory-type devices installed for use in the delivery of any commodity e.g. electric, water, gas, distribution automation devices:

- i. a meter measuring the quantity of a commodity delivered, at a utility customer premise or at any other point within the distribution system, with respect to which the Cloud Software stores, processes, or makes accessible data specifically identified to that premise or distribution point for use in one or more of the utility operations the Cloud Software performs or supports; and
- ii. an unmetered supply point with respect to which the Cloud Software performs calculations of quantities of a commodity delivered in lieu of metering.

For avoidance of doubt, Endpoints do not include: aggregations of data from multiple Endpoints; interfaces between the Cloud Software and other systems or applications; sub-meters or devices installed at a utility customer premises beyond the meter; or devices only used to read, retrieve, or transmit data from Endpoints.

“Error” has the meaning set forth in Schedule A.

“Error Correction” has the meaning set forth in Schedule A.

“Export Control Laws” means all applicable export and re-export control laws and regulations, including (a) the Export Administration Regulations (“**EAR**”) maintained by the U.S. Department of Commerce, (b) trade and economic sanctions maintained by the U.S Treasury Department’s

Office of Foreign Assets Control, and (c) the International Traffic in Arms Regulations (“**ITAR**”) maintained by the U.S. Department of State.

“**Fees**” has the meaning set forth in Section 6.2 Fees.

“**Harmful Code**” means any software, hardware, or other technology, device, or means, including any virus, worm, malware, or other malicious computer code, the purpose or effect of which is to (a) permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner any (i) computer, software, firmware, hardware, system, or network; or (ii) any application or function of any of the foregoing or the security, integrity, confidentiality, or use of any data processed thereby; or (b) prevent Customer or any Authorized User from accessing or using the Services or Landis+Gyr Systems as intended by this Agreement. Harmful Code does not include any Landis+Gyr Disabling Device.

“**High Risk Activities**” means activities where the use or failure of the Services would reasonably be expected to result in death, serious personal injury or severe environmental or property damage (such as the creation or operation of weaponry).

“**Improvements**” means enhancements, extensions, modifications and new releases to the SaaS Services (other than Error Corrections) that Landis+Gyr elects to incorporate into the SaaS Service, and for which Landis+Gyr does not charge an additional fee.

“**Intellectual Property Rights**” means any and all intellectual property rights whether registered or unregistered, and all applications for and renewals or extensions of such rights, including rights comprising or relating to: (a) patents, patent disclosures and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith; (c) works of authorship, designs, copyrights and copyrightable works (including computer programs) and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all similar or equivalent rights or forms of protection.

“**Interfaces**” means Landis+Gyr’s file transfer communications interfaces and data feeds mechanisms between the Landis+Gyr Systems and the Customer’s Systems which are developed, operated, owned and maintained by Landis+Gyr pursuant to this Agreement including, as applicable, any configuration and customization required to meet the requirements of this Agreement, but excluding ownership of any customization that constitutes a component or derivative of Customer’s Systems.

“**Landis+Gyr Disabling Device**” means any software, hardware, or other technology, device, or means (including any back door, time bomb, time out, drop dead device, software routine, or other disabling device) used by Landis+Gyr or its designee to disable Customer’s or any Authorized User’s access to or use of the Services automatically with the passage of time or under the positive control of Landis+Gyr or its designee.

“**Landis+Gyr Materials**” means all devices, documents, data, know-how, methods, processes, software and other inventions, works, technologies and materials, including any and all Cloud Software, Documentation, computer hardware, programs, reports and specifications, client software and deliverables provided or made available to Customer in connection with Landis+Gyr’s performance of the Services, in each case developed or acquired by Landis+Gyr independently of this Agreement. For the avoidance of doubt, Landis+Gyr Materials include

Aggregated Statistics and any information, data, or other content derived from Landis+Gyr's monitoring of Customer's access to or use of the Services, but do not include Customer Data.

"Landis+Gyr Personnel" means all employees and agents of Landis+Gyr, all subcontractors and all employees and agents of any subcontractor, involved in the performance of Services.

"Law" means any statute, law, ordinance, regulation, rule, code, order, constitution, common law, judgment, decree or other requirement or rule of any federal, state, local or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.

"Other Services" means all technical and non-technical services performed or delivered by Landis+Gyr under this SaaS Agreement, including without limitation, implementation services and other professional services and training services further defined in Section 2.1, but excluding the SaaS Services and the Support Services. All Other Services will be provided on a non-'work for hire' basis.

"Permitted Uses" means any use of the Services by Customer or any Authorized User for the benefit of Customer in or for Customer's internal business operations in accordance with the Documentation.

"Person" means an individual and any entity, including, but not limited to, any corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust or association.

"Personal Data" or **"PII"** means any information relating to an identified or identifiable natural person ('data subject'); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

"Representatives" means a party's employees, officers, directors, consultants, legal advisors and, with respect to Landis+Gyr, Landis+Gyr's subcontractors, and, with respect to Customer, solely those of Customer's independent contractors or service providers that are Authorized Users.

"Security Incident" is an event that may indicate that an organization's systems, networks, or data have been compromised or that measures put in place to protect them have failed. With respect to the information technology space, an event is anything that has significance for system hardware or software and an incident is an event that disrupts normal operations. Items included, but not limited to: malware infection, distributed denial of service attacks, unauthorized access, insider breaches, destructive attacks, unauthorized privilege escalation, loss or theft of equipment.

"Security Breach/Data Breach" per NIST Special Publication (SP) 800-53. Definition: A data breach refers to any confirmed incident in which sensitive, confidential, or otherwise protected data has been accessed or disclosed in an unauthorized fashion. If a security incident results in unauthorized access to data, it can typically be classified as a security breach.

"Services" means the SaaS Services, the Support Services and the Other Services.

"Support Services" means the maintenance and support services for the SaaS Services as further defined in Schedule A.

“**Supported Release**” means versions of Cloud Software currently supported by Landis+Gyr. Landis+Gyr will support, at a minimum, the current generally available release in addition to the two (2) prior generally available releases of Cloud Software.

“**Suspend**” or “**Suspension**” means disabling or limiting access to or use of the SaaS Services or components of the SaaS Services.

“**Territory**” means the Customer’s service territory.

“**Third Party Materials**” means materials and information, in any form or medium, including any software, documents, data, content, specifications, products, equipment or components of or relating to the Services that are not Proprietary to Landis+Gyr.

“**Upgrade**” means upgrading the Cloud Software to the most current generally available version.

2. Services and Service Orders.

2.1 Description of Services. Throughout the Term, Landis+Gyr will in accordance with all terms and conditions set forth in this Agreement and each applicable Service Order, provide to Customer and its Authorized Users the following services:

- a) Access, in accordance with Section 2.2 of this Agreement, to the software-as-a service online web-based offering described in a Service Order and subject to the terms of this Agreement updated with Error Corrections, Improvements or modifications to the content, functionality and user interface from time to time at Landis+Gyr’s discretion (the “**SaaS Services**”), which upon their execution, will be attached as a part of this Agreement.
- b) service maintenance and the Support Services as set forth in the applicable Service Order and the Service Level Agreement described in Schedule A; and
- c) such other services as may be specified in the applicable Service Order.

2.2 SaaS Services Access License Grant. Subject to and conditioned on Customer’s and its Authorized Users’ compliance with the terms and conditions of this Agreement, during the Term, Landis+Gyr hereby grants to Customer and its Authorized Users a non-exclusive, worldwide, terminable license to access and use the SaaS Service, including in operation with other software, hardware, systems, networks and services for Customer’s business purposes. Landis+Gyr will provide the following services: infrastructure and infrastructure monitoring, technical support, backup and recovery, access training, and Cloud Software upgrades for Customer’s productive use of such services.

2.3 Landis+Gyr will provide the SaaS Services for 24 hours a day, 7 days a week in accordance with the Service Level Agreement in Schedule A except for Scheduled Downtime, service downtime or degradation caused by a Force Majeure Event, including Customer's or any Authorized User's use of Third Party Materials, misuse of the Services, or use of the Services other than in compliance with the express terms of this Agreement and the Documentation.

2.4 Service and Systems Control. Except as otherwise expressly provided in this Agreement, as between the parties:

- 2.4.1 Landis+Gyr has and will retain sole control over the operation, provision, maintenance, and management of the Landis+Gyr Materials; and

- 2.4.2 Customer has and will retain sole control over the operation, maintenance, and management of, and all access to and use of, the Customer Systems, and sole responsibility for all access to and use of the Landis+Gyr Materials by any Person by or through the Customer Systems or any other means controlled by Customer or any Authorized User, including any: (i) information, instructions, or materials provided by any of them to the Services or Landis+Gyr; (ii) results obtained from any use of the Services or Landis+Gyr Materials; and (iii) conclusions, decisions, or actions based on such use. By granting Authorized Users access to the SaaS Service, Customer acknowledges and agrees that Customer's Authorized Users shall have access to Customer Data and that Landis+Gyr shall not be responsible or liable for any misuse of the SaaS Services or Customer Data by any such Authorized Users. For avoidance of doubt, the Services do not include managed services and Customer agrees that it will be responsible for monitoring its access to the platform and will promptly notify Landis+Gyr of any issues.
- 2.5 Documentation. Landis+Gyr represents and warrants that (i) the Documentation for the Cloud Software will accurately and completely describe the functions and features of the Cloud Software, including all subsequent revisions thereto and (ii) the Documentation will be understandable by a typical end user having commensurate skill with using and maintaining metering and monitoring systems technology and will provide Authorized Users with sufficient instruction such that an Authorized User will have a foundation to become self-reliant with respect to access and use of the Services. Customer will have the right to make any number of additional copies of the Documentation for internal business purposes at no additional charge.
- 2.6 Service Orders. Service Orders will be effective only when signed by Customer and Landis+Gyr. The initial Service Orders are attached hereto. Any modifications or changes to the Services under any executed Service Order will be effective only if and when memorialized in a mutually agreed written change order ("**Change Order**") signed by both Parties. Where a Change Order may result in an adjustment to Fees, Landis+Gyr will provide a written estimate of such adjustment to Customer within a commercially reasonable period of time of Landis+Gyr's receipt of a Change Order. Upon approval of the written estimate to complete the Change Order, the parties will each ratify the Change Order indicating any adjustments to the Fees, or delivery schedule.
- 2.7 Other Services Comprising of Professional Services. During the Term of this Agreement, Landis+Gyr may also perform certain Other Services comprising of implementation, consulting, training and/or support services as specified in mutually agreed upon written Statement of Work ("**SOW**"). Each SOW will contain a reference identifying it as a SOW under this Agreement and will contain the following information, as applicable: a description of scope of the Other Services; the Fees (including any Reimbursable Expenses), and any modifications to the ownership of Intellectual Property provisions of this SaaS Agreement.
- 2.8 No Software Delivery Obligation. Landis+Gyr has no software delivery obligation and will not ship copies of any of the Cloud Software used to provide the Services to Customer as a part of the Services or as part of any Deliverable under a SOW. Upon the end of the Service Order, Customer's right to access or use the Cloud Software specified in the Service Order and the Services will terminate.
- 2.9 Use of Subcontractors. Landis+Gyr may from time to time in Landis+Gyr's discretion engage third parties to perform Services (each, a "**Subcontractor**").

- 2.10 Designation of Responsible Contacts. Customer will provide Landis+Gyr with current appropriate contact information such that Landis+Gyr may communicate maintenance notifications, outages, support items and other communications under this Agreement to Customer on an ongoing basis.
- 2.11 Aggregated Statistics. Landis+Gyr may compile Aggregated Statistics based on Customer Data input into the SaaS Service. Customer agrees that Landis+Gyr may use Aggregated Statistics to the extent and in the manner permitted under applicable Law, provided that such Aggregated Statistics do not identify Customer or Customer's Confidential Information.

3. Customer Obligations

- 3.1 Customer Systems and Cooperation. Customer, at all times during the Term to the extent applicable for the specific Service Order, will: (a) set up, maintain and operate in good repair and in accordance with the Documentation all Customer Systems on or through which the SaaS Services are accessed or used (including taking all necessary and current security industry standards into consideration and implementation to notify and mitigate any security vulnerabilities that could be introduced into the Landis+Gyr Systems); and (b) provide all cooperation and assistance as Landis+Gyr may reasonably request to enable Landis+Gyr to exercise its rights and perform its obligations under and in connection with this Agreement. To the extent it becomes necessary for Landis+Gyr to have access to Customer Systems in order to perform the Services in accordance with the Availability Requirements as set forth in the Service Level Agreement, Customer will provide Landis+Gyr with such access. Unless otherwise stated in a Service Order, Customer agrees that it will not send or provide Landis+Gyr access to any Personal Data, whether in data or any other form. Should Customer mistakenly provide Personal Data to Landis+Gyr (including, but not limited to, Personal Data where Customer has no legal ground to share with Landis+Gyr or to process otherwise), Customer will immediately notify Landis+Gyr in writing in accordance with the notice provisions herein, and reasonably cooperate with Landis+Gyr to take any mitigating actions deemed necessary to remove such PII from the Landis+Gyr Systems.
- 3.2 Effect of Delay. Neither party is responsible or liable for the portion of any delay or failure of performance caused in whole or in part by the other party's delay in performing, or failure to perform, any of Customer's obligations under this Agreement.
- 3.3 Privacy. Customer is responsible for any consents and notices required to permit (a) Customer's use and receipt of the Services and (b) Landis+Gyr's accessing, storing and processing of data provided by Customer (including Customer Data, if applicable) under the Agreement. Customer shall comply with all applicable local, state, national and foreign laws in connection with its use of the SaaS Services, including those laws related to data privacy and the transmission of technical or personal data. Customer acknowledges that Landis+Gyr exercise no control over the content of the information transmitted by Customer through the SaaS Services.
- 3.4 Suspension. If Landis+Gyr becomes aware that Customer's use of the SaaS Services violates the Permitted Uses, Landis+Gyr will notify Customer and request that Customer correct the violation. If Customer fails to correct the violation within 24 hours of Landis+Gyr's request, then Landis+Gyr may Suspend all or part of Customer's use of the Services by use of a Landis+Gyr Disabling Device until the violation is corrected. Notwithstanding the preceding related to violations of the Permitted Uses, Landis+Gyr may immediately Suspend all or part of Customer's use of the Services by use of a Landis+Gyr Disabling Device if (a) Landis+Gyr reasonably believes Customer's use of the SaaS Services could adversely impact the SaaS Service, other customers' or their end users' use of the SaaS Service, or the Landis+Gyr network or servers used to provide the SaaS Service; (b) there is suspected unauthorized third-party access to the SaaS Service; (c) Landis+Gyr reasonably believes that immediate Suspension is required to comply with any applicable Law; or (d) Customer

is in breach of Section 4.2 (Use Restrictions) or specific terms for the relevant Service Order. Landis+Gyr will lift any such Suspension when the circumstances giving rise to the Suspension have been resolved. At Customer's request, Landis+Gyr will, unless prohibited by applicable Law, notify Customer of the basis for the Suspension as soon as is reasonably possible.

4. Authorization Limitations and Restrictions.

4.1 Authorization. Subject to and conditioned on Customer's payment of the Fees and compliance and performance in accordance with all other terms and conditions of this Agreement, Landis+Gyr hereby authorizes Customer, to access and use, solely in the Territory during the Term, the Services and such Landis+Gyr Materials as Landis+Gyr may supply or make available to Customer for the Permitted Uses by and through Authorized Users in accordance with the Documentation and the conditions and limitation set forth in this Agreement or any Service Order. In addition, Customer is authorized to:

- (a) generate, print, copy, upload, download, store and otherwise process all GUI, audio, visual, digital and other output, displays and other content as may result from any access to or use of the SaaS Services;
- (b) prepare, reproduce, print, and download a reasonable number of copies of Documentation as may be necessary or useful for any Permitted Uses of the SaaS Services under this Agreement;
- (c) access and use (i) the SaaS Services for production uses and (ii) any applications provided by Landis+Gyr as may be necessary or useful for the effective use of the SaaS Services for the Permitted Uses hereunder; and
- (d) perform, display, execute, and reproduce and distribute and otherwise make available to Authorized Users, any Landis+Gyr Materials solely to the extent necessary to access or use the SaaS Services in accordance with the terms and conditions of this Agreement.

4.2 Use Restrictions. Customer will not and will not knowingly permit any other Person to access or use the SaaS Services or Landis+Gyr Materials except as expressly permitted by this Agreement and/or any Service Order and, in the case of Third-Party Materials, the applicable third-party license agreement. For purposes of clarity and without limiting the generality of the foregoing, Customer will not, except as this Agreement or any Service Order expressly permits:

- (a) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make the SaaS Services or Landis+Gyr Materials available to any third party that is not an Authorized User;
- (b) copy, modify or create derivative works or improvements of the SaaS Services or Landis+Gyr Materials;
- (c) reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive or gain access to the source code of the SaaS Services or Landis+Gyr Materials, in whole or in part;
- (d) bypass or breach any security device or protection used by the SaaS Services or Landis+Gyr Materials or access or use the SaaS Services or Landis+Gyr Materials other than by an Authorized User through the use of his or her own then valid Access Credentials;

- (e) use or authorize the use of the SaaS Services or Documentation in any manner or for any purpose that is unlawful under applicable Law.
- (f) remove, delete, alter or obscure any trademarks, Documentation, warranties or disclaimers, or any copyright, trademark, patent or other intellectual property or proprietary rights notices from any SaaS Services or Landis+Gyr Materials, including any copy thereof;
- (g) access or use the SaaS Services or Landis+Gyr Materials in any manner or for any purpose that infringes, misappropriates or otherwise violates any Intellectual Property Right or other right of any third party, or that violates any applicable Law;
- (h) access or use the SaaS Services or Landis+Gyr Materials for purposes of competitive analysis of the SaaS Services or Landis+Gyr Materials, the development, provision or use of a competing software service or product or any other purpose that is to Landis+Gyr's detriment or commercial disadvantage;
- (i) engage in cryptocurrency mining without Landis+Gyr's prior written approvals;
- (j) to transmit, store or process health information subject to the United States HIPAA regulations;
- (k) access or use of the Services for High Risk Activities; or
- (l) otherwise access or use the SaaS Services or Landis+Gyr Materials beyond the scope of the authorization provided in this Agreement or in any applicable Service Order.

4.3 Excess Use. If Customer's use of the SaaS Services exceeds the volume of use authorized in the applicable Service Order (including as to the number of Endpoints), Customer will pay Landis+Gyr the Fees attributable to the excess use in accordance with the applicable Service Order.

5. Term and Termination

5.1 Term. This Agreement commences on the Effective Date and continues until all Service Orders/SOW have expired or have been terminated. Except in the case of termination for breach by Landis+Gyr, within thirty (30) days of the date of termination, Customer must pay all amounts remaining unpaid for Services provided prior to the effective date of termination, plus related taxes and expenses.

5.2 Term of Service Orders/SOWs. The term of each Service/SOW will be as specified in the applicable Service Order/SOW. Except as otherwise specified in a Service Order, SaaS Services will automatically renew for additional one (1) year periods, unless either party gives the other notice of non-renewal at least ninety (90) days before the end of the relevant subscription term.

5.3 Termination.

- (a) Landis+Gyr may terminate this Agreement, effective on written notice to Customer, if the SaaS Services is being used by Customer in violation of applicable Law.
- (b) Either party may terminate this Agreement, effective on written notice to the other party, if the other party materially breaches this Agreement, and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured sixty (60) days after the non-breaching party provides the breaching party with written notice of such breach; and

- (c) Either party may terminate this Agreement, effective immediately upon written notice to the other party, if the other party enters into liquidation (apart from a solvent liquidation for the purposes of amalgamation or reconstruction) or is dissolved or declared bankrupt or has a receiver, administrator or administrative receiver appointed over all or part of its assets or enters into an arrangement with its creditors or takes or suffers any similar action.
- 5.4 Effect of Termination or Expiration. Upon any expiration or termination of this Agreement, except as expressly otherwise provided in this Agreement, all rights, licenses, consents, and authorizations granted by either party to the other hereunder will immediately terminate.
- 5.5 Survival. The terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the performance thereof by either party hereunder will so survive the completion of the performance, cancellation or termination of this Agreement, including without limitation, Confidentiality, Infringement, Limited Warranties and Limitations of Liability.
- 6. Fees and Expenses**
- 6.1 Invoices. Invoices will be issued monthly in arrears for (i) the monthly SaaS Services Fees upon Cloud Software installation (ii) for time and materials in a Statement of Work and (iii) Reimbursable Expenses based on expenses incurred in the previous month. Fees for fixed bid SOW's will be invoiced upon completion of the milestone as set forth in the applicable SOW. If Customer validly disputes any invoiced amount it will pay the undisputed amounts and provide written notice of the basis of that dispute to Landis+Gyr within thirty (30) days following delivery of that invoice. The parties will work diligently, promptly and in good faith to resolve any such disputes.
- 6.2 Fees. Customer agrees to pay for all services ordered as set forth in the applicable Service Order or SOW (the "**Fees**"). All Fees are due within thirty (30) days from the date of invoice.
- 6.3 Late Payment. If Customer fails to make any payment when due then, in addition to all other remedies that may be available:
- 6.3.1 Landis+Gyr may charge interest on the past due amount at the rate of one percent (1%) per month, calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable Law; and
- 6.3.2 Customer will reimburse Landis+Gyr for all reasonable costs incurred by Landis+Gyr in collecting any late payments or interest, including reasonable attorneys' fees, court costs, and collection agency fees.
- 6.4 Fee Increases. Landis+Gyr's Fees are fixed for the duration described in the applicable Service Order. Thereafter, the Fees are subject to an adjustment in accordance with the Service Order.
- 6.5 Reimbursable Expenses. If a Service Order and/or SOW permits reimbursement of expenses by Customer ("**Reimbursable Expenses**"), Landis+Gyr will be reimbursed for those reasonable expenses, at cost. In addition, if there are any system communication fees that are incurred by Landis+Gyr (i.e. long-distance charges), Landis+Gyr will invoice Customer monthly for the communications fees, which Customer agrees to pay.
- 6.6 Taxes. Customer is exclusively responsible for the collection and remittance of all sales and use, value added, duties, tariffs or other similar charges or taxes on the Services, other than taxes based upon Landis+Gyr's income. All amounts set forth in an applicable Service Order/SOW are

exclusive of taxes and taxes are not included in the Fees. Applicable taxes payable by Customer will be separately itemized on invoices sent to Customer.

7. Intellectual Property Rights

- 7.1 Services and Landis+Gyr Materials. Subject to the limited rights granted hereunder, all rights, title, and interest in and to the Landis+Gyr Materials, including all Intellectual Property Rights therein, are and will remain with Landis+Gyr and, with respect to Third-Party Materials, the applicable third-party providers own all right, title, and interest, including all Intellectual Property Rights, in and to the Third-Party Materials. In addition to the foregoing, Customer acknowledges that Landis+Gyr will have the right to utilize data capture and analysis tools, and other similar tools, to extract, compile and analyze the Aggregated Statistics.
- 7.2 Ownership of Customer Data. As between Customer and Landis+Gyr and its Subcontractors, Customer is and will remain the sole and exclusive owner of all right, title and interest in and to all Customer Data, including all Intellectual Property Rights relating thereto, subject only to the limited license granted in Section 7.3. Customer will have sole responsibility for the accuracy, integrity and reliability of Customer Data. Customer acknowledges that Landis+Gyr exercises no control whatsoever over any Customer Data managed by Authorized Users while accessing the Service and that Customer is solely responsible for the Customer content.
- 7.3 Consent to Use Customer Data. During the Term of this Agreement, Customer hereby irrevocably grants all such rights and permissions in or relating to Customer Data as are necessary or useful to Landis+Gyr, its Subcontractors and the Landis+Gyr Personnel to enforce this Agreement and exercise Landis+Gyr's, its Subcontractors' and the Landis+Gyr Personnel's rights and perform Landis+Gyr's, its Subcontractors' and the Landis+Gyr Personnel's obligations hereunder as well as to use and display Customer Data incorporated within the Aggregated Statistics.
- 7.4 Feedback. At its option, Customer may provide feedback and suggestions about Services to Landis+Gyr ("**Feedback**"). If Customer provides Feedback, then Landis+Gyr and its Affiliates may use the Feedback without restriction and obligation to Customer.

8. Confidentiality

- 8.1 Confidential Information. From time to time during the Term of this Agreement, either Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**") non-public, proprietary, confidential information about its business affairs, products, services, confidential intellectual property, trade secrets, third party confidential information, source code and other sensitive or proprietary information in oral, written, electronic or other intangible form marked or indicated as "**Confidential**" or "**Proprietary**" at the time of disclosure (collectively, "**Confidential Information**"). Confidential Information, however, will not include: (a) Information which is already generally available to the public; (b) Information which hereafter becomes generally available to the public, except as a result of the direct or indirect action of the Receiving Party in breach of this Agreement; (c) Information known to the Receiving Party or its Representatives on a non-confidential basis prior to receipt by the disclosing party; (d) Information that is independently developed without access to the Disclosing Party's Confidential Information; and (e) Information disclosed under legal compulsion; provided, however, that prior to a disclosure pursuant to an order or applicable law, the Receiving Party, to the extent permitted by law, promptly provides the other party written notice of such proposed disclosure and reasonably cooperates with the other party in its attempts to limit or prevent such disclosure. The Receiving Party will use the Confidential Information solely for the performance of this Agreement and will not disclose or permit access to Confidential Information other than to its Affiliates and its or their employees,

officers, directors, attorneys, accountants and financial advisors (including insurers) (collectively, “**Representatives**”) who: (a) need to know such Confidential Information for the performance of this Agreement; (b) know of the existence and terms of this Agreement and (c) are bound by confidentiality obligations no less protective of the Confidential Information than the terms contained herein. These non-disclosure obligations will survive the termination of this Agreement and will continue for a period of five (5) years thereafter. Information need not be marked “Confidential” to be considered Confidential Information. “Confidential Information” includes any Confidential Information disclosed prior to the effective date of this Agreement. Any subcontractor retained pursuant to Section 2.6 will adhere to this Section 8 as it regards to Confidential Information that comes into its possession.

- 8.2 Protection of Confidential Information. The Receiving Party will safeguard the Confidential Information from unauthorized use, access or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. The Receiving Party will promptly notify Disclosing Party of any unauthorized use or disclosure of Confidential Information and take all reasonable steps to cooperate with Disclosing Party to prevent further use or disclosure. The Receiving Party will be responsible for any breach of this Agreement caused by its Representatives. Neither party will disclose the terms of this Agreement or any Service Order to any third party other than to its Affiliates, legal counsel and accountants without the other party’s prior written consent, provided that a party that makes any such disclosure to its affiliate, legal counsel or accountants will remain responsible for such affiliate’s, legal counsel’s or accountant’s compliance with this Section 8.2.
- 8.3 No Rights in Confidential Information. Customer and Landis+Gyr hereby acknowledge and agree that all Confidential Information of the other party will remain the sole and exclusive property of such other party and that the receiving party will have no proprietary rights, title or interests therein except as otherwise provided in this Agreement.

9. Personal Data Privacy

- 9.1 Personal Data Privacy. Customer acknowledges that Landis+Gyr may, where Customer acts as a data controller and Landis+Gyr as data processor in relation to any Personal Data under this Agreement, processes Personal Data in accordance with Landis+Gyr Cloud Data Processing available at <https://www.landisgyr.com/landisgyr-data-processing-terms/>.

10. Security Requirements; Audits

- 10.1 Security Requirements. Landis+Gyr will employ security measures in accordance with Landis+Gyr’s security requirements available at <https://www.landisgyr.com/securityterms>. The process described therein will be used when there are Security Incidents or critical vulnerabilities discovered that impacts or potentially impacts Landis+Gyr or Customer.
- 10.2 Audits.
- 10.2.1 Landis+Gyr shall provide to Customer, on at least an annual basis, Landis+Gyr’s review of the controls placed in operation and a test of operating effectiveness, as defined by Statement of Standards for Attestation Engagement No. 18, Reporting on Controls at Service Organizations (“SSAE-18”), or any standards amending or replacing SSAE 18 for covered Services defined by Landis+Gyr for or on behalf of Customer and issue SOC 1 (Type II) report and SOC 2 (Type II) reports thereon (collectively, “SOC Reports”).

- 10.2.2 Landis+Gyr shall provide to Customer Landis+Gyr ISO Certifications for Information Security Management Systems standards (ISO/IEC 27001).
- 10.2.3 Reports and certification audits shall be performed by Landis+Gyr's external auditors. Landis+Gyr shall address and rectify any deficiencies found in any SOC Report review.

11. Disaster Recovery

- 11.1 Disaster Recovery. Landis+Gyr will maintain reasonably prudent business resumption and disaster recovery plans and procedures. Upon request, Customer will have the right to review a summary of Landis+Gyr's then current plan. Landis+Gyr will test the operation and effectiveness of the plan at least annually. Upon request, Landis+Gyr will provide Customer with an annual summary audit report for disaster recovery effectiveness. If such tests reveal material deficiencies in the plan Landis+Gyr will respond with steps that will be taken to mitigate recovery deficiencies within a reasonable time frame. Landis+Gyr reserves the right to make the changes as required to the Disaster Recovery plan.

12. Mutual Indemnification

- 12.1 Indemnification by Landis+Gyr. Subject to this Agreement, Landis+Gyr shall defend and indemnify Customer against any loss or damage (including reasonable attorneys' fees) incurred in connection with claims, demands, suits, or proceedings ("**Claims**") made or brought against Customer by a third party alleging that the use of the base SaaS Services as contemplated hereunder infringes a United States patent or copyright of a third party and pay all damages finally awarded by a court of competent jurisdiction attributable to such claim, or agreed to in a settlement by Landis+Gyr; provided, that Customer (a) promptly gives written notice of the Claim to Landis+Gyr; (b) gives Landis+Gyr sole control of the defense and settlement of the Claim; and (c) provides to Landis+Gyr all available information, assistance and authority to defend; and (d) not have compromised or settled such proceeding without Landis+Gyr's prior written consent. Should the SaaS Services become, or in Landis+Gyr's opinion be likely to become, the subject of a claim for which indemnity is provided hereunder, Landis+Gyr will in its sole discretion either: (a) obtain for Customer the right to use the SaaS Services; or (b) replace or modify the SaaS Services so that it becomes non-infringing.
- 12.2 Indemnification by Customer. Subject to this Agreement, Customer shall defend and indemnify Landis+Gyr against any loss or damage (including reasonable attorneys' fees) incurred in connection with Claims made or brought against Landis+Gyr by a third party alleging that the Customer Data, the intellectual property rights of, or has otherwise harmed, a third party or breaches of the policy governing the acceptable use of the systems and the use restrictions listed in Section 4.2; provided, that Landis+Gyr (a) promptly gives written notice of the Claim to Customer; (b) gives Customer sole control of the defense and settlement of the Claim (provided that Customer may not settle or defend any Claim unless it unconditionally releases Landis+Gyr of all liability); and (c) provides to Customer, at Customer's cost, all reasonable assistance.
- 12.3 Exceptions from Indemnification. Landis+Gyr will have no liability for any infringement or claim which results from: (a) use of the SaaS Services in combination with any non-Landis+Gyr-provided or -recommended hardware, software, or data if such infringement or claim would not have occurred but for such combination; (b) Landis+Gyr's development of any Customer-specific changes or modifications to the SaaS Services or Other Services at Customer's request or instruction; or (c) use of the SaaS Services in a manner prohibited under this Agreement, in a manner for which the Cloud Software was not designed, or in a manner not in accordance with the

Documentation if such infringement or claim would not have occurred but for such use. This Section states Landis+Gyr's entire liability, and Customer's sole remedy, with respect to any claim of infringement.

13. Limitations of Liability

- 13.1 EXCLUSION OF DAMAGES. EXCEPT AS OTHERWISE PROVIDED IN SECTION 13.3, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, PUNITIVE DAMAGES, OR DAMAGES FOR LOSS OF PROFITS/REPUTATIONAL HARM, REVENUE, DATA OR USE INCURRED BY THE OTHER PARTY OR ANY THIRD PARTY WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 13.2 CAP ON MONETARY LIABILITY. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT, WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED ONE (1) TIMES TOTAL AMOUNTS ACTUALLY PAID TO LANDIS+GYR UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.
- 13.3 Exceptions. The exclusions and limitations in Section 13.1 and Section 13.2 do not apply to:
- 13.3.1 Losses arising out of or relating to a party's failure to comply with its obligations under Section 7 (Intellectual Property Rights) or Section 8 (Confidentiality); or
- 13.3.2 Losses arising out of or relating to a party's gross negligence or more culpable conduct, including any willful misconduct or intentional wrongful acts.

14. Warranties; Disclaimer

- 14.1 Mutual warranty. Each party warrants that it has the status, authority and capacity to enter into this Agreement.
- 14.2 Landis+Gyr Warranty. Landis+Gyr warrants that (i) it will provide the Services in a professional workmanlike manner consistent with general industry standards reasonably applicable to the provision thereof; (ii) that the SaaS Services will perform materially in accordance with the Documentation, and be available in accordance with the SaaS Services Availability Target, and (iii) it owns or otherwise has sufficient rights to the SaaS Services to grant the rights and licenses granted herein.
- 14.3 Additional Customer Warranty. Customer represents, warrants and covenants to Landis+Gyr that:
- (a) Customer owns or otherwise has and will have the necessary rights, legal grounds and consents in and relating to the Customer Data so that, as received by Landis+Gyr and processed in accordance with this Agreement, Customer does not and will not infringe,

misappropriate or otherwise violate any Intellectual Property Rights, or any Applicable Data Privacy Laws or other rights of any third party or violate any applicable Law; and

- (b) prior to Customer's delivery to Landis+Gyr of any Customer Data that is outside of the Landis+Gyr Systems, Customer will implement and maintain current industry state-of-the-art IT security and anti-virus measures to detect, prevent and remove Harmful Code, and to prevent the spread of Harmful Code between the Parties when accessing and/or exchanging data or software through the Interfaces or any other network connectivity.

14.4 DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED HEREIN, LANDIS+GYR MAKES NO REPRESENTATIONS, WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. LANDIS+GYR HEREBY SPECIFICALLY DISCLAIMS ALL IMPLIED REPRESENTATIONS WARRANTIES, OR CONDITIONS INCLUDING ANY REPRESENTATION, WARRANTY OR CONDITION OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. LANDIS+GYR DOES NOT WARRANT THAT THE OPERATION OF THE SAAS SERVICES OR CLOUD SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE OR THAT THEY WILL BE SUITABLE FOR OR MEET THE REQUIREMENTS OF CUSTOMER.

15. General Provisions.

- 15.1 Force Majeure Events. Neither party will be liable in damages or have the right to terminate this Agreement for any reasonable delay or default in performing under this Agreement if such delay or default is caused by conditions beyond the party's reasonable control, including without limitation acts of God, natural disasters, pandemics, war or other hostilities, labor disputes, civil disturbances, governmental acts, orders or regulations or failures or fluctuations in electrical power, heat, lights, air conditioning or telecommunications equipment (each of the foregoing, a "**Force Majeure Event**"), provided that the non-performing party is without fault in causing such condition. Subject to the party so delaying promptly notifying the other party in writing of the reason for the delay and the likely duration of the delay, the performance of the delaying party's obligations, to the extent affected by the delay, will be temporarily suspended during the reasonable period of time that the cause persists, provided that if performance is not resumed within thirty (30) days after that notice, the non-delaying party may by notice in writing immediately terminate this Agreement.
- 15.2 Export. Each party shall comply with all Export Control Laws, executive orders or regulations applicable to its performance under this Agreement.
- 15.3 Independent Contractor. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party will have authority to contract for or bind the other party in any manner whatsoever.
- 15.4 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder, other than routine communications having no legal effect, will be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this Section):

If to Landis+Gyr:

Landis+Gyr Technology, Inc.
30000 Mill Creek Avenue, Suite 100
Alpharetta, GA 30022
Attn: Legal Department
Email: legalcontractteam@landisgyr.com

If to Customer:

City of Needles
817 3rd Street
Needles, CA 92363
Attn: Rainie Torrance
Email: EMAIL ADDRESS

Notices sent in accordance with this Section 15.4 will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile with confirmation of transmission), if sent during normal business hours of the recipient, and on the next business day, if sent after normal business hours of the recipient; or (d) on the fifth (5th) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

- 15.5 Headings. The headings in this Agreement are for reference only and will not affect the interpretation of this Agreement.
- 15.6 Entire Agreement. This Agreement (including all Service Orders and other Schedules and Exhibits) contains the entire agreement of the parties and supersedes all previous oral and written communications by the parties, concerning the subject matter of this Agreement. This Agreement may be amended solely in a writing signed by both parties. Standard or printed terms contained in any purchase order or sales confirmation are deemed rejected and shall be void unless specifically accepted in writing by the party against whom their enforcement is sought; mere commencement of work or payment against such forms shall not be deemed acceptance of the terms.
- 15.7 Assignment. Neither party will assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Agreement without the other party's prior written consent, which consent will not unreasonably be withheld or delayed. Any purported assignment, delegation or transfer in violation of this Section 15.7 is void. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective permitted successors and assigns.
- 15.8 No Third-party Beneficiaries. This Agreement is an agreement between the parties, and confers no rights upon either party's employees, agents, contractors, partners of customer or up any other person or entity.
- 15.9 Waiver. No waiver shall be effective unless it is in writing and signed by the waiving party. The waiver by either party of any breach of this Agreement shall not constitute a waiver of any other or subsequent breach.
- 15.10 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable, that term shall be reformed to achieve as nearly as possible the same effect as the original term, and the remainder of this Agreement shall remain in full force.

- 15.11 **Governing Law; Submission to Jurisdiction.** This Agreement shall be governed by the laws of the State of California, without regard to California's conflict of laws principles and each party irrevocably submits to the exclusive jurisdiction and venue of the federal and state courts located in San Bernardino County. The Uniform Computer Information Transactions Act does not have any application to this Agreement. The parties expressly exclude the United Nations Convention on Contracts for the International Sale of Goods from application to this Agreement.
- 15.12 **Waiver of Jury Trial.** Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.
- 15.13 **Equitable Relief.** The Parties will be entitled to seek injunctive or other equitable relief whenever the facts or circumstances would permit a party to seek equitable relief in a court of competent jurisdiction.
- 15.14 **Attorneys' Fees.** In the event that any action, suit, or other legal or administrative proceeding is instituted or commenced by either party hereto against the other party arising out of or related to this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees, expert witness fees and out-of-pocket and court costs from the non-prevailing party.
- 15.15 **Limitations on Actions.** No actions, regardless of form, arising from the transactions under this Agreement, may be brought by either party more than two (2) years after the cause of action has accrued.
- 15.16 **Schedules and Exhibits.** All Schedules that are referenced herein and attached hereto, or are signed by both parties on or after the Effective Date, are hereby incorporated by reference. The following Schedules and Exhibits are attached hereto and incorporated herein:

Schedule A Service Level Agreement and Support Services

Schedule B Service Order; Pricing

Landis+Gyr may update the terms set forth in Schedules A and B provided the updates do not (a) result in a material degradation of the overall security of the SaaS Service; (b) expand the scope of or remove any restrictions on Landis+Gyr's Processing of Customer Data as described in the Landis+Gyr Cloud Data Processing and Security Terms, or (c) have a material adverse impact on Customer's rights in this Agreement. Such updates may be sent via a customer information letter (CIL).

- 15.17 Landis+Gyr is and shall remain in compliance with all of the laws and Executive Orders prohibiting discrimination, including but not limited to Title VII of the Civil Rights Act of 1964 as amended, the Civil Rights Act of 1991, 42 USC 2000(e), et seq., and all applicable state and local laws against discrimination.
- 15.17.1 Landis+Gyr and Subcontractor, if any, shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, sex, gender, sexual orientation, LGBTQ+ status, gender identity, gender expression, pregnancy, marital

status, religion, creed, national origin, ancestry, age, mental or physical disability, genetic information, medical condition, military or veteran status, or any other class or status protected by law.

15.18 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission (to which a signed PDF copy is attached) will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date by their duly authorized representatives.

Landis+Gyr Technology, Inc.

City of Needles

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

Landis+Gyr Technology, Inc.

Signature

Printed Name

Title

Date

SCHEDULE A
SERVICE LEVEL AGREEMENT
AND
SUPPORT SERVICES

All capitalized terms that are not defined in this Schedule will have the respective meanings given to such terms in the SaaS Agreement.

1. Definitions. For purposes of this Schedule the following terms have the meanings set forth below.

“Error” means any reproducible material error or defect in the SaaS Services that causes it not to conform in material respects to the Documentation.

“Error Corrections” means modifications that correct Errors.

“Service Levels” means the defined Error severity levels and corresponding required service level responses and response times referred to in the Service Level Table.

“Service Level Table” means the table set out in Section 2.4.

“Support Period” means the Service Order Term as set forth in the applicable Service Order.
2. Availability Requirement. Subject to the terms and conditions of the SaaS Agreement and this Schedule, Landis+Gyr will use commercially reasonable efforts to make the SaaS Services Available, as measured over the course of each calendar month during the Support Period and any additional periods during which Landis+Gyr does or is required to perform any SaaS Services(each such calendar month, a **“Service Period”**), at least 99.5% of the time, excluding only the time the SaaS Services are not Available solely as a result of one or more Exceptions (**“Availability Requirement”**). **“Available”** means the SaaS Services are available and operable for normal access and use by Customer and its Authorized Users over the Internet in material conformity with the Documentation.
- 2.1 Exceptions. No period of SaaS Service degradation or inoperability will be included in calculating Availability Requirement to the extent that such downtime or degradation is due to any of the following (**“Exceptions”**):
 - (a) Customer's use of the SaaS Services not in accordance with Permitted Uses;
 - (b) failures of Customer's or its Authorized Users' Internet connectivity;
 - (c) internet or other network traffic problems other than problems arising in or from networks actually or required to be provided or controlled by Landis+Gyr or its Subcontractor;
 - (d) Customer's or any of its Authorized Users' failure to meet any minimum hardware or software requirements set forth in the Documentation;
 - (e) Force Majeure Event;

- (f) Failure, interruption, outage or other problem with any software, hardware, system, network, facility or other matter not supplied by Landis+Gyr pursuant to the SaaS Agreement or this Schedule.
- (g) Scheduled Downtime;
- (h) Suspension or termination of the SaaS Services pursuant to Section 3.4 of the SaaS Agreement; or
- (i) Time down required to install an emergency patch for a security vulnerability or similar emergency.

3. Support and Maintenance Services. Landis+Gyr will provide Landis+Gyr's standard maintenance and support services for the SaaS Services (collectively, "**Support Services**") during the support hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the SaaS Agreement. The Support Services are included in the Services, and Landis+Gyr will not assess any additional fees, costs or charges for such Support Services.

3.1 Support Service Responsibilities. Landis+Gyr will:

- (a) respond to Support Requests in accordance with the Service Levels;
- (b) provide responsive telephone or email support as set forth in Section 3.6.
- (c) Provide online access to technical support bulletins and other user support information and forums, to the full extent Landis+Gyr makes such resources available to its other customers.

3.2 Service Monitoring and Management. Landis+Gyr will continuously monitor and manage the SaaS Services to optimize Availability (defined herein) that meets or exceeds the Availability Requirement. Such monitoring and management will include:

- (a) proactively monitoring on a twenty-four (24) hour by seven (7) day basis all SaaS Service, infrastructure and other components of SaaS Service security;
- (b) if such monitoring identifies, or Landis+Gyr otherwise becomes aware of, any circumstance that is reasonably likely to threaten the Availability of the SaaS Service, taking all necessary and reasonable remedial measures to eliminate such threat and ensure Availability;
- (c) if Landis+Gyr receives knowledge that the SaaS Service or any SaaS Service function or component is not Available (including by notice from Customer pursuant to the procedures set forth herein or in the applicable Service Order):
 - i. Landis+Gyr will confirm the outage by a direct check of the associated facility or facilities;
 - ii. if Landis+Gyr's facility check in accordance with clause (i) above confirms a SaaS Service outage in whole or in part: (A) notifying Customer pursuant to the procedures set forth herein or in the applicable Service Order that an outage has occurred, providing such details as may be available, including a Landis+Gyr trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and

caused by the outage until they are resolved as Critical Service Errors in accordance with the Support Request Classification set forth in the Service Level Table.

- iii. Landis+Gyr will continuously maintain the SaaS Services to optimize Availability that meets or exceeds the Availability Requirement. Such maintenance services will include providing to Customer and its Authorized Users:
 - a. such updates, bug fixes, enhancements, new releases, new versions and other improvements to the SaaS Service, that Landis+Gyr provides at no additional charge to Landis+Gyr's other similarly situated customers. Specific upgrades are set forth in the applicable Service Order; and
 - b. all such services and repairs as are required to maintain the SaaS Services or are ancillary, necessary or otherwise related to Customer's or its Authorized Users' access to or use of the SaaS Service, so that the SaaS Services operate properly in accordance with this Agreement and the Documentation.

3.3 Scheduled Downtime. Landis+Gyr will use commercially reasonable efforts to: (a) schedule downtime for routine maintenance of the Services outside of the hours of 7:00 AM – 7:00 PM Central Standard Time, Monday – Friday and (b) notify Customer at least 48 hours (via email) prior notice of all scheduled outages of the Services (“**Scheduled Downtime**”).

3.4 Service Levels.

Response times will be measured from the time Landis+Gyr receives a Support Request until the respective times Landis+Gyr has responded to that Support Request. Landis+Gyr will respond to all Support Requests within the following times based on Landis+Gyr's designation of the severity of the associated Error, in accordance with the Table below, subject to the parties' written agreement to revise such designation after Landis+Gyr's investigation of the reported Error and consultation with Customer:

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
<p>Severity 1 (Critical)</p> <ul style="list-style-type: none"> Production system is completely down or unavailable. Business critical applications or service severely impacted for which there is no reasonable work-around an error with no reasonable work-around that results in a complete disruption of daily work during a project or upgrade, a non-production environment issue that severely impacts system use and jeopardizes the ability to meet project schedule. <p>Severity Level 1 issues must be reported by phone.</p>	Non-stop 24/7/365	Within 60 minutes	every 2 hours	24 hours	<p>Supervisor: Immediately Manager: 30 minutes Director: 1 hour VP: at Director's discretion</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
<p>Severity 2 (High)</p> <ul style="list-style-type: none"> production system is functioning/available but significantly impacted with limited capabilities, or is unstable with major periodic interruptions significant degradation in performance major system feature/function failure for which there is no reasonable work-around during a project or upgrade, a non-production environment issue that meets the above definitions where resolution is needed to meet business objectives and the ability to meet project schedule. 	<p>As needed</p> <p>24/7/365</p>	Within 4 hours	1 calendar day	7 calendar days	<p>Supervisor: 1 hour Manager: 2 hours Director: at Manager's discretion VP: at Director's discretion</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>
<p>Severity 3 (Medium)</p> <ul style="list-style-type: none"> production system is still functioning but capabilities are moderately impacted, or the system is unstable with minor periodic interruptions or a minor loss of product functionality there is a low to medium impact to business functions but it is manageable using a reasonable work-around. 	During business hours	1 Business Day	3 Business Days	15 Business days	<p>If unable to be resolved, Severity 3 issues will be escalated to appropriate levels of leadership at the utilities request</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
Severity 4 (Low) <ul style="list-style-type: none"> general usage question, request for information, reporting of a documentation error, or recommendation for a future product enhancement or modification. There is low-to-no impact on the business or the performance or functionality of the system. 	During business hours	3 Business Days	5 Business Days	As decided jointly between the business and utility	<p>If unable to be resolved, Severity 4 issues will be escalated to appropriate levels of leadership at the utilities request.</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>

In order for Landis+Gyr to meet Target Response Times outlined above, Landis+Gyr customers should make contact via telephone to report Severity 1 (Critical) or Severity 2 (High issues). Any resolution of such Cases may take the form of a written response, supplementary documentation, work-around, coding change, product patch, or other correctional aids, which Landis+Gyr will provide to Customer. Landis+Gyr will respond to and investigate any suspected Incident in the Cloud Software within the time provided above. Resolution of such Incidents may take the form of a written response, supplementary documentation, work-around, coding change, product patch, or other correctional aids, which Landis+Gyr will provide to Customer.

Should business requirements call for a more customized level of support, Landis+Gyr also offers Premium Support packages, which include dedicated technical support, client management and executive dashboard views to open technical views and more. Premium Support includes discounted rates for additional Smart Grid service offerings as well. Pricing for Premium Support is based on an agreed scope of work based on the options selected and can be quoted upon request.

3.5 Support Requests and Customer Obligations.

- (a) Support Requests. Customer may request Support Services by way of a Support Request. Customer will classify its requests for Error corrections in accordance with the severity levels classifications and definitions of the Service Level Table set forth in Section 3.4 (“**Support Request**”). Customer will notify Landis+Gyr of each Support Request by e-mail, telephone or such other means as the parties may agree to in writing. Customer will include in each Support Request a description of the reported Error and the time Customer first observed the Error. Customer agrees that Landis+Gyr may transfer Customer Data to any of Landis+Gyr’s Affiliates subsidiaries or group entities for customer support purposes even when such entities may be located outside the United States or Canada.
- (b) Customer Obligations. Customer will, by and through its employee or consultants provide Landis+Gyr with:
 - i. prompt notice of any Errors; and
 - ii. each of the following to the extent reasonably necessary to assist Landis+Gyr to reproduce operating conditions similar to those present when Customer detected the relevant Error and to respond to the relevant Support Request:
 - a. direct access to the Customer Systems and the Customer’s files and personnel;
 - b. output and other data documents and information, each of which is deemed Customer’s Confidential Information as defined in the SaaS Agreement; and
 - c. such other reasonable cooperation and assistance as Landis+Gyr may request.

3.6 Service Desk Contact Information. Landis+Gyr will provide Customer with access to the Service Desk. Landis+Gyr’s current Service Desk business hours are 7:00 AM to 6:00 PM Central Time, Monday through Friday, excluding Landis+Gyr observed holidays (available upon request) and weekends (“**Business Hours**”). In addition, emergency access to on-call personnel via Landis+Gyr’s Emergency Dispatch Service will be provided by Landis+Gyr from 6:01 PM through 6:59 AM, and 24 hours per day on weekends and holidays. Landis+Gyr will provide advanced

troubleshooting, via telephone or e-mail, as deemed necessary by qualified Landis+Gyr Personnel, to resolve Customer issues.

3.7 Submission Method. Customer can contact the Service Desk through:

- i. Telephone direct dial-in at 888.390.5733;
- ii. Customer support portal, or
- iii. E-mail at support.na@landisgyr.com

All contact information is subject to change and update by delivery of notice and by posting on the Landis+Gyr Website at www.landisgyr.com.

4. Backup and Recovery. Landis+Gyr conducts regular daily backups of Customer Data and performs or cause to be performed other periodic backups (snapshots, differential backups, etc.). Landis+Gyr utilizes a multi-layered backup strategy, backing up data to an active system which can be used for rollbacks and immediate data recovery. Active backups will be retained for up to one (1) week old and then will be overwritten as they are replaced with newer backups. Data is further backed up to an archival system for long term offline storage. Both active and archival backup systems are replicated to the secondary, offsite data center for Business Continuity and Disaster Recovery purposes. Active backups follow the normal retention period of lasting for one (1) week while archive backups are retained for no less than one (1) year. These do not replace the need for Customer to maintain regular backups of data and file extracts performed by the Customer. Customer access to backup data outside of a Disaster Recovery event may be subject to additional fees.

5. Business Continuity and Disaster Recovery Protection. Landis+Gyr will maintain an ongoing Business Continuity (“**BC**”) program (that includes Risk Assessment) and Disaster Recovery (“**DR**”) program for the SaaS Services and implement such plan in the event of unplanned interruption of the SaaS Service.

6. Communications. In addition to the mechanisms for giving notice specified in the SaaS Agreement, unless expressly specified otherwise in this Schedule or the SaaS Agreement, the parties may use e-mail for communications on any matter referred to herein.

SCHEDULE B
RESTATED
SERVICE ORDER NO. 1 AND PRICING

This Restated Service Order No. 1 (this “Service Order”) is part of and incorporated into the Amended and Restated SaaS Agreement. All capitalized terms that are not defined in this Schedule will have the respective meanings given to them in the SaaS Agreement. In the event of any conflict between the body of the SaaS Agreement and this Service Order B, the terms of this Service Order will govern.

SCOPE OF SERVICE. Landis+Gyr will provide Customer with access to Services on the terms and conditions set forth in the SaaS Agreement. Landis+Gyr will provide Services that will enable Customer to access the Cloud Software.

1. **Service(s) Description**

The Cloud Software provided to Customer consists of the following items:

- ☒ Command Center Production Environment (or its successor)
- ☐ Advanced Security
- ☐ Command Center Disaster Recovery Environment (or its successor)
- ☐ Command Center Test/Dev Environment (or its successor)

2. **Service Term**

The initial term for this Service Order begins on the Effective Date and ends sixty (60) months thereafter (the “**Initial Service Order Term**”).

Upon expiration of the Initial Service Order Term, this Schedule B will automatically renew for successive three (3) year periods (each a “**Renewal Term**” and together with the Initial Service Order Term, the “**Service Order Term**”), unless a party provides the other party with written notice of its intent not to renew this Service Order at least ninety (90) days prior to the expiration of the then current term.

3. **Service Fee**

- 3.1 The SaaS Services Fees, payable by Customer to Landis+Gyr, for the duration provided are shown in the table(s) below (the “**Initial Service Fees**”):

Command Center Pricing Table RF MESH

Command Center Pricing up to 5,000 Endpoints	Monthly Fee Year 1	Year 2	Year 3	Year 4	Year 5
0-5,000	\$1,195.00	\$1,425.00	\$1,655.00	\$1,655.00	\$1,655.00

For endpoints over 5,000 monthly SaaS Services Fees will be invoiced as shown below:

Tier	Price / Month
5,000-10,000	\$2,205.00
10,000 – 25,000	\$3,705.00
25,000 – 50,000	\$5,955.00

Should Customer's Endpoint population exceed 100,000 Endpoints, the parties will define an applicable SaaS Services Fee.

- 3.2 A one-time Advanced Security set up fee of four thousand dollars (\$4,000.00) applies.

4. **Price Increases**

Following year 3 of the Initial Service Fee duration, Landis+Gyr is entitled to increase its Fees annually, with the policy to follow the amount of increase in the Consumer Price Index – All Urban Consumers of the Bureau of Labor Statistics of the U.S. Department of Labor for U.S. for All Items with Base Years 1982-1984=100. Those increases will be measured applying the twelve (12) month period ending in the month for which the most recent index results are available as of that anniversary of the Effective Date. In addition to this, Landis+Gyr is entitled to increase Fees once a year with an additional percentage on top of it with a maximum of 5%. Not raising fees is not a waiver of Landis+Gyr's right to do so.

If Customer does not agree with this additional percentage, Customer has the possibility to object in writing within 30 days of receiving notice of this additional increase in Fees. Should Customer object timely, the Parties will discuss solutions.

5. **Summary of Services Included in Service Order**

Services are detailed in the SaaS Agreement. Services specific to this Service Order are detailed below:

- 5.1 **Project Coordination.** To the extent applicable, Landis+Gyr will provide a project coordinator to provide direction to Customer relating to Services such as during an Upgrade deployment. Customer to provide primary point of contact to work with the project coordinator.

- 5.2 Installation and Configuration. Installing the Cloud Software in the cloud setup with standard configurations. Custom configurations are available for an additional fee as detailed in an applicable SOW.
- 5.3 Upgrades; End of Support. Landis+Gyr and Customer will mutually agree on an Upgrade schedule for Cloud Software. Services include at least one (1) Cloud Software Upgrade per calendar year. Customer agrees to remain on a Supported Release of Cloud Software. Cloud Software DOES NOT INCLUDE any application or tools software running on local Customer computers or other Customer equipment. Customer acknowledges that new features may be added to the SaaS Services based on market demand and technological innovation. Accordingly, as Landis+Gyr develops enhanced versions of the SaaS Service, Landis+Gyr may cease to maintain and support older versions of the Cloud Software (“EOS). Landis+Gyr will use commercially reasonable efforts to provide Support Services with respect to older version of the Cloud Software that may accompany the SaaS Service. Landis+Gyr shall have no obligation to support Cloud Software outside of Landis+Gyr’s stated EOS policy for the applicable Cloud Software. Such EOS policies shall be made available to Customer either in the accompanying Documentation or upon request and are subject to update from time to time in Landis+Gyr’s reasonable discretion with no less than a twelve (12) month EOS notification period.
- 5.4 Integration(s). Landis+Gyr will provide integrations to third party systems for an additional fee as detailed in the applicable SOW.
- 5.5 Data Availability. Landis+Gyr will make available on a live basis at least 45 days of Customer Data. Data older than 45 days will be archived and available to Customer upon request (additional fees may apply). Archive data will be retained for a minimum of one (1) year unless otherwise mutually agreed upon.
- 5.6 Process Pass Through Fees. Landis+Gyr will process and invoice Customer for any mutually agreed upon pass through fees as applicable such as communication fees.
6. **Customer Responsibilities:**
- 6.1 Conduct Network Gateway Field Maintenance. Customer will perform field maintenance work on the Meters/modules and Network Gateways. This includes, but is not limited to, updating the Network Gateway, and Field Tools software to the latest version.
- 6.2 Interface Billing data to Customer Billing System. Customer is responsible for executing the Billing Extract file utilizing the functionality built into the Cloud Software and loading it into Customer’s billing system. Customer is also responsible for any exception processing that is associated with endpoints that do not have billing data available for a particular billing cycle window.
- 6.3 Provide Network Gateway Communication. Customer is responsible for purchasing and physically maintaining all Network Gateway communications infrastructure as applicable.
- 6.4 Administer Login and Passwords. Customer is responsible for assigning security officer(s), administering all Software logins and passwords, to provide Customer-selected configurations and to maintain access rights for the Customer’s employees.
- 6.5 Support Utility Consumer. Customer is responsible for handling all support for Customer’s own end-use consumers. Landis+Gyr will not provide any support regarding billing inquiries or any other matter for end-use consumers.

- 6.6 Install and Upgrade Endpoint Programmer Software. Customer is responsible to load and maintain Endpoint Programmer Software on desired hardware at Customer's location including Tech Studio and other field tools.
- 6.7 Loading Files. Customer is responsible for loading MMF (Meter Manufacture Files), IIF (Interchange File Format) and CIF (Customer Information Files) files to Cloud Software.
- 6.8 Application Administration. Customer is responsible to provide Customer-selected configurations and maintain access rights.
- 6.9 Application Operations. Customer is responsible to provide daily business operations of the Cloud Software monitoring jobs; reporting; coordination of issues, etc.
- 6.10 IT coordination. Customer is responsible to coordinate management of interfaces to connected Customer Systems.
- 6.11 Upgrades. Customer is responsible to validate upgrades to Cloud Software.
- 6.12 No Collection or Storage of PII. The Services under this Service Order does not collect nor store Personal Data (also referred to as PII). Customer agrees that it will not send or provide Landis+Gyr access to any PII, whether in data or any other form. Customer agrees to be fully responsible for reasonable costs and other amounts that Landis+Gyr may incur relating to any such information mistakenly provided to Landis+Gyr or the loss or disclosure of such information by Landis+Gyr, including those arising out of any third-party claims. Should Customer mistakenly provide PII to Landis+Gyr, Customer will immediately notify Landis+Gyr in writing in accordance with the notice provisions herein, and reasonably cooperate with Landis+Gyr to take any mitigating actions deemed necessary to remove such PII from the Landis+Gyr Systems. Should Customer wish to utilize PII, it will enter into a separate Service Order for Landis+Gyr's Meter Data Management System Cloud Software.



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: January 21, 2025

Title: Power Purchase Cost Adjustment (PCA) for months of July through November 2024 and decrease the over-hydro rate from \$0.1538 to \$0.1338 with a reduction of .02 power cost adjustment as effective February 1, 2025.

Background: In April 2022 the Board adopted a revised Statement of Policies set the PCA Fund Balance to be twenty percent (20%) of the yearly over-hydro budgeted power costs for the fiscal year (annual budget or revised budget as applicable).

For the fiscal year (FY 25) over-hydro budget is \$5,280,000. Twenty percent (20%) of the over-hydro budget for FY 25 is \$1,056,000 which is the current PCA fund balance.

Due to historic low power purchasing costs, the PCA has a fund balance of \$1,830,284 as of November 2025. Term purchasing has been concluded through March 2025.

Fiscal Impact: Forecasted rate reduction impact to the rate payers.

	Forecast			
	Over-Hydro KWH	.02 rate reduction		
		0.1338	New Overhydro Rate	
February	4,804,342.00	96,086.84		
March	5,440,841.00	108,816.82		
April	4,472,384.00	89,447.68		
May	5,760,637.00	115,212.74		
June	7,459,366.00	149,187.32		
July	9,397,720.00	187,954.40		
August	10,133,982.00	202,679.64		
September	9,503,363.00	190,067.26		
	Total estimated	\$ 1,139,452.70		
	to be refunded to			
	customers class			

Environmental Impact: None.

Recommended Action: Power Purchase Cost Adjustment (PCA) for months of July through November 2024 and decrease the over-hydro rate from \$0.1538 to \$0.1338 with a reduction of .02 power cost adjustment as effective February 1, 2025.

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J Martinez

Date: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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NEEDLES PUBLIC UTILITY AUTHORITY

POWER COST ADJUSTMENT CALCULATION

UPCOMING PURCHASE PERIOD CALCULATION

Actual Over-Hydro Purchased Kwhr	9,500,000
Actual Over-Hydro Purchased Dollars	\$600,000
Over-Hydro Annual Base Rate Component	\$0.0978
Line Loss Percentage	8.40
Current Over-Hydro Rate	\$0.1399
Non-Power Expense Rate Component	\$0.0242
Over-Hydro with Line Losses	8,702,000
Over-Hydro Cost/Kwhr	\$0.0689
Difference from Base Rate	-\$0.0289
Revenue Expected from Base Rate	\$851,056
Revenue Difference from Base	\$251,056
PCA Fund Adjustment	\$95,000
Amount to off set New PCA Fund Balance	\$346,056

OVER-HYDRO RATE

New Over-Hydro Rate Component	\$0.0689
New Over-Hydro Rate	\$0.0931

Upcoming Term: August	
Total Over-Hydro Kwhr	9,500,000
Total Over-Hydro Purchase + Spot Estimate	\$600,000

PREVIOUS PERIOD REVENUE GENERATED

Actual Over-Hydro KWH	9,397,720
Actual Over-Hydro Dollars	\$879,260
Over-Hydro Prior Period Rate Power Component	\$0.1044

Over-Hydro KWH w/ Line Loss	8,608,312
Over-Hydro Revenue Generated for the Period	\$898,708
Revenue Difference from Required	\$19,448

PREVIOUS PERIOD REVENUE ACTUAL BASE RATE

Over-Hydro with Line Losses	8,608,312
Over-Hydro Cost/Kwhr	\$0.1021
Difference from Base Rate	\$0.0043
Revenue Expected from Base Rate	\$841,893
Revenue Difference from Base	-37,367

BALANCING FUND

Previous PCA Period Balance	\$509,036
PCA Collected	\$93,977
** New PCA Fund Balance	\$622,462

Previous Period Consumption:
 July Over-Hydro Consumption :
 Cost:
 Term Purchase: \$739,298.65 Spot Purchase: \$22,045 Exchanges: \$103,658
 Transmission & Regulation Cost: (90% over hydro)
 Total Over Hydro Costs: \$879,260

NEEDLES PUBLIC UTILITY AUTHORITY

POWER COST ADJUSTMENT CALCULATION

UPCOMING PURCHASE PERIOD CALCULATION

Actual Over-Hydro Purchased Kwhr	950,000	**
Actual Over-Hydro Purchased Dollars	\$578,000	**
Over-Hydro Annual Base Rate Component	\$0.0978	
Line Loss Percentage	8.40	
Current Over-Hydro Rate	\$0.1399	
Non-Power Expense Rate Component	\$0.0242	

Over-Hydro with Line Losses	870,200
Over-Hydro Cost/Kwhr	\$0.6642
Difference from Base Rate	\$0.5664
Revenue Expected from Base Rate	\$85,106
Revenue Difference from Base	-\$492,894
PCA Fund Adjustment	\$9,500
Amount to off set New PCA Fund Balance	-\$483,394

OVER-HYDRO RATE	
New Over-Hydro Rate Component	\$0.6642
New Over-Hydro Rate	\$0.6884

Upcoming Term: September	
Total Over-Hydro Kwhr	9,500,000
Total Over-Hydro Purchase + Spot Estimate	\$578,000

PREVIOUS PERIOD REVENUE GENERATED

Actual Over-Hydro KWH	10,133,982
Actual Over-Hydro Dollars	\$766,789
Over-Hydro Prior Period Rate Power Component	\$0.1044

Over-Hydro KWH w/ Line Loss	9,282,728
Over-Hydro Revenue Generated for the Period	\$969,117
Revenue Difference from Required	\$202,327

PREVIOUS PERIOD REVENUE ACTUAL BASE RATE

Over-Hydro with Line Losses	9,282,728
Over-Hydro Cost/Kwhr	\$0.0826
Difference from Base Rate	-\$0.0152
Revenue Expected from Base Rate	\$907,851
Revenue Difference from Base	141,061

BALANCING FUND

Previous PCA Period Balance	\$622,462
PCA Collected	\$101,340
** New PCA Fund Balance	\$926,129

Previous Period Consumption:
 August Over-Hydro Consumption :
 Cost:
 Term Purchase: \$750,144 Spot Purchase: \$8,880 Exchanges: \$0.00
 Transmission & Regulation Cost: (88% over hydro)
 Total Over Hydro Costs: \$766,789

NEEDLES PUBLIC UTILITY AUTHORITY

POWER COST ADJUSTMENT CALCULATION

UPCOMING PURCHASE PERIOD CALCULATION

Actual Over-Hydro Purchased Kwhr	6,000,000	**
Actual Over-Hydro Purchased Dollars	\$500,000	**
Over-Hydro Annual Base Rate Component	\$0.0978	
Line Loss Percentage	8.40	
Current Over-Hydro Rate	\$0.1399	
Non-Power Expense Rate Component	\$0.0242	

Over-Hydro with Line Losses	5,496,000
Over-Hydro Cost/Kwhr	\$0.0910
Difference from Base Rate	-\$0.0068
Revenue Expected from Base Rate	\$537,509
Revenue Difference from Base	\$37,509
PCA Fund Adjustment	\$60,000
Amount to off set New PCA Fund Balance	\$97,509

OVER-HYDRO RATE	
New Over-Hydro Rate Component	\$0.0910
New Over-Hydro Rate	\$0.1152

Upcoming Term: October	
Total Over-Hydro Kwhr	6,000,000
Total Over-Hydro Purchase + Spot Estimate	\$500,000

PREVIOUS PERIOD REVENUE GENERATED

Actual Over-Hydro KWH	9,503,363
Actual Over-Hydro Dollars	\$478,977
Over-Hydro Prior Period Rate Power Component	\$0.1044

Over-Hydro KWH w/ Line Loss	8,705,081
Over-Hydro Revenue Generated for the Period	\$908,810
Revenue Difference from Required	\$429,834

PREVIOUS PERIOD REVENUE ACTUAL BASE RATE	
Over-Hydro with Line Losses	8,705,081
Over-Hydro Cost/Kwhr	\$0.0550
Difference from Base Rate	-\$0.0428
Revenue Expected from Base Rate	\$851,357
Revenue Difference from Base	372,380

BALANCING FUND	
Previous PCA Period Balance	\$926,129
PCA Collected	\$95,034
** New PCA Fund Balance	\$1,450,996

Previous Period Consumption:
 September Over-Hydro Consumption :
 Cost:
 Term Purchase: \$415,539 Spot Purchase: \$27,026.00 Exchanges: \$29,737.73
 Transmission & Regulation Cost: (83% over hydro)
 Total Over Hydro Costs: \$478,977

NEEDLES PUBLIC UTILITY AUTHORITY

POWER COST ADJUSTMENT CALCULATION

UPCOMING PURCHASE PERIOD CALCULATION

Actual Over-Hydro Purchased Kwhr	6,300,000	**
Actual Over-Hydro Purchased Dollars	\$400,000	**
Over-Hydro Annual Base Rate Component	\$0.0878	
Line Loss Percentage	8.40	
Current Over-Hydro Rate	\$0.1399	
Non-Power Expense Rate Component	\$0.0242	

Over-Hydro with Line Losses	5,770,800
Over-Hydro Cost/Kwhr	\$0.0693
Difference from Base Rate	-\$0.0185
Revenue Expected from Base Rate	\$506,676
Revenue Difference from Base	\$106,676
PCA Fund Adjustment	\$63,000
Amount to off set New PCA Fund Balance	\$169,676

OVER-HYDRO RATE	
New Over-Hydro Rate Component	\$0.0693
New Over-Hydro Rate	\$0.0935

Upcoming Term: November	
Total Over-Hydro Kwhr	5,100,000
Total Over-Hydro Purchase + Spot Estimate	\$500,000

PREVIOUS PERIOD REVENUE GENERATED

Actual Over-Hydro KWH	6,616,279
Actual Over-Hydro Dollars	\$411,148
Over-Hydro Prior Period Rate Power Component	\$0.0878

Over-Hydro KWH w/ Line Loss	6,060,512
Over-Hydro Revenue Generated for the Period	\$532,113
Revenue Difference from Required	\$120,965

PREVIOUS PERIOD REVENUE ACTUAL BASE RATE

Over-Hydro with Line Losses	6,060,512
Over-Hydro Cost/Kwhr	\$0.0678
Difference from Base Rate	-\$0.0200
Revenue Expected from Base Rate	\$532,113
Revenue Difference from Base	120,965

BALANCING FUND

Previous PCA Period Balance	\$1,450,996
PCA Collected	\$0
** New PCA Fund Balance	\$1,571,961

Previous Period Consumption:
 October Over-Hydro Consumption :
 Cost:
 Term Purchase: \$164,752.80 Spot Purchase: \$239,370.16 Exchanges: \$0.00
 Transmission & Regulation Cost: (85% over hydro)
 Total Over Hydro Costs: \$411,148.00

NEEDLES PUBLIC UTILITY AUTHORITY

POWER COST ADJUSTMENT CALCULATION

UPCOMING PURCHASE PERIOD CALCULATION

Actual Over-Hydro Purchased Kwhr	5,100,000
Actual Over-Hydro Purchased Dollars	\$450,000
Over-Hydro Annual Base Rate Component	\$0.0878
Line Loss Percentage	8.40
Current Over-Hydro Rate	\$0.1399
Non-Power Expense Rate Component	\$0.0242

Over-Hydro with Line Losses	4,671,600
Over-Hydro Cost/Kwhr	\$0.0963
Difference from Base Rate	\$0.0085
Revenue Expected from Base Rate	\$410,166
Revenue Difference from Base	-\$39,834
PCA Fund Adjustment	\$51,000
Amount to off set New PCA Fund Balance	\$11,166

OVER-HYDRO RATE	
New Over-Hydro Rate Component	\$0.0963
New Over-Hydro Rate	\$0.1205

Upcoming Term: December	
Total Over-Hydro Kwhr	5,100,000
Total Over-Hydro Purchase + Spot Estimate	\$450,000

PREVIOUS PERIOD REVENUE GENERATED

Actual Over-Hydro KWH	6,321,716
Actual Over-Hydro Dollars	\$250,101
Over-Hydro Prior Period Rate Power Component	\$0.0878

Over-Hydro KWH w/ Line Loss	5,790,692
Over-Hydro Revenue Generated for the Period	\$508,423
Revenue Difference from Required	\$258,322

PREVIOUS PERIOD REVENUE ACTUAL BASE RATE

Over-Hydro with Line Losses	5,790,692
Over-Hydro Cost/Kwhr	\$0.0432
Difference from Base Rate	-\$0.0446
Revenue Expected from Base Rate	\$508,423
Revenue Difference from Base	258,322

BALANCING FUND

Previous PCA Period Balance	\$1,571,961
PCA Collected	\$0
** New PCA Fund Balance	\$1,830,284

Previous Period Consumption:
 October Over-Hydro Consumption :
 Cost:
 Term Purchase: \$164,752.80 Spot Purchase: \$239,370.16 Exchanges: \$0.00
 Transmission & Regulation Cost: (85% over hydro)
 Total Over Hydro Costs: \$411,148.00



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: January 21, 2024

Title: Authorize the City Manager to execute Amendment No. 3 to Contract No. 06-XX-30-W0452 between the City of Needles and Metropolitan Water District of Southern California for Delivery of Lower Colorado Water Supply Project Water

Background: The United States Department of Interior, acting through the Bureau of Reclamation (Reclamation), operates the Lower Colorado River Water Supply Project (Project). The Project consists of a well field near the All-American Canal that provides water to, among others, The Metropolitan Water District of Southern California (MWD) in exchange for certain amounts of Colorado River water used by the City of Needles (City) and others. The City administers the Project. MWD currently makes payments to the City that the City deposits into a trust fund to provide future funding for the replacement of the Project, if necessary, as provided for by contract between the City, MWD, and Reclamation (Contract).

The United States Geological Survey (USGS) is currently conducting a water quality study to determine the need for desalting Project water by 2070 or other potential feasible alternatives to desalting, the costs of which would be covered by trust fund deposits as provided for in the Contract. The trust fund currently has approximately \$10 million. Based on preliminary USGS study results, it appears unlikely that desalting or feasible alternatives will be required and therefore further trust fund payments appear unnecessary at this time.

However, the USGS study is not yet final and is not expected to be final until December 31, 2026, which is after the now-expired deadline of December 31, 2024 set by prior Contract amendment. Accordingly, the City, MWD, and Reclamation have negotiated an amendment to the Contract (Amendment) to (1) extend the time for USGS to complete the study beyond the current December 31, 2024 deadline, and (2) temporarily pause trust fund payments from MWD to the City until six months after the USGS study is complete. Payments will automatically resume following expiration of the Amendment unless earlier terminated by the parties. The Amendment is now ready for execution and will be effective once all parties have signed.

Fiscal Impact: N/A

Environmental Impact: N/A

Recommended Action: Authorize the City Manager to execute Amendment No. 3 to Contract No. 06-XX-30-W0452 between the City of Needles and Metropolitan Water District of Southern California for Delivery of Lower Colorado Water Supply Project Water

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J Martinez

Date: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

LOWER COLORADO WATER SUPPLY PROJECT

CONTRACT AMONG
THE UNITED STATES, THE CITY OF NEEDLES, AND THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA
FOR DELIVERY OF LOWER COLORADO WATER SUPPLY PROJECT WATER

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

LOWER COLORADO WATER SUPPLY PROJECT

CONTRACT AMONG
THE UNITED STATES, THE CITY OF NEEDLES, AND
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
FOR DELIVERY OF LOWER COLORADO WATER SUPPLY PROJECT WATER

1. PREAMBLE: THIS AMENDMENT, made this ____ day of _____, 2024 (Effective Date), hereinafter called “Amendment No. 3,” pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto, and particularly pursuant to the Lower Colorado Water Supply Act, approved November 14, 1986 (100 Stat. 3665), as amended on November 19, 2005, and the Boulder Canyon Project Act approved December 21, 1928 (45 Stat. 1057), all of which are commonly known and referred to as the Federal Reclamation laws, among the United States of America (hereinafter referred to as “United States”) through the Bureau of Reclamation (hereinafter referred to as “Reclamation”); the City of Needles, California, a charter city duly organized and existing under and by virtue of the laws of the State of California (hereinafter referred to as “Needles”); and The Metropolitan Water District of Southern California, a metropolitan water district duly organized and existing under and by virtue of the laws of the State of California (hereinafter referred to as “MWD”). The United States, Needles, and MWD are sometimes referenced as the “Parties” collectively or as a “Party” individually.

2. EXPLANATORY RECITALS:

2.1 WHEREAS, the Lower Colorado Water Supply Act authorized the Secretary of the Interior, through Reclamation, to construct, operate, and maintain the Lower Colorado Water Supply Project, comprised of a well field and appurtenant works (hereinafter referred to as the “Project”);

2.2 WHEREAS, Contract No. 06-XX-30-W0452, dated March 26, 2007, hereinafter called “the Contract,” between Needles, MWD, and the United States, provided, among other things, for Needles to enter into a contract with an expert, after such expert has been approved by the Parties, to complete a study not later than December 31, 2012, using the Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies of the U.S. Water Resources Council to:

- a. forecast the future total dissolved solids concentration of Project Water and determine if desalting is necessary to not exceed the total dissolved solids concentration shown in Exhibit B of the Contract prior to December 31, 2070,
- b. evaluate the cost of desalting Project Water on a present value basis using the discount rate for Federal water resources planning published annually in the Federal Register, if desalting is necessary to not exceed the total dissolved solids concentration as shown in Exhibit B of the Contract prior to December 31, 2070,
- c. determine the potential feasible alternatives to Project Water that would be less expensive than desalting Project Water, if desalting is necessary to not exceed the total dissolved solids concentration as shown in Exhibit B of the Contract prior to December 31, 2070,

d. estimate the cost of implementing and using the water supply from potential feasible alternatives on a present value basis using the discount rate for Federal water resources planning published annually in the Federal Register, and

e. determine the Trust Fund Account deposit per acre-foot necessary each year over the estimated remaining term of the Contract for the least expensive feasible solution to the total dissolved solids concentration projection exceeding the concentration as shown in Exhibit B of the Contract based on the projected Unused Project Capacity;

2.3 WHEREAS, Needles has entered into a U.S. Geological Survey Joint Funding Agreement to provide monies to complete “Phase 1 – Establishment of Monitoring Network and Initial Characterization of Ground-Water System” of the “Hydrologic Investigation to Forecast the Future of Total Dissolved Solids Concentration of Water Pumped by the Lower Colorado Water Supply Project,” which is the first phase of the three-phase investigation of the Lower Colorado Water Supply Project (hereinafter referred to as “USGS study”);

2.4 WHEREAS, the complete three-phase investigation will result in a forecast of the future total dissolved solids concentration (salinity) of water pumped from Project wells near the All-American Canal in southeastern California;

2.5 WHEREAS, pursuant to the Contract, as amended, Needles deposits money received from MWD into a Trust Fund Account (currently containing approximately \$10 million), which, among other things, was established to provide for the long-term economic viability of the Project or its replacement;

2.6 WHEREAS, the Contract originally called for the completion of the USGS study in 2012;

2.7 WHEREAS, the Parties determined that it was infeasible to complete the USGS study not later than December 31, 2012, and by Amendment No. 1 to the Contract, dated May 3, 2010, agreed to extend the time for completion to not later than December 31, 2019;

2.8 WHEREAS, the Parties determined that it was infeasible to complete the USGS study not later than December 31, 2019, and by Amendment No. 2 to the Contract, dated January 27, 2020, agreed to extend the time for completion to not later than December 31, 2024, if reasonably feasible;

2.9 WHEREAS, the Parties determined that it is infeasible to complete the USGS study not later than December 31, 2024, and based on USGS progress reports on the USGS study, the Parties anticipate the USGS study will be complete by December 31, 2026;

2.10 WHEREAS, the preliminary results of the USGS study indicate that the future concentration of the total dissolved solids will not result in the need for desalting prior to December 31, 2070;

2.11 WHEREAS, The Parties have reasonably determined that further deposits into the Trust Fund Account, pursuant to Subsection 6.1 of the Contract, in excess of the approximately \$10 million currently deposited in the Trust Fund Account, will not be needed to meet the Trust Fund Obligations pursuant to Subsections 17.1 through 17.4 of the Contract, as amended, at this time;

2.12 WHEREAS, the Parties desire to further amend the Contract, as amended, to temporarily pause certain payment obligations set forth in Section 6.1 of the Contract, specifically, the payments from MWD to Needles for the deposit into the Trust Fund Account, and to address the delay in the completion of the USGS study; and

NOW, THEREFORE, in consideration of the mutual and dependent covenants contained herein, the United States, Needles, and MWD agree as follows:

3. AMENDMENT NO. 3 OF CONTRACT NO. 06-XX-30-W0452:

3.1 Pause in Payment Terms: The Parties agree that Subsection 6.1 of the Contract, which obligates, among other things, MWD to pay Needles one-hundred and twelve dollars (\$112) per acre-foot for Needles to deposit into the Trust Fund Account for each acre-foot of Mainstream Water delivered to MWD resulting from Unused Project Capacity, as adjusted in subsequent years in Section 16 of the Contract (for example, in 2024, MWD pays Needles one-hundred and fifty six dollars and eighty three cents (\$156.83) per acre-foot), shall be temporarily paused from the Effective Date until six months after the completion of the USGS study (the “Pause Period”).

3.1.1 During the Pause Period, Subsections 16.6, 16.7, 16.8, 16.9, 16.10, as previously amended by Amendment No. 2 of the Contract, will temporarily be of no force and effect as such subsections pertain to Trust Fund Account payments by MWD.

4. TIME-LIMITATION OF THIS AMENDMENT NO. 3:

4.1 This Amendment No. 3 to the Contract is time-limited and will expire six months after completion of the USGS study, or by mutual written agreement by the Parties thirty days in advance of the desired termination date of this Amendment No. 3 to the Contract, whichever is first; at that time, the Contract, as amended by Amendment No. 2, will return to full force and effect and payments will resume.

5. IMPLEMENTATION OF THIS AMENDMENT NO. 3:

5.1 Needles will not issue a bill for collection to MWD for any further deposits into the Trust Fund Account after the Effective Date of this Amendment No. 3 to the Contract and until this Amendment No. 3 is terminated consistent with Subsection 4.1.

5.1 The Parties mutually agree to extend the timeline for completion of the USGS study beyond December 31, 2024.

6. COUNTERPARTS:

6.1 This Amendment No. 3 to the Contract may be simultaneously executed in one or more counterparts, each of which shall constitute one and the same instrument.

7. OTHER PROVISIONS UNAFFECTED:

7.1 Except as expressly modified by this Amendment No. 3 to the Contract, all other terms and provisions of the Contract, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3 to Contract No. 06-XX-30-W0452 hereto the day of and year first above written.

Signatures on next page.

Contract No. 06-XX-30-W0452
Amendment No. 3

THE UNITED STATES OF AMERICA

By: _____
Jacklynn L. Gould, P.E.
Regional Director
Interior Region 8: Lower Colorado Basin
Bureau of Reclamation

Signatures continued on next page.

Contract No. 06-XX-30-W0452
Amendment No. 3

CITY OF NEEDLES

By: _____
Mayor

Signatures continued on next page.

DRAFT

Contract No. 06-XX-30-W0452
Amendment No. 3

**THE METROPOLITAN WATER
DISTRICT OF SOUTHERN
CALIFORNIA**

By: _____
Deven Upadhyay
Interim General Manager

Approved as to form:

By: _____
Marcia L. Scully
General Counsel



City of Needles, California Request for Commission Action

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

Meeting Date: January 21, 2025

Title: Selection of a Chair and Vice Chair for the ensuing year of 2025

Background: Terry Campbell has served as Chairman since January 2018 and Mike Schneider as Vice Chairman since January 2021.

Fiscal Impact:

Environmental Impact:

Recommended Action: Appoint _____ as Chairman for the ensuing year of 2025.

Appoint _____ as Vice Chairman for the ensuing year of 2025.

Submitted By: Cheryl Sallis

City Manager Approval: Patrick J. Martinez

Date: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA

☒ Regular ☐ Special

Meeting Date: January 21, 2025

Title: PowerPoint presentation of Electric Services Terms and Conditions, Wastewater Collection & Treatment Services Terms and Conditions, and Water Services Terms and Conditions and adopt Resolutions

- a) Resolution No. 1-21-25 BPU rescinding Chapter 6C, establishing terms and conditions for the sale of electric services, of the Needles Municipal Code in its entirety and adopting a new Chapter 6C, Electric Services, regarding the terms and conditions for the sale of electric services
- b) Resolution No. 1-21-25-1 BPU rescinding Chapter 17, Wastewater Collection and Treatment Services, of the Needles Municipal Code in its entirety and adopting a new Chapter 17, Wastewater Collection and Treatment Services, regarding the terms and conditions for the sale of wastewater services
- c) Resolution No. 1-21-25-2 BPU rescinding Chapter 22, Water, of the Needles Municipal Code in its entirety and adopting a new Chapter 22, Water Services, regarding the terms and conditions for the sale of water services

Background: The NPUA as a publicly owned utility (POU) has adopted terms and conditions for each of the three utilities to provide water, wastewater, and electric service. The terms and conditions for the NPUA were last adopted in 1994.

Staff have worked diligently to update the terms and conditions to reflect the cost of providing the service today, improve customer service, and remove outdated language.

Fiscal Impact: None

Environmental Impact: None

Recommended Action: PowerPoint presentation of Electric Services Terms and Conditions, Wastewater Collection & Treatment Services Terms and Conditions, and Water Services Terms and Conditions and adopt Resolutions

- a) Resolution No. 1-21-25 BPU rescinding Chapter 6C, establishing terms and conditions for the sale of electric services, of the Needles Municipal Code in its entirety and adopting a new Chapter 6C, Electric Services, regarding the terms and conditions for the sale of electric services
- b) Resolution No. 1-21-25-1 BPU rescinding Chapter 17, Wastewater Collection and Treatment Services, of the Needles Municipal Code in its entirety and adopting a new Chapter 17, Wastewater Collection and Treatment Services, regarding the terms and conditions for the sale of wastewater services
- c) Resolution No. 1-21-25-2 BPU rescinding Chapter 22, Water, of the Needles Municipal Code in its entirety and adopting a new Chapter 22, Water Services, regarding the terms and conditions for the sale of water services

Submitted By: Kim Mitchell, Business Office Manager
Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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RESOLUTION NO. 1-21-25 BPU

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES OF
THE CITY OF NEEDLES, CALIFORNIA, RESCINDING CHAPTER 6C,
ESTABLISHING TERMS AND CONDITIONS FOR THE SALE OF ELECTRIC
SERVICES, OF THE NEEDLES MUNICIPAL CODE IN ITS ENTIRETY AND
ADOPTING A NEW CHAPTER 6C ENTITLED ELECTRIC SERVICES

BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF
NEEDLES, CALIFORNIA, AS FOLLOWS:

SECTION 1. CEQA. The Board of Public Utilities finds that the actions contemplated by this Resolution are exempt from the California Environmental Quality Act ("CEQA") pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Resolution may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305.

SECTION 2. Severability. The Board of Public Utilities hereby declares that if any provision, section, paragraph, sentence, or word of this Resolution is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Resolution, and to this end the provisions of this Resolution are severable. The Board of Public Utilities declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Resolution enforced.

SECTION 3. Prosecution of Prior Resolutions. Neither the adoption of this Resolution nor the repeal of any other resolution of this Board shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City Council resolutions, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. Effective Date. The Chairman shall sign and the Secretary shall attest to the passage of this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities of the City of Needles, California, hereby rescinds Chapter 6C, establishing terms and conditions for the sale of electric services, of the Needles Municipal Code in its entirety and adopts a new Chapter 6C, Electric Services, regarding the terms and conditions for the sale of electric services to read as attached hereto as Exhibit "A".

BE IT FURTHER RESOLVED that the Board of Public Utilities hereby recommends that the City Council and Needles Public Utility Authority (NPUA) adopt and implement Chapter 6C, Electric Services, of the Needles Municipal Code regarding the terms and conditions for the sale of electric services as attached hereto as Exhibit "A" for the benefit of the NPUA.

RESOLUTION NO. 1-21-25 BPU
(Page Two)

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Public Utilities of the City of Needles, California, held on the 21st day of January, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____	ATTEST: _____
Chairman	Secretary

CHAPTER 6C ELECTRIC RATES

Sections

Article I

6C-1-1 Terms and conditions for the sale of electric services.

Article II.

6C-2-1 Conditions governing the extension of electric distribution and services.

Article III.

6C-3-1	Rate history.
6C-3-2A	Rate One -- Residential service.
6C-3-2B	Rate Two -- General service.
6C-3-2C	Rate Three -- Multifamily service -- Submetered.
6C-3-2D	Rate Four -- Multifamily service -- Not submetered.
6C-3-2E	Rate Five -- General power service.
6C-3-2F	Rate Six -- Agricultural irrigation power service.
6C-3-2G	Rate Seven -- Outdoor are lighting service.
6C-3-2H	Rate Eight -- Street and highway lighting -- City-owned.
6C-3-2I	Rate Nine -- Street and highway lighting -- Customer-owned.
6C-3-J	Rate Ten -- Power access charge.

Article I.

Sec. 6C-1-1. Terms and conditions for the sale of electric services. The following terms and conditions and any changes authorized by the city council or law will apply to the sale of electric services under the established rate or rates authorized by the city council and currently applicable at time of sale. The rates included in this Chapter 6C may be amendment by resolution of the city council after a duly noticed public hearing, which amended rates shall supersede the rates included in this Chapter 6C to the extent inconsistent therewith.

1. General.

1.1 Electric service will be supplied in accordance with these terms and conditions and any changes required by the city or law, and such applicable rate or rates as may from time to time be authorized by the city. However, in the case of a customer whose service requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.

1.2 These terms and conditions shall be considered a part of all of the city rate schedules, except where specifically changed by written agreement by the city.

1.3 In case of conflict between any provision of a rate schedule and the terms and conditions, the provisions of the rate schedule shall apply.

1.4 The failure of the city to insist upon strict performance of any of the provisions in the terms and conditions, or to exercise any of the rights or remedies provided in the terms and conditions, or any delay in the exercise of any of the rights or remedies, shall not release the customer from any responsibilities or obligations imposed by law or by the terms and conditions, and shall not be deemed a waiver of any rights of the city to insist upon strict performance of the terms and conditions.

2. Establishment of service.

2.1 Application for service. Customer requesting electric service may be required to appear at city's place of business to produce proof of identity and sign city's standard form of application for service or a contract before service is supplied by city.

2.1.1 In the absence of a signed application or contract for service the supplying of electric service by the city and acceptance thereof by customer shall be deemed to constitute a service agreement by and between the city and customer for delivery, acceptance of and payment for service, subject to city's applicable rates and rules and regulations.

2.1.2 Where service is requested by two or more individuals, city shall have the right to collect the full amount owed city from any one of the applicants.

2.2 Service establishment charge. A service establishment is determined by the cost of services ~~charge of twelve dollars and fifty cents for~~ residential and nonresidential electric service will be assessed each time city is requested to establish, reconnect or reestablish electric service to customer's delivery point. Billing for the service establishment charge may be rendered as a part of the customer's first bill.

2.2.1 Customer will be required to pay the above appropriate service establishment charge and an after-hours charge ~~as established by the cost of services of fifty dollars~~, should customer request service be established during a period other than regular working hours.

2.3 Grounds for refusal of service. City may refuse to establish or reestablish service if any of the following conditions exist:

2.3.1 Applicant has an outstanding amount due with the city and is unwilling to make payment.

2.3.2 A condition exists which in city's judgment is unsafe or hazardous.

2.3.3 Application has failed to make the security deposit requirements set forth by city as specified under 2.6.

2.3.4 Applicant is known to be in violation of city's rate schedule.

2.3.5 Applicant fails to furnish to city funds service entrance equipment, and/or right-of-way required to serve applicant and which have been specified as a condition for providing service.

2.3.6 Applicant falsifies his or her identity for the purpose of obtaining service.

2.3.7 Service is already being provided at the address for which applicant is requesting service.

2.3.8 Service in the name of another customer currently living with the applicant at the same address for which service is being requested has been terminated for nonpayment and a delinquent balance is still outstanding.

2.3.9 Prior customer was terminated for any of the below reasons and continues to reside on the premises for which applicant requests service.

- (a) City has evidence of meter tampering or fraud.
- (b) Failure to pay a delinquent bill for utility service.
- (c) Failure to maintain deposit requirements.
- (d) Failure to pay for a bill to correct a previous underbilling.
- (e) Failure to comply with curtailment procedures imposed by the city during supply shortages.
- (f) Failure to provide reasonable and safe access to city's equipment and property.

(g) Breach of written contract between city and customer.

2.3.10 Applicant has failed to obtain all required permits and/or inspections indicating that applicant's facilities comply with local construction and safety codes.

2.4 Establishment of residential credit or security deposit.

2.4.1 Residential establishment of credit. City shall not require a security deposit from a new applicant for residential electric service if applicant is able to meet any of the following requirements:

2.4.1.1 Applicant has had service of a comparable nature with city at another service location within past two years and was not delinquent in payment to any utility during the last twelve consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.

2.4.1.2 Applicant can provide a letter regarding credit or verification from an electric utility where service of a comparable nature was received within the last two years, and the letter states that the applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least twelve consecutive months.

2.4.1.3 Applicant provides a guarantor, satisfactory to the city, to secure payment of bills for the service being requested.

2.4.2 Residential establishment of security deposit. When credit cannot be established as provided for in Section 2.4.1 hereof or when it is determined that applicant left an unpaid final bill owing to another utility, applicant may be required to place a cash deposit to secure payment of bills for service.

2.5 Establishment of nonresidential credit or security deposit.

2.5.1 Nonresidential establishment of credit. City shall not require a security deposit from a new applicant for nonresidential electric service if applicant is able to meet any of the following requirements:

2.5.1.1 Applicant has had service for at least one year of a comparable nature with city or another service location within the past two years, and was not delinquent in payment to any utility during the last twelve consecutive months, or disconnected for nonpayment, or has had an unpaid final bill.

2.5.1.2 Applicant can provide a letter regarding credit or verification from an electric utility where service of a comparable nature was last

received which states applicant had a satisfactory payment history at time of service discontinuance, and such service was for at least twelve consecutive months.

2.5.2 Nonresidential establishment of security deposit. All nonresidential customers may be required to:

2.5.2.1 Place a cash deposit to secure the payment of bills for service as prescribed herein, or

2.5.2.2 Provide a noncash security deposit in the form of a surety bond, irrevocable letter of credit or assignment of moneys in an amount equal to the required security deposit.

2.6 Re-establishment of security deposit.

2.6.1 Residential. City may require a residential customer to establish or reestablish a security deposit if customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve months, or when customer's financial condition may jeopardize the payment of their bill as determined by a bankruptcy filing.

2.6.2 Nonresidential. City may require a nonresidential customer to establish or reestablish a security deposit if the customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve months, or when the customer's financial condition may jeopardize the payment of their bill, as determined by a credit investigation, financial reorganization notice or bankruptcy filing.

2.7 Security deposits.

2.7.1 Residential security deposits must be a cash deposit in the amount of one and one-half times the previous customer's highest monthly bill (June through September) at the residence where the account is to be established or \$150.00, whichever amount is higher.

2.7.1.1 Deposits will automatically be refunded after 12 months of service provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless Customer has filed bankruptcy.

2.7.2 Nonresidential security deposits may be either cash or noncash, as described in 2.7.2.1, and shall be in the amount of two and one-half times the previous customer's highest monthly bill (June through September) at the non-residential location where the new account is established.

2.7.2.1. Deposits and noncash deposits on file with the City will be reviewed after twenty-four (24) months of service and will be refunded or released provided the Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless the Customer's financial condition warrants extension of the security deposit. Deposits not returned within the first ~~twenty-four month~~twenty-four-month period, shall be reviewed annually to determine if Customer qualifies for return of the deposit.

2.7.3 Large commercial account deposits may be either cash or noncash, and shall be set at \$80,000 per 20,000 sq ft building. Large commercial account deposits must be on file for a minimum of three years and thereafter can be replaced with a security bond. All security bonds must be renewed, and assurance provided to the Needles Public Utility Authority.

2.7.43 City reserves the right to increase or decrease the security deposit amount when the Customer's average consumption changes by more than ten (10) percent for residential accounts within the twelve (12) consecutive month period and five (5) percent for nonresidential accounts within the twelve (12) consecutive month period. Separate security deposits may be required for each location.

2.7.54 Customer security deposits shall not preclude the City from terminating an agreement for service or suspending service for any failure in the performance of Customer obligations under an agreement for service.

2.7.65 Cash deposits held by the City shall not earn interest. Deposits on inactive accounts may be applied to the final bill and the balance, if any, will be refunded to the Customer of record within sixty (60) days.

2.7.76 If Customer terminates service with City, the security deposit may be credited to Customer's final bill.

2.7.87 In implementing the foregoing provisions, the NPUA/City Council shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.

2.8 Line extensions. Installations requiring the city to extend its facilities in order to establish service will be made in accordance with city's conditions governing extensions of electric distribution lines and services.

3. Rates.

3.1 Rate information. City shall provide a copy of the rate schedule to the customer, when requested. In addition, city shall notify customers of any change in rate schedules affecting those customers.

3.2 Rate selection. Customer's service characteristics and service requirements determine the selection of the applicable rate schedule. City will use reasonable care in initially establishing service to the customer under the most advantageous rate schedule applicable to the customer. However, because of varying customer usage patterns and other reasons, city cannot guarantee that the most economic applicable rate will be applied. City will not make any refunds in any instances where it is determined that customer would have paid less for service had customer been billed on an alternate applicable rate or provision of a rate.

~~3.3 Optional rates. Certain optional rate schedules applicable to certain classes of service allow the customer the option to select an alternative rate schedule to be effective initially or after service has been established. Customer desiring service under an alternative rate schedule after service has been established must make such request in writing to the city. Billing under the alternate rate will become effective from or after the next meter reading. No further changes, however, may be made within the succeeding twelve-month period. Where the rate schedule or contract pursuant to which customer may not exercise its option to select another alternate rate schedule until expiration of the term.~~

4. Billing and collection.

4.1 Customer service installation and billing. Service billing periods normally consists of approximately thirty days unless designated otherwise under the rate schedules or at city option.

4.1.1 Customer service installations will normally be arranged to accept only one type of standard service at one point of delivery to enable service measurement through one meter. If customer requires more than one type of service, or total service cannot be measured through one meter according to city's normal practice, separate meters will be used and separate billing rendered for the service measured by each meter.

4.1.2 The city normally meters and bills each premise separately; however, adjacent and contiguous premises not separated by private or public property or right-of-way and operated as one integral unit under the same name and as a part of the same business, will be considered a single premise.

4.1.3 When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the city may estimate the customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and general characteristics of the customer's load and operation.

4.1.4 Where a meter error is discovered as a result of a meter test, the city may render an adjusted bill to the customer for the amount of the undercharge, and shall issue a refund or credit to the customer's account for the amount of the overcharge. Such adjustment bill shall be computed as follows:

4.1.4.1 Fast meter. If a meter is registering more than two percent fast, the city shall refund to the customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the energy usage either for the known period of the meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation for a period not exceeding one year.

4.1.4.2 Slow meter. If a meter for residential service is registering more than twenty-five percent slow, or a meter for any other class of service is registering more than two percent slow, the city may bill the customer for the amount of the undercharge based on corrected meter readings or the city's estimate of the energy usage either for the known period of meter error or, if the period of the meter error is not known, for the period the meter was in use, in either situation the billing shall not exceed three months for residential service and one year for any other class of service.

4.1.4.3 Nonregistering meter. If a meter is found to be nonregistering, the city may bill the customer for the amount of the underbillings based on the city's estimate of the electric service used but not registered, for a period not exceeding one year. three months.

4.1.5 Adjustment of bills for billing error.

4.1.5.1 A billing error is an error by the city which results in incorrect billing charges to the customer. Billing errors may include incorrect meter reads or clerical errors by a city representative such as applying the wrong rate, wrong billing factor or an incorrect calculation. Billing error does not include a meter error or unauthorized use, nor any error in billing resulting from the meter dial "pegging" or being over if caused by other than the city, switched or mismarked meters by other than the city, improper customer wiring, blown fuse in one energized conductor, inaccessible

meter, failure of the customer to notify the city of changes in customer's equipment or operation, or failure of the customer to take advantage of a rate or condition of service which the customer is eligible.

4.1.5.2 Where the city overcharges or undercharges a customer as the result of a billing error, the city may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the customer for the amount of the overcharge, for the period of the billing error, but not to exceed three years in the case of an overcharge, and, in the case of an undercharge not to exceed three months for residential service and one year for any other class of service.

4.2 Collection policy. The following collection policy shall apply to all customer accounts:

4.2.1 All bills rendered by the city are due and payable no later than nineteen days from the billing date. Any payment not received within this time frame shall be considered past due. Bills for which payment has not been received within ~~ten~~ fifteen days of the past due date will be considered delinquent. All delinquent bills shall be subject to the provisions of the city's termination procedure. ~~City~~ The city reserves the right to suspend or terminate customer's service for:

- (a) Nonpayment of delinquent service bills;
- (b) Nonpayment of service establishment charges;
- (c) Nonpayment of security deposits;
- (d) Nonpayment of meter test charges;
- (e) Nonpayment of returned check charges;
- (f) Nonpayment of late charges;
- (g) Nonpayment of collection charges;
- (h) And/or to declare past due service bill amounts, past due

service establishment charges, past due security deposits, past due meter test charges, past due returned check charges, and past due collection charges subject to a late charge at the rate of eighteen percent per annum.

4.2.2 If customer has one or more utility services with city and one or more of such services is terminated for nonpayment and customer is unwilling to make arrangements with city for payment, city shall be entitled to transfer the balance due on the terminated service(s) to any other active account of customer. The failure of the customer to pay the active account shall result in the suspension or termination of service thereunder. However residential electric service shall be discontinued, because of nonpayment of other classes or types of electric service.

4.3 Responsibility for payment of bills. Customer is responsible for the payment of bills for energy use recorded by the meter or estimated by city, until service is ordered discontinued, and the city has had two working ~~days~~ timeday's time to secure a final meter reading.

4.3.1 When an error is found to exist in the billing rendered to the customer, city will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three years from the date the error is discovered. Any refunds to customers resulting in adjusted billings will be made promptly upon discovery by city. Underbillings by city shall be billed to customer who may be given up to one year to pay if the underbilling is less than one thousand dollars, and up to year and half ~~three~~ years

to pay if underbilling is more than one thousand dollars, without late payment penalties. ~~If the account is billed on a special contract or non-metered rate, or service has been established but not bills have been rendered, customer shall be limited to six months to pay underbillings for residential accounts and three months for nonresidential accounts.~~

4.3.2 BUDGET BILLING

Every October customers except for solar customers who have been at their location for a 12-month period can enroll in the budget bill plan, which spreads out the costs of the utility bill evenly over a 12-month period, customers must be at a zero balance and not on a payment arrangement. Budget bills will settle-up every September, if the customer has used over their budget bill allotment and cannot pay their overage, they will be taken off the budget bill and put on a 12-month long-term payment arrangement, once the payment arrangement is fulfilled the customer can go back on the budget bill the next October. Budget bills will be recalculated every September to the amount the customer has used the year before the budget bill amount will either be higher or lower than the customer was paying the year before. Customers must sign a document of understanding when they enroll in the budget bill plan.

4.4 Returned checks. If city is notified by the customer's bank that ~~in~~ the bank will not honor a check tendered by customer for payment in cash, by money order, certified check or other means which guarantee the customer's payment to the city.

4.4.1 Customer shall be charged a fee of ~~fifteen-dollarst~~ twenty five dollars for the 1st occurrence and thirty-five for any occurrence thereafter for each instance where customer tenders payment of a bill with a check which is not honored by customer's bank.

4.4.2 The tender of a dishonored check shall in no way:

- (a) Relieve customer of the obligation to render payment to city under the original terms of the bill; or
- (b) Defer city's right to terminate service for nonpayment of bills.

4.5 Collection charge. ~~City may require payment of a collection charge of ten-dollars when an authorized city representative travels to customer's premises to accept payment of a delinquent account, notify of service termination, make payment arrangements, or to disconnect service to a delinquent account.~~

4.5.1 If a termination is required at equipment other than the meter, a reconnection charge established by the city's cost of services fee schedule of fifty dollars must be paid prior to before service re-establishment. The customer shall be billed the normal service establishment charge in addition to ~~he the~~ above reconnect charge on the next month's billing.

4.5.2 To avoid discontinuation of service, customer may make payment in full, including any necessary deposit in accordance with Section 2.5 or, at city option, may make acceptable payment arrangements.

4.6 Payment assistance and counseling. The city will provide the following services to customers unable to pay their bills.

4.6.1 The city will offer installment payment plans to allow customers to amortize past due and current amounts over a reasonable period of time. Customers who default on installment payment plans may not qualify for future installment payment arrangements. If payment arrangement is not kept by the customer, services will be automatically terminated. In order to reconnect, the full amount owed must be paid.

4.6.2 Customer making payments on an installment payment plan must keep the account current as charges for service accrue.

4.6.3 City will furnish customer upon request, information on the availability of alternate sources of financial assistance.

4.7 "STOP LOSS / MAXIMUM DELINQUENCY/COLLECTION POLICY"

4.7.1 Stop-Loss Maximum. A "stop-loss" maximum amount equal to one (1) month's billing period is hereby established. Once a customer account reaches the stop-loss maximum amount, the NPUA or the City shall provide the customer with a warning as set forth in the "Terms and Conditions" for the various utilities established by the City and as may be amended from time to time. The warning notice shall provide the customer with ten fifteen (1015) days to pay the past due amount. If payment of the delinquent amount cannot be made in full within the ten fifteen {1015} day period, the customer shall have the ability within that period to sign an amortization agreement ("Payment Agreement"), agreeing and acknowledging that the customer's account must be kept current and that the past due amount must be paid in equal monthly installments over a period of six (6) months – twelve (12) months dependent on the customer's ability to pay. If payment installments are not paid as set forth in the Payment Agreement, the customer's utilities will be disconnected immediately and without notice. A Payment Agreement shall only be offered to a customer if the customer has not defaulted on a prior Payment Agreement within the previous twelve (12) month period. If a customer is on an active Payment Agreement and defaults a new Payment Agreement cannot be authorized and the full amount past due must be paid before services can be restored.

4.7.2 Restoring Services. Before the utilities may be restored, the customer shall be required to pay one-half (1/2) of the amount in arrears; however, in the event the account is in the "final status" (the final bill has been prepared and the customer's deposit(s) have been applied to the outstanding balance), the customer shall be required to pay a new deposit in an amount as set forth in the Terms and Conditions. The customer shall also execute a separate Payment Agreement agreeing and acknowledging that the customer's account must be kept current and that the balance (the remaining one-half (1/2) of the amount in arrears) shall be paid in equal monthly installments over a period set in section 4.7.1 of six (6) months. The customer shall further acknowledge and agree that service may be discontinued immediately, without further notice, if payment installments are not paid as set forth in the Payment Agreement and/or the current bill is not paid timely.

4.7.3 Collections. If services have been disconnected as a result of non-payment, and (1) the customer does not reactivate said services, and (2) the bill is in the final status, the final bill will be sent to a collections agency. Collection accounts are sent every six (6) months to the city's collection agency.

4.7.4 Deposits. A deposit or a letter of credit is required when a customer is

initiating service with the NPUA as set forth in the Terms and Conditions except for "Large Users", defined below. In the event the customer receives two (2) late notices within a twelve (12) month period, a deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after it has received twelve (12) months of timely payments from the customer.

"A Large User is defined as a customer whose monthly utility bills exceed, or are expected to exceed, \$20,000 on average. A cash deposit shall be required of Large Users."

4.7.5 Subsequent Deposit. In the event that, after the deposit has been refunded to the customer, the customer receives two (2) late notices within a twelve (12) month period, a subsequent/new deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a new deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the new deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after the NPUA has received twelve (12) months of timely payments from the customer. (596-AC)

5. Service responsibility of city and customer.

5.1 Responsibility -- Use of service or apparatus. City and customer assume all responsibility on their respective sides of the point of delivery for the electric service supplied and taken, as well as for any apparatus used in connection therewith.

5.1.1 Customer and city each shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the electric service or the use thereof on their respective sides of the point of delivery. City shall, however, have the right to suspend or terminate service in the event city should learn of service use by customer under hazardous conditions or for illegal purposes.

5.1.2 Customer shall exercise all reasonable care to prevent loss or damage to city property installed on customer's premises for the purpose of supplying service to customer.

5.1.3 Customer shall be responsible for payment of loss or damage to city property on customer's premises arising from neglect, carelessness or misuse, and shall reimburse city for the cost of necessary repairs or replacement.

5.1.4 Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering, tampering or by-passing city's meter.

5.1.5 Customer shall be responsible for notifying city of any failure in city's equipment.

5.2 Service interruptions -- Limitations on liability of city. City shall not be liable to customer for any damages occasioned by fluctuations, interruptions or curtailment of electric service except where caused by city's willful misconduct or gross negligence. City may, without incurring any liability therefore, suspend customer's electric service for periods reasonably required to permit city to accomplish repairs to or changes in any of city's facilities.

5.2.1 In the event of a national emergency or local disaster resulting in disruption of normal service, city may, in the public interest, interrupt service to other customer to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.3 City access to customer premises. City's authorized agents shall have safe access to customer's premise at all reasonable hours to install, inspect, read, repair or remove its meters; to install, operate or maintain other city property, and to inspect and determine the connected electrical load. Neglect or refusal on the part of the customer to provide such access shall be sufficient cause for discontinuance of service by city, and assurance of access may be required before service is restored.

5.4 Easements. All suitable easements and right-of-way required by the city for any portion of the extension which is on premises owned, leased or otherwise controlled by customer shall be furnished in city's name by the customer without cost to city and in reasonable time to meet proposed service requirements. All easements and right-of-way obtained on behalf of city shall contain such terms and conditions as are acceptable to the city.

5.5 Load characteristics. Customer shall exercise reasonable care to assure that the electrical characteristics of its load, such as unusual short interval fluctuations in demand, shall not be such as to result in impairment of service to other customers or interference with operation of telephone, television or other communication facilities. The deviation from phase balance shall not be greater than ten percent at any time. The power factor of the load shall not be less than ninety percent lagging, but in no event leading, unless agreed to by city. In the event that customer does not maintain such power factor, at the option of city, kva shall be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

6. Metering and metering equipment.

6.1 Customer equipment. Customer shall install and maintain all wiring and equipment beyond the point of delivery. Except for city's meters and special equipment, customer's entire installation must conform to all applicable construction standards and safety codes, and if an inspection or permit is required by law or by city, the same must be furnished by customer.

6.1.1 Customer shall provide in accordance with city's current service standards, at no expense to city, and close to the point of delivery, a sufficient and suitable space acceptable to city's representative for the installation of city's metering equipment.

6.1.2 Customer shall provide and maintain a clear and unobstructed work space that extends a minimum radius of three feet from the face of the electrical entrance section, and a clear and unobstructed walkway to the meter location of a minimum width of three feet. The electric entrance section work space shall have a level floor surface and a height minimum of six feet six inches to any overhead obstruction.

6.1.3 Customer shall, at his own expense, relocate meter or meters to a new and approved location whenever the existing meter or meters become inaccessible or work space cannot be maintained.

6.2 Service connections. City will not install and maintain any lines and equipment on customer's side of the point of delivery except its meter. For the mutual protection of the customer and city, only authorized employees of city are permitted to

make and energize the connection between the city's service wire and customer's service entrance conductors. Such employees carry credentials which they will show upon request.

6.3 Measuring customer service. All the energy sold to the customer will be measured by a commercially acceptable measuring device owned and maintained by the city, except where it is impractical to meter loads such as street lighting, security lighting, or special installations in which case the consumption may be calculated.

6.3.1 The readings of city's meters will be conclusive as to the amount of electric power supplied to customer unless, there is evidence of meter tampering or energy diversion, or unless a test reveals city's meter is in error by more than plus or minus two percent.

6.3.2 If there is evidence of meter tampering or energy diversion, customer will be billed for the estimated energy consumption that would have been registered had all energy usage been properly metered.

6.3.3 If any meter after testing is found to be more than two percent in error, either fast or slow, proper correction shall be made of previous readings and an adjusted bill shall be rendered per Section 4.1.4. Customer will be billed for the estimated energy consumption that would have been registered had the meter been operating properly.

6.3.4 City shall, at the request of customer, reread customer's meter within ten working days after such request by customer. The cost of such rereads, which is ten dollars, may be charged to customer, provided the original reading was not in error.

6.4 Meter testing.

6.4.1 City shall test its meters regularly in accordance with a meter testing and maintenance program.

6.4.2 City will individually test a meter upon customer's request. If meter is found to be within the two percent limit, city may charge customer twenty-five dollars for the cost of the meter test. The results of the test will be furnished to the customer within a reasonable time after the test.

6.4.3 Customer shall have the right to observe any individual meter test he has requested, or to have present an expert or other representative appointed by him.

6.5 Master metering.

6.5.1 Resale of electricity. Customer shall not resell electricity from the city to any person except,

(a) Where energy is purchased at rates specifically applicable to resale service, or

(b) Where the charge to the tenants is absorbed in the rental for the premises or space occupied, or

(c) Where the customer is owner, lessee or operator of a multi-family housing or similar facility, and submeters and resells electricity to tenants at the same rates and charges that the city would charge for the service if supplied by it directly, or

(d) Qualifies for submeter resale under the criteria identified in Section 6.5.4.

6.5.2 Mobile home parks. City shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless construction and/or expansion is individually metered by the city.

6.5.3 Residential -- Apartment complexes -- Condominiums and other multiunit residential buildings. City

shall refuse service to all new construction of apartment complexes and condominiums which are master metered unless the building(s) will be served by a centralized heating, ventilation and/or air conditioning system and the contractor can provide to the city an analysis demonstrating that the central unit will result in a favorable cost/benefit relationship for the residents.

6.5.4 RV parks, marinas, small craft harbors and similar type service. Master metering will be allowed at RV parks, marinas, small craft harbors and similar type of services. The master meter customer may submeter individual spaces, slips or berths. An "extended stay" or permanent residential, commercial, recreational or similar facilities shall be individually metered by the city. Existing master metered facilities shall be exempt from these requirements, except for any new facilities that are added to the RV park, marina, small craft harbor, etc. after the effective date of these terms and conditions. The rates and charges to the submeter user must not exceed those that would be applied if user was purchasing electricity directly from the city.

7. Termination of service.

7.1 Customer initiated termination. A customer requesting termination of electric service must provide the city with at least two working days notice and a disconnect date. The customer shall remain responsible for all energy use until two working days after the disconnect notice or the requested disconnect date, whichever is later.

7.2 Termination of residential service to ill, elderly or handicapped customers.

7.2.1 Residential customers that are ill, elderly (over sixty-five years of age) or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted.

(a) The customer has been made aware of the availability of funds from various governmental and social assistance agencies which the city is aware of.

(b) City has made a diligent effort to notify a third party previously designated by the customer.

(c) City has attempted to make satisfactory payment arrangements with customer and/or previously designated third party.

7.2.2 Residential service shall not be terminated where the customer has an inability to pay and has established through medical documentation that, in the opinion of a licensed medical physician, termination would be especially dangerous to the customer's or a permanent resident residing on the customer's premises health, or where life support equipment used in the home is dependent upon electric service for operation.

7.2.3 A customer utilizing the provisions of Section 7.2.2 shall be required to enter into a deferred payment agreement with the utility within ten days after

the scheduled termination date, or service may be terminated with two ~~days-days'~~ notice.
The city will notify the correct agencies.

7.3 With notice. City may without liability for injury or damage disconnect service to any customer for any of the reasons stated below, provided city has met the termination notification requirements.

7.3.1 The city may disconnect service after written notification for the following reasons:

- (a) Customer violation of any city rate schedules.
- (b) Failure of customer to pay a delinquent bill for service.
- (c) Failure of customer to meet or maintain deposit requirements.
- (d) Failure of customer to provide reasonable access to city's equipment and property.
- (e) Customer breach of contract for service between city and customer.
- (f) Failure of prior customer to pay a delinquent bill for service where the prior customer continues to reside on premises.
- (g) When necessary for city to comply with an order of any governmental agency having such jurisdiction.
- (h) Customer fails to establish credit, after city, for customer convenience, provided service before credit is established or continued service to a customer when credit was to be re-established.
- (i) The city shall have the right to (but not the obligation) to remove any and all of its property installed on the customer's premises upon termination of service.

7.3.2 Termination notice requirements.

(a) ~~Ten-day~~Fifteen-day advance written notice of intent to terminate for nonpayment and reasons other than nonpayment, which can be included or be a part of monthly billing notices.

~~(b) Five-day advance written notice of intent to terminate for reasons other than nonpayment, which can be included or be a part of monthly billing notices.~~

(c) 24 hour ~~Two-day~~ advance written notice of intent to terminate for dishonored checks (NSF).

(d) Notice shall state reason for termination.

(e) Notice shall be considered given to the customer when a copy thereof is delivered to the service location or posted first class in the United States mail, addressed to the customer's last known address.

(f) Service may be terminated on or after the day specified in the notice without giving further notice, if the violation has not been satisfied.

(g) Service may only be disconnected in conjunction with a person visit to the premises by an authorized representative of the city.

(h) The city shall have the right (but not the obligation) to remove any and all of its property.

7.4 Without notice. City may without liability for injury or damage disconnect service to any customer without notice under any of the following conditions:

(a) The existence of an obvious hazard to the health or safety of persons or property.

(b) City has evidence of meter tampering or fraud.

(c) Failure of customer to comply with curtailment procedures imposed by city during a supply shortage.

(d) Failure of customer to comply with the terms of any payment agreement or contract.

(e) City has evidence of unauthorized resale or use of electric services.

(f) The city shall have the right (but not the obligation) to remove any and all of its property.

7.5 Restoration of service. City shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the city.

7.6 Master meter customers. When master metered accounts are being terminated with notice, the city will make a good faith effort to notify actual users prior to the termination. The notice may be posted in a common area of the complex or building, mailed to individual apartments, spaces or suites, or hand delivered. The notice shall provide the user the right to become a city customer without being required to pay the amount due on the account. However, any conversion of service entrance equipment required to accept city service will be the user's responsibility.

8. Disputed bills and complaints.

8.1 Bill inquires and complaint investigations. A customer may request a bill inquiry or complaint investigation by contacting the city's utilities office. An investigation will be completed by the city, and the customer will be advised of the investigation's results and any action taken. If the customer is seeking to set up an extended payment arrangement, the city will attempt to assist by offering an amortized payment schedule, and provided the customer has not defaulted on a previous payment agreement.

8.2 Unresolved bill inquires and complaint investigation. If a customer is not satisfied with the investigation and/or action completed by the city's utilities office, the customer should elevate the inquiry or complaint to the next level within the city staff, in the order recommended below:

(a) Utility business manager or supervisor.

(b) ~~Public utilities~~ Utility Manager ~~general manger~~.

(c) City ~~Manger~~ Manager

8.3 Appeal to the city utility board. A customer who is not satisfied or believes the staff investigation results are incorrect or unfair, may appeal to the Needles ~~B~~board of ~~P~~ublic ~~U~~tilities. The board will hear only appeals that have not been resolved to the customer's satisfaction, after the city manager has finalized his review. A form to request an appeal is available at the utilities office, and must be submitted at least two weeks prior to a regularly scheduled board meeting to ensure placement on the agenda. The customer is encouraged to be present at the board hearing, or to have a representative present.

8.4 Appeal to the city council. A customer who remains unsatisfied after appealing their concerns to the Needles ~~B~~board of ~~P~~ublic ~~U~~tilities, may appeal to the

city council for final resolution. The city clerk will assist the customer with scheduling the appeal. The customer or his representative must be present at the council meeting for the appeal to ~~eb-be~~ heard and/or acted upon.

8.5 Payment of disputed bills. A customer who has requested an investigation or who is appealing a determination shall not have the electric service disconnected for nonpayment of the disputed bill. If the customer is disputing multiple months of billing, payment for one of the months being disputed may be withheld pending determination, but all remaining months being disputed must be paid to avoid being disconnected for nonpayment. A customer must pay subsequent bills to a disputed bill, to avoid being disconnected for nonpayment.

9. Removal of facilities. Upon the termination of service, city may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the customer, and city shall be under no further obligation to serve customer. If, however, city has not removed its facilities within one year after termination of service, city shall thereafter give customer thirty days' written notice before removing its facilities, or else waive any re-establishment charge within the next year for the same service to the same customer at the same location.

For purpose of this section, notice to the customer shall be deemed given at the time such notice is deposited at the U.S. Postal Service, first class mail, postage prepaid, to the customer at his/her last known address.

10. Prohibited service uses. Customer shall not use electric service for the following uses or activities. This prohibition is necessary to ~~precent-prevent~~ electric shortages, and to avoid supplier penalties for excess demand requirements.

10.1 Outdoor advertising signs and lighting.

10.1.1 Illuminated billboards, signs or similar advertising or identifying signs or equipment shall not be illuminated with city electric service during daylight hours.

10.1.2 Mechanized billboards, signs or similar advertising or identifying signs or equipment shall not be operated with city service during daylight hours.

10.1.3 A commercial/industrial customer may, without restricted hours of use, illuminate with city service a time and temperature sign, and two business signs on its premises.

10.2 Decorative and functional outdoor lighting.

10.2.1 Outdoor lighting necessary for public safety, security, or required by law shall be exempt from the below restrictions. However, customer shall minimize the number of lighting fixtures, and shall use energy efficient lighting for all outdoor lighting applications.

10.2.2 Commercial/industrial customer shall not operate any outdoor decorative, architectural or advertising "highlighting" or floodlighting, area, spot or other similar lighting during daylight hours.

10.3 Indoor business lighting.

10.3.1 Indoor lighting necessary for public safety, security, or required by law shall be exempt from the below restrictions. However, customer shall limit the number of fixtures used, and shall use energy efficient lighting for all indoor lighting.

10.3.2 Commercial/industrial customer shall reduce lighting levels to minimum required for security at all times building is not occupied.

10.3.3 Customer shall not operate window display lighting during daylight hours.

10.4 Electric heating and cooling.

10.4.1 Businesses where temperatures exceeding the below recommendations are required for ~~physician-certified~~physician-certified medical reasons, or by law, or whose principal business involves the preservation of perishable foods shall be exempt from the below restrictions.

~~10.4.2 Customer space conditioning equipment shall not be operated to provide refrigerated air conditioning below seventy eight degrees F, when the residence or building is unoccupied. Electric heat shall not be operated above seventy degrees F when residence or building is occupied, and sixty degrees F when the residence or building is unoccupied.~~

10.4.3 Commercial/industrial customer shall not use service for heating/cooling during non-business hours, unless the building is occupied, or customer can establish, and the city agrees, that a net energy savings can be achieved by operating the space conditioning equipment during non-business hours.

10.4.4 Commercial/industrial customer shall not heat or cool unoccupied hotel, motel ~~or~~ similar guest accommodation facilities in vacant guest rooms.

10.4.5 Commercial/industrial customer whose building is equipped with a system that both heats and cools simultaneously, or that depends on electric lighting for total or partial heating shall operate the system to minimize electric energy use, and as close to the above guidelines as practical.

10.5 Swimming pool/spa pumps and filtration.

10.5.1 Timers shall be installed on all swimming pool pumps and filtration equipment.

10.5.2 Customer shall set the timer to between the hours of 9:00 P.M. and 9:00 A.M.

10.5.3 Customer may operate circulating pumps for solar pool heating equipment during daylight hours without restriction, except for the motor size limitations below.

<u>Pool or Spa</u> <u>Sq. Ft. of Surface Area</u>	<u>Maximum Allowed</u> <u>Motor Size</u>
520 or less	$\frac{3}{4}$ H.P.
521 -- 800	1 H.P.
801 -- 1200	1-1/2 H.P.
Over 1201	Max. 1 H.P./800 sq. ft.

10.6 Noncompliance. The city shall discontinue service to a customer for noncompliance with the prohibited uses of electric energy, if after notice the customer

does not correct the violation within five days. Service will not be reestablished until after customer has complied.

10.7 Exemption procedure. A customer may request a special use exemption for a prohibited activity. The request must be in writing and shall be submitted to the Needles ~~B~~board of ~~P~~ublic ~~U~~tilities. The request must explain why the exemption is being sought, the benefits the customer will receive from such use, the approximate amount of energy required and the desired time period. Board approval must be received prior to customer using service for a prohibited activity.

11. Curtailment. When the availability of service is restricted and a reduction of service ~~is~~ required to maintain the integrity of part or the total electric system, the customer will be notified by the city to reduce or terminate use of service. Such notifications may be made by mail, phone, or in person. The city will curtail service on a proportionate basis, where possible, and will give service priority to customers and/or customer classes where health, safety and welfare will be adversely affected, when possible. Customers, who refuse or do not comply with curtailment requirements, may be terminated by the city. A service re-establishment charge of two hundred dollars will be assessed for a ~~first time~~first-time violation, five hundred dollars for second violation, and one thousand dollars for a third violation. A customer who violates curtailment requirements more than three times will not be allowed to reestablish service.

12. Successors and assigns. Agreements for service shall be binding upon and for the benefit of the successors and assigns of customer and city, but no assignments by customer shall be effective until customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by the city.

13. Warranty. There are no understandings, agreements, representations or warranties, expressed or implied (including warranties regarding merchantability or fitness for a particular purpose), not specified herein concerning the sale and delivery of electricity by the city to the customer. These terms and conditions state the entire obligation of the city in connection with such sales and deliveries. (Ord. 404-AC; Ord. 463-AC.)

Article II.

Sec. 6C-2-1. Conditions governing the extension of electric distribution and services. Application for city's electric service often involves construction of new facilities for various distances and costs depending upon customer's location, load size and load characteristics. With such variations, it is necessary to establish conditions under which the city will extend its facilities.

All extensions are subject to the availability of adequate capacity, voltage and city facilities at the beginning point of an extension. These rules shall govern extensions of both overhead and underground electric facilities to customers whose requirements are deemed by the city to be usual and reasonable in nature.

1. Basis for extensions.

- 1.1 Temporary power basis: all classes of service.
- 1.2 Footage basis: residential only.
- 1.3 Economic feasibility basis: all classes of service.
- 1.4 Responsible resource development basis: residential service only.
- 1.5 Economic development basis: specific applications only.
- 1.6 Doubtful permanency basis: all classes of service.
- 1.7 Seasonal customer basis: all classes of service.

2. Extension conditions.

2.1 Underground construction required. All new electric extensions shall be underground construction, and must comply with the requirements of Section 4. At city option, underground construction variances may be allowed for the following conditions.

2.1.1 Overhead single or three phase service lines may be constructed, if the distribution system the service line is connected to is overhead. Service lines are defined as those lines that connect directly to a transformer or secondary voltage delivery system, and are the lines extended to the customer's electric entrance equipment. However, overhead service lines may not be constructed when the customer is located in an existing or proposed overhead to underground conversion area, or in an existing or proposed underground development.

2.1.2 At city option, twelve Kv feeder lines (as defined by the city), and lines of voltages higher than twelve Kv may be constructed overhead, even though such lines are being constructed in an underground development. The construction of such lines shall not exempt the customer from undergrounding all other facilities, including any services being extended from such overhead lines.

2.1.3 At city option, an overhead line may remain as part of a new extension, if there is an existing distribution pole line(s) on or across a recorded subdivision or development at the time of application, and the line will be utilized in the extension. However, this condition shall not apply if the pole line were serving a building or group of buildings or any other type of service which would be removed before the development is completed.

2.1.4 An overhead extension may be constructed when, in city's opinion, an underground extension is not feasible from either an engineering, operation or economic standpoint.

2.2 Irrigation customers. Customers requiring construction of electric facilities for service to irrigation pumping will advance the total cost of construction, which may include a portion of the cost from designated irrigation substations. Advances are subject to refund as specified in Section 3.

2.3 Temporary customers.

2.3.1 General. Service to be rendered to a customer for a period of less than twelve consecutive calendar months shall be extended as a temporary service. The city, at its option, may classify any facilities that are known to be removed after a specific period, or upon completion of a project as temporary, even though service may be rendered beyond twelve consecutive months.

2.3.2 Where a temporary meter or construction meter is required to provide service to a customer, then customer in advance of installation or construction shall make a nonrefundable contribution equal to the cost of installing and removing the

facilities required to furnish service, less the salvage value of such facilities. When the use of the service is discontinued or agreement for service is terminated, city may dismantle its facilities, and the materials and equipment provided by the city will be salvaged and remain its property.

2.3.3 Construction meters which are positioned in the permanent customer's meter location, and that require no change in the service conductor size or length to serve the permanent customer's facilities, shall be considered permanent.

2.4 Real estate development. Extensions of electric facilities within real estate developments including residential subdivisions, industrial parks, mobile home parks, apartment complexes, planned area developments, etc., may be made in advance of application for service by permanent customers. ~~Theses~~ These extensions are eligible to qualify for either the economic feasibility, responsible resource development, or the economic development extension bases, depending upon development type. Anticipated revenues for real estate development extensions shall be calculated by the city based upon the estimated electric energy to be used at each customer location. Revenue estimates shall be made from comparable development revenue histories, and/or load information provided by the developer. Only city determined estimated revenues shall be used for economic feasibility studies.

2.4.1 Mobile home parks. City shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by the city.

2.4.2 Apartment complexes, condominiums and other multiunit residential buildings. City shall refuse service to all new construction and/or expansion of apartment complexes and condominiums unless the construction or expansion is individually metered by the city.

2.5 Seasonal customers. Extensions of electric facilities to customer's premises which will be continuously occupied less than nine months out of each twelve-month period may be made only on an economic feasibility basis.

~~3. Refunds.~~

~~3.1 General policy.~~

~~3.1.1 Customer extension advances of over two hundred dollars are subject to partial refund of sixty five percent; provided, that a refund survey determines that additional customers have been connected to and are using service, or that actual revenues would have reduced the advance requirements of the extension. Customers and revenues which may be considered in the refund surveys must be active and receiving service from either extensions directly connected to, or service lines directly connected to the extension being surveyed.~~

~~3.1.2 Revenues from customers being served by an extension connected to the extension being surveyed, shall be considered only if the connected extension was made under the footage, economic feasibility, responsible resource development, or economic development basis. Such connected extensions, to be qualified for refund consideration, must have at least one active customer within five hundred feet from the interconnection point of the extension being surveyed.~~

~~3.1.3 The city shall conduct a refund survey on the annual anniversary of the execution date of the extension agreement. The survey shall use the~~

~~extension basis criteria in force at the time the extension was installed to calculate any refunds. The city reserves the right to apply any extension refunds to the customer's account(s), if any account(s) are delinquent or past due. Refunds shall never exceed the amount originally advanced.~~

~~3.1.4 Refunds can only be made to the customer, developer or developer's company, whoever executed the extension agreement. If development or property ownership or control changes during the refund period, it is the customer/developer's responsibility to form a refund resolution agreement between the parties of such a transaction. The city will not honor any contractual or other arrangement that transfers the refund from the original customer/developer, who executed the extension agreement to another party, even if a refund resolution agreement exists between the parties.~~

~~3.2 In lieu of revenue surveys, the city may determine the number of permanent customers connected to the extension for a residential real estate development, and a refund may be made on a "per" customer basis. Refunds for each permanent customer shall only be refunded one time. A permanent customer must have service installed and be an active account at the time of the refund survey to be qualified for the refund study. The city shall specify in the extension agreement, the amount of refund per permanent customer connected, and may require a number of "qualified" customers be connected to an extension prior to the extension qualifying for a refund survey. Once a permanent customer has been included in a refund survey, the customer shall not be counted in future surveys, regardless if such customer is active or inactive at the time of the survey.~~

4. Underground construction.

4.1 General policy.

4.1.1 Customer or developer shall provide all earthwork including, but not limited to trench, boring or punching, conduits, vaults, pull boxes, manholes, cabinet pad sites, shoring, bedding, backfill, compaction and surface restoration, in accordance with city specifications.

4.1.2 Customer or developer shall conform to city's underground installation and utility facility placement specifications and standards.

4.1.3 Customer or developer shall provide and install conduit, manholes, vaults, pull boxes, and sweeps at all proposed equipment locations. All materials and installation shall meet city specifications.

4.1.4 Customers or developers requesting underground extensions may be required to sign an underground electric extension agreement.

4.1.5 If, after construction of the extension, final clearance or grade is changed in such a way as to require relocation of the underground facilities, or results in damage to such facilities, the cost of such relocation and/or resulting repairs shall be borne by the customer or developer.

4.2 Inspection and city acceptance of trench and conduit.

4.2.1 The city shall inspect the customer/developer installed trench and conduit on a mutually agreed upon date prior to the customer/developer shading and backfilling the trenching and conduit. Phased inspection may be required, and the

completion and inspection dates for each phase shall be agreed to by the customer/developer and the city.

4.2.2 When the city has approved the trenching and conduit installation, a second inspection date shall be mutually agreed to for inspection of the trench and conduit after shading and prior to backfill.

4.2.3 When the trench and conduit shading has been approved, the customer/developer shall complete backfilling and compaction of the trench. The city shall inspect final trench backfill and compaction, and approve prior to final surface restoration.

4.2.4 When the backfill and compaction has been approved, the customer/developer must complete final surface restoration of existing roadways, sidewalks, bike paths, etc. as specified by the city. If the final surface of the trench is in a new development, actual surfacing can be completed as required, the city will complete the restoration and bill the customer/developer for actual costs plus appropriate overheads and/or administrative fees.

4.3 Customer owned entrance and service vault and/or space requirements.

4.3.1 City must have immediate operating access to electrical equipment at all times. Immediate access, for city approved inside building installation, is intended to mean:

4.3.1.1 Access from outside by either a door (city to have key), manhole or vault lid with no obstructions;

4.3.1.2 A security guard on location, available on a twenty-four-hour basis, with keys and access to buildings and vaults;

4.3.1.3 Disconnecting switches that can be operated outside the building or vault that will allow disconnect of the load under emergency conditions. The cost of such switches shall be paid by customer, and shall be a nonrefundable contribution to the city's extension construction. Design of such equipment must be approved by city prior to installation.

4.3.2 Padmounted transformers and similar equipment locations must have vehicle access acceptable to city, with the construction and clearances of customer installed traffic or decorative barriers subject to city approval. Access shall include a permanent unobstructed path of sufficient size and surface to accommodate trucks and crews necessary for equipment replacement. All equipment locations must be approved by the city.

4.3.3 Vaults and transformer locations inside of buildings shall have access to the outside in such a way that the electrical equipment can be directly set by a crane in the equipment cell or on the same level as the vault.

4.3.4 There shall be permanently flat and unobstructed access from this point to the equipment cell location. Exterior equipment access to the subsurface vaults shall be through unobstructed lift slabs at or above finish grade with vehicle access acceptable to city. Access shall include a permanent unobstructed path of sufficient size and surface to support trucks and cranes necessary for equipment replacement. All vault designs and locations must be approved by city.

4.3.5 In all vaults, internal to a building, customer will provide, at no charge to the city, a telephone either inside the vault or near the entrance to the vault.

4.3.6 Customer shall not store equipment or other items in equipment rooms or vaults where electric utility equipment is located.

4.4 New underground services. Customer will supply and install service conduit, per city specifications, from service stub-outs to service entrance section riser(s).

4.4.1 Single phase services. Customer shall pay a nonrefundable contribution of four dollars and forty-five cents per foot for service extension footage in excess of one hundred fifty feet. Excess footage service extensions will only be allowed, if such extension conforms to all city service requirements.

4.4.2 Three phase services. Customer shall pay a nonrefundable contribution of five dollars and sixty-five cents per foot for service extension footage in excess of forth feet. Excess footage service extensions will only be allowed, if such extension conforms to all city service requirements.

5. Alternate electric feeds. The city will provide an alternate or loop feed to a customer as part of an extension, if requested, and provided the following requirements are met.

5.1 General requirements.

5.1.1 The customer load must be essential to public health and/or safety, as determined by the city.

5.1.2 All costs for an alternate feed shall be included in the extension cost and feasibility studies.

5.2 A nonrefundable contribution shall be aid by customer/developer for any additional construction expenses required for the alternate feed.

5.3 Customer/developer shall conform to city's underground installation and utility facility placement specifications and standards.

6. General conditions.

6.1 Voltage.

6.1.1 The extension must be designed and constructed for the operation at standard voltages used by city in the area in which the extension is located.

6.1.2 Only one voltage and one service line will be supplied to each customer, unless the serving of multiple voltages or service lines is beneficial to the city.

6.1.3 The city will provide voltages other than the nearest standard distribution voltage when one or more of the following conditions exist.

6.1.3.1 The requested voltage is more beneficial to the city than additions to the standard distribution voltage in the area, such as:

6.1.3.1.1 Loads that exceed the overhead or underground design limitations for the standard distribution voltage, as determined by the city;

6.1.3.1.2 The voltage and subsequent line distribution equipment is more economical for the city, as determined by the city.

6.1.3.2 The customer's load requirement (demand) is greater than on hundred KVA "Y" (120/208 or 277/480 volts).

6.1.3.3 Customer agrees to pay a nonrefundable contribution for the special equipment, and any facility charges, if required for economic feasibility.

6.2 Three phase. Extensions of three phase service are available when a customer has installed a single piece of equipment with a seven and one-half HP (horsepower) motor or a single air conditioning unit of six tons or more, or where total connected HP of all connected three phase motors exceed twelve HP or customer's total load exceeds one hundred KVA. If less than the above HP or connect KVA is installed, city may at its option, when requested by the customer, serve three-phase and require a nonrefundable contribution equal to the difference in cost between single phase and three phase construction, but in no case less than one hundred dollars.

6.3 Easements. All suitable easements or rights-of-way required by city for any portion of the extension shall be furnished in city's name by customer without cost to or condemnation by city, and in reasonable time to meet proposed service requirements. All easements and rights-of-way obtained on behalf of city shall contain such terms and conditions as are acceptable to the city.

6.4 Ownership. Except for customer-owned facilities, all construction, including that for which customers have made advances and/or contributions, will be owned, operated and maintained by city.

6.5 Measurement and location.

6.5.1 Any measurements used for costing of facilities must be along the proposed route of construction, as determined by the city.

6.5.2 Construction is to be on public streets, roadways, highways, alleys or easements acceptable to city.

6.5.3 The extension must be a branch from, the continuation of, or an addition to, one of city's existing distribution lines.

6.6 Unusual circumstances. In unusual circumstances, as determined by the city, when the application and provisions of this policy appear impractical, or in case of extensions of lines to be operated on voltages other than specified in the applicable rate structure, or in case customer's requirements exceed two thousand kW, city will make a special study of the conditions to determine the basis on which service may be provided.

6.7 Nonstandard construction. Where extensions of electric facilities require construction that is in any way nonstandard, as determined by city, or if unusual obstructions are encountered, customer will make a nonrefundable contribution equal to the difference in cost between standard and nonstandard construction.

6.8 Abnormal loads. City, at its option, may make extensions to serve certain abnormal loads (such as: transformer type welders, x-ray machines, wind machines, excess capacity for test purposes and loads of unusual characteristics), provided customer makes a nonrefundable contribution equal to the total cost of such extensions, including transformers and services.

6.9 Relocation and/or overhead to underground conversions.

6.9.1 City will, when practical, relocate or convert its facilities for customer's convenience or aesthetics, provided customer make a nonrefundable contribution equal to the total cost of relocation or conversion, including any residual value for the remove overhead facilities.

6.9.2 When the relocation or conversion is in conjunction with added revenue, as determined by the city, and is not for customer's convenience or aesthetics,

then the city may consider the cost of such relocation or conversion in its economic feasibility studies.

6.10 Changing a master meter to individual meters. City will convert its facilities from a master metered system to a permanent individually metered system at customer's request, provided customer make a nonrefundable contribution equal to the residual value, plus the removal costs less salvage of the master meter facilities. The new facilities to serve the individual meters will be extended on an economic feasibility basis.

6.11 Change in customer's service requirements. City will rebuild or revamp existing facilities to meet customer's added load or change in service requirements based on upon an economic feasibility study. If the estimated additional revenue from such upgrades or changes pays the city's total construction costs within five years for residential customers, and two years for commercial customers, then such upgrades or changes shall be completed free of charge for the customer. If the upgrades or changes do not provide adequate revenues, then the customer shall make a nonrefundable contribution to the city for the total cost of construction. The city reserves the right to refuse such rebuild or revamp requests, when such requests are not consistent with the terms and conditions for the sale of electric services, or the city's electrical engineering standards. Residential service entrance equipment upgrades or rebuilds are exempt from these requirements.

6.12 Design deposit. Any applicant requesting city to prepare detailed plans, specifications or cost estimates may be required to deposit with city an amount equal to the estimated costs of preparation. Where the applicant authorizes city, within twelve months of the completed estimate, to proceed with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. ~~City will prepare without charge, a preliminary sketch and rough estimate of the costs to extend electric service to a project upon request.~~

7. Footage basis extensions.

7.1 General policy. Footage basis extensions may be made only if all of the following conditions exist:

7.1.1 Applicant shall be a new permanent residential customer or group of new permanent residential customers. A customer shall be considered permanent when:

- (a) Service will be rendered to the customer for a period greater than twelve months;
- (b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;
- (c) Customer has completed an application for service; and
- (d) The meter will be installed within thirty days after completion of the extension.

7.1.2 The extension cannot exceed seven hundred fifty feet per customer to be connected, not a total extension distance of two thousand five hundred feet.

7.1.3 The extension must be along the shortest practical route to the nearest practical point of delivery on each customer premises, as determined by city.

7.1.4 The estimated construction cost, including transformers and services, cannot exceed fifteen thousand dollars.

7.2 Free extensions. The extension, (if the conditions specified in Section 7.1 are met and the total extension does not exceed seven hundred fifty feet per new permanent residential customer, or a maximum of two thousand five hundred feet for the entire extension, or fifteen thousand dollars), will be constructed at no cost by the city.

7.3 Extensions over the free distance. Extensions over the free distance. Extensions which meet the conditions specified in Section 7.1, but which exceed the free distance in Section 7.2, may still qualify for a footage basis extension provided the customer or customers sign an extension agreement and advance the cost of such additional footage.

7.4 Advances are subject to refund.

7.5 Real estate developments are not eligible for this footage basis extensions.

8. Economic feasibility basis extensions.

8.1 General policy. Economic feasibility basis extensions may be made only if all of the following conditions exist:

8.1.1 Extension shall be for a new permanent customer or group of new permanent customers. A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;

(b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;

(c) Customer has completed an application for service;

(d) The meter will be installed within thirty days after completion of the extension.

8.1.2 The total extension is determined to be economically feasible for the city, as defined in Section 8.2.

8.1.3 Customer pays total extension costs in advance of scheduling construction, including transformers, metering and services.

8.2 Extension qualifications. Extensions shall be allowed, when the conditions in Section 8.1 are met and the extension is determined to be economically feasible by the city. Economic feasibility shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide and adequate rate of return on investment to the city.

8.3 Extensions not qualifying. City, at its option, may extend its facilities to customers whose use does not satisfy the economic feasibility requirements of Section 8.2, provided such customers sign an extension agreement and agree to pay a special rate or an annual facilities charge to make the facilities economically feasible.

8.4 Advances are subject to refund.

9. Responsible resource development basis (residential real estate developments only).

9.1 General policy. The responsible resource development basis extension is structured to encourage total resource management and conservation equipment,

applications and appliances in residential real estate developments being served by the city. The qualifications for the responsible resource development basis are periodically modified to ensure that the criteria being used represent the current energy, water and wastewater standards and technologies within the utility and home building industries. Since the responsible resource development extension involves city financial participation, the developer may be required to provide additional development and/or financial information prior to the approval of the extension. Responsible resource development basis extensions are available only if all of the following conditions exist:

9.1.1 The residential development being developed is for new permanent residential customers: A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;

(b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;

(c) Customer has completed an application for service;

(d) The meter will be installed within thirty days after completion of the extension.

9.1.2 When fully developed, the electric extension(s) inside the development, shall not exceed five hundred feet per permanent customer, including service line footage.

9.1.3 The final development and/or phase of the development is determined to be economically feasible by the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide an adequate rate of return on investment to the city.

9.1.4 The developer agrees to meet the responsible resource development basis equipment, appliance and application requirements for electric, water and wastewater in each residence and common area or amenity facilities.

9.1.5 The developer agrees to provide, if requested, any information needed to assess the project's feasibility, developer's financial ability, developer's business or development history, and/or the developer's plans for the project.

9.1.6 Developer pays a nonrefundable contribution for the construction of the electric, water, wastewater facilities to the property line of the development, and for any unusual or nonstandard construction requirements inside the development.

9.1.7 The development is total electric, except for alternate energy services which may be provided or approved by the city.

9.1.8 The developer agrees to advertise the development with point of purchase displays, and to include the city's responsible resource development program name and logo on all signs and other advertising materials at developer's cost.

9.2 Extension qualifications. An extension shall be qualified when the conditions in Section 9.1 have been met and agreements executed.

9.3 Extensions not qualifying. If an extension does not qualify or is not accepted, it may be evaluated at developer's request to determine if it qualifies for the economic feasibility basis.

9.4 Benefits provided developers who qualify for a responsible resource development basis extension.

9.4.1 Developer will not be required to advance construction money for the installation of electric facilities within the development, except as required in Section 9.5 and 9.6.

9.4.2 The city will respond to requests for installation of extensions, service and/or meters to homes, condominiums, apartments and/or mobile homes within the development with priority service.

9.4.3 The city may provide advertising materials, incentives and/or other support to the developer, if the developer agrees to use the promotional materials to help explain and promote the advantages of buying a home or lot that has been approved for a responsible resource development basis extension.

9.5 Extensions to developer built home, condominium, apartment and mobile home developments.

9.5.1 Developer shall submit individual home, condominium, apartment and/or mobile home constructions plans, appliances and insulation details to the city for review and approval. If the plans meet the responsible resource development basis criteria, the city will prepare the electric extension design and an agreement to construct electric distribution facilities, which must be executed prior to extension construction.

9.5.2 The developer shall make a nonrefundable construction advance for the installation of electric facilities to the property line of the development. the ending point of this extension shall be the beginning point for the extension within the development. The developer will not be required to advance construction money for the installation of electric facilities within the development, if the following conditions exist:

9.5.2.1 A development construction plan has been submitted to and accepted by the city. The plan may request the development be built in phases or stages. If phases or stages are approved, the developer must agree to any required construction to ensure proper termination of electric facilities, even if such construction is beyond phase boundaries.

9.5.2.2 The construction of homes, condominiums, apartments and/or mobile homes must be planned to begin no further than five hundred feet from the beginning point of the extension within the development, and shall continue to be constructed so no extension to serve an individual home, condominium, apartment or mobile home shall be further than five hundred feet from the existing electric equipment or facilities from which the extension begins. If the extension is further than five hundred feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of five dollars and eighty-five cents, for the additional footage.

9.5.2.3 Developer shall install and maintain electric conduit, equipment pads, vaults and similar equipment until electric facilities are installed by the utility. Maintenance shall include replacement of damaged or "plugged" conduits, equipment pads, vaults and similar equipment. The developer shall reimburse the city for any repairs or replacements made by the city during construction because of damage or "plugged" equipment. The city may, but shall not be obligated to make such repairs or replacement while installing facilities.

9.5.2.4 The construction of the underground conduit system must be completed, inspected and approved prior to installation of electric facilities to serve any home, condominium, apartment or mobile home.

9.5.2.5 All installations must be according to city specifications and requirements.

9.6 Extensions to lot sales only subdivision.

9.6.1 Developer shall require lot purchasers to meet or exceed the responsible resource development basis criteria, in effect at time of residence is constructed, for equipment, appliances and applications by establishing such criteria as part of the development conditions, covenants and restrictions. The developer shall also provide each individual purchaser with information on the equipment, appliance and application criteria required for building on the lot prior to close of escrow.

9.6.2 The developer shall make a nonrefundable contribution for the installation of electric facilities to the property line of the development. The ending point of this extension shall be the beginning point for the extension within the development. The developer will not be required to advance construction money for the installation of electric facilities within the development, if the following conditions exist:

9.6.2.1 A development construction plan has been submitted to and accepted by the city. The plan may request the development be built in phases or stages. If phases or stages are approved, the developer must agree to any required construction to ensure proper termination of electric facilities, even if such construction is beyond phase boundaries.

9.6.2.2 The construction of homes, condominiums, apartments and/or mobile homes must be planned to begin no further than five hundred feet from the beginning point of the extension within the development, and shall continued to be constructed so no extension to serve an individual home, condominium, apartment or mobile home shall be further than five hundred feet from the existing electric equipment/facilities from which the extension begins. If the extension is further than five hundred feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of five dollars and sixty-five cents, for additional footage.

9.6.2.3 Developer shall install and maintain electric conduit, equipment pads, vaults and similar equipment until electric facilities are installed by the utility. Maintenance shall include replacement of damaged or "plugged" conduits, equipment pads, vaults and similar equipment. The developer shall reimburse the city for any repairs or replacements made by the city during construction because of damage or "plugged" equipment. The city may, but shall not be obligated to make such repairs or replacement while installing facilities.

9.6.2.4 The construction of the underground conduit system must be completed, inspected and approved prior to installation of the electric facilities to serve any home, condominium, apartment or mobile home.

9.6.2.5 All installations must be according to city specifications.

10. Economic development basis.

10.1 General policy. The economic development basis is structured to encourage business development in areas being served by the city. The qualifications for economic development extensions are periodically modified to ensure the general economic development philosophies of the community are being maintained. Since economic development extensions usually involve city financial participation, the

developer may be required to provide additional information prior to the approval of the extension. Economic development extensions are available only if all of the following conditions exist:

10.1.1 Applicant will be new permanent customer or group of new permanent customers. A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;

(b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;

(c) Customer has completed an application for service;

(d) The meter will be installed within thirty days after completion of the extension.

10.1.2 The total extension is determined to be economically feasible for the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide an adequate rate of return on investment to the city.

10.1.3 The development meets the economic development basis qualifications, as determined by the board of public utilities and city council.

10.1.4 The customer/developer requests the extension be completed using the economic development basis.

10.1.5 The customer/developer agrees to provide, if requested by either the council or the utility board, any information needed to assess the project's feasibility, customer's/developer's financial ability, customer's/developer's business or development history, and/or the customer's/developer's plans for the project.

10.1.6 Customer/developer pays any required advance for construction.

10.2 Extension qualifications. Extensions shall be allowed when the conditions in Section 10.1 have been met and approval for an economic extension is granted by the board of public utilities and city council.

10.3 The benefits provided to a customer/developer from the economic development basis shall be determined on an individual application basis by the board of public utilities and city council.

10.4 Extensions not qualifying. If an extension does not qualify or is not accepted by the board of public utilities or the city council, the customer/developer may request an economic feasibility basis extension.

11. Doubtful permanency basis.

11.1 Extensions shall be made on a doubtful permanency basis, when in the city's opinion the customer's application for service is not expected to be permanent, but is expected to be an active customer for more than twelve consecutive months. Doubtful permanency customers will be required to advance the total construction and removal cost, less any salvage value of the extension. Refunds of such advances will be calculated using the economic feasibility refund criteria.

11.2 Extensions to mobile or modular housing shall be completed on the doubtful permanency basis, unless the customer has:

11.2.1 Sewer or septic system installed;

- 11.2.2 Permanent water system installed;
- 11.2.3 Electric service entrance equipment installed.

12. Settlement of disputes. Any dispute between customer or prospective customer and city regarding the interpretation of these conditions governing extensions of electric distribution lines and services may, by either party, be referred to the board of public utilities for determination.

13. Interest. All advances made by customer to city in aid of construction shall be noninterest bearing.

14. Extension agreements. All line extensions requiring payment by customer shall be in writing and signed by both the customer and city. (Ord. 404-AC.)

Article III.

Terms and conditions. Subject to City of Needles terms and conditions for the sale of electric services.

Sec. 6C-3-2B. Rate Two--General service.

Availability. In all territory saved by the city at all points where facilities of adequate capacity and the required phase and suitable voltages are adjacent to the premises served.

Application. To all electric service required when such service is supplied at one point of delivery and measure through one meter. For those service locations where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a City of Needles rate schedule no longer in effect, the electric service measures by such meters shall be combined for billing purposes.

No applicable to breakdown, standby, supplementary, single family residential or resale service nor to service for which general service rate schedule is not applicable.

Type of service. Single or three phase, sixty hertz, at one standard voltage as may be selected by customer subject to availability at the customer's premises. Three phase service is furnished under city's standard rules covering line extensions. Three phase service is not furnished for motors of an individual rated capacity of less than seven and one-half HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceed twelve HP. Three phase service is required for motors of an individual rated capacity of more than seven and one-half HP. Transformation equipment is included in cost of extension.

Monthly bill. The monthly bill shall be the greater of the amount computed under A or B, below, including the applicable adjustments.

C. Adjustments. Plus the applicable proportionate part of any taxes, or governmental impositions which are or may in the future be assessed on the basis of gross electric service revenues of the city and/or the price or revenue from the electric

energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

Special conditions. (1) The connected load for electric service will be the total rated capacity of all of the customer's electrical equipment. For motors, the nameplate rating in horsepower (HP) will be used to determine the connected load. One horsepower (HP) will equal one Kw. Total connected load may also be a computed value based upon service entrance section equipment and/or industry averages or similar type of information.

Power factor rate adjustment. Where customers have a connected load of fifty horsepower or more, charges for energy shall be adjusted based upon a weighted monthly average power factor.

(1) If the customer's connected loads consists of fifty horsepower or more, then the city shall set a meter to measure the reactive kilovolt-ampere (Kva) hours, in addition to the kilowatt hour (Kwh) meter. The power factor ration shall be computed form the ratio of the Kva hours to the monthly Kwh hours and rounded to the nearest whole percentage. In a case, where the power factor is likely to be leading, the Kva meter shall be ratcheted to prevent reversal.

(2) If the power factor exceeds eighty percent, bills will be reduced by 0.3 percent for each one percent of such excess up to and including ninety percent power factor, and by 0.2 percent for each one percent of such excess over ninety percent power factor. However, the total charge after power factor adjustment shall never be less than the minimum bill.

(3) If the power factor is less than sixty-five percent, bills shall be increased by 0.5 percent for each one percent of such deficiency in power factor. The maximum increase shall not exceed five percent.

The total charge after power actor adjustment shall never be less than the minimum bill.

Terms and conditions. Subject to City of Needles terms and conditions for the sale of electric service.

RESOLUTION NO. 1-21-25-1 BPU

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES OF
THE CITY OF NEEDLES, CALIFORNIA, RESCINDING CHAPTER 17,
WASTEWATER COLLECTION AND TREATMENT SERVICES,
OF THE NEEDLES MUNICIPAL CODE IN ITS ENTIRETY AND
ADOPTING A NEW CHAPTER 17 ENTITLED WASTEWATER
COLLECTION AND TREATMENT SERVICES

BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF
NEEDLES, CALIFORNIA, AS FOLLOWS:

SECTION 1. CEQA. The Board of Public Utilities finds that the actions contemplated by this Resolution are exempt from the California Environmental Quality Act ("CEQA") pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Resolution may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305.

SECTION 2. Severability. The Board of Public Utilities hereby declares that if any provision, section, paragraph, sentence, or word of this Resolution is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Resolution, and to this end the provisions of this Resolution are severable. The Board of Public Utilities declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Resolution enforced.

SECTION 3. Prosecution of Prior Resolutions. Neither the adoption of this Resolution nor the repeal of any other resolution of this Board shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City Council resolutions, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. Effective Date. The Chairman shall sign and the Secretary shall attest to the passage of this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities of the City of Needles, California, hereby rescinds Chapter 17, Wastewater Collection and Treatment Services, of the Needles Municipal Code in its entirety and adopts a new Chapter 17, Wastewater Collection and Treatment Services, regarding the terms and conditions for the sale of wastewater services to read as attached hereto as Exhibit "A".

BE IT FURTHER RESOLVED that the Board of Public Utilities hereby recommends that the City Council and Needles Public Utility Authority (NPUA) adopt and implement Chapter 17, Wastewater Collection and Treatment Services, of the Needles Municipal Code regarding the terms and conditions for the sale of wastewater services as attached hereto as Exhibit "A" for the benefit of the NPUA.

RESOLUTION NO. 1-21-25-1 BPU
(Page Two)

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Public Utilities of the City of Needles, California, held on the 21st day of January, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____ Chairman	ATTEST: _____ Secretary
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CHAPTER 17 WASTEWATER COLLECTION AND TREATMENT SERVICES.¹

Sections

Article I. Terms and Conditions for the Sale of Wastewater Collection and Treatment Services.

- 17-1 Terms and conditions for the sale of wastewater collection and treatment services.

Article II. Conditions Governing the Extension of Wastewater Collection and Treatment Services.

- 17-2 Conditions governing the extension of wastewater collection and treatment services.

Article III. Rates.

- 17-3-1 Rate history.
17-3-2 Wastewater rates.
17-3-3 Construction and connection fees.
17-3-4 Septic pumper and contractor disposal fee.

Article IV. Administrative.

- 17-4-1 Enforcement of chapter; abatement of violations.
17-4-2 Bond required for director of public works.
17-4-3 Inspection of work.
17-4-4 Schedule of rates; proration of charges.

Article I. Terms and Conditions for the Sale of Wastewater Collection and Treatment Services.

Sec. 17-1. Terms and conditions for the sale of wastewater collection and treatment services. The following terms and conditions and any changes authorized by the City Council or law will apply to the sale of wastewater collection and treatment service within the City of Needles under the established rate or rates authorized by the City Council and currently applicable at time of sale.

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1. For state law authorizing city to regulate construction, etc., of sewers, see Gov. C., § 38660. See also Gov. C., § 38900. As to sewers generally, see H. & S.C., § 4600 et seq.
As to Plumbing Code, see §§ 6-12 to 6-15 of this Code. As to prohibition and abatement of cesspools, privies, etc., see § 11-7. As to excavation, see §§ 18-2 to 18-23.

1. General.

1.1 Wastewater collection and treatment service will be supplied in accordance with these Terms and Conditions and any changes required by the City or law, and such applicable rate or rates as may from time to time be authorized by the City. However, in the case of a customer whose service requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.

1.2 These Terms and Conditions shall be considered a part of all of the City wastewater rate schedules, except where specifically changed by written agreement by the city.

1.3 In case of conflict between any provision of a rate schedule and the Terms and Conditions, the provisions of the rate schedule shall apply.

1.4 The failure of the City to insist upon strict performance of any of the provisions in the Terms and Conditions, or to exercise any of the rights or remedies provided in the Terms and Conditions, or any delay in the exercise of any of the rights or remedies, shall not release the Customer from any responsibilities or obligations imposed by Law or ~~by~~ the Terms and Conditions, and shall not be deemed a waiver ~~of~~ any right of the City to insist upon strict performance of the Terms and Conditions.

2. Establishment of service.

2.1 Application for Service. Customer requesting wastewater collection and treatment service may be required to appear at City's place of business to produce proof of identity and sign City's standard form of application for service or a contract before service is supplied by City.

2.1.1 In the absence of a signed application or contract for service the supplying of wastewater collection and treatment service by the City and acceptance thereof by Customer shall be deemed to constitute a service agreement by and between the City and Customer for delivery, acceptance of and payment for service, subject to City's applicable rates and rules and regulations.

2.1.2 Where service is requested by two or more individuals, City shall have the right to collect the full amount owed City from any one of the applicants.

2.2 Service Establishment Charge. A service establishment charge ~~is determined by the cost of services of \$6.25~~ for residential and nonresidential wastewater collection and treatment service will be assessed each time City is requested to establish, reconnect or reestablish wastewater collection and treatment service to Customer. Billing for the service establishment charge may be rendered as a part of the Customer's first bill.

2.3 Grounds for Refusal of Service. City may refuse to establish or reestablish service if any of the following conditions exist:

2.3.1 Applicant has an outstanding amount due with the city and is unwilling to make payment.

2.3.2 A condition exists which in city's judgment is unsafe or hazardous.

2.3.3 Applicant has failed to make the security deposit requirements set forth by city as specified under 2.4., 2.5 or 2.6.

2.3.4 Applicant is known to be in violation of city's rate schedule.

2.3.5 Applicant fails to furnish to City funds required to serve Applicant and which have been specified as a condition for providing service.

2.3.6 Applicant falsifies his or her identity for the purpose of obtaining service.

2.3.7 Service is already being provided at the address for which Applicant is requesting service.

2.3.8 Service in the name of another customer currently living with the applicant at the same address for which service is being requested has been terminated for nonpayment and a delinquent balance is still outstanding.

2.3.9 Prior customer was terminated for any of the below reasons and continues to reside on the premises for which applicant requests service.

- a). Failure to pay a delinquent bill for utility service.
- b). Failure to maintain deposit requirements.
- c). Failure to pay for a bill to correct a previous under billing.
- d). Failure to comply with curtailment procedures imposed by the city during service shortages.
- e). Failure to provide reasonable and safe access to city's equipment and property.
- f). Breach of written contract between City and Customer.

2.3.10 Applicant has failed to obtain all required permits and/or inspections indicating that Applicant's facilities comply with local construction and safety codes.

2.4 Establishment of Residential Credit or Security Deposit.

2.4.1 Residential Establishment of Credit. City may not require a security deposit from a new Applicant for residential wastewater collection and treatment service if Applicant is able to meet any of the following requirements:

2.4.1.1 Applicant has had service of a comparable nature with City at another service location within past two (2) years and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.

2.4.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was received within the last two years, and the letter states that the Applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.

2.4.1.3 Applicant provides a guarantor, satisfactory to the City, to secure payment of bills for the service being requested.

2.4.2 Residential Establishment of Security Deposit. When credit cannot be established as provided for in Section 2.4.1 hereof or when it is determined that Applicant left an unpaid final bill owing to another utility, Applicant may be required to place a cash deposit to secure payment of bills for service.

2.5 Establishment of Nonresidential Credit or Security Deposit.

2.5.1 Nonresidential Establishment of Credit. City may not require a security deposit from a new Applicant for Nonresidential wastewater collection and treatment service if Applicant is able to meet any of the following requirements:

2.5.1.1 Applicant has had service for at least one year of a comparable nature with City at another service location within the past two years, and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.

2.5.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was last received which states Applicant had

a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.

2.5.2 Nonresidential Establishment of Security Deposit - Except as provided in §2.5.1, all nonresidential Applicants may be required to:

2.5.2.1 Place a cash deposit to secure the payment of bills for service as prescribed herein, or

2.5.2.2 Provide a noncash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit or Assignment of Moneys in an amount equal to the required security deposit.

2.6 Re-establishment of Security Deposits.

2.6.1 Residential - City may require a residential Customer to establish or reestablish a security deposit if Customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve (12) months, or when Customers financial condition may jeopardize the payment of their bill as determined by a bankruptcy filing.

2.6.2 Nonresidential - City may require a nonresidential Customer to establish or reestablish a security deposit if the Customer becomes delinquent or if the Customer has been disconnected for nonpayment during the last twelve (12) months, or when the Customers financial condition may jeopardize the payment of their bill, as determined by a credit investigation, financial reorganization notice or bankruptcy filing.

2.7 Security Deposits.

2.7.1 Residential security deposits must be a minimum cash deposit of one hundred dollars (\$100.00) or two times the combined estimated monthly billing for water, wastewater and solid waste ' collection services whichever is the greater.

2.7.1.1 Deposits will automatically be refunded after 12 months of service provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless Customer has filed bankruptcy.

2.7.2 Nonresidential security deposits may be either cash or noncash, as described in 2.7.2.1, and must be a minimum deposit of one hundred dollars (\$100.00), or two (2) times Customer's combined estimated monthly billing for water, wastewater and solid waste collection services.

2.7.2.1 Deposits and noncash deposits on file with the City will be reviewed after twenty-four (24) months of service and will be refunded or released provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless the Customer's financial condition warrants extension of the security deposit Deposits not returned within the first twenty four month period, shall be reviewed annually to determine if Customer qualifies for return of the deposit

2.7.3 City reserves the right to increase or decrease the security deposit amount when the Customer's rate for monthly charges changes by more than ten (10) percent. Separate security deposits may be required for each location.

2.7.4 Customer security deposits shall not preclude City from terminating agreement for service or suspending service for any failure in the performance of Customer obligation under the agreement for service.

2.7.5 Cash deposits held by the City shall not earn interest. Deposits on inactive accounts may be applied to the final bill and the balance if any, will be refunded to the Customer of record within sixty (60) days.

2.7.6 If Customer terminates service with City, the security deposit may be credited to Customer's final bill.

2.8 Facility Extensions. Installations requiring the City to extend its facilities in order to establish collection and treatment service will be made in accordance with City's Conditions Governing Extensions of Wastewater Collection and Treatment Services.

3. Rates.

3.1 Rate Information - City shall provide a copy of the rate schedule to the Customer, when requested. In addition, City shall notify Customers of any changes s of m rate schedules affecting those Customers.

3.2 Rate Selection - Customer's service characteristics and service requirements determine the selection of the applicable rate schedule. City will use reasonable care in initially establishing service to the Customer under the most advantageous rate schedule applicable to the Customer. However, City cannot guarantee that the most economic applicable rate will be applied. City will not make any refunds in any instances where it is determined that Customer would have paid less for service had Customer been billed on an alternate applicable rate or provision of a rate.

4. Billing and Collection.

4.1 Customer billing.

4.1.1 Wastewater collection and treatment service billing periods normally consist of approximately 30 days unless designated otherwise under the rate schedules or at City option.

4.1.2 The City normally bills each premise separately for wastewater collection and treatment service; however, adjacent and contiguous premises not separated by private or public property or right-of-way and operated as one integral unit under the same name and as a part of the same business and having only one connection to the wastewater collection system, may be considered a single premise.

4.1.3 Wastewater collection and treatment service bills will be rendered in combination with water service bills when the premise(s) is connected to the City's water system.

4.1.4 Customer's receiving a combination wastewater/water service bill may not pay the services separately.

4.2 Adjustment of Bills for Billing Error.

4.2.1 A billing error is an error by the City which results in incorrect billing charges to the Customer. Billing errors may include clerical errors by a City representative such as applying the wrong rate, wrong billing factor or an incorrect calculation. Billing error does not include unauthorized use, failure of the customer to notify the City of changes in operation, or failure of the Customer to take advantage of a rate or condition of service which the Customer is eligible.

4.2.2 Where the City overcharges or undercharges a Customer as the result of a billing error, the City may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the

overcharge, for the period of the billing error, but not to exceed three years in the case of an overcharge, and, in the case of an undercharge not to exceed three months for residential service and one year for any other class of service.

4.3 BUDGET BILLING

Every October customers except for solar customers who have been at their location for a 12-month period can enroll in the budget bill plan, which spreads out the costs of the utility bill evenly over a 12-month period, customers must be at a zero balance and not on a payment arrangement. Budget bills will settle-up every September, if the customer has used over their budget bill allotment and cannot pay their overage, they will be taken off the budget bill and put on a 12-month long-term payment arrangement, once the payment arrangement is fulfilled the customer can go back on the budget bill the next October. Budget bills will be recalculated every September to the amount the customer has used the year before the budget bill amount will either be higher or lower than the customer was paying the year before. Customers must sign a document of understanding when they enroll in the budget bill plan.

4.34 Collection Policy. It is the policy of the City to discontinue wastewater collection and treatment services to Customers by reason of nonpayment of bills only after notice and a meaningful opportunity to be heard on disputed bills. The City's application for service and all bills shall contain an address and phone number where Customers may direct billing concerns.

4.34.1 All bills rendered by the City are due and payable no later than nineteen (19) days from the billing date. Any payment not received within this time frame shall be considered past due. Bills for which payment has not been received within ~~ten fifteen~~ (10/15) days of the past due date will be considered delinquent. All delinquent bills shall be subject to the provisions of the City's termination procedure. City reserves the right to suspend or terminate Customer's service for:

- a.) nonpayment of delinquent service bills;
- b.) nonpayment of service establishment charges;
- c.) nonpayment of security deposits;
- d.) nonpayment of returned check charges;
- e.) nonpayment of late charges;
- f.) nonpayment of collection charges;
- g.) and/or to declare past due service bill amounts, past due service

establishment charges, past due security deposits, past due returned check charges, and past due collection charges subject to a late charge at the rate of eighteen percent (18%) per annum.

4.34.2 If Customer has one or more utility services with City and one or more of such services is terminated for nonpayment and Customer is unwilling to make arrangements with City for payment, City shall be entitled to transfer the balance due on the terminated service(s) to any other active utility account of Customer. The failure of the Customer to pay the active account shall result in the suspension or termination of service thereunder. However residential wastewater collection and treatment service shall not be

discontinued, because of nonpayment of other classes or types of wastewater collection and treatment service.

4.45 Responsibility for Payment of Bills.

4.45.1 Customer is responsible for the payment of bills for wastewater collection and treatment services unit service is ordered, discontinued, and the City has had two (2) working days' time to process request.

~~4.4.2 Any wastewater collection and treatment services charge remaining unpaid after notice and an opportunity to be heard shall become a lien upon such premises. Failure of any Customer billed or the owner of a premise to pay any wastewater collection and treatment service charge prior to delinquency, may result in the City taking steps authorized by law to enforce payment of such lien.~~

4.4.35.2 When an error is found to exist in the billing rendered to the Customer, City will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three years from the date the error is discovered. Any refunds to Customers resulting in adjusted billings will be made promptly upon discovery by City. Under billings by City shall be billed to Customer who may be given up to one year to pay if the under billing is less than one thousand dollars (\$1000.00), and up to year and half three years to pay if under billing is more than one thousand dollars (\$1000.00), without late payment penalties. ~~If the account is billed on a special contract, or service has been established but no bills have been rendered, Customer shall be limited to six months to pay under billings for residential accounts and three months for nonresidential accounts.~~

4.56 Returned Checks. If City is notified by the Customer's bank that the bank will not honor a check tendered by Customer for payment of any bill, City may require the Customer to make payment in cash, by money order, certified check or other means which guarantee the Customer's payment to the City

4.56.1 Customer shall be charged a fee of twenty five dollars fifteen dollars (\$~~2~~15.00) for 1st occurrence and thirty-five for each occurrence thereafter for each instance where Customer tenders payment of a bill with a check which is not honored by Customer's bank. ~~Only one fifteen dollar (\$15.00) fee shall be charged for each instance when a customer has a check which was dishonored for both the City wastewater and water service payment.~~

4.5.62 The tender of a dishonored check shall in no way:

i.) relieve Customer of the obligation to render payment to City under the original terms of the bill;

ii.) or, defer City's right to terminate service for nonpayment of bills.

~~4.6 Collection Charge. City may require payment of a Collection Charge of \$10.00 when an authorized City representative travels to Customer's premises to accept payment of a delinquent account, notify of service termination, make payment arrangements, or to disconnect service to a delinquent account. Only one ten dollar (\$10.00) Collection Charge shall be charged for each instance when a representative travels to a Customer's premises for both wastewater and water service notification, collection or termination.~~

4.6.71 To avoid discontinuation of service, Customer may make payment in full, including any necessary deposit in accordance with Section 2.5 or, at City option, may make acceptable payment arrangements.

4.78 Payment Assistance and Counseling. The City will provide the following services to Customers unable to pay their Bills.

4.78.1 The City will offer installment payment plans to allow Customers to amortize past due and current amounts over a reasonable period of time. Customers who default on installment payment plans may not qualify for future installment payment arrangements.

4.78.2 Customer making payments on an installment payment plan must keep the account current as charges for service accrue.

4.78.3 City will furnish Customer upon request, information on the availability of alternate sources of financial assistance.

4.89 STOP LOSS/ MAXIMUM DELINQUENCY/COLLECTION POLICY"

4.89.1 Stop-Loss Maximum. A "stop-loss" maximum amount equal to one (1) month's billing period is hereby established. Once a customer account reaches the stop-loss maximum amount, the NPUA or the City shall provide the customer with a warning as set forth in the "Terms and Conditions" for the various utilities established by the City and as may be amended from time to time. The warning notice shall provide the customer with ~~ten fifteen~~ (~~1015~~) days to pay the past due amount. If payment of the delinquent amount cannot be made in full within the ~~ten fifteen~~-(~~105~~) day period, the customer shall sign an amortization agreement ("Payment Agreement"), agreeing and acknowledging that the customer's account must be kept current and that the past due amount must be paid in equal monthly installments over a period of six (6) months – twelve (12) months dependent on the customer's ability to pay. If payment installments are not paid as set forth in the Payment Agreement, the customer's utilities will be disconnected. A Payment Agreement shall only be offered to a customer if the customer has not defaulted on a prior Payment Agreement within the previous twelve (12) month period.

4.89.2 Restoring Services. Before the utilities may be restored, the customer shall be required to pay one-half (1/2) of the amount in arrears; however, in the event the account is in the "final status" (the final bill has been prepared and the customer's deposit(s) have been applied to the outstanding balance), the customer shall be required to pay a new deposit in an amount as set forth in the Terms and Conditions. The customer shall also execute a separate Payment Agreement agreeing and acknowledging that the customer's account must be kept current and that the balance (the remaining one-half (1/2) of the amount in arrears) shall be paid in equal monthly installments over a period set in section 4.8.1 of six (6) months. The customer shall further acknowledge and agree that service may be discontinued immediately, without further notice, if payment installments are not paid as set forth in the Payment Agreement and/or the current bill is not paid timely.

4.89.3 Collections. If services have been disconnected as a result of non-payment, and (1) the customer does not reactivate said services, and (2) the bill is in the final status, the final bill will be sent to a collections agency.

4.89.4 Deposits. A deposit or a letter of credit is required when a customer is

initiating service with the NPUA as set forth in the Terms and Conditions except for "Large Users", defined below. In the event the customer receives two (2) late notices within a twelve (12) month period, a deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after it has received twelve (12) months of timely payments from the customer.

A Large User is defined as a customer whose monthly utility bills exceed, or are expected to exceed, \$20,000 on average. A cash deposit shall be required of Large Users.

4.8.95 Subsequent Deposit. In the event that, after the deposit has been refunded to the customer, the customer receives two (2) late notices within a twelve (12) month period, a subsequent/new deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a new deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the new deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after the NPUA has received twelve (12) months of timely payments from the customer. (596-AC)

5. Service responsibilities of city and customer.

5.1 Responsibility -- Use of Service or Apparatus. City and Customer assume all responsibility on their respective sides of the wastewater collection system, as well as for any apparatus used in connection there with.

5.1.1 Customer and City each shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the wastewater collection service or the use thereof on their respective sides of wastewater collection system. City, shall however, have the right to suspend or terminate service in the event City should learn of service use by Customer under hazardous conditions or for illegal purposes. In the event Customer's service are suspended or disconnected for these reasons, the Customer shall be entitled to request a hearing within 10 days to determine the validity of any allegations of illegal or hazardous conditions.

5.1.2 Customer shall exercise all reasonable care to prevent loss or damage to City property.

5.1.3 Customer shall be responsible for payment or damage to City property arising from neglect, carelessness or misuse, and shall reimburse City for the cost of necessary repairs or replacements.

5.2 Service Interruptions -- Limitations on Liability of City. City shall not be liable to Customer for any damages occasioned by interruptions or curtailment of wastewater collection and treatment service except where caused by City's willful misconduct or gross negligence. City may, without incurring any liability, therefore, suspend Customer's wastewater collection and treatment service for periods reasonably required to permit City to accomplish repairs to or changes in any of City's facilities.

5.2.1 In the event of a national emergency or local disaster resulting in disruption of normal service, City may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored

5.3 City Access to Customer Premises. City's authorized agents shall have safe access to Customer's premises at all reasonable hours to install, inspect, operate or maintain the wastewater collection system, and to inspect and determine the connected wastewater facilities and equipment. Neglect or refusal on the part of the Customer to provide such access shall be sufficient cause for discontinuance of service by City, and assurance of access may be required before service is restored.

5.4 Easements. All-suitable easements and right-of-way required by the City for any portion of the extension which is on premises owned, leased or otherwise controlled by Customer shall be furnished in City's name by the Customer without cost to City and in reasonable time to meet proposed service requirements. All easements and right-of-way obtained on behalf of City shall contain such terms and conditions as are acceptable to the City.

6. Service connections. Customer shall install and maintain all premise connection sewers and the interconnection to the sewer main. Such installations shall comply with requirements of the City's Conditions Governing Extensions of Wastewater Collection and Services.

7. Termination of service.

7.1 Customer Initiated Termination. A Customer requesting termination of wastewater collection and treatment services must provide the City with at least two working days' notice and a disconnect date. The Customer shall remain responsible for all service use until two working days after the disconnect notice or the requested disconnect date, whichever is later.

7.2 Termination of Residential Service to Ill, Elderly, or Handicapped Customers.

7.2.1 Residential Customers that are ill, elderly (over 65 years of age) or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted:

a.) The Customer has been made aware of the availability of funds from various governmental and social assistance agencies which the City is aware of.

b.) City has made a diligent effort to notify a third party previously designated by the Customer.

c.) City has attempted to make satisfactory payment arrangements with Customer and/or previously designated third party.

7.3 With Notice. City may without liability for injury or damage disconnect service to any Customer for any of the reasons stated below, provided City has met the termination notification requirements.

7.3.1 The City may disconnect service after written notification for the following reasons:

(a) Customer violation of any City rate schedules.

(b) Failure of Customer to pay a delinquent bill for service.

(c) Failure of Customer to meet or maintain deposit requirements.
(d) Failure of Customer to provide reasonable access to equipment and property.

(e) Customer breach of contract for service between city and customer
(f) Failure of prior customer to pay a delinquent bill for service where the prior customer continues to reside on premises.

(g) When necessary for City to comply with an order of any Governmental agency having such jurisdiction.

(h) Customer fails to establish credit, after City, for Customer convenience, provided service before credit is established or continued service to a customer when credit was to be re-established.

(i) The City shall have the right (but not the obligation) to remove any and all of its property

7.3.2 Termination notice requirements.

(a) Fifteen day advance written notice of intent to terminate for nonpayment, which can be included or be a part of monthly billing notices.

(b) Five day advance written notice of intent to terminate for reasons other than nonpayment, which can be included or be a part of monthly billing notices.

(c) Two day advance written notice of intent to terminate for dishonored checks (NSF).

(d) Notice shall state reason for termination

(e) Notice shall be considered given to the Customer when a copy thereof is delivered to the service location or posted first class in the United States mail, addressed to the Customer's last known address.

(f) Service may be terminated on or after the day specified in the notice without giving further notice, if the violation has not been satisfied.

(g) Service may only be discontinued in conjunction with a personal visit to the premises by an authorized representative of the City.

(h) Notice shall state that any Customer disputing the correctness of a bill may have a hearing before a City representative.

(i) The City shall have the right (but not the obligation) to remove any and all of its property

7.4 Without Notice. City may without liability for injury or damage discontinue service to any Customer without notice under any of the following conditions:

(a) The existence of an obvious hazard to the health or safety of persons or property.

(b) Failure of Customer to comply with curtailment procedures imposed by City during a supply shortage.

(c) Failure of Customer to comply with the terms of any payment amortization agreement or contract.

(d) City has evidence of unauthorized resale or use of wastewater collection and treatment services.

(e) The City shall have the right (but not the obligation) to remove any and all of its property.

7.5 Restoration of Service. City shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the City.

8. Disputed bills and complaints.

8.1 Bill Inquiries and Complaint Investigations. A Customer may request a bill inquiry or complaint investigation by contacting the City's utilities office. An investigation will be completed by the city, and the Customer will be advised of the investigation's results and any action taken. If the Customer is seeking to set up an extended payment arrangement, the city will attempt to assist by offering an amortized payment schedule and provided the Customer has not defaulted on a previous payment agreement.

8.2 Unresolved Bill Inquiries and Complaint Investigation. If a customer is not satisfied with the investigation and/or action completed by the City's utilities office, the Customer should elevate the inquiry or complaint to the next level within the City staff, in the order recommended below.

- (a) Utility Business Manager or Supervisor
- (b) Public Utilities General Manager
- (c) City Manager

8.3 Appeal to The Utility Board. A Customer who is not satisfied or believes the staff investigation results are incorrect or unfair the Needles Board of Public Utilities. The Board will hear only appeals that have not been resolved to the Customer's satisfaction, after the City Manager has finalized his review. A form to request an appeal is available at the utilities office and must be submitted at least two weeks prior to a regularly scheduled Board meeting to ensure placement on the agenda. The Customer is encouraged to be present at the Board hearing, or to have a representative present.

8.4 Appeal to the City Council. A Customer who remains unsatisfied after appealing their concerns to the Needles Board of Public Utilities, may appeal to the City Council for final resolution. The City Clerk will assist the Customer with scheduling the appeal. The Customer or his representative must be present at the Council meeting for the appeal to be heard and/or acted upon.

8.5 Payment of Disputed Bills. A Customer who has requested an investigation or who is appealing a determination shall not have the wastewater collection and treatment service disconnected for nonpayment of the disputed bill. If the Customer is disputing multiple months of billing, payment for one of the months being disputed may be withheld pending determination, but all remaining months being disputed must be paid to avoid being disconnected. for nonpayment. A customer must pay subsequent bills to a disputed bill, to avoid being disconnected for nonpayment.

9. Service use regulations.

9.1 General.

9.1.1 It shall be a misdemeanor for any person, firm or corporation to deposit, in an unsanitary manner, upon public or private property or other natural outlet within the city, or any area under the jurisdiction of the city, any human or animal excrement, sewage, industrial, household or similar wastes or contaminated water, except where suitable treatment has been provided in an approved and properly licensed or permitted collection and treatment system.

9.1.2 It shall be a misdemeanor for any person, firm or corporation to discharge sewage, wastewater, industrial waste, or other wastes into the city's treatment and collection system contrary to the provisions of the terms and conditions, federal or state pretreatment requirements, discharge permit requirements or any other order of the city.

9.2 Discharge of sewerage into collection and treatment system. No person shall discharge sewerage or wastewaters into the city's wastewater treatment facilities or collection system unless a discharge permit has been applied for and issued by the city. No permit shall be issued unless the application for the permit is accompanied with appropriate fees as required by the city.

9.3 Prohibited wastes. It shall be a misdemeanor for any person to discharge or cause to be discharged prohibited waste into any city wastewater sewer collection and treatment system.

9.3.1 Stormwater, surface water, groundwater, roof runoff, subsurface drainage, cooling water, or unpolluted industrial process water shall not be discharged to any sanitary sewer collection and treatment system.

9.3.1.1 Stormwater and all other unpolluted drainage shall be discharged to such sewers as are specifically designated as storm sewers, or to an approved natural outlet.

9.3.1.2 Industrial cooling water or unpolluted process water may be discharged, upon approval of the city, to a storm sewer or natural outlet.

9.3.2 Except as hereinafter provided, the following described waters or wastes shall not be discharged into the city's wastewater collection and treatment system.

9.3.2.1 Hot fluids. Any liquid or vapor having a temperature higher than one hundred fifty degrees Fahrenheit.

9.3.2.2 Oil, fats, grease. Any water or waste discharge which may contain more than fifty parts per million by weight of oil, fat or grease.

9.3.2.3 Flammables and explosives. Any gasoline, benzene, naphtha, fuel oil or other flammable or explosive liquid, solid or gas.

9.3.2.4 Solids and viscous substances. Any ashes, cinders, sand, straw, shavings, metal, glass, feathers, tar, plastics, wood, food substances that are not ground household garbage or other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the collection or treatment systems.

9.3.2.5 Deficient or excess pH. Any water or wastes having a pH lower than 5.5, or higher than 9.0, or having any other corrosive property capable of causing damage or hazards to the wastewater collection and treatment system structures, equipment or personnel.

9.3.2.6 Toxics and poison. Any water or wastes containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any wastewater collection or treatment process, constitute a hazard to humans or animals, or create any hazard in the water or the lands receiving the effluent of the treatment plant.

9.3.2.7 Suspended solids. Any water or wastes containing suspended solids of such character and quantity that unusual attention or expense is required to handle such materials at the wastewater treatment plant.

9.3.2.8 Noxious effluvium. Any noxious or malodorous gas or substance capable of creating a public nuisance.

9.3.2.9 Other. Any other substance prohibited by federal, state or local law, or regulated by any governmental agency by permit, license, order, degree or other similar document.

9.4 Wastes requiring approval. No person shall without prior approval obtained from the city manager, or his authorized representative, discharge into the wastewater collection systems any water or wastes having:

9.4.1 Excessive oxygen demand. Water or wastes that have a five-day biochemical oxygen demand greater than three hundred parts per million weight shall be considered to have excessive oxygen demand.

9.4.2 Excessive suspended solids. Water or wastes that contain suspended solids greater than three hundred fifty parts per million weight shall be considered to have excessive suspended solids.

9.4.3 Restricted wastes. Water or wastes that contain any quantities of the restricted wastes having the characteristics described in Section 10.3.

9.5 Noncompliance.

9.5.1 The city shall discontinue service to a customer for noncompliance with the prohibited uses of wastewater service, if after notice the customer does not correct the violation within five days. Service will not be reestablished until after customer has complied.

9.5.2 If the city determines a prohibited use or other violation results in a potential public hazard or menace, then the city may enter on the customer's premise(s) and do such things and expend such sums as may be necessary to abate the potential hazard or menace without a five-day notice of correction. Customer shall reimburse the city for any such expenditures required.

9.6 Exemption procedure. A customer may request a special use exemption for a prohibited activity. The request must be in writing and shall be submitted to the public utilities general manager and approved by the Needles board of public utilities. The request must explain why the exemption is being sought, the benefits the customer will receive from such exemption, the approximate amount of waste or wastewater discharged, and the desired time period of the exemption. Approval must be received prior to customer using service for a prohibited activity.

10. Industrial waste and wastewater.

10.1 Discharge Permits.

10.1.1 All industrial customers proposing to connect to or to contribute to the wastewater treatment and collection system shall obtain an Industrial Wastewater Discharge Permit before connecting to or contributing to the system.

10.1.2 Industrial customers requesting an Industrial Wastewater Discharge Permit shall complete the appropriate application form, which may require:

a.) Name, mailing address, and location of facility
b.) SIC number, according to the Standard Industrial Classification Manual, Bureau of Budget, 1987, as amended.

c.) Wastewater constituents and characteristics as measured by a state certified laboratory.

- d.) Time and duration of proposed discharge
- e.) Average daily and peak wastewater flow rates, including any seasonal variances.
- f.) Site plans, floor plans, mechanical and plumbing plans and details to show all sewers, sewer connections and appurtenances by the size, location and elevation.
- g.) Description of activities, facilities and plant processes on the premises, including all materials which are or could be discharged
- h.) Whether or not discharge is subject to pretreatment standards (categorical or local), and if such pretreatment will be met on a consistent basis.
- i.) Any other information required by the city to evaluate the application.

10.1.3 Within sixty (60) days after receipt of a completed application, an approved industrial pretreatment program from the appropriate regulatory agency and permit filing fees, the City will evaluate the data furnished by the user and submit the application to the Board of Public Utilities for review of the Industrial Wastewater Discharge Permit. After evaluation and acceptance of the data furnished, the Board of Public Utilities may recommend the issuance of the Industrial Wastewater Discharge Permit and establish an appropriate monthly service fee. Final approval of the Board's recommendation and the monthly service fee by the City Council is required prior to issuance of the permit. If the Board determines that the proposed discharge will not be acceptable, they shall disapprove the application and notify the applicant.

10.1.4 Industrial Wastewater Discharge Permits shall be subject to all provisions contained in the Terms and Conditions for The Sale Of Waste Water Treatment And Collection Service, applicable regulations, charges and fees established by the City. Permits may contain the following:

- a.) The unit charge or schedule of user charges and fees for the wastewater discharge.
- b.) Limitations on the average and maximum wastewater constituents and characteristics.
- c.) Limitations on the average and maximum flow rate and time of discharge or requirements for flow regulation and equalization.
- d.) Requirements for installation and maintenance of inspection and sampling facilities.
- e.) Specifications for monitoring programs which may include sampling locations, frequency of sampling, number and type and standards for analyses.
- f.) Compliance schedules.
- g.) Requirements for submission of technical or discharge reports.
- h.) Requirements for maintaining and retaining plant records relating to the wastewater discharge.
- i.) Other conditions as deemed appropriate to ensure compliance with the permit, Terms and Conditions, or applicable laws or regulations.

10.1.5 The terms and conditions of an Industrial Wastewater Discharge Permit may be modified by the City during the term of the permit as federal, state or local limitations and requirements are modified or other just cause exists.

10.1.6 Permits shall be issued for a specified time period, not to exceed three years. A permit may be issued for a period less than three years or may be stated

to expire on a specific date. The customer shall apply for permit reissuance a minimum of sixty (60) days prior to the expiration of the customer's existing permit.

10.1.7 Industrial Wastewater Discharge Permits are issued to a specific customer for a specific operation. An Industrial Wastewater Discharge Permit shall not be reassigned transferred or sold without the written approval of the City Manager or his authorized representative and the Board of Public Utilities. Any succeeding owner or customer shall also comply with the terms and conditions of the existing permit.

10.2 Alteration of Discharge. If the customer wishes to make an alteration to pretreatment facilities or the connection(s) to the City's wastewater collection system, or if customer wishes to discharge additional, or excess of the approved amount of wastes, or wastes of a different nature, type or substance not consistent with the original permit approval, the customer shall submit a letter to the City requesting such approval. The City shall process the request in the same manner as the original application for an Industrial Wastewater Discharge Permit and may request the customer reapply for an updated permit prior to any approval.

10.3 Discharge of Unapproved Material Unlawful. It shall be a Misdemeanor for any person to discharge into the City's wastewater treatment and collection system, directly or indirectly, any industrial wastewater which is not approved as to kind and amounts and is discharged without an approved Industrial Wastewater Discharge Permit.

10.4 Compliance with Standards. Except as set forth in the Terms and Conditions, no industrial waste shall be discharged to the City's wastewater treatment plant or collection system unless it conforms to the requirements set forth in Sections 10 and 11. Compliance to requirements shall be based on the mean values obtained from analysis of industrial waste samples representative of the quantity and quality of the discharge to the sewer at the point of entry of industrial waste to the City's collection system, or, if this is not feasible, at other points up the stream of the individual industrial waste discharge. All such samples shall be weighted with the flow at the sampling point to furnish the values weighted with time and quantity for each required chemical constituent. Wherever deemed practical by the City, these industrial wastewater samples may be composited with regard to time and quantity and the analysis made from such composite samples

10.5 Additional Industrial Wastewater Discharge Restrictions - Industrial wastewater dischargers shall comply with the below discharge restrictions:

10.5.1 The content of total oil and grease shall at no time exceed six hundred milligrams per liter.

10.5.2 The content of floatable oil and grease shall at no time exceed one hundred milligrams per liter.

10.5.3 The content of floatable hydrocarbon oil shall at no time exceed one hundred milligrams per liter.

10.5.4 The daily average five-day biochemical oxygen demand shall at no time exceed one thousand milligrams per liter.

10.5.5 The daily average dissolved sulfide content shall at no time exceed one-tenth milligram per liter.

10.5.6 The pH shall at no time be below 6.0.

10.6 Monitoring and Inspection.

10.6.1 City may require monitoring facilities be provided and operated at the user's own expense, to allow inspection, sampling and flow measurement of the wastewater flow and the user's internal drainage systems. The monitoring facility should normally be situated on the customer's premises, but the city may, when such a location would be impractical or cause undue hardship on the customer, allow the facility to be constructed in the public street or sidewalk area and located so that it will not be obstructed by landscaping or parked vehicles. There shall be ample room in or near such sampling facility to allow accurate sampling and preparation of samples for analysis. The facility, sampling and measurement equipment shall be maintained at all times in a safe and proper operating condition at the expense of the customer. Whether constructed on public or private property, the sampling and monitoring facilities shall be provided in accordance with the City's requirements and all applicable local construction standards and specifications. Construction shall be The Completed within ninety days following written notification from the City.

10.6.2 The City may inspect the facilities of any customer to ascertain whether all permit and discharge requirements are being met. Persons or occupants of premises where wastewater is created or discharged shall allow the City's inspector ready access at all reasonable times to all parts of the premises for the purposes of inspection, sampling, records examination or in the performance of any other related duties. The City inspector shall have the right to set up on the customer's property such devices as necessary to conduct sampling inspection, compliance monitoring and/or metering operations. Where a customer has security measures in force which would require proper identification and clearance before entry into their premises, the customer shall make necessary arrangements with their security personnel so that upon presentation of suitable identification personnel from the City will be permitted to enter, without delay, for the purposes of performing their responsibilities.

10.7 Revocation of Wastewater Discharge Permit. An Industrial Wastewater Discharge Permit may be revoked when it is found that the discharge is in violation of the provisions of the Terms and Conditions, or the permit requirements. Any person notified of a suspension of the wastewater treatment service and/or the wastewater discharge permit shall immediately stop or eliminate the discharge. In the event of a failure of the person to comply voluntarily with the suspension order, the City shall take steps as deemed necessary, including immediate severance of the sewer connection(s), to prevent and minimize damage to the treatment facilities and collection system, or harm to any individuals. The City may reinstate the Industrial Wastewater Discharge Permit and/or the wastewater treatment and collection service upon proof of the elimination of the noncomplying discharge. A detailed written statement submitted by the user describing the causes of the harmful contribution and the measures taken to prevent any future occurrence shall be submitted to the city within twenty days of the date of any violation.

10.8 Federal categorical Pretreatment Standards. Upon the effective date of a federal or state categorical pretreatment standard for a particular industrial category, the federal or state standard, if more stringent than limitations imposed by the terms and conditions or the Industrial Wastewater Discharge Permit shall immediately supersede the limitations imposed by either documents. The City shall notify all affected users of the pretreatment changes and the applicable reporting requirements.

10.9 Confidential Information. Information and data on a customer obtained from reports, questionnaires, permit applications, permits and monitoring programs and from inspections shall be available to the public or other governmental agencies without restriction unless the customer specifically requests and is able to demonstrate to the satisfaction of the City Manager or his authorized representative, that the release of such information would divulge information, processes or methods of production entitled to protection pursuant to state or federal law. When requested by a customer, the portions of a report which might disclose legally protected information shall not be made available upon written request to governmental agencies for uses related to the Terms and Conditions, the National Pollution Discharge Elimination System (NPDES) permit, and/or the pretreatment program; provided, however that such portions of a report shall be available for use by the State or any State agency in judicial review or enforcement proceedings involving the person or corporation furnishing the report. Wastewater constituents and characteristics will not be recognized as confidential information.

10.10 Waiver of standards.

10.10.1 The City may waive constituent standards for industrial wastewater discharge established by the Terms and Conditions, if after evaluation the City determines that:

10.10.1.1 The discharge will not cause harm to the treatment facilities or the collection system, nor cause any unreasonably or inequitably burden on the operation of either the treatment facilities or the collection system.

10.10.1.2 The individual discharge, when evaluated with the existing treatment and collection flow, does not affect the ability of the City to meet the requirements of the Regional Water Quality Control Board or other regulatory agencies or permits

10.10.1.3 The discharge does not violate applicable State and Federal regulations.

10.10.1.4 The discharge does not contain toxic constituents in excess of the Regional Water Quality Control Board requirements.

10.10.1.5 Customer meets all federal categorical pretreatment standards.

10.10.1.6 The Board of Public Utilities and the City Council approve such waiver.

10.10.2 An approved Industrial Wastewater Discharge Permit with a waiver or modification of standards shall include a statement from the City as to why the waiver is reasonable. Any permit granted with such a waiver may be withdrawn at any time the city makes a determination that either the treatment facilities or collection system is burdened, or the city ability to meet regulatory or permit requirements is materially affected.

10.11 Discharge Permit Fees. All Industrial Wastewater discharges shall be required to pay an Industrial Wastewater Discharge Permit fee at the time of submittal of application and at the time of renewal.

11. Grease, oil, sand and lint interceptors. Grease, oil, sand and lint interceptors shall be provided when, in the opinion of the City, they are necessary to properly collect and treat wastewater containing grease in excessive amounts or other flammable wastes, or

sand, lint or other harmful ingredients, except that, such interceptors shall not be required for private single-family residences. Interceptors shall be located in an accessible location for easy cleaning and inspection.

Installation and maintenance expense shall be by customer. Maintenance shall be scheduled and completed by customer in a manner that ensures continuous and efficient operation at all times.

12. Vehicle servicing facility requirements.

12.1 Any facility maintained for the servicing, repair or washing of vehicles, roadway or farm machinery, or industrial or heavy equipment shall install and maintain a sand-and-oil interceptor. The wastewater from bathrooms of such servicing facilities shall not be allowed to pass through the interceptor, but all other wastewater at the facility shall pass through the interceptor before discharging to the City's wastewater collection system.

12.2 The interceptors at such servicing, repair or washing facilities shall be designed to have operating fluid capacity capable of handling maximum possible flows and sized so that a seven day accumulation of sand and oil together will not fill more than 25% of the fluid capacity. The interceptor shall also be designed to retain any oil or grease which will float and any sand which will settle, as well as be watertight and structurally sound and durable. The interceptor shall be located for easy cleaning and inspection.

12.3 The customer shall provide the City with a drawing of the interceptor design and the connections to interior exterior piping, and the drawing shall include a statement of verification from a civil engineer registered in the State of California that the design meets all the requirements of Section 13 of the Terms and Conditions.

12.4 Maintenance of the interceptor shall be scheduled and completed by customer in a manner that ensures continuous and efficient operation at all times.

12.5 If the City determines that a customer is not properly servicing or maintaining a customer-owned interceptor, the City may, at its discretion, either disconnect service to the premise(s) or enter on the customer's premise(s) and do such things and expend such sums as may be necessary to abate the problem(s), after providing the customer with a five-day notice of correction. If in the opinion of the City the interceptor problems presents an imminent hazard to the public, the City may either interrupt service or make repairs to the interceptor without notice. Customer shall reimburse the City for any such expenditures required.

13. Customer-owned lift stations.

13.1 Maintenance of the customer owned lift station shall be scheduled and completed by owner or occupier in a manner that ensures continuous and efficient operation at all times.

13.2 If the City determines that a customer is not properly servicing or maintaining a customer-owned lift station., the City may, at its discretion, either disconnect service to the premise(s) or enter on the customer's premise(s) and do such things and expend such sums as may be necessary to abate the problem(s), after providing the customer with a five-day notice of correction. If in the opinion of the city the lift station problems present an imminent hazard to the public, the City may either interrupt

service or make repairs to the lift station without notice. Customer shall reimburse the City for any such expenditures required.

14. Disposal of wastes from permitted waste haulers.

14.1 The City will provide wastewater treatment services to septage system pumpers and contractors who are properly licensed and permitted for septage waste hauling by the appropriate regulatory agency(ies) and the City of Needles. Disposal of septage shall be restricted to only pumpings from residential and commercial septage systems in non-sewered areas within fifteen miles of the City of Needles and within the State of California.

14.2 It shall be a misdemeanor to dispose of any non-septage system waste in the City wastewater treatment facility or collection system, or residential or commercial septage system waste without a valid City of Needles Septage Discharge Permit and a completed and authorized Septage Discharge Manifest.

14.3 Commercial grease traps and similar Wastewater interceptor pumpings shall not be discharged into the City wastewater treatment facility or collection system. Interceptor pumpings shall be disposed of at approved landfills or other facilities established for such waste treatment.

14.4 Industrial system waste shall not be discharged into the City wastewater treatment facility or collection system. Such wastes shall be disposed of at approved waste treatment facilities.

14.5 Septage Discharge Permits.

14.5.1 All septage pumpers and contractors proposing to discharge to the City's wastewater treatment and collection system shall obtain a City of Needles Septage Discharge Permit before discharging any wastes to the system. A permit shall be issued for a five-year period and shall cost \$1000.

14.5.2 A Septage Discharge Permit may be rescinded for noncompliance to the Terms and Conditions, permit requirements, State or other regulatory requirements, or for falsification of documentation or unauthorized disposal of septage into the City wastewater treatment facility or collection system.

14.5.3 Septage system pumpers and contractors requesting a Septage Discharge Permit shall complete the appropriate application form, which may require:

- a.) Name, mailing address, telephone number and location of business.
- b.) Name of owner and contact person.
- c.) Emergency or after-hours phone number.
- d.) California waste hauling permit number.
- e.) List of Company vehicles, license numbers and hauling capacity.
- f.) Estimated annual number of discharges and volume per discharge.
- g.) List of chemicals that may be added to septage by pumper or contractor.
- h.) Copy of MSDS for any such listed chemicals.
- i.) Any other information required by the City to evaluate the application.

14.6 Septage system discharge will be accepted at the wastewater treatment facility during normal operating hours Monday-Friday, and on an after-hours basis, when practical. No septage system pumpings shall be discharged into the City's treatment facility or collection system without an approved and accepted Septic Discharge Manifest.

All discharges into the wastewater system shall be supervised by an authorized City employee.

14.7 The fees for the discharge of septage into the treatment facility or collection system shall include categories for disposal of septage from within the City limits; outside the City limits and for after-hour disposal services. Such fees shall be established by the City Council, after recommendation by the Board of Public Utilities.

15. Ion-exchange treating devices.

15.1 No ion-exchange treating device shall be installed, enlarged., used, replaced or regenerated in the City, and no wastewater from an ion-exchange water treating device shall be discharged to the soil or to a storm channel in the City, or to the City wastewater collection and treatment system unless:

15.1.1 Said device is a softener qualifying for registration under Section 16.3 and duly registered; or

15.1.2 A permit for said installation, enlargement, use, replacement, or regeneration has been obtained from the City as provided in Section 16.4 and 16.5, and the operation conforms to the terms of said permit.

15.2 It shall be a misdemeanor for anyone to offer on-site regeneration softeners for sale or rent in the City, or to solicit an owner or occupant of property in the City to purchase or rent such a unit, or to install a softener with provision for on-site regeneration except where the purchaser or renter holds a valid permit from the City for such installations. The penalties for making such a sale, rental or installation includes the requirement that the party remove the illegally installed unit, and that the vendors business license be suspended.

15.3 An ion-exchange water treating device having a total volume less than four cubic feet and having facilities for on-the-premise regeneration which was in service on March 1, 1994, is required to have been registered with the City within ninety days after said date. A duly registered device may be continued in use; provided, however, that no more than one hundred fifty pounds of salt per month are used in regenerating such device. This provision does not extend to the enlargement or replacement of such device or its transfer to another property. Any enlargement, replacement or transfer shall be considered as a new installation.

15.4 A permit is required for the installation, enlargement, use replacement or regeneration of any ion-exchange water treating device in the City if such device does not qualify for registration under Section 16.3: A permit may be granted only if none of the regenerating chemicals will be discharged to the City wastewater collection and treatment facility, storm channel, and/or the earth.

15.5 Any person desiring a permit for the installation, enlargement, use, replacement or regeneration of an ion-exchange water treating device shall apply to the City and shall submit information to support claims that the proposed operation will conform to the qualifications of Section 16.4, and such other information as may be requested. If the City finds that the information furnished by the applicant is sufficient to show that the operation meets the qualifications of Section 16.4, a permit shall be issued. The permit shall state the conditions that the applicant must meet and may include a requirement that the applicant submit periodic reports to the City. The required frequency of the reports and the contents thereof shall be as determined by the City. The permit

may also include a requirement that the applicant install facilities for convenient sampling of the wastewater stream.

15.6 City may revoke the permit for any ion-exchange treatment device, if the permittee violates any of the requirements of Section 16.

16. Curtailment. When the availability of service is restricted and a reduction of service is required to maintain the integrity of part or the total wastewater collection and treatment system, the Customer will be notified by the city to reduce or terminate use of service. Such notifications may be made by mail, phone, or in-person. The city will curtail service on a proportionate basis, where possible. Customers, who refuse or do not comply with curtailment requirements, may be terminated by the city. A service re-establishment charge of \$200.00 will be assessed for a first time violation, \$500.00 for second violation, and \$1000.00 for a third violation. A customer who violates curtailment requirements more than three times may not be allowed to reestablish service.

17. Successors and assigns. Agreements for service shall be binding upon and for the benefit of the successors and assigns of Customer and City, but no assignments by Customer shall be effective until Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by the city.

18. Warranty. There are no understandings, agreements, representations or warranties, expressed or implied (including warranties regarding merchantability or fitness for a particular purpose), not specified herein concerning the sale and delivery of wastewater treatment and collection services by the City to the Customer. These Terms and Conditions state the entire obligation of the City in connection with such services.

Article II. Conditions Governing the Extension of Wastewater Collection and Treatment Services.

Sec. 17-2. Conditions governing the extension of wastewater collection and treatment services. Application for city's wastewater collection and treatment service often involves construction of new facilities for various distances and costs depending upon customer's location, size and characteristics. With such variations, it is necessary to establish conditions under which the city will extend its facilities.

All extensions are subject to the availability of adequate capacity and city facilities at the beginning point of an extension. These rules shall govern extensions of the wastewater collection systems and expansion of treatment facilities to serve customers, when such requirements are deemed by the city to be usual and reasonable in nature.

1. Basis for extensions.

- 1.1 Economic feasibility basis: all classes of service.
- 1.2 Responsible resource development basis: residential service only.
- 1.3 Economic development basis: specific applications only.
- 1.4 Doubtful permanency basis: all classes of service.
- 1.5 Temporary basis: all classes of service.

1.6 Seasonal customer basis: all classes of service.

2. Extension conditions.

2.1 Connection of premises to public sewer system required; exceptions. No person within the city owning any premises on which the nearest outlet of the plumbing system of such premises is located within two hundred feet from the municipal wastewater system shall use any means of sewage disposal other than the municipal wastewater system.

2.1.1 Every person owning any premises within two hundred feet of the municipal wastewater system upon or in which any sewage is produced shall be required to connect such premises to the municipal wastewater system within thirty days from the date of completion and acceptance of the municipal system by the city. Exception to this requirement will be made for single-family residences located in a subdivision approved for subsurface sewage disposal after January 1, 1968, unless it is determined that the continued subsurface sewage disposal constitutes a menace to health.

2.1.2 The use of and/or maintenance of cesspools, septic tanks or other local means of sewage treatment and disposal on any premises located within two hundred feet of the municipal wastewater system shall constitute a public nuisance, and the city may invoke any legal means or police power to abate the problem.

2.2 Temporary customers.

2.2.1 General. Service to be rendered to a customer for a period of less than twelve consecutive calendar months shall be extended as a temporary service. The city, at its option, may classify any facilities that are known to be removed after a specific period, or upon completion of a project as temporary, even though service may be rendered beyond twelve consecutive months.

2.2.2 Where temporary connection of a premises to the municipal wastewater system is required by a customer, then the customer shall make a nonrefundable contribution of four times the connection fee established by this chapter of the City Code for the type of premises being connected.

2.3 Real estate development. No real estate development within the city shall use any means of sewage disposal other than the municipal wastewater system, unless approved by the board of utilities and the city council. Extensions of wastewater collection and treatment facilities within real estate developments including residential subdivisions, industrial parks, mobile home parks, apartment complexes, planned area developments, etc., may be made in advance of application for service by permanent customers. These extensions are eligible to qualify for either the economic feasibility or the responsible resource development extension bases, depending upon development type. Anticipated revenues for real estate development extensions shall be calculated by the city based upon the estimated requirements and city rate schedule for each customer location. Only city determined estimated revenues shall be used for economic feasibility studies.

2.3.1 Mobile home parks. City shall not allow new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is connected to the municipal wastewater system, or an exception for the construction and/or expansion has been granted by the board of public utilities and the city council.

2.3.2 Apartment complexes, condominiums and other multiunit residential buildings. City shall not allow new construction and/or expansion of apartment complexes and condominiums unless the construction or expansion connected to the municipal wastewater system, or an exception for the construction and/or expansion has been granted by the board of public utilities and the city council.

2.3.3 Recreational vehicle parks, campgrounds, marinas and similar developments. City shall not allow new construction and/or expansion of recreational vehicle parks, campgrounds, marinas and similar developments unless the construction or expansion connected to the municipal wastewater system, or an exception for the construction and/or expansion has been granted by the board of public utilities and the city council.

2.4 Seasonal customers. Extensions of wastewater collection and treatment facilities to customer's premises which will be continuously occupied less than nine months out of each twelve-month period may be made only if the customer pays two times the connection fees established by this chapter of the City Code for the type of premises being connected.

3. Refunds.

3.1 Customer shall make a nonrefundable payment of connection fees, as required in this chapter, prior to receiving wastewater service.

3.2 Refund of wastewater system extension costs.

3.2.1 If additional customers connect to the customer's extension within five years after acceptance of the customer's extension by the city, the customer may be eligible for a partial refund of construction costs. To be eligible for a refund the customer's total extension construction costs, (less premises connection construction costs and connection fees) must be over two hundred dollars, and the additional customer's construction must also be an extension(s) directly connected to, or service lines directly connected to the customer's extension. If these conditions are met, then the additional customer(s) must pay a portion of the customer's extension construction costs. The amount due shall be based upon the amount of extension capacity required by the additional customer(s). The additional customer(s) are not required to reimburse the customer's extension costs, if the additional customer(s) cannot be served by the customer's extension, or the customer's extension must be upgraded in size, or a lift station must be installed to increase capacity, or the customer's extension main(s), service(s) or trunk line(s) that are being extended from are gravity lines and are eight inches in diameter or smaller.

3.2.2 To be eligible for refund of construction costs, the customer must, before construction is completed: execute a wastewater service extension agreement; submit final engineering drawings of the wastewater system and costs estimates which separate service or premises connection costs from the main or trunk line construction costs; and provide a written summary of the estimated total capacity and required capacity of each main or trunk line for the premises being served. The city shall review and approve the drawings, estimates and summary prior to the final agreement being executed.

3.2.3 The city will require additional customer(s) whose extension meets the above criteria to reimburse the customer through a nonrefundable contribution to

construction made payable to the city. The contributions will be calculated by multiplying the original construction costs, less premises connection construction costs and connection fees, by the percentage of capacity required by the additional customer(s) development. The city shall then add a fifteen percent administrative fee to the calculated amount, and the total of the two amounts shall be the nonrefundable contribution required from the additional customer(s). The city shall then pay the original customer the calculated percentage of capacity costs, and shall retain the administrative fee. Customer shall not earn interest on extension construction costs that are refundable.

3.2.4 Reimbursements can only be made to the customer, developer or developer's company, whoever executed the extension agreement. If development or property ownership or control changes during the refund period, it is the customer/developer's responsibility to form a refund resolution agreement between the parties of such a transaction. The city will not honor any contractual or other arrangement that transfers the refund from the original customer/developer, who executed the extension agreement to another party, even if a refund resolution agreement exists between the parties.

3.2.5 Customers shall not receive refunds for capacity greater than the original estimated amount. In other words, if the agreement executed states the customer's development will utilize forty-five percent of the system capacity, and the actual capacity required is less, the city shall only collect refunds for the fifty-five percent of noncommitted capacity. In the above example, the customer shall not be entitled to a construction costs refund of greater than fifty-five percent regardless of how much additional capacity may be connected.

4. Municipal wastewater connections and construction.

4.1 General policy.

4.1.1 Customer or developer shall provide all earthwork including, but not limited to trench, boring or punching, valve enclosures, manholes, shoring, bedding, backfill, compaction and surface restoration, in accordance with city specifications.

4.1.2 Customer or developer shall conform to city's installation and utility facility placement specifications and standards.

4.1.3 Customer or developer shall provide all materials and installation for piping, valves, cleanouts, lift stations and similar materials and/or equipment as required by city specifications.

4.1.4 Customers or developers requesting wastewater extension may be required to sign a wastewater collection and treatment extension agreement.

4.1.5 If, after construction of the extension, final clearance or grade is changed in such a way as to require relocation of the wastewater facilities, or results in damage to such facilities, the cost of such relocation and/or resulting repairs shall be borne by the customer or developer.

4.2 Permit required for sewer construction. No person shall construct, use or alter any municipal wastewater system or house connection sewer without first obtaining a public works permit from the city.

4.3 Inspection and city acceptance of trench, piping and associated equipment.

4.3.1 The city shall inspect the customer/developer installed trench, piping and associated wastewater equipment on a mutually agreed upon date prior to the

customer/developer shading and backfilling the trenching, piping and associated wastewater equipment. Phased inspection may be required, and the completion and inspection dates for each phase shall be agreed to by the customer/developer and the city.

4.3.2 When the city has approved the trenching, piping and associated wastewater equipment installation, a second inspection date shall be mutually agreed to for inspection of the trench, piping and associated wastewater equipment after shading and prior to backfill.

4.3.3 When the trench and conduit shading has been approved, the customer/developer shall complete backfilling and compaction of the trench. The city shall inspect final trench backfill and compaction, and approve prior to final surface restoration.

4.3.4 When the backfill and compaction has been approved, the customer/developer must complete final surface restoration of existing roadways, sidewalks, walkways, bikepaths, etc., as specified by the city. If the final surface of the trench is in a new development, actual surfacing can be completed in the normal sequence of the project's construction, but such completion must be within a reasonable period of time. If such surface restoration is not completed as required, the city will complete the restoration and bill the customer/developer for actual costs plus appropriate overhead and/or administrative fees.

4.3.5 In addition to the above trenching, piping and associated wastewater equipment installation inspections, the city may require additional inspections for safety, fire, building or other code compliance.

4.4 Sewer construction specifications.

4.4.1 All pipe shall be laid up grade on an unyielding foundation, true to line and grade with a uniform bearing foundation under the full length of the pipe. All adjustments to line and grade shall be made by scraping away or filling, and not by wedging or blocking.

4.4.2 All sewer piping must be approved for sewer use, and must comply with city specifications.

4.4.3 Connecting sewer pipe grades shall be per city specifications to insure proper flow into the municipal wastewater system.

4.4.4 All house connecting sewers must be laid by most direct route as approved by the city, and must be free of pinched joints, changes of grade or unnecessary bends or fittings.

4.4.5 Cleanouts shall be installed per city specifications, and shall be the same size as the pipes they serve.

4.5 Easements. All suitable easements or rights-of-way required by city for any portion of the extension shall be furnished in city's name by customer without cost to or condemnation by city, and in reasonable time to meet proposed service requirements. All easements and rights-of-way obtained on behalf of city shall contain such terms and conditions as are acceptable to the city.

4.6 Ownership. Except for customer-owned facilities, which includes the connecting sewer pipe to the municipal wastewater system, all construction, including that for which customers have made advances and/or contributions, will be owned, operated and maintained by city, after acceptance by the city.

4.7 Measurement and location.

4.7.1 Any measurements used for costing of facilities must be along the proposed route of construction, as determined by the city.

4.7.2 Construction is to be on public streets, roadways, highways, alleys or easements acceptable to city.

4.7.3 The extension must be a branch form, the continuation of, or an addition to the city's existing wastewater system, unless approved by the board of public utilities and the city council.

4.8 Unusual circumstances. In unusual circumstances, as determined by the city, when the application and provisions of this policy appear impractical, or in case of extensions of the municipal wastewater system is different than specified in the applicable rate structure, or in case customer's requirements exceed the municipal wastewater system capacity or other similar limitation, the city will make a special study of the conditions to determine the basis on which service may be provided.

4.9 Nonstandard construction. Where extensions of wastewater collection and treatment facilities require construction that is in any way nonstandard, as determined by city, or if unusual obstructions are encountered, customer may request city approval for a variance prior to beginning construction or modifications.

4.10 Change in customer's service requirements. Customer may rebuild or modify existing facilities to meet customer's added discharges or change in service requirements only after obtaining a permit from the city. The city reserves the right to refuse such rebuild or modification requests, when such requests are not consistent with the terms and conditions for the sale of wastewater collection and treatment services, or the city's engineering standards, or state or federal regulations.

4.11 Design deposit. An applicant(s) who is not a real estate development may request the city to prepare detailed plans, specifications or cost estimates for the extension of the municipal wastewater system. The preparation of such detailed plans, specifications or cost estimates will be completed by the city, or a contractor hired by the city, at city option, and may require a payment from the applicant of an amount equal to the estimated costs of preparation. If the plans, specifications or cost estimates are prepared for an applicant(s), the city, at its option, may credit the design costs to the cost of construction, if the applicant(s) decide to complete the construction within twelve months after the design is prepared. City, at its option, may prepare for the applicant, without charge, a preliminary sketch and rough estimate of the costs to extend wastewater service to a premises upon request.

5. Improvement, assessment and lien agreements.

5.1 General policy. Improvement, assessment and lien agreements are not available to real estate developments or to customers where the extension is serving within a development that has been built since 1980, unless such development was built in an area where municipal wastewater service was not previously available. The purpose of improvement, assessment or lien agreement is to aid property owners, within existing developments with installing sewage connections to the municipal wastewater system from a cesspool, septic tank or similar sewage treatment system.

5.2 An individual or group of property owners may request the city extend the municipal wastewater system to serve premises currently not being served by the system. However, no sewer line, lateral or drain shall be constructed unless three-fourths of the

adjoining property owners to such wastewater lines have paid the fees required for construction, or executed appropriate assessment or improvement district documents or payment of such fees. The individual or group of property owners requesting service is responsible for securing commitments and having documents executed by the required three-fourths of the adjoining property owners.

5.3 Installment and lien agreements.

5.3.1 A written installment and lien agreement must be signed by the property owner(s) who are not paying the cost of the wastewater system construction in cash, or who have not formed an assessment or improvement district. Such agreement(s) shall be filed with the city clerk, and shall include a promissory note secured by a deed of trust. The note shall bear interest at a rate of six percent per annum, and the interest shall be paid to the city. The corporate trustee named by the deed of trust shall be selected by the city, and the note shall become immediately due upon default of any payment or interest amount.

5.3.2 Property owners not paying the cost of the wastewater system construction in cash or through assessment or improvement districts shall pay such costs of construction in installments of not less than twenty-percent. A deposit of twenty percent is required at time of agreement execution, and the remaining amount shall be paid in twenty percent increments on three-month intervals, with the first month being due three months after the agreement execution date.

5.3.3 In the event of default, the city may require the purchaser to pay cost of sale including, but not limited to, trustee sale costs, fees incurred by city and trustee, evidence of title and legal costs.

5.3.4 The city may before executing an installment and lien agreement require the property owner to furnish a title insurance policy to confirm the condition of the title. Upon receipt of such title insurance policy, the city may refuse to enter into an agreement, if the policy demonstrates, in the city's opinion, the lien does not provide adequate security for the city.

5.3.5 The city shall not be obligated to accept any installment and lien agreement in lieu of cash or assessment or improvement district, and may its option, deem the security inadequate or may refuse to enter into such agreement(s) based upon the financial burden they may create.

5.4 Any wastewater extension being completed per the requirements of this section shall be done through written agreement, and the agreement shall contain a description of the work to be performed, a schedule of construction, an estimate of costs, and shall provide for the city to perform the work or for the city to contract with others with the completion of the work, at its option.

6. Economic feasibility basis extensions.

6.1 General policy. Economic feasibility basis extension may be made only if all of the following conditions exist:

6.1.1 Extension shall be for a new permanent customer or group of new permanent customer. A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;

(b) Removal or abandonment of the wastewater collection and treatment facilities is not being planned after a specific period or upon completion of the project;
(c) Customer has completed an application for service;
(d) The service will be activated within thirty days after completion of the extension.

6.1.2 The total extension is determined to be economically feasible for the city, as defined in Section 6.2.

6.1.3 Customer constructs the extension and transfers ownership of the facilities to the city. Customer shall comply with city standards and specifications, and must coordinate construction activities with the city closely to insure proper inspections and final acceptance.

6.2 Extension qualifications. Extensions shall be allowed, when the conditions in Section 6.1 are met and the extension is determined to be economically feasible by the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the estimated wastewater collection and treatment maintenance and operating costs, provide an adequate rate of return on investment to the city.

6.3 Extensions not qualifying. City, at its option, may extend its facilities to customers whose use does not satisfy the economic feasibility requirements of Section 6.2, provided such customers sign an extension agreement and agree to pay a special rate or an annual facilities charge to make the facilities economically feasible.

6.4 Construction costs, except for connection fees and premises connection construction costs, are subject to refund.

7. Responsible resource development basis (residential real estate developments only).

7.1 General policy. The responsible resource development basis extension is structured to encourage total resource management and conservation equipment, applications and appliances in residential real estate developments being served by the city. The qualifications for the responsible resource development basis are periodically modified to ensure that the criteria being used represents the current energy, water and wastewater standards and technologies within the utility and home building industries. Since the responsible resource development extension involves city financial participation, the developer may be required to provide additional development and/or financial information prior to the approval of the extension. Responsible resource development basis extensions are available only if all of the following conditions exist:

7.1.1 The residential development being developed is for new permanent residential customers. A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;
(b) Removal or abandonment of the wastewater collection and treatment facilities is not being planned after a specific period or upon completion of the project;
(c) Customer has completed an application for service;
(d) The service will be activated within thirty days after completion of the extension.

7.1.2 The final development and/or phase of the development is determined to be economically feasible by the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the estimated wastewater collection

and treatment maintenance and operating costs, provide an adequate rate of return on investment to the city.

7.1.3 The developer agrees to meet the responsible resource development basis equipment, appliance and application requirements for electric, water and wastewater in each residence and common area or amenity facilities.

7.1.4 The developer agrees to provide, if requested, any information needed to assess the project's feasibility, developer's financial ability, developer's business or development history, and/or the developer's plans for the project.

7.1.5 Developer constructs the wastewater extension to and within the development, and transfers ownership of the facilities to the city per city standards and specifications.

7.1.6 The development is total electric, except for alternate energy services which may be provided or approved by the city.

7.1.7 The developer agrees to advertise the development with point of purchase displays, and to include the city's responsible resource program name and logo on all signs and other advertising materials at developer's cost.

7.2 Extension qualifications. An extension shall be qualified when the conditions in Section 7.1 have been met and agreements executed.

7.3 Extensions not qualifying. If an extension does not qualify or is not accepted, it may be evaluated at developer's request to determine if it qualifies for the economic feasibility basis.

7.4 Benefits provided developers who qualify for a responsible resource development basis extension.

7.4.1 Developer will receive a special rate for establishing wastewater connections to the municipal system, in addition to other electric and water utility incentives that may be provided by the city.

7.4.2 The city will not respond to requests for installation of extensions and connection to homes, condominiums, apartments and/or mobile homes within the development with priority service.

7.4.3 The city may provide advertising materials, incentives and/or other support to the developer, if the developer agrees to use the promotional materials to help explain and promote the advantages of buying a home or lot that has been approved for a responsible resource development basis extension.

7.5 Extensions to developer built home, condominium, apartment, mobile home developments and lot sales only subdivisions.

7.5.1 Developer shall submit individual home, condominium, apartment and/or mobile home constructions plans, appliances and insulation details to the city for review and approval. If the plans meet the responsible resource development basis criteria, the city will prepare the wastewater collection and treatment extension design and an agreement to construct wastewater collection and treatment facilities, which must be executed prior to extension construction.

7.5.2 In lot sales only subdivisions, developer shall require lot purchasers to meet or exceed the responsible resource development basis criteria, in effect at time of residence is constructed, for equipment, appliances and applications by establishing such criteria as part of the development conditions, covenants and restrictions. The

developer shall also provide each individual purchaser with information on the equipment, appliance and application criteria required for building on the lot prior to close of escrow.

7.5.3 Developer shall construct the wastewater extension and transfer ownership of the facilities to the city. The construction of the wastewater facilities must comply to city standards and specifications.

7.5.4 A development construction plan must be submitted to and accepted by the city. The plan may request the development be built in phases or stages. If phases or stages are approved, the developer must agree to any required construction to ensure proper termination of wastewater collection and treatment facilities, even if such construction is beyond phase boundaries.

7.5.5 Developer shall install and maintain the wastewater collection and treatment piping and equipment until the wastewater collection and treatment facilities are accepted by the city, and the customer has activated service. Maintenance shall include replacement of damaged or "plugged" piping and equipment. The developer shall reimburse the city for any repairs or replacements made by the city, because of damage or "plugged" equipment. The city may, but shall not be obligated to, make such repairs or replacement of facilities.

7.5.6 The construction of the wastewater collection and treatment system must be completed, inspected and approved prior to activating service to any home, condominium, apartment or mobile home or other premises.

7.5.7 All installations must be according to city specifications and requirements.

7.6 Construction costs, except for connection fees and premises connection construction costs, are subject to refund.

8. Economic development basis.

8.1 General policy. The economic development basis is structured to encourage business development in areas being served by the city. The qualifications for economic development extensions are periodically modified to ensure the general economic development philosophies of the community are being maintained. Since economic development extensions usually involve city financial participation, the developer may be required to provide additional information prior to the approval of the extension. Economic development extensions are available only if all of the following conditions exist:

8.1.1 Applicant will be a new permanent customer or group of new permanent customers. A customer shall be considered permanent when:

(a) Service will be rendered to the customer for a period greater than twelve months;

(b) Removal or abandonment of the wastewater collection and treatment facilities is not being planned after a specific period or upon completion of the project;

(c) Customer has completed an application for service;

(d) The service will be activated within thirty days after completion of the extension.

8.1.2 The total extension is determined to be economically feasible for the city. "Economic feasibility" shall mean that the estimated revenues from the completed

project, less the estimated wastewater collection and treatment maintenance and operating costs, provide an adequate rate of return on investment to the city.

8.1.3 The development meets the economic development basis qualifications, as determined by the board of public utilities and city council.

8.1.4 The customer/developer requests the extension be completed using the economic development basis.

8.1.5 The customer/developer agrees to provide, if requested by either the council or the utility board, any information needed to assess the project's feasibility, customer's/developer's financial ability, customer's/developer's business or development history, and/or the customer's/developer's plans for the project.

8.1.6 Customer/developer pays any required advance for construction.

8.2 Extension qualifications. Extensions shall be allowed when the conditions in Section 8.1 have been met and approval for an economic development extension is granted by the board of public utilities and city council.

8.3 The benefits provided to a customer/developer from the economic development basis shall be determined on an individual application basis by the board of public utilities and city council.

8.4 Extensions not qualifying. If an extension does not qualify or is not accepted by the board of public utilities or the city council, the customer/developer may request an economic feasibility basis extension.

8.5 Construction costs, except for connection fees and premises connection construction costs, are subject to refund.

9. Doubtful permanency basis.

9.1 Extensions shall be made on a doubtful permanency basis, when in the city's opinion the customer's application for service is not expected to be permanent, but is expected to be an active customer for more than twelve consecutive months. Doubtful permanency customers will be required to advance the total construction and removal or abandonment cost, less any salvage value of the extension.

9.2 Extensions to mobile or modular housing shall be completed on the doubtful permanency basis, unless the customer has:

9.2.1 Permanent water system installed;

9.2.2 Electric service entrance equipment installed;

9.2.3 Application for electric service submitted.

10. Settlement of disputes. Any dispute between customer or a prospective customer and city regarding the interpretation of these conditions governing extensions of wastewater collection and treatment service may, by either party, be referred to the board of public utilities for determination.

11. Interest. All advances made by customer to city in aid of construction shall be noninterest bearing.

12. Extension agreements. All line extensions requiring payment by customer shall be in writing and signed by both the customer and city. (Ord. 405-AC).

Article III. Rates.

Sec. 17-3-1. Rates in effect. All rates for wastewater service fees established by the City Council pursuant to Section 17-3-2 shall remain in effect until otherwise modified or amended by a resolution of the City Council.

Sec. 17-3-2. Wastewater rates. Wastewater rates shall be established by resolution of the city council, but only after public hearing which has been properly called, noticed and held. (Ord. 405-AC; Ord. 433-AC.)

Sec. 17-3-3. Construction and connection fees. Wastewater construction and connection fees shall be established by resolution of the city council, but only after public hearing which has been properly called, noticed and held. (Ord. 405-AC; Ord. 433-AC.)

Sec. 17-3-4. Septic pumper and contractor disposal fee.

(a) The city will provide wastewater treatment and disposal services for septage system pumpers and contractors who are properly licensed and permitted for septage waste hauling and disposal by the appropriate regulatory agency(ies) and the City of Needles. Disposal of septage is restricted to only pumpings from residential and commercial septage systems in non-sewered areas within fifteen miles of Needles, and within the State of California.

(b) Commercial grease traps and similar wastewater interceptor pumpings shall not be discharged into the wastewater treatment and collection system.

(c) The disposal fees for septage treatment and disposal services shall be assessed on a per delivery basis, which means each time a pumping vehicle discharges into the system the fee will be assessed. The fee will be for the amount the vehicle discharges at the time of disposal, regardless if the pumper or contractor is making multiple discharges from the same septage pumping customer.

(d) Fees. Fees for septic pumper and contractor disposal shall be established by resolution of the city council, but only after public hearing which has been properly called, noticed and held. (Ord. 405-AC; Ord. 433-AC.)

Article IV. Administrative.

Sec. 17-4-1. Enforcement of chapter; abatement of violations. (a) It shall be the duty of the director of public works to supervise all collections to the municipal wastewater system, to collect all wastewater service charges and to establish and administer such reasonable rules and regulations applicable to the use of and operation of the municipal wastewater system as may be deemed advisable or necessary; provided that such rules and regulations so established shall not be in conflict with any provision of this chapter and shall be at all times subject to appeal to the board of public utilities and the city council, whose decision shall be final. The director of public works shall keep an accurate accounting and records showing the source, amount and disposition of all funds received from wastewater service or rental charges.

(b) In the event of a violation of any terms of this chapter, or any rule or regulation established pursuant thereto, the director of public works or his designee, in writing, shall

notify the person causing, allowing or committing such violation, specifying, the violation and, if applicable, the time after which (upon the failure of such person to prevent or rectify the violation) the director of public works or his designee will exercise his authority to disconnect the premises from the municipal wastewater system, and/or municipal water system; provided, that such time shall not be less than five days after the deposit of such notice in the United States Post Office at the city, addressed to the person to whom notice is given, or as otherwise provided in this chapter.

(c) In the event such violation results in a public hazard or menace, then the director or public works or his designee may enter upon the premises, without notice and do such things and expend such sums as may be necessary to abate such hazard, and the reasonable value of the things done and the amounts expended in so doing shall be a charge upon the person so in violation.

(d) Upon failure of any person billed or the owner of the premises to pay any sewer service charge prior to delinquency, any one or more of the following actions may, or where required hereby shall be taken by the city or its official to enforce such payment, subject to the provisions of this chapter. Each wastewater service charge levied by or pursuant to this chapter on any premises within the city is hereby made a lien upon such premises and any steps authorized by law may be taken by the city to enforce the payment of such lien. (Ord. 405-AC.)

Sec. 17-4-2. Bond required for director of public works. The city shall cause to be issued and maintain in good standing a surety bond conditioned upon the full and prompt deposit by the director of public works of all sewer service charges with the city treasurer.

Sec. 17-4-3. Inspection of work. All work done under the provisions of this chapter shall be subject to the inspection by and shall meet the approval of the building inspector or other designated official. The permittee shall at least twenty-four hours before inspection is desired make such requests to such official. (Ord. 405-AC.)

Sec. 17-4-4. Schedule of rates; proration of charges. Federal and state regulations require the city to adopt a revenue program that provides a system of rates and charges that will meet annual operation, maintenance and capital costs, and is sufficient to pay for all costs for providing sewage collection, treatment and disposal, as well as, debt service, administration, reserves and other expenses. It shall be the director of public works responsibility to insure that rates and charges meet these requirements, and requests for changes in rates and charges are made in a timely manner. (Ord. 405-AC.)

RESOLUTION NO. 1-21-25-2 BPU

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES OF
THE CITY OF NEEDLES, CALIFORNIA, RESCINDING CHAPTER 22,
WATER, OF THE NEEDLES MUNICIPAL CODE IN ITS ENTIRETY AND
ADOPTING A NEW CHAPTER 22 ENTITLED WATER SERVICES

BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF
NEEDLES, CALIFORNIA, AS FOLLOWS:

SECTION 1. CEQA. The Board of Public Utilities finds that the actions contemplated by this Resolution are exempt from the California Environmental Quality Act ("CEQA") pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Resolution may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305.

SECTION 2. Severability. The Board of Public Utilities hereby declares that if any provision, section, paragraph, sentence, or word of this Resolution is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Resolution, and to this end the provisions of this Resolution are severable. The Board of Public Utilities declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Resolution enforced.

SECTION 3. Prosecution of Prior Resolutions. Neither the adoption of this Resolution nor the repeal of any other resolution of this Board shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City Council resolutions, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. Effective Date. The Chairman shall sign and the Secretary shall attest to the passage of this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities of the City of Needles, California, hereby rescinds Chapter 22, Water, of the Needles Municipal Code in its entirety and adopts a new Chapter 22, Water Services, regarding the terms and conditions for the sale of water services to read as attached hereto as Exhibit "A".

BE IT FURTHER RESOLVED that the Board of Public Utilities hereby recommends that the City Council and Needles Public Utility Authority (NPUA) adopt and implement Chapter 22, Water Services, of the Needles Municipal Code regarding the terms and conditions for the sale of water services as attached hereto as Exhibit "A" for the benefit of the NPUA.

RESOLUTION NO. 1-21-25-2 BPU
(Page Two)

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Public Utilities of the City of Needles, California, held on the 21st day of January, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____ Chairman	ATTEST: _____ Secretary
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**CITY OF NEEDLES
NEEDLES, CALIFORNIA**

TERMS AND CONDITIONS FOR THE SALE OF WATER SERVICES

The following TERMS AND CONDITIONS and any changes authorized by the City Council or law will apply to the sale of water services within the City of Needles under the established rate or rates authorized by the City Council and currently applicable at time of sale.

1. GENERAL

1.1 Water service will be supplied in accordance with these Terms and Conditions and any changes required by the City or law, and such applicable rate or rates as may from time to time be authorized by the City. However, in the case of a Customer whose service requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.

1.2 These Terms and Conditions shall be considered a part of all of the City water rate schedules, except where specifically changed by written agreement by the City.

1.3 In case of conflict between any provision of a rate schedule and the Terms and Conditions, the provisions of the rate schedule shall apply.

1.4 The failure of the City to insist upon strict performance of any of the provisions in the Terms and Conditions, or to exercise any of the rights or remedies provided in the Terms and Conditions, or any delay in the exercise of any of the rights or remedies, shall not release the Customer from any responsibilities or obligations imposed by Law or by the Terms and Conditions, and shall not be deemed a waiver of any right of the City to insist upon strict performance of the Terms and Conditions.

1.5 These Terms and Conditions have been amended to implement the requirements of SB 998 which adds Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water. The provisions of SB 998 to the extent in force and effect shall apply to the provision of water service by the City notwithstanding the absence of such provisions in these Terms and Conditions or anything to the contrary in these Terms and Conditions.

1.6 Definitions:

- (a) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.

2. ESTABLISHMENT OF SERVICE

2.1 — Application for Service - Customer requesting water service may be required to appear at City's place of business to produce proof of identity and sign City's standard form of application for service or a contract before service is supplied by City.

2.1.1 In the absence of a signed application or contract for service the supplying of water service by the City and acceptance thereof by Customer shall be deemed to constitute a service agreement by and between the City and Customer for delivery, acceptance of and payment for service, subject to City's applicable rates and rules and regulations.

2.1.2 Where service is requested by two or more individuals, City shall have the right to collect the full amount owed City from any one of the applicants.

2.2 Service Establishment Charge - A service establishment ~~is determined by the cost of services charge of \$25.00~~ for residential and nonresidential water service will be assessed each time City is requested to establish, reconnect or reestablish water service to Customer. Billing for the service establishment charge may be rendered as a part of the Customer's first bill.

2.3 Grounds For Refusal Of Service - City may refuse to establish or reestablish service if any of the following conditions exist:

2.3.1 Applicant has an outstanding amount due with the City and is unwilling to make payment subject to Sections 8.2, 8.3, 8.4 and 8.5.

2.3.2 A condition exists which in City's judgment is unsafe or hazardous.

2.3.3 Applicant has failed to make the security deposit requirements set forth by City as specified under 2.4., 2.5 or 2.6.

2.3.4 Applicant is known to be in violation of City's rate schedule.

2.3.5 Applicant fails to furnish to City funds required to serve Applicant and which have been specified as a condition for providing service.

2.3.6 Applicant falsifies his or her identity for the purpose of obtaining service.

2.3.7 Service is already being provided at the address for which Applicant is requesting service.

2.3.8 Service in the name of another Customer currently living with the applicant at the same address for which service is being requested has been terminated for nonpayment and a delinquent balance is still outstanding.

2.3.9 Prior Customer was terminated for any of the below reasons and continues to reside on the premises for which applicant requests service.

- a). Failure to pay a delinquent bill for utility service.
- b). Failure to maintain deposit requirements.
- c). Failure to pay for a bill to correct a previous under billing.
- d). Failure to comply with curtailment procedures imposed by the City during service shortages.
- e). Failure to provide reasonable and safe access to City's equipment and property. Breach of written contract between City and Customer.

2.3.10 Applicant has failed to obtain all required permits and/or inspections indicating that Applicant's facilities comply with local construction and safety codes.

2.4 **Establishment of Residential Credit or Security Deposit**

2.4.1 **Residential Establishment of Credit** - City may not require a security deposit from a new Applicant for residential water service if Applicant is able to meet any of the following requirements:

2.4.1.1 Applicant has had service of a comparable nature with City at another service location within past two (2) years and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.

2.4.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was received within the last two years, and the letter states that the Applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.

2.4.1.3 Applicant provides a guarantor, satisfactory to the City, to secure payment of bills for the service when requested.

2.4.2 **Residential Establishment of Security Deposit** - When credit cannot be established as provided for in Section 2.4.1 hereof or when it is determined that Applicant left an unpaid final bill owing to another utility, Applicant may be required to place a cash deposit to secure payment of bills for service.

2.5 **Establishment of Nonresidential Credit or Security Deposit**

2.5.1 **Nonresidential Establishment of Credit** - City may not require a security deposit from a new Applicant for Nonresidential water service, if Applicant is able to meet any of the following requirements:

2.5.1.1 Applicant has had service for at least one year of a comparable nature with City at another service location within the past two years, and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.

2.5.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was last received which states Applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.

2.5.2 **Nonresidential Establishment of Security Deposit** - Except as provided in §2.5.1, all nonresidential Applicants may be required to:

2.5.2.1 Place a cash deposit to secure the payment of bills for service as prescribed herein, or

2.5.2.2 Provide a noncash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit or Assignment of Moneys in an amount equal to the required security deposit.

2.6 **Re-establishment of Security Deposit**

2.6.1 **Residential** - City may require a residential Customer to establish or reestablish a security deposit if Customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve (12) months, or when Customer's financial condition may jeopardize the payment of their bill as determined by appropriate credit information.

2.6.2 **Nonresidential** - City may require a nonresidential Customer to establish or reestablish a security deposit if the Customer becomes delinquent or if the Customer has been disconnected for nonpayment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by a credit investigation, financial reorganization notice or bankruptcy filing.

2.7 **Security Deposits**

2.7.1 Residential security deposits must be a minimum cash deposit of one hundred ~~and fifty~~ dollars (~~\$150.00~~), or two times the combined estimated monthly billing for water, wastewater and solid waste collection services whichever is the greater.

2.7.1.1 Deposits will automatically be refunded after 12 months of service provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless Customer has filed bankruptcy.

2.7.2 Nonresidential security deposits may be either cash or noncash, as described in 2.7.2.1, and must be a minimum deposit of ~~five hundred one hundred~~ dollars (~~\$500.00~~), or two (2) times Customer's combined estimated monthly billing for water, wastewater and solid waste collection services.

2.7.2.1 Deposits and noncash deposits on file with the City will be reviewed after twenty-four (24) months of service and will be refunded or released provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless the Customer's financial condition warrants extension of the security deposit. Deposits not returned within the first twenty four month period, shall be reviewed annually to determine if Customer qualifies for return of the deposit

2.7.3 City reserves the right to increase or decrease the security deposit amount when the Customers rate for monthly charges changes by more than ten (10) percent. Separate security deposits may be required for each location.

2.7.4 Customer security deposits shall not preclude City from terminating agreement for service or suspending service for any failure in the performance of Customer obligation under the agreement for service.

- 2.7.5 Cash deposits held by the City shall not earn interest. Deposits on inactive accounts may be applied to the final bill and the balance if any, will be refunded to the Customer of record within sixty (60) days.
- 2.7.6 If Customer terminates service with City, the security deposit may be credited to Customer's final bill.
- 2.8 **Facility Extensions** - Installations requiring the City to extend its facilities in order to establish water service will be made in accordance with City's Conditions Governing Extensions of Water Services.

3. RATES

- 3.1 **Rate Information** - City shall provide a copy of the rate schedule to the Customer, when requested. In addition, City shall notify Customers of any change in rate schedules affecting those Customers.
- 3.2 **Rate Selection** - Customer's service characteristics and service requirements determine the selection of the applicable rate schedule. City will use reasonable care in initially establishing service to the Customer under the most advantageous rate schedule applicable to the Customer. However, City cannot guarantee that the most economic applicable rate will be applied. City will not make any refunds in any instances where it is determined that Customer would have paid less for service had Customer been billed on an alternate applicable rate or provision of a rate.

4. BILLING AND COLLECTION

4.1 Customer Billing

- 4.1.1 Customer service installations will normally be arranged to accept only one type of standard service at one Point of Delivery to enable service measurement through one meter. If Customer requires more than one type of service, or total service cannot be measured through one meter according to City's norm practice, separate meters will be used and separate billing rendered for the service measured by each meter.
- 4.1.2 The City normally meters and bills each premise separately, however, adjacent and contiguous premises not separated by private or public property or right-of-way and operated as one integral unit under the same name and as a part of the same business, will be considered a single premise.
- 4.1.3 When regular, accurate meter readings are not available or the water usage has not been accurately measured, the City may estimate the Customer's water usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and general characteristics of the Customer's use and operation.
- 4.1.4 Where a meter error is discovered as a result of a meter test, the City may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer's account for the amount of the overcharge. Such adjusted bill shall be computed as follows:
- 4.1.4.1 **Fast Meter:** If a meter is registering more than 2% fast, the City shall refund to the homer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the water usage either for the known period of the meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation for a period not exceeding one year.
- 4.1.4.2 **Slow Meter:** If a meter for residential service is registering more than 25% slow, or a meter for any other class of service is registering more than 2% slow, the City may bill the Customer for the amount of the undercharge based on corrected meter readings or the City's estimate of the water usage either for the known period of meter error or, if the period of the meter error is not known, for the period the meter was in use, in either situation the billing shall not exceed three months for residential service and one year for any other class of service.
- 4.1.4.3 **Nonregistering Meter:** If a meter is found to be nonregistering, the City may bill the Customer for the amount of the underbillings based on the City's estimate of the water service used but not registered, for a period not exceeding three months.
- 4.1.5 Water service bills will be rendered in combination with wastewater bills when the premise(s) is connected to the City's wastewater treatment and collection system.
- 4.1.6 Customer's receiving a combination water/wastewater/solid waste service bill may not pay the services separately.

4.1.7 BUDGET BILLING

Every October customers except for solar customers who have been at their location for a 12-month period can enroll in the budget bill plan, which spreads out the costs of the utility bill evenly over a 12-month period, customers must be at a zero balance and not on a payment arrangement. Budget bills will settle-up every September, if the customer has used over their budget bill allotment and cannot pay their overage, they will be taken off the budget bill and put on a 12-month long-term payment arrangement, once the payment arrangement is fulfilled the customer can go back on the budget bill the next October. Budget bills will be recalculated every September to the amount the customer has used the year before the budget bill amount will either be higher or lower than the customer was paying the year before. Customers must sign a document of understanding when they enroll in the budget bill plan.

4.1.2 **Adjustment of Bills for Billing Error**

- 4.1.2.1 A billing error is an error by the City which results in incorrect billing charges to the Customer. Billing errors may include clerical errors by a City representative such as applying the wrong rate, wrong billing factor or an incorrect calculation. Billing error does not include unauthorized use, failure of the customer to notify the City of changes in operation, or failure of the Customer to take advantage of a rate or condition of service which the Customer is
- 4.1.2.2 Where the City overcharges or undercharges a Customer as the result of a billing error, the City may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but not to exceed three years in the case of an overcharge, and, in the case of an undercharge not to exceed three months for residential service and one year for any other class of service.

4.2 **Collection Policy** - It is the policy of the City to discontinue water service to Customers by reason of nonpayment of bills only after notice and a meaningful opportunity to be heard on disputed bills. Residential service may only be disconnected in accordance with Sections 8.2, 8.3, 8.4 and 8.5. The City's application for service and all bills shall contain an address and phone number where Customers may direct billing concerns.

- 4.2.1 All bills rendered by the City are due and payable no later than nineteen (19) days from the billing date. Any payment not received within this time frame shall be considered past due and delinquent. All delinquent bills shall be subject to the provisions of the City's termination procedure. City reserves the right to suspend or terminate Customer's service for:
- a). nonpayment of delinquent service bills;
 - b). nonpayment of service establishment charges;
 - c). nonpayment of security deposits;
 - d). nonpayment of returned check charges;
 - e). nonpayment of late charges;
 - f). nonpayment of collection charges;
 - g). and/or to declare past due service bill amounts, past due service establishment charges, past due security deposits, past due returned check charges, and past due collection charges subject to a late charge at the rate of eighteen percent (18%) per annum.
- 4.2.2 If Customer has one or more utility services with City and one or more of such services are terminated for nonpayment and Customer is-unwilling to make arrangements with City for payment, City shall be entitled to transfer the balance due on the terminated service(s) to any other active utility account of Customer. The failure of the Customer to pay the active account shall result in the suspension or termination of service thereunder. However residential water service shall not be discontinued, because of nonpayment of other classes or types of water service.

4.3 **Responsibility for Payment of Bills.**

- 4.3.1 Customer is responsible for the payment of bills for water service until service is ordered discontinued, and the City has had two (2) working days' time to process request.

4.3.2 Any water service charge remaining unpaid after notice and an opportunity to be heard shall ~~be sent to collections, become a lien upon such premises. Failure of any Customer billed or the owner of a premise to pay any water service charge prior to delinquency, may result in the City taking steps authorized by law to enforce payment of such lien.~~

4.3.3 When an error is found to exist in the billing rendered to the Customer, City will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three years from the date the error is discovered. Any refunds to Customers resulting in adjusted billings will be made promptly upon discovery by City. Under billings by City shall be billed to Customer who may be given up to one year to pay if the under billing is less than one thousand dollars (\$1000.00), and up to ~~year and half three~~ years to pay if under billing is more than one thousand dollars (\$1000.00), without late payment penalties. If the account is billed on a special contract, or service has been established but no bills have been rendered, Customer shall be limited to six months to pay under billings for residential accounts and three months for nonresidential accounts.

4.4 **Returned Checks** - If City is notified by the Customer's bank that the bank will not honor a check tendered by Customer for payment of any bill, City may require the Customer to make payment in cash, by money order, certified check or other means which guarantee the Customer's payment to the City.

4.4.1 Customer shall be charged a fee of ~~twenty five dollars fifteen dollars (\$25+5.00) for the first for each instance and thirty-five dollars (\$35.00) for any instance thereafter for the first year~~ where Customer tenders payment of a bill with a check which is not honored by Customer's bank. Only one ~~twenty five fifteen~~ dollar (~~\$25+5.00~~) fee shall be charged for each instance when a customer has a check which was dishonored for both the City wastewater and water service payment.

4.4.2 The tender of a dishonored check shall in no way:

- i) relieve Customer of the obligation to render payment to City under the original terms of the bill;
- ii) or, defer City's right to terminate service for nonpayment of bills.

4.5 To avoid discontinuation of service, Customer may make payment in full, including any necessary deposit in accordance with Section 2.5 or, may make acceptable payment
Arrangements as provided in Section 8.4.

4.6 **Payment Assistance and Counseling** - The City will provide the following services to Customers unable to pay their bills.

4.6.1 The City will offer installment payment plans to allow Customers to amortize past due and current amounts over a reasonable period of time. Customers who default on installment payment plans may not qualify for future installment payment arrangements.

4.6.2 Customer making payments on an installment payment plan must keep the account current as charges for service accrue.

4.6.3 City will furnish Customer upon request, information on the availability of alternate sources of financial assistance.

5 **SERVICE RESPONSIBILITIES OF CITY AND CUSTOMER**

5.1 **Responsibility: Use of Service or Apparatus** - City and Customer assume all responsibility on their respective sides of the Point of Delivery for water service supplied and taken, as well as for any apparatus used in connection therewith. The Point of Delivery shall be where the Customer's piping connects to the City water meter equipment.

5.1.1 Customer and City each shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the water service or the use thereof on their respective sides of the Point of Delivery. City shall, however, have the right to suspend or terminate service in the event City should learn of service use by Customer under hazardous conditions or for illegal purposes.

5.1.2 Customer shall exercise all reasonable care to prevent loss or damage to City property installed on Customer's premise for the purpose of supplying service to Customer.

5.1.3 Customer shall be responsible for payment of loss or damage to City property on Customer's

premises arising from neglect, carelessness or misuse, and shall reimburse City for the cost of necessary repairs or replacements.

5.1.4 Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized interfering, tampering or by-passing City's meter.

5.1.5 Customer shall be responsible for notifying City of any failure in City's equipment.

5.2 **Service Interruptions: Limitations on Liability of City** - City shall not be liable to Customer for any damages occasioned by fluctuations, interruptions or curtailment ~~of~~ water service except where caused by City's willful misconduct or gross negligence. City may, without incurring any liability therefore, suspend Customer's water service for periods reasonably required to permit City to accomplish repairs to or changes in any of City's facilities.

5.2.1 In the event of a national emergency or local disaster resulting in disruption of normal service, City may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.3 **City Access to Customer Premises** - City's authorized agents shall have safe access to Customer's premises at all reasonable hours to install, inspect, read, repair or remove its meters; to install, operate or maintain other City property, and to inspect and determine the connected water use. Neglect or refusal on the part of the Customer to provide such access shall be sufficient cause for discontinuance of service by City, and assurance of access may be required before service is restored.

5.4 **Easements** - All suitable easements and right-of-way required by the City for any portion of the extension which is on premises owned, leased or otherwise controlled by Customer shall be furnished in City's name by the Customer without cost to City and in reasonable time to meet proposed service requirements. All easements and right-of-way obtained on of City shall contain such terms and conditions as are acceptable to the City.

6. **METERING AND METERING EQUIPMENT.**

6.1 **Customer Equipment** - Customer shall install and maintain all water distribution equipment beyond the Point of Delivery. Except for City's meters and special equipment, Customer's entire installation must conform to all applicable construction and health standards and safety codes, and if an inspection or permit is required by law or by City, the same must be furnished by Customer.

6.1.1 Customer shall provide in accordance with City's current service standards, at no expense to City, and close to the Point of Delivery, a sufficient and suitable space acceptable to City's representative for the installation of City's metering equipment.

6.1.2 Customer shall provide and maintain a clear and unobstructed work space that extends a minimum radius of three (3) feet from the face of the water meter enclosure, and a clear and unobstructed walkway to the meter location of a minimum width of three feet. The water meter enclosure work space shall have a level surface and a minimum clearance of 6 feet 6 inches to any overhead obstruction.

6.1.3 Customer shall, at his own expense, relocate meter or meters to a new and approved location whenever the existing meter or meters become inaccessible or work space cannot be maintained.

6.2 **Service Connections**

6.2.1 City will not install nor maintain any piping and equipment on Customer's side of the Point of Delivery.

6.2.2 For the mutual protection of the Customer and City, only authorized employees of City are permitted to turn on or turn off the water service from any building or premise, or to connect or disconnect the water meter between the City's water distribution system and Customer's water distribution system. Such employees carry credentials which they will show upon request.

6.2.3 Customer shall not tap, cut or move any City water system equipment unless written permission to do so has been granted by the City Manager or his representative.

6.2.4 If City finds a premise turnoff valve that is damaged or broken because of tampering or improper operation by Customer, the City may replace the valve and install a gate valve on the Customer's side of the meter. The cost of both valves and labor will be billed to the Customer.

6.3 **Measuring Customer Service** - All the water sold to the Customer will be measured by a commercially acceptable measuring device owned and maintained by the City.

6.3.1 The readings of City's meters will be conclusive as to the amount of water used by the Customer unless, there is evidence of meter tampering or water diversion, or unless a test reveals City's meter is in error by more than plus or minus two percent (2%).

6.3.2 If there is evidence of meter tampering or water diversion, Customer will be billed for the estimated water used that would have been registered had all water usage been properly metered.

6.3.3 If any meter after testing is found to be more than two percent (2%) in error, either fast or slow, proper correction shall be made of previous readings and an adjusted bill shall be rendered per

- 4.1.4. Customer will be billed for the estimated water usage that would have been registered had the meter been operating properly.
- 6.3.4 City shall, at the request of Customer, reread Customer's meter within ten (10) working days after such request by Customer. The cost of such rereads, which is \$10, may be charged to Customer, provided the original reading was not in error.

6.4 Meter Testing

- 6.4.1 City shall test its meters regularly in accordance with a meter testing and maintenance program.
- 6.4.2 City will individually test a meter upon Customer's request. If meter is found to be within the two percent (2%) limit, City may charge customer \$25.00 for the cost of the meter test. The results of the test will be furnished to the Customer within a reasonable time ~~after~~ after the test.
- 6.4.3 Customer shall have the right to observe any individual meter test he has requested, or to have present an expert or other representative appointed by him.

6.5 Master Metering

- 6.5.1 **Resale of Water** - Customer shall not resell water from the City to any person except,
- i). where water is purchased at rates specifically applicable to resale service, or
 - ii). where the charge to the tenants is absorbed in the rental for the premises or space occupied, or
 - iii). where the customer is owner, lessee or operator of a multi-family housing or similar facility, and submeters and resells water to tenants at the same rates and charges that the City would charge for the service if supplied by it directly, or
 - iv). qualifies for submeter resale under the criteria identified in Section 6.5.4.
- 6.5.2 **Mobile Home Parks** - Master metering may be allowed for new construction of residential mobile home parks, provided water service is included as part of the basic rent payment.
- 6.5.3 **Residential - Apartment Complexes - Condominiums and Other Multiunit Residential Buildings** - Master metering may be allowed for new construction of apartment complexes, provided water service is included as part of the basic rent payment. City shall refuse service to all new construction of condominiums, unless the condominiums are individually metered.
- 6.5.4 **RV Parks, Marinas, Small Craft Harbors, and Similar Type Service** - Master metering will be allowed at RV parks, marinas, small craft harbors and similar type of services. The master meter Customer may submeter individual spaces, slips or berths. An "extended stay" or permanent residential, commercial, recreational or similar facilities shall be individually metered by the City. Existing master metered facilities shall be exempt from these requirements, except for any new facilities that are added to the RV park, marina, small craft harbor, etc. after the effective date of these Terms and Conditions. The rates and charges to the submeter user must not exceed those that would be applied if user was purchasing water directly from the City.

7. SERVICE CONNECTIONS

Customer shall install and maintain all premise water connections. The City shall maintain the interconnection of the Customer's distribution system to the water meter. Such installations shall comply with requirements of the City's Conditions Governing Extensions of Water Service.

8. TERMINATION OF SERVICE

- 8.1 **Customer Initiated Termination** - A Customer requesting termination of water service must provide the City with at least two working days' notice and a disconnect date. The Customer shall remain responsible for all service use until two working days after the disconnect notice or the requested disconnect date, whichever is later.
- 8.2 **Termination Policies.** (a) The City shall make available its policies on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the California Civil Code, and any other language spoken by at least 10 percent of the people residing in the City's service area. The policies are set forth in these Terms and Conditions are intended to cover the following subjects and may be interpreted or supplemented by additional written policies established by the City Manager or his or her designee:
- (1) A plan for deferred or reduced payments.
 - (2) Alternative payment schedules.
 - (3) A formal mechanism for a customer to contest or appeal a bill.

(4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) These policies shall be available on the City's Internet Web site and shall be provided to customers in writing, upon request.

8.3

(a) **Termination of Residential Service.** Notwithstanding anything to the contrary, the City shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least sixty (60) days. Delinquency shall be measured from the due date as provided in the bill or the City's other policies. No less than seven business days before discontinuation of residential service for nonpayment, the City shall contact the customer named on the account by telephone or written notice.

(b) **Telephonic Contact.** When the City contacts the customer named on the account by telephone pursuant to section 8.3(a), it shall offer to provide in writing to the customer the City's policy on discontinuation of residential service for nonpayment. The City shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(c) **Mailed Notice.** When the urban and community water system contacts the customer named on the account by written notice pursuant to section 8.3(a), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

(i) The customer's name and address.

(ii) The amount of the delinquency.

(iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

(iv) A description of the process to apply for an extension of time to pay the delinquent charges.

(v) A description of the procedure to petition for bill review and appeal.

(vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 8.2.

(d) **Personal Contact.** If the City is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the City shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the City's policy for discontinuation of residential service for nonpayment.

(e) **Stay Pending Appeal.** If an adult at the residence appeals the water bill to the City or any other administrative or legal body to which such an appeal may be lawfully taken, the City not discontinue residential service while the appeal is pending.

8.4 Payment Alternatives.

(a) The City shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the City the certification of a primary care provider, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to Section 8.2, with respect to all delinquent charges.

- (b) If the conditions listed in section 8.4(a) are met, the City shall offer the customer one or more of the following options at the discretion of City provided that repayment shall occur within 12 months year:
 - (A) Amortization of the unpaid balance.
 - (B) Participation in an alternative payment schedule.
 - (C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
 - (D) Temporary deferral of payment.
- (3) **Failure to Abide by Payment Terms**. Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:
 - (A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
 - (B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.
 - (C) If the City discontinues residential service for nonpayment it shall provide the customer with information on how to restore residential service.

8.5 **Special Rules Applicable to Renters.**

- (a) If the City furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least ten (10) days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account. The City is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the City's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the City of selectively terminating service to those residential occupants who have not met the requirements of the City's rules and tariffs, the City shall make service available to those residential occupants who have met those requirements. If prior service for a period of time is a condition for establishing credit with the City, residence and proof of prompt payment of rent or other credit obligation acceptable to the City for that period of time is a satisfactory equivalent.

- 8.6 **Restoration of Service** - City shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the City. The City shall collect a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. For the reconnection of residential service during nonoperational hours, the City shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less.

9. **DISPUTED BILLS AND COMPLAINTS**

- 9.1 **Bill Inquiries and Complaint Investigations** - A Customer may request a bill inquiry or complaint investigation by contacting the City's utilities office. An investigation will be completed by the City, and the Customer will be advised of the investigation's results and any action taken. If the Customer is seeking to set up an extended payment arrangement, the City will attempt to assist by offering an amortized payment schedule, and provided the Customer has not defaulted on a previous payment agreement.
- 9.2 **Unresolved Bill Inquiries and Complaint Investigation** - If a Customer is not satisfied with the investigation and/or action completed by the City's utilities office, the Customer should elevate the inquiry or complaint to the next level within the City staff, in the order recommended below.

- 9.3 **Appeal To The Utility Board** - A Customer who is not satisfied or believes the staff investigation results are incorrect or unfair, may appeal to the Needles Board of Public Utilities. The Board will hear only appeals that have not been resolved to the Customer's satisfaction, after the City Manager has finalized his review. A form to request an appeal is available at the utilities office, and must be submitted at least two weeks prior to a regularly scheduled Board meeting to ensure placement on the agenda. The Customer is encouraged to be present at the Board hearing, or to have a representative present.
- 9.4 **Appeal To The City Council** - A Customer who remains unsatisfied after appealing their concerns to the Needles Board of Public Utilities, may appeal to the City Council for final resolution. The City Clerk will assist the Customer with scheduling the appeal. The Customer or his representative must be present at the Council meeting for the appeal to be heard and/or acted upon.
- 9.5 **Payment Of Disputed Bills** - A Customer who has requested an investigation or who is appealing a determination shall not have the water service disconnected for nonpayment of the disputed bill. If the Customer is disputing multiple months of billing, payment for one of the months being disputed may be withheld pending determination, but all remaining months being disputed must be paid to avoid being disconnected for nonpayment. A customer must pay subsequent bills to a disputed bill, to avoid being disconnected for nonpayment.
10. **REMOVAL OF FACILITIES** - Upon the termination of service, City may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the Customer, and City shall be under no further obligation to serve Customer. If, however, City *has* not removed its facilities within one (1) year after termination of service, City shall thereafter give Customer thirty (30) days written notice before removing its facilities, or else waive any re-establishment charge within the next year for the same service to the same Customer at the same location. For purpose of this Section, notice to the Customer shall be deemed given at the time such notice is deposited at the U.S. Postal Service, first class mail, postage prepaid, to the Customer at his/her last known address.
11. **PROHIBITED SERVICE USES** - Customer shall not use water service for the following uses or activities. This prohibition is necessary to prevent water shortages.
- No Customer shall cause or permit water furnished to any property to run or to escape from any hose, pipe, valve, faucet, sprinkler or irrigation device, onto a sidewalk, street, gutter or to otherwise escape from the property, if such running or escaping can reasonably be prevented.
- 11.2 Residential and nonresidential watering of grass, lawns, ground cover, open ground, shrubbery, crops, gardens and trees, including agricultural irrigation, in a manner or to an extent which allows substantial amounts of excess water to run off the area being watered, shall not be permitted. Minimum amount of run off which is a natural consequence of conservative watering, either by hand or mechanical sprinkler facilities, is permitted so long as such run off is not excessive.
- 11.3 All Customers shall conduct watering of landscape and lawns between 6:00 p.m. and 9:00 a.m. during the months of April through September. If a hand-held hose or drip irrigation system is used watering may be done at any time. City parks and the City golf course shall be exempt from this section, except these City facilities shall be expected to comply with these requirements, unless, because of some unforeseen necessity or for the benefit of public use watering is required. An exemption shall also be granted for discharge water from existing water-cooled air conditioners or coolers providing the discharge is to lawn or landscape areas and is not permitted to drain to streets.
- 11.4 Washing down of sidewalks, walkways, driveways, parking lots, patios, porches or other paved surfaces, shall be limited to five minutes twice a month for residential and nonresidential property shall be limited to five minutes per 500 square feet twice monthly. Flammable or other similar dangerous substances may be washed from said areas by direct hose flushing to remove immediate fire or sanitation hazards. Flammable or other similar dangerous substances shall not be washed into any wastewater collection system. In addition, public food service businesses may wash down surfaces as necessary to alleviate health, safety and sanitation hazards.
- 11.5 When not using a commercial automobile wash, the following shall apply. Automobiles shall be washed using a bucket during the washing process. A hose and nozzle which shuts off automatically when released shall be used for a quick rinse. Automobiles may not be washed on public streets.
- 11.6 No person shall permit water to leak from any facility on his or her premises; any leak shall be repaired in a timely manner.

12. **BACKFLOW DEVICES**

12.1 The City of Needles has the responsibility to protect the public water supply from contamination by implementing a cross connection control program. The City shall evaluate the potential health hazard to the public water supply which may be created as a result of conditions existing on the user's premises. The Customer shall be responsible for abatement of the cross connection(s) which exist on the Customers property, and shall install equipment according to City requirements at Customer expense.

12.2 The City shall establish cross connection requirements for the Customer, and shall use, but not be limited to, the following elements to determine such requirements:

12.2.1 Nature of materials being handled on customer's premises.

12.2.2 The probability of a back flow occurring on the premises.

12.2.3 The degree of piping system complexity and potential for modification.

12.2.4 **Special Considerations:**

12.2.4.1 Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.

12.2.4.2 Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the City and is approved by appropriate health agencies.

12.2.4.3 Premises that have internal cross connections that are not abated to the satisfaction of the City or a health agency.

12.2.4.4 Premises where cross connections are likely to occur and entry is restricted so that cross connection inspections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross connections do not exist.

12.2.4.5 Premises having a repeated history of cross connections being established or re-established.

12.3 Backflow preventers required by the City shall have passed laboratory and field evaluation tests performed by a recognized testing organization which has demonstrated their competency to perform such tests to the appropriate regulatory and health agencies.

12.4 The type of protection required to prevent backflow into the public water supply shall be commensurate with the degree of hazard that exists on the Customer's premises.

12.5 The Customer shall assure that adequate maintenance and periodic testing are completed, as required by the City, to ensure the backflow preventers are operating properly. The Customer shall maintain and have available to the City for inspection, upon request, records of all maintenance and testing completed for a minimum of three years.

13. **CURTAILMENT** - When the availability of service is restricted and a reduction of service is required to maintain the integrity of part or the total water system, the Customer will be notified by the City to reduce or terminate use of service. Such notifications may be made by mail, phone, or in-person. The City will curtail service on a proportionate basis, where possible. Customers, who refuse or do not comply with curtailment requirements, may be terminated by the City. A service re-establishment charge of \$200.00 will be assessed for a first time violation, \$500.00 for second violation, and \$1000.00 for a third violation. A Customer who violates curtailment requirements more than three times may not be allowed to reestablish service.

14. **SUCCESSORS AND ASSIGNS** - Agreements for service shall be binding upon and for the benefit of the successors and assigns of Customer and City, but no assignments by Customer shall be effective until Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by the City.

15. **WARRANTY** - There are no understandings, agreements, representations or warranties, expressed or implied (including warranties regarding merchantability or fitness for a particular purpose), not specified herein concerning the sale and delivery of water services by the City to the Customer. These Terms and Conditions state the entire obligation of the City in connection with such services. Terms and Conditions



City of Needles, California Request for Commission Action

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

Meeting Date: January 21, 2025

Title: EUSI, LLC operational support services relating to the wastewater treatment facility and collection system November and December 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: 1/16/2025

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
November 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 November 2024.

- The daily average flow for the month of November 2024 was 0.456 MGD.
- Completed the October 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.
- Drained digester to drying beds 5 and 11.
- Operations staff cleared drying beds 7, 9, 13, 19, material was placed in bed 24 for future removal.
- Completed routine monthly inspection of the Kubota tractor, the 4" trash pump, and the jetter.
- Kubota taken to city yard to repair a front hub seal.
- Staff with help of the electric company installed the old motive pump in SBR #2 in preparation for modified single tank mode of operation.
- Preventive Maintenance Program is ongoing per operating hours of the various plant components.
- Completed the bar screen service and inspections throughout the month.
- 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.
- The backflush valve on SBR #2 was not opening or closing fully. Staff removed the valve internals and received new gaskets and some replacement parts and we expect to have the valve installed in early December.

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

- November 9, 2024 Operations staff was called out at ~1100 hrs for a sewer spill at the Terrace View apartments. Staff took pictures and reported the spill to Ms. Torrance. The property maintenance staff arrived and snaked the line and had chlorine to take care of the on-stie clean up. (1.0 hr, No charge for this call out).
- November 30, 2024 Operations staff was called out separate times; first at ~1600 hrs for an effluent valve failure, second at 1715 hours for a filtrate pump #2 failure, and third at ~2245 hours for a control panel alarm for an effluent valve failure. Staff acknowledged the first alarm and the system was returned to normal. Staff acknowledged the second alarm and placed the filtrate pump in the off position. Pump 2 will be placed on the schedule for service during normal business hours. For the third call out operations staff noted a high-water level in SBR #1. The effluent valve was taking longer to close which air bound the effluent line. Staff coordinated troubleshooting of the issue with the chief plant operator to correct the issue and define a plan until normal working business hours. The control integrator was able to make a programming change on Monday morning December 2nd that corrected the issue. (3.5 man hours = \$262.50 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

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

- The daily average flow for the month of December 2024 was 0.418 MGD.
- Completed the November 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 decanted the digester to limit the amount of sludge that needed to be sent to the drying beds for further processing and ultimate removal to the off-site landfill.
- 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.
- 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 completed repairs to SBR #2 backflush valve and installed the valve and tested for functionality. This valve is working properly and SBR #2 can be placed into service in a modified single tank mode. Further consideration will be made on whether or not to make this change after the holidays in early January.
- Operations staff ordered replacement probes for the DO meter.
- Vehicle maintenance staff completed repairs on the Kubota tractor, it is now available for use.
- City IT staff installed new desktop computer for the control system for the plant. This went well and has improved reliability of the monitoring and control system for the plant.

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

- December 1, 2024 Operations staff came to the site at ~1845 hrs to sequence the decant due to issues that were being experienced with the effluent valve closure. (1.0 hr, No charge for this activity).
- December 2, 2024 Operations staff came to the site at ~1845 hrs to sequence the decant due to issues that were being experienced with the effluent valve closure time. (1.0 hr, No charge for this activity). The controls integrator (PLC programmer) changed some programming to delay starting the motive pump until the effluent valve is in a closed position.
- December 4, 2024 Operations staff replaced the mac air solenoid control valve on the SBR #1 back flush valve. (1.0 hour, no charge for this activity).
- December 14, 2024 City on-call staff was called out for a control panel alarm. Motive pump #2 was in alarm (it was offline and not an operational factor) and effluent valve #1 failure. The effluent valve took a little too long to close and alarmed. The valve had returned to a normal state of operation by the time staff was on site.
- December 15, 2024 City on-call staff was called out at ~0245 hrs for control panel alarm for effluent pump 1 failure. The breaker was reset and returned to normal operation. (No charge for this activity as city staff responded)
- December 16, 2024 City on-call staff was called out at ~2050 hrs for a control panel alarm for effluent pump 1 failure. The breaker was reset and returned to normal operation. Due to the nature of back-to-back alarms operations staff will investigate the pump issues further during normal working hours.
- December 19, 20024 Operations staff removed EQ pump #1 one and check for obstruction in the impeller, checked oil levels and tested the pump. It appears to be an issue with the disconnect breaker, staff ordered a new breaker and will test

that. If this does not correct the issue we will need to check on a warranty for this pump as it is one of the new pumps that was installed in April of this year.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Kris Hendricks", with a stylized flourish at the end.

Kris Hendricks, EUSI, LLC; Managing Member



CITY OF NEEDLES, CALIFORNIA STAFF REPORT

MEETING TYPE: Regular

MEETING DATE: January 21, 2025

TITLE: Monthly Activity Report November 2024

BACKGROUND:

FISCAL IMPACT:

**ENVIRONMENTAL
IMPACT:**

**RECOMMENDED
ACTION:** No Action Needed – Information Only

Rainie Torrance, Utility Manager

SUBMITTED BY:

City Manager Approval: Patrick J. Martinez Date: 1/16/2025

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

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: Jul-24

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

CURRENT YEAR:

		MONTH OF Jul-24	Fiscal Year to Date through: Jul-24	YTD	% change prior year to current year	Consumption Jul-24	% change prior year to current year
Utility Revenue:	Electric	\$ 1,777,793	\$ 1,777,793	42%		11,158,485 kWh	21.5%
	Water	\$ 262,918	\$ 262,918	4%		5,030,016 Cu. Ft.	4.1%
	Sewer	\$ 179,065	\$ 179,065	0%			
TOTALS		\$ 2,219,776	\$ 2,219,776				

Note: Elec
Custs total:
3,023
Jul-24

PRIOR YEAR:

		MONTH OF Jul-23	Fiscal Year to Date Through: Jul-23		Consumption Jul-23
Utility Revenue:	Electric	\$ 1,249,214	\$ 1,249,214		9,184,037 kWh
	Water	\$ 252,266	\$ 252,266		4,831,733 Cu. Ft.
	Sewer	\$ 178,687	\$ 178,687		
TOTALS		\$ 1,680,167	\$ 1,680,167		

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)
 \$ 109,122 at end of current month
 Percent of current month Revenue 0.049159127
 Percent of Year to Date Revenue 4.92%
Excludes Cultivation Deposits

Electric Demand (MW)
 Current Period 26.72
 Prior Year 23.71

Customer Service Office
 Number of Disconnections 10
 Number of Reconnects 15

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.

Report Prepared by: Rainie Torrance
 Assistant Utility Manager

Date: 01/14/25

Purchased Power Expense (Per AES/WAPA Schedule):

	MTD	YTD
Current Period	\$ 980,877	\$ 980,877
Prior Year	\$ 1,351,064	\$ 1,351,064
Percentage change in cost YTD		-27%

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

NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: Aug-24

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

CURRENT YEAR:	MONTH OF	Fiscal Year to	Date through:	YTD		% change	prior year to	current year	% change	prior year to	current year
				Aug-24	Aug-24						
Utility Revenue:	Electric	\$	1,885,854	\$	3,663,647	46%					
	Water	\$	277,627	\$	540,454	11%					
	Sewer	\$	178,630	\$	357,695	2%					
TOTALS		\$	2,342,111	\$	4,561,796						

Note: Elec
Custs total:
3,028
Aug-24

PRIOR YEAR:

MONTH OF	Fiscal Year to	Date Through:	Consumption
Aug-23	Aug-23		
Utility Revenue:	Electric	\$ 1,260,512	\$ 2,509,725
	Water	\$ 236,565	\$ 488,831
	Sewer	\$ 171,602	\$ 350,289
TOTALS		\$ 1,668,679	\$ 3,348,845

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)
\$ 160,497 at end of current month
Percent of current month Revenue 0.06852644
Percent of Year to Date Revenue 3.52%
Excludes Cultivation Deposits

Electric Demand (MW)
Current Period 25.76
Prior Year 21.72

Customer Service Office
Number of Disconnections 15
Number of Reconnects 15

Sources: Revenue: General Ledger (Finance Dept numbers)
A/C's past due: Billing system
Electric Demand: AES Representative

Purchased Power Expense (Per AES/WAPA Schedule):
Current Period \$ 867,781
Prior Year \$ 1,260,375
Percentage change in cost YTD -29%
Note: Purchased Power Expense is calculated by AES, not the G/L

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

Report Prepared by: Rainie Torrance
Assistant Utility Manager

Date: 01/14/25

NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: Sep-24

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

CURRENT YEAR:

	MONTH OF Sep-24	Fiscal Year to Date through: Sep-24	YTD	% change prior year to current year	Consumption Sep-24	% change prior year to current year
Utility Revenue:	Electric \$ 1,857,201	\$ 5,520,848	37%		11,540,919 kWh	8.1%
	Water \$ 281,841	\$ 822,386	10%		5,268,219 Cu. Ft.	1.4%
	Sewer \$ 179,215	\$ 536,910	3%			
TOTALS	\$ 2,318,257	\$ 6,880,144				

Note: Elec
Custs total:
3,034
Sep-24

PRIOR YEAR:

	MONTH OF Sep-23	Fiscal Year to Date Through: Sep-23	Consumption Sep-23
Utility Revenue:	Electric \$ 1,522,378	\$ 4,032,103	10,674,155 kWh
	Water \$ 262,038	\$ 750,870	5,195,966 Cu. Ft.
	Sewer \$ 172,156	\$ 522,446	
TOTALS	\$ 1,956,572	\$ 5,305,419	

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)
 \$ 167,370 at end of current month
 Percent of current month Revenue 0.072196335
 Percent of Year to Date Revenue 2.43%
Excludes Cuvation Deposits

Electric Demand (MW)
 Current Period 23.76
 Prior Year 20.61

Customer Service Office
 Number of Disconnections 15
 Number of Reconnects 15

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.

Report Prepared by: Rainie Torrance
 Assistant Utility Manager

Date: 01/14/25

Purchased Power Expense (Per AES/WAPA Schedule):

	MTD	YTD
Current Period	\$ 578,132	\$ 2,426,791
Prior Year	\$ 899,885	\$ 3,511,324
Percentage change in cost YTD		-31%

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

NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: Oct-24

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

CURRENT YEAR:

		MONTH OF		Fiscal Year to		YTD			
		Oct-24	Oct-24	Date through:	Date through:	% change	% change	Consumption	% change
						prior year to	prior year to	Oct-24	prior year to
						current year	current year		current year
Utility Revenue:	Electric	\$ 1,329,368	\$ 6,850,216			35%		8,414,307 kWh	26.2%
	Water	\$ 253,855	\$ 1,076,241			10%		4,255,799 Cu. Ft.	15.7%
	Sewer	\$ 176,324	\$ 713,234			2%			
TOTALS		\$ 1,759,547	\$ 8,639,691						

Note: Elec
Custs total:
3,011
Oct-24

PRIOR YEAR:

		MONTH OF		Fiscal Year to			
		Oct-23	Oct-23	Date Through:	Date Through:	Consumption	
						Oct-23	
Utility Revenue:	Electric	\$ 1,033,180	\$ 5,065,282			6,665,913 kWh	
	Water	\$ 230,164	\$ 981,034			3,677,178 Cu. Ft.	
	Sewer	\$ 176,174	\$ 698,619				
TOTALS		\$ 1,439,518	\$ 6,744,935				

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)

\$ 184,677 at end of current month
Percent of current month Revenue 0.104957094
Percent of Year to Date Revenue 2.14%

Excludes Cufivation Deposits

Electric Demand (MW)

Current Period 22.11
Prior Year 16.49

Customer Service Office
Number of Disconnections 10
Number of Reconnects 5

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.

Report Prepared by:

Rainie Torrance
Assistant Utility Manager

Date: 01/14/25

Purchased Power Expense (Per AES/WAPA Schedule):

	MTD	YTD
Current Period	\$ 482,445	\$ 2,909,235
Prior Year	\$ 426,346	\$ 3,937,670
Percentage change in cost YTD		-26%

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

NEEDLES PUBLIC UTILITY AUTHORITY

Monthly Activity Report

MONTH OF: Nov-24

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

CURRENT YEAR:

CURRENT YEAR:	MONTH OF		Fiscal Year to		YTD		% change prior year to current year
	Nov-24	\$	Date through: Nov-24	\$	% change		
					prior year to current year		
Utility Revenue:	Electric	\$ 1,186,037	\$ 8,036,252	33%	7,373,885 kWh	18.0%	
	Water	\$ 261,052	\$ 1,337,293	12%	4,084,281 Cu. Ft.	20.3%	
	Sewer	\$ 180,756	\$ 893,990	3%			
TOTALS		\$ 1,627,845	\$ 10,267,535				

Note: Elec
Custs total:
3,012
Nov-24

PRIOR YEAR:

	MONTH OF Nov-23	Fiscal Year to Date Through: Nov-23	Consumption Nov-23
Utility Revenue:	Electric	\$ 979,859	\$ 6,045,140
	Water	\$ 216,270	\$ 1,197,304
	Sewer	\$ 172,751	\$ 871,370
TOTALS		\$ 1,368,880	\$ 8,113,814

ADDITIONAL INFORMATION:

See attached documentation
Accounts Past Due (Over 60/90 Days) (Now all, not just active)
 \$ 368,748 at end of current month
 Percent of current month Revenue 0.226524976
 Percent of Year to Date Revenue 3.59%
Excludes Cautivation Deposits

Electric Demand (MW)

Current Period
12.64
Prior Year
11.90

Customer Service Office
 Number of Disconnections 10
 Number of Reconnects 5

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.

Report Prepared by: Rainie Torrance
 Assistant Utility Manager

Date: 01/14/25

Purchased Power Expense (Per AES/WAPA Schedule):

	MTD	YTD
Current Period	\$ 319,594	\$ 3,228,829
Prior Year	\$ 370,759	\$ 4,308,429
Percentage change in cost YTD		-25%

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

NPUA									
Recap of Water Consumption: Comparing FY 24 to FY 25									
FY 23 / 24	Monthly Consumption		FY 24 / 25	Monthly Consumption		Difference			
July-23	4,831,733		July-24	5,030,016		4%			
August-23	4,218,990		August-24	5,160,877		22%			
September-23	5,195,966		September-24	5,268,219		1%			
October-23	3,677,178		October-24	4,255,799		16%			
November-23	3,395,139		November-24	4,084,281		20%			
December-23	3,579,785		December-24			-100%			
January-24	3,169,772		January-25			-100%			
February-24	2,929,896		February-25			-100%			
March-24	2,689,773		March-25			-100%			
April-24	2,655,443		April-25			-100%			
May-24	3,969,846		May-25			-100%			
June-24	4,425,640		June-25			-100%			
	44,739,161			23,799,192					
This report shows the current month consumption, compared to the prior year. Shown in cubic-feet.									

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-23	\$ 1,680,167	\$ 213,695	12.72%	see attached	Jul-24	\$ 2,219,766	\$ 109,122	4.92%	see attached
Aug-23	\$ 3,348,845	\$ 137,501	4.11%	see attached	Aug-24	\$ 4,561,796	\$ 160,497	3.52%	see attached
Sep-23	\$ 5,305,419	\$ 221,611	4.18%	see attached	Sep-24	\$ 6,880,144	\$ 167,370	2.43%	see attached
Oct-23	\$ 6,744,935	\$ 246,819	3.66%	see attached	Oct-24	\$ 8,639,691	\$ 184,677	2.14%	see attached
Nov-23	\$ 8,113,814	\$ 281,434	3.47%	see attached	Nov-24	\$ 10,267,535	\$ 368,748	3.59%	see attached
Dec-23	\$ 9,485,954	\$ 250,315	2.64%	see attached	Dec-24			#DIV/0!	see attached
Jan-24	\$ 10,915,585	\$ 136,437	1.25%	see attached	Jan-25			#DIV/0!	see attached
Feb-24	\$ 12,361,017	\$ 217,656	1.76%	see attached	Feb-25			#DIV/0!	see attached
Mar-24	\$ 13,846,466	\$ 255,096	1.84%	see attached	Mar-25			#DIV/0!	see attached
Apr-24	\$ 15,224,796	\$ 140,323	0.92%	see attached	Apr-25			#DIV/0!	see attached
May-24	\$ 16,908,534	\$ 312,650	1.85%	see attached	May-25			#DIV/0!	see attached
Jun-24	\$ 18,830,647	\$ 313,813	1.67%	see attached	Jun-25			#DIV/0!	see attached
Source:									
Aged Accounts Receivable Report (NPUA)									
This report shows the YTD sales for the utilities, and the over 60 & 90 by month.									

PREPARED 7/31/24, 16:13:34

PROGRAM UT425L

Needles Customer Service Center

TRIAL BALANCE

PAGE 360

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	867,401.00	290,571.31	65,877.91	14,027.01	1,433,044.35
	E1 EL CONSERVATION	156,759.58	38,407.54	1,096.38	222.71	24,377.08
	E4 ELECTRIC EXCESS USE	2,883.32	1,124.47	4,357.90	1,286.42	76,257.10
	E5 ELECTRIC EST FEE	48,697.09	12,115.43	70.00	.00	1,428.65
	E7 ELECTRIC TAX	736.46	205.74	137.52	32.18	2,840.91
	FC ANNUAL FACILITY CHG	1,654.75	524.35	.00	285.32	43,902.73
	RA RECYCLE CM FEES	339.57	142.54	154.40	97.73	4,175.98
	RR RECYCLING RE FEES	3,109.36	43,617.41	271.34	34.36	3,614.94
	SA SANITATION CM FEES	2,050.57	610.29	1,710.59	752.19	46,746.74
	SE SEWER FEES	51.00	597.38	3,812.76	1,055.99	105,142.74
	SR SANITATION RE FEES	33,573.07	10,379.90	2,256.42	483.56	46,015.92
	S3 SANITATION MISC	71,884.05	15,913.60	9.00	8.55	427.80
	S7 SEWER EST FEE	27,280.57	7,079.64	25.00	.00	533.18
	UT UUT-EL,WA,SW TAX	326.17	84.08	1,962.58	422.29	42,823.11
	WA WATER SALES/OVER MIN	271.28	131.84	3,225.91	723.24	101,782.02
	W4 WATER MINIMUM CHARGE	25,529.38	7,900.45	3,943.77	754.22	83,919.37
	W5 WATER EST FEE	4,862.41	2,146.00	25.00	.00	533.14
* TOTAL		1,229,339.65	375,651.49	88,936.48	20,185.77	2,061,504.73
		168,790.63	178,600.71			
				LESS CREDIT BALANCES		167,770.67-
				NET TOTAL		1,893,734.06
* FINAL STATUS TOTALS *						TOTAL ACCOUNTS
STATUS				BALANCES / ACCOUNTS	NET	WITH 0 BALANCES
A ACTIVE	2,037,942.67	1,802	151,718.24-	1,886,224.43	3,848	1,599
C COLLECTION	917.88	2	.00	917.88	2	0

PROGRAM UT425L
Needles Customer Service Center

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
	CG CREDIT CARD CONV FEE	14.13	9.00	.00	.00	23.13
	EL ELEC USAGE SALES	1,315,192.37	300,401.99	107,350.78	21,699.02	1,928,196.48
	E1 EL CONSERVATION	20,748.68	34,619.23	1,689.98	419.98	31,794.52
	E4 ELECTRIC EXCESS USE	3,067.53	1,000.12	2,616.59	1,531.31	80,728.61
	E5 ELECTRIC EST FEE	54,024.32	13,104.12	125.75	35.00	1,208.70
	E7 ELECTRIC TAX	1,201.56	8,250.71	196.35	53.92	3,641.28
	FC ANNUAL FACILITY CHG	392.13	380.08	.00	.00	43,902.73
	RA RECYCLE CM FEES	2,321.54	571.74	101.89	87.12	5,136.81
	RR RECYCLING RE FEES	362.45	135.28	120.08	68.27	3,554.16
	SA SANITATION CM FEES	285.32	43,617.41	2,812.24	956.42	61,220.30
	SE SEWER FEES	3,920.44	929.63	4,697.96	1,756.31	135,976.75
	SR SANITATION RE FEES	2,094.21	682.98	1,638.72	881.51	46,430.76
	S3 SANITATION MISC	46,089.91	538.45	22.27	8.55	519.64
	S7 SEWER EST FEE	50.17	10,361.77	50.12	25.00	506.68
	UT UUT-EL,WA,SW TAX	756.62	243.34	2,976.36	767.34	57,531.59
	WA WATER SALES/OVER MIN	98,097.20	19,457.71	2,739.12	1,058.28	123,005.35
	W4 WATER MINIMUM CHARGE	1,238.93	10,728.64	2,630.73	1,304.44	88,137.76
	W5 WATER EST FEE	28,072.60	7,670.46	50.12	25.00	506.64
* TOTAL		375.86	7,461.85	129,819.06	30,677.47	2,655,960.86
		8.55	104.41			152,771.05-
		180.17	146.33			
		37,741.03	105.06			
		5,170.27	8,827.92			
		96,867.32	2,048.67			
		801.33	13,838.67			
		60,090.96	7,700.63			
		971.36	12,624.68			
		180.17	10,515.59			
		25.00	146.33			
			80.02			
			394,126.05			
			171,224.71			
				LESS CREDIT BALANCES		
				NET TOTAL		
				BALANCES / ACCOUNTS	NET	TOTAL ACCOUNTS
					BALANCES / ACCOUNTS	WITH 0 BALANCES
* FINAL STATUS TOTALS *						
STATUS						

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
	CG CREDIT CARD CONV FEE	12.23	11.40	.00	.00	23.63
	EL ELEC USAGE SALES	1,049,367.54	449,845.30	74,573.04	57,498.37	1,808,819.92
	E1 EL CONSERVATION	14,175.48	163,360.19	1,274.29	928.96	30,337.01
	E4 ELECTRIC EXCESS USE	341.12	6,514.47	3,157.21	1,530.69	92,498.94
	E5 ELECTRIC EST FEE	61,589.65	17,314.78	108.88	105.19	1,474.28
	E7 ELECTRIC TAX	1,836.19	7,274.04	150.52	110.18	3,443.41
	FC ANNUAL FACILITY CHG	1,936.82	183.28	.00	.00	43,861.97
	RA RECYCLE CM FEES	49.85	240.74	149.50	50.41	6,025.37
	RR RECYCLING RE FEES	285.32	1,173.69	148.13	66.10	3,967.82
	SA SANITATION CM FEES	4,547.68	759.17	1,938.46	1,247.32	66,597.40
	SE SEWER FEES	2,104.09	498.60	5,125.27	3,053.64	153,071.87
	SR SANITATION RE FEES	52,083.46	10,353.16	1,812.50	1,011.69	53,497.78
	S3 SANITATION MISC	106,792.05	166.13	8.55	12.06	466.22
	S7 SEWER EST FEE	1,750.51	10,013.15	77.77	50.12	588.60
	UT UUT-EL,WA,SW TAX	31,983.75	6,867.06	2,330.36	1,676.96	55,133.53
	WA WATER SALES/OVER MIN	1,120.08	105.91	3,481.16	1,380.21	137,596.51
	W4 WATER MINIMUM CHARGE	8.55	80.06	2,810.04	1,374.19	102,550.83
	W5 WATER EST FEE	274.74	105.91	77.77	50.12	613.56
* TOTAL		1,535,232.33	575,039.33	97,223.45	70,146.21	2,604,507.62
		23,304.75	303,561.55	LESS CREDIT BALANCES		124,642.94-
				NET TOTAL		2,479,864.68
* FINAL STATUS TOTALS *				BALANCES / ACCOUNTS	NET	TOTAL ACCOUNTS
STATUS				BALANCES / ACCOUNTS	BALANCES / ACCOUNTS	WITH 0 BALANCES

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
	CG CREDIT CARD CONV FEE	.00	12.23	11.40	.00	23.63
	EL ELEC USAGE SALES	844,509.00	363,882.79	94,660.23	42,552.48	1,541,369.51
	E1 EL CONSERVATION	46,178.19	149,586.82	1,743.39	762.76	27,942.36
	E4 ELECTRIC EXCESS USE	14,350.79	6,257.41	4,931.98	2,078.62	86,724.58
	E5 ELECTRIC EST FEE	1,191.07	3,636.94	43.57	108.36	1,237.05
	E7 ELECTRIC TAX	52,983.31	6,725.79	201.50	88.26	3,238.73
	E8 BILLED UTIL. DEPOSIT	2,225.44	270.43	.00	.00	150.00
	FC ANNUAL FACILITY CHG	70.19	240.74	.00	.00	43,861.97
	RA RECYCLE CM FEES	1,634.59	722.85	275.44	115.39	4,439.77
	RR RECYCLING RE FEES	145.06	446.47	230.87	107.01	4,067.63
	SA SANITATION CM FEES	150.00	.00	2,550.86	1,273.41	52,649.21
	SE SEWER FEES	.00	.00	7,084.60	4,020.11	139,910.34
	SR SANITATION RE FEES	3,112.09	828.46	2,970.26	1,237.28	54,772.42
	S3 SANITATION MISC	79.39	29.00	16.26	8.55	437.62
	S7 SEWER EST FEE	2,257.46	891.19	31.12	77.40	463.44
	UT UUT-EL,WA,SW TAX	98.37	482.73	3,218.67	1,413.70	50,677.79
	WA WATER SALES/OVER MIN	39,380.81	7,873.19	5,191.88	2,045.24	127,412.58
	W4 WATER MINIMUM CHARGE	1,240.08	24,148.40	3,929.42	1,588.40	101,621.32
	W5 WATER EST FEE	91,309.35	9,605.70	31.12	77.40	488.40
	* TOTAL	30,954.54	11,506.84	127,122.57	57,554.37	2,285,427.32
		1,403.40	6,700.10	LESS CREDIT BALANCES	128,835.13-	
		1,333.53	58.67	NET TOTAL	2,156,592.19	
		12.06	8.55			
		175.00	74.74			
		25.12	80.06			
		26,085.61	11,309.77			
		2,150.18	6,499.86			
		87,983.84	23,439.04			
		1,831.06	6,921.52			
		67,500.32	17,643.10			
		1,836.87	9,123.21			
		175.00	99.74			
		25.12	80.02			
		1,263,399.00	486,798.29			
		62,253.78	288,299.31			
* FINAL STATUS TOTALS *						
STATUS						
	BALANCES / ACCOUNTS					
	DEBIT					
	BALANCES / ACCOUNTS					
	NET					
	BALANCES / ACCOUNTS					
	NET TOTAL					
	TOTAL ACCOUNTS					
	WITH 0 BALANCES					

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
	CG CREDIT CARD CONV FEE	.00	.00	5.48	11.40	19.88
	EL ELEC USAGE SALES	621,892.31	370,510.31	222,704.61	65,788.27	1,505,441.04
	E1 EL CONSERVATION	75,425.38	149,120.16	3,790.57	1,343.54	27,122.46
	E4 ELECTRIC EXCESS USE	10,320.07	6,259.06	5,801.34	3,606.45	100,123.73
	E5 ELECTRIC EST FEE	1,595.13	3,814.09	141.07	42.24	1,582.21
	E7 ELECTRIC TAX	61,730.54	18,844.28	437.66	154.04	3,259.72
	E8 BILLED UTIL. DEPOSIT	3,326.58	6,814.54	.00	.00	123.45
	FC ANNUAL FACILITY CHG	178.55	240.74	.00	.00	43,861.97
	RA RECYCLE CM FEES	1,277.39	734.66	362.58	246.44	5,272.90
	RR RECYCLING RE FEES	188.06	467.91	299.51	156.31	4,455.25
	SA SANITATION CM FEES	.00	123.45	4,136.48	2,409.66	70,081.66
	SE SEWER FEES	47,409.71	13,646.60	13,301.56	5,503.79	163,722.51
	SR SANITATION RE FEES	2,095.32	25,108.62	4,059.01	1,967.76	59,896.41
	S3 SANITATION MISC	103,287.38	9,719.24	26.89	15.88	558.80
	S7 SEWER EST FEE	33,001.47	11,992.97	50.76	30.17	513.56
	UT UUT-EL,WA,SW TAX	2,120.23	6,754.97	6,810.76	2,475.33	50,037.46
	WA WATER SALES/OVER MIN	369.66	125.76	10,285.00	3,793.56	128,102.86
	W4 WATER MINIMUM CHARGE	20.61	75.00	6,386.09	2,497.41	108,666.31
	W5 WATER EST FEE	19,855.52	19,302.73	75.76	30.17	563.52
* TOTAL		1,054,812.04	504,108.95	278,675.13	90,072.42	2,317,344.67
		101,074.43	288,601.70			131,642.18-
				LESS CREDIT BALANCES		
				NET TOTAL		2,185,702.49
				BALANCES / ACCOUNTS	NET	TOTAL ACCOUNTS
					BALANCES / ACCOUNTS	WITH 0 BALANCES

* FINAL STATUS TOTALS *
STATUS

CREDIT
BALANCES / ACCOUNTS

NET
BALANCES / ACCOUNTS

TOTAL ACCOUNTS
WITH 0 BALANCES

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT:	AT:			
NPUA	07/31/23	07/31/24			
'LOCKBOX"					
ACCOUNT	\$ 5,192,565	\$ 6,715,193			
& LAIF		***see note below			
CITY					
Water	\$ 238,760	\$ 352,172			
Sewer	\$ 131,246	\$ 196,077			
Electric	\$ 2,737,903	\$ 3,870,338			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
			\$ 2,485,600	07/31/24	
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.					

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT: 08/31/23	AT: 08/31/24			
NPUA					
'LOCKBOX'					
ACCOUNT	\$ 5,996,391	\$ 7,015,912			
& LAIF		***see note below			
CITY					
Water	\$ 5,996,391	\$ 7,015,912			
Sewer	\$ 113,266	\$ 205,626			
Electric	\$ 2,679,689	\$ 4,461,923			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
			\$ 2,485,600	08/31/24	
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.					

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT:	AT:			
NPUA	09/30/23	09/30/04			
"LOCKBOX"					
ACCOUNT	\$ 5,417,893	\$ 7,748,177			
& LAIF		***see note below			
CITY					
Water	\$ 265,075	\$ 342,491			
Sewer	\$ 177,270	\$ 218,018			
Electric	\$ 3,645,820	\$ 4,621,698			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
			\$ 2,486,139	09/30/04	
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.					

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT:	AT:			
NPUA	10/31/23	10/31/24			
"LOCKBOX"					
ACCOUNT	\$ 5,965,586	\$ 8,186,054			
& LAIF		***see note below			
CITY					
Water	\$ 246,462	\$ 350,347			
Sewer	\$ 144,307	\$ 247,641			
Electric	\$ 3,563,920	\$ 4,641,277			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
			\$ 2,486,139	10/31/24	
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.					

CASH BALANCES IN VARIOUS ACCOUNTS AND LOAN BALANCE TO GENERAL FUND					
	AT: 11/30/23	AT: 11/30/24			
NPUA					
"LOCKBOX"					
ACCOUNT	\$ 5,694,428	\$ 8,515,834			
& LAIF		***see note below			
CITY					
Water	\$ 233,359	\$ 322,170			
Sewer	\$ 142,258	\$ 201,220			
Electric	\$ 4,192,194	\$ 4,624,219			

	Electric Asset Replacement Fund				
	***Amount in NPUA LAIF & CD				
			\$ 2,486,139	11/30/24	
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-24	\$ 262,918	\$ 179,065	\$ 1,777,793				\$ 2,219,776
	Aug-24	\$ 277,627	\$ 178,630	\$ 1,885,854				\$ 2,342,111
	Sep-24	\$ 281,841	\$ 179,215	\$ 1,857,201				\$ 2,318,257
	Oct-24	\$ 253,855	\$ 176,324	\$ 1,329,368				\$ 1,759,547
	Nov-24	\$ 261,052	\$ 180,756	\$ 1,186,037				\$ 1,627,845
	Dec-24							\$ -
	Jan-25							\$ -
	Feb-25							\$ -
	Mar-25							\$ -
	Apr-25							\$ -
	May-25							\$ -
	Jun-25							\$ -
	YTD Total	\$ 1,408,284	\$ 960,367	\$ 8,036,252				\$ 10,267,536
CITY & NPUA		Water	Sewer	Electric	Elec Asset Repl	NPUA Exp	Bond debt	TOTALS
EXPENSE					Bal Fwd :	(excl. bond debt)		
					\$ 3,207,725			
					cur yr cum:			
	Jul-24	\$ 174,203	\$ 75,247	\$ 3,199,468	\$ 46,000	\$ 103,414	\$ 721,192	\$ 4,319,524
	Aug-24	\$ 146,630	\$ 104,362	\$ 463,712	\$ (2,300)	\$ 110,290	\$ -	\$ 822,694
	Sep-24	\$ 131,576	\$ 110,966	\$ 1,035,653	\$ 46,000	\$ 111,461	\$ -	\$ 1,435,656
	Oct-24	\$ 135,390	\$ 103,012	\$ 1,492,673	\$ 46,000	\$ 112,365	\$ -	\$ 1,889,440
	Nov-24	\$ 140,223	\$ 64,411	\$ 888,700	\$ 46,000	\$ 98,280	\$ -	\$ 1,237,614
	Dec-24							\$ -
	Jan-25							\$ -
	Feb-25							\$ -
	Mar-25							\$ -
	Apr-25							\$ -
	May-25							\$ -
	Jun-25							\$ -
	YTD Total	\$ 728,020	\$ 457,997	\$ 7,080,206	\$ 181,700	\$ 535,810	\$ 721,192	\$ 9,704,925
Amount in Asset Replacement Fund.....					\$ 3,389,425			
Source:								
Monthly Budget Report by Fund (revenue & expense)								
This report shows the monthly revenues and expenditures by utility fund.								

NPUA Depository

NPUA	DEPOSITORY TRANSFERS BY FUND AND BY MONTH							
	Bond Fund	Water	Sewer	Electric	Asset Repl	Purch. Pmt	LCW	TOTALS
Jul-24	\$ 721,200	\$ 161,000	\$ 67,000	\$ 1,351,042	\$ 71,012	\$ 55,536	\$ -	\$ 2,426,790
Aug-24	\$ -	\$ 160,000	\$ 113,000	\$ 1,046,129	\$ 71,012	\$ 55,536	\$ 84,000	\$ 1,529,677
Sep-24	\$ -	\$ 119,000	\$ 103,000	\$ 1,265,546	\$ 71,012	\$ 55,536	\$ 84,000	\$ 1,698,094
Oct-24	\$ -	\$ 122,000	\$ 95,000	\$ 1,353,273	\$ 71,012	\$ 55,536	\$ -	\$ 1,696,821
Nov-24	\$ -	\$ 127,000	\$ 56,000	\$ 977,520	\$ 71,012	\$ 55,536	\$ 84,000	\$ 1,371,068
Dec-24								\$ -
Jan-25								\$ -
Feb-25								\$ -
Mar-25								\$ -
Apr-25								\$ -
May-25								\$ -
Jun-25								\$ -
	\$ 721,200	\$ 689,000	\$ 434,000	\$ 5,993,510	\$ 355,060	\$ 277,680	\$ 252,000	\$ 8,722,450
Source: G/L Transfer/Reimbursement Accounts and Depository Agreement in place.								
This report shows the depository transfers by month per the current Depository Agreement in place.								

NPUA				
Recap of Electric Consumption (kWh)				
FY 23 / 24	At the end of	June 30, 2024		
Quarterly		Monthly	Cum YTD	PEAK MW
	July-24	12,138,000	12,138,000	23.71
	August-24	8,975,885	21,113,885	21.72
31,788,040	September-24	10,674,155	31,788,040	20.61
	October-24	6,665,913	38,453,953	16.49
	November-24	6,251,463	44,705,416	11.90
18,678,349	December-24	5,760,973	50,466,389	11.43
	January-25	5,871,862	56,338,251	12.50
	February-25	5,710,524	62,048,775	11.41
17,994,329	March-25	6,411,943	68,460,718	11.99
	April-25	5,673,847	74,134,565	16.57
	May-25	7,311,259	81,445,824	20.56
20,140,117	June-25	7,155,011	88,600,835	24.17
88,600,835		88,600,835		
NPUA				
Recap of Electric Consumption (kWh)				
FY 24 / 25	At the end of	November 30, 2024		
Quarterly		Monthly	Cum YTD	PEAK MW
	July-24	11,158,485	11,158,485	26.72
	August-24	11,398,224	22,556,709	25.76
34,097,628	September-24	11,540,919	34,097,628	23.76
	October-24	8,414,307	42,511,935	22.11
	November-24	7,373,885	49,885,820	12.64
15,788,192	December-24		49,885,820	
	January-25		49,885,820	
	February-25		49,885,820	
-	March-25		49,885,820	
	April-25		49,885,820	
	May-25		49,885,820	
-	June-25		49,885,820	
49,885,820		49,885,820		
This report shows the monthly electric consumption compared to the prior year.				

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	
NPUA			
Recap of Power Purchase Expense \$			
FY 24 / 25	At the end of	November 30, 2024	
Quarterly		Monthly	Cum YTD
	July-24	\$ 980,877	\$ 980,877
	August-24	\$ 867,871	\$ 1,848,748
\$ 2,426,880	September-24	\$ 578,132	\$ 2,426,880
	October-24	\$ 482,445	\$ 2,909,325
	November-24	\$ 319,594	\$ 3,228,919
\$ 802,039	December-24		\$ 3,228,919
	January-25		\$ 3,228,919
	February-25		\$ 3,228,919
\$ -	March-25		\$ 3,228,919
	April-25		\$ 3,228,919
	May-25		\$ 3,228,919
\$ -	June-25		\$ 3,228,919
\$ 3,228,919		\$ 3,228,918	
This report shows the monthly purchased power expense compared to the prior year.			

Needles Public Utility Authority				PRELIMINARY & NOTE: ARF & UUT	
Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds				UNAUDITED NUMBERS done directly from 501	
Y-T-D JULY 2024					
	Water	Wastewater	All Amer Canal	Electric	Total
Reimbursements	161,000.00	67,000.00	0.00	1,351,042.00	1,579,042.00 Acct bal list - 381s
(Expenses)	(174,202.47)	(75,248.64)	(15,659.40)	(3,198,467.71)	(3,464,578.22) Stmt of exps & encls
~ Difference: (under-reimbursed)	(13,202.47)	(8,248.64)	(15,659.40)	(1,848,425.71)	(1,885,536.22)
or over-reimbursed	381.40	381.40	381.40	381.40	
Preliminary					
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	192,578.66	245,324.96	220,146.73	1,417,488.00	2,075,538.35

Needles Public Utility Authority				PRELIMINARY & NOTE: ARF & UUT	
Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds				UNAUDITED NUMBERS	done directly from 501
Y-T-D AUG 2024					
	Water	Wastewater	All Amer Canal	Electric	Total
Reimbursements	321,000.00	180,000.00	84,000.00	2,397,171.00	2,982,171.00 Acct bal list - 381s
(Expenses)	(320,829.65)	(179,609.54)	(24,161.80)	(3,663,180.01)	(4,187,781.00) Stmt of exps & encls
~ Difference: (under-reimbursed)	170.35	390.46	59,838.20	(1,266,009.01)	(1,205,610.00)
or over-reimbursed	381.40	381.40	381.40	381.40	
Preliminary					
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	205,951.48	253,964.06	295,644.33	1,999,904.70	2,755,464.57

Needles Public Utility Authority				PRELIMINARY & NOTE: ARF & UUT	
Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds				UNAUDITED NUMBERS	done directly from 501
Y-T-D SEP 2024					
	Water	Wastewater	All Amer Canal	Electric	Total
Reimbursements	440,000.00	283,000.00	168,000.00	3,662,717.00	4,553,717.00 Acct bal list - 381s
(Expenses)	(452,405.40)	(290,577.97)	(32,664.24)	(4,698,831.68)	(5,474,479.29) Stmt of exps & encls
~ Difference: (under-reimbursed)	(12,405.40)	(7,577.97)	135,335.76	(1,036,114.68)	(920,762.29)
or over-reimbursed	381.40	381.40	381.40	381.40	
Preliminary					
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	193,375.73	245,995.63	371,141.89	2,229,799.03	3,040,312.28

Needles Public Utility Authority				PRELIMINARY &		NOTE: ARF & UUT
Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds				UNAUDITED NUMBERS		done directly from 501
Y-T-D OCT 2024						
	Water	Wastewater	All Amer Canal	Electric	Total	
Reimbursements	562,000.00	378,000.00	168,000.00	5,015,990.00	6,123,990.00	Acct bal list - 381s
(Expenses)	(587,793.39)	(393,588.87)	(42,394.37)	(6,191,503.68)	(7,215,280.31)	Stmnt of exps & encls
~ Difference: (under-reimbursed)	(25,793.39)	(15,588.87)	125,605.63	(1,175,513.68)	(1,091,290.31)	
or over-reimbursed	381.40	381.40	381.40	381.40		
Preliminary						
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	179,987.74	237,984.73	361,411.76	2,090,400.03	2,869,784.26	

Needles Public Utility Authority				PRELIMINARY &		NOTE: ARF & UUT
Schedule of Budgeted Reimbursements Paid to City to Date and Expenses of City Utility Funds				UNAUDITED NUMBERS		done directly from 501
Y-T-D NOV 2024						
	Water	Wastewater	All Amer Canal	Electric	Total	
Reimbursements	689,000.00	434,000.00	252,000.00	5,993,510.00	7,368,510.00	Acct bal list - 381s
(Expenses)	(728,016.93)	(457,999.77)	(54,805.62)	(7,080,206.17)	(8,321,028.49)	Stmnt of exps & encls
~ Difference: (under-reimbursed)						
or over-reimbursed	(39,016.93)	(23,999.77)	197,194.38	(1,086,696.17)	(952,518.49)	
	381.40	381.40	381.40	381.40		
Preliminary						
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	166,764.20	229,573.83	433,000.51	2,179,217.54	3,008,556.08	



City of Needles, California Request for Commission Action

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

Meeting Date: January 21, 2025

Title: Present Perfected Rights Report – December 2024

Background:

CURRENT YEAR:
December 2024

	Current	YTD	% change prior year to current year YTD
Net Diversion	125.30	1,950.90	9%
Measured Returns	38.58	492.08	
Unmeasured Returns	21.91	313.13	
Consumptive Use	64.81	1,145.69	(based on consumptive use)

PRIOR YEAR:
December 2023

Net Diversion	118.38	1,892.99
Measured Returns	42.73	525.56
Unmeasured Returns	12.29	321.59
Consumptive Use	63.36	1,045.84

% of PPR Remaining

22%

*Based on CY24 Water
Order of 2,528 diversion

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: 1/16/2025

Other Department Approval (when required): _____

Date: _____

Approved: ☐ Not Approved: ☐ Tabled: ☐ Other: ☐

CITY OF NEEDLES
WATER ACCOUNTING
MONTHLY CALCULATION SHEET
CALENDAR YEAR 2024

Diversions - Pumped from Wells	Pumped (Acre-Feet)											
	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
Well # 15 (formerly #10)	89.95	70.21	103.04	113.54	132.90	153.86	168.50	166.20	144.98	132.58	101.59	95.91
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
Well #12	10.74	6.78	13.56	51.77	56.20	77.87	69.79	66.42	61.92	37.08	35.48	29.39
Sub-Total	100.69	76.99	116.69	165.31	189.17	231.73	238.29	232.62	206.90	169.66	137.07	125.30
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
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	1.76	3.20	0.00
Sub-Total	2.78	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	1.76	3.20	0.00
City of Needles' Net Diversion	97.91	68.69	114.90	163.41	182.97	226.66	234.66	231.69	202.94	167.90	133.87	125.30
Uses of Water												
Commercial Accounts	45.45	32.92	50.17	53.28	60.59	64.62	78.80	67.72	59.57	55.31	43.45	43.90
Residential Accounts	36.34	27.32	46.60	52.64	57.40	71.00	69.00	82.25	66.63	60.32	45.66	46.87
Golf Course	10.74	6.78	13.56	51.77	56.20	77.87	69.79	66.42	61.92	37.08	35.48	29.39
Parks, Ballparks, Cemetery	5.37	1.67	4.48	5.72	8.77	13.18	17.06	15.30	14.83	15.19	9.28	5.14
Total	97.90	68.69	114.81	163.41	182.96	226.67	234.65	231.69	202.95	167.90	133.87	125.30
												1,950.80

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	0.436	31	41.48	40.24
Nov	0.456	30	41.99	40.73
Dec	0.418	31	39.77	38.58
TOTAL	5.418	366	507.29	492.08

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

		Diversions												
		Pumped (Acre-Feet)												
Pumped from Wells		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	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	132.58	101.59	95.91	1,473.26
	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	37.08	35.48	29.39	517.00
	Sub-Total	100.69	76.99	116.69	165.31	189.17	231.73	238.29	232.62	206.90	169.66	137.07	125.30	1,990.42
	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	1.76	3.20	0.00	36.74
	Sub-Total	2.78	8.30	1.79	1.90	6.20	5.07	3.63	0.93	3.96	1.76	3.20	0.00	39.52
	City of Needles' Net Diversion	97.91	68.69	114.90	163.41	182.97	226.66	234.66	231.69	202.94	167.90	133.87	125.30	1,950.90

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, Cemetery*0.40.
- 4/Calculated as 24% of Deliveries to Commercial Accounts*0.10.
- 5/Calculated as City of Needles' Net Diversions-Total Uses.
- 6/Tot Annual UMRF from septic tanks = 50; assumes 210 septic units*0.6 AF/yr*0.40 (where 0.40 = UMRF Factor). Annual volume is distributed month using a monthly distribution factor.

Item 9.



City of Needles

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

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: January 3, 2024

1. The City of Needles met with the **San Bernardino County Sheriff's Department (SBCSD)** this week to strengthen efforts to combat graffiti and vandalism in our community. Graffiti is a serious concern for Needles, impacting the City's image and safety. We are committed to taking collaborative action to prevent and address this issue. Recently, graffiti incidents, including vandalism at the skate park, resulted in an individual's swift arrest and citation, thanks to SBCSD's prompt response. The estimated damages from these incidents exceed **\$10,000**, including staff time and materials costs. Restitution will be pursued by those responsible. The City is forming a **multi-agency task force** with SBCSD, the Needles Unified School District, and Caltrans to tackle this challenge. This initiative includes enhanced documentation of graffiti incidents, encouraging residents to report graffiti to SBCSD's non-emergency line at **909-387-8313**, and installing additional security cameras at **Duke Watkins Park** to deter future vandalism. As part of these efforts, the City has introduced a **cash reward** for information leading to identifying and prosecuting those responsible for graffiti. In a personal show of support, the **City Manager** has generously offered to contribute the reward from his own pocket, reflecting a unified commitment to safeguarding Needles and upholding the community's integrity. These measures, combined with partnerships, enhanced surveillance, and strict enforcement, highlight the City's dedication to keeping our community clean, safe, and welcoming. We thank SBCSD, the school district, Caltrans, and our residents for their continued support in combating graffiti. Together, we can preserve the pride and vibrancy of Needles.
2. The City of Needles invites you to a special ribbon-cutting ceremony celebrating the launch of the **Veterans Housing Program** on **Tuesday, January 7, 2024, at 11:00 AM PST**, at **1624 W Broadway St, Needles, CA**. This vital program addresses the housing needs of homeless veterans, combining HUD rental assistance with VA case management services. Since May 2024, nine HUD-VASH vouchers have been issued, providing critical housing and support. This initiative is the result of collaboration between the Housing Authority of the City

of Needles and community partners dedicated to supporting our veterans. Representatives from **Senator Padilla's Office, Congressman Ruiz's Office, and VA Loma Linda** will join us to commemorate this milestone. We encourage everyone to come out, show their support for our veterans, and celebrate this transformative step toward ensuring they receive the resources and care they deserve. We look forward to seeing you there!

3. The annual **Run for the Wall (RFTW)** procession, honoring Vietnam Veterans and advocating for POW/MIA accountability, will stop in Needles on **May 15, 2025**, at noon. This cross-country motorcycle journey, starting in Los Angeles and ending in Washington, D.C., gathers hundreds of thousands of participants. Last year, over 300 motorcyclists were welcomed at **El Garces in Downtown Needles**, and this year promises another strong turnout. In past years, participants have been supported by community members, city officials, and local organizations like the Needles High School Band, Fort Mojave Tribal Band, VFW Honor Guard, **Needles Military Moms**, and the **Daughters of the American Revolution**, who served lunch and ice cream. More details will follow as the event approaches. Here is a [link](#) to the official RFTW website for further information about the event.
4. Palo Verde College's Spring 2024 classes begin next week on **January 13, 2025**, at the **Needles Center**, located at 725 W. Broadway. With affordable tuition—just **\$46 per unit** for California residents and **\$69 per unit** for Arizona and Nevada residents—the college offers a variety of resources to help students succeed. The **Financial Aid Department** provides access to state, federal, and local grants, scholarships, and tuition waivers through FAFSA or the California Dream Act. Additionally, **Veteran Services** assists veterans and their dependents in applying for and certifying educational benefits through the Department of Veterans Affairs. Students can also benefit from numerous scholarships and grants offered annually through the **Palo Verde College Foundation**, helping to reduce financial barriers. Support programs such as **Disabled Student Programs and Services (DSPS)** aid students with physical, psychological, or learning challenges, while the **EOPS and CARE Programs** provide educational and financial assistance to disadvantaged students, including single parents. The **CalWORKs Program** further supports eligible students in achieving self-sufficiency through education and career training. These resources empower students to achieve their educational and career goals. For more information, call **760-326-5033** or visit the [Palo Verde College Schedule of Classes online](#). Don't miss this opportunity to start or continue your journey—classes begin next week!
5. A second community cleanup event is scheduled for Saturday, January 18th, at 10:00 a.m., on Third Street, near the former Center for Change at **300 H St, Needles, CA 92363**. We seek volunteers to join us in this effort to beautify our city and address illegal dumping and littering. Together, we can make a significant difference and keep Needles clean and welcoming. The first cleanup event, held a couple of weeks ago, was a tremendous success. Over two dozen volunteers removed approximately 1.5 tons of litter, including 50 trash bags,

mattresses, tires, and branches. Organized by Councilmember Longacre and supported by Mayor Jernigan, city staff, and community members, the event demonstrated our community's commitment to maintaining a clean and inviting city. Let's build on this success and make the upcoming event more impactful! Building on these efforts, the **Needles Pride Program** promotes clean, attractive neighborhoods through property upkeep, code compliance, and organized cleanups. The program encourages well-maintained landscapes, removal of outside storage and abandoned vehicles, proper trash container placement, and enforcement of parking standards. Residents can schedule up to **three free bulky item pick-ups annually** by calling **1-800-364-3754**. To stay informed about future cleanups and other community updates, download the **Needles Connect app** from the [Google Play Store](#) for Android or the [Apple Store](#) for iOS devices. With support from our Public Works and Code Enforcement teams, this initiative fosters community pride and collaboration to create cleaner, safer Needles. Together, we can make a difference!

7. As your City Manager, one of my key responsibilities is to keep the Mayor, City Council, and our community informed about significant developments and ongoing initiatives. I am pleased to share the [link to my 2024 Manager's Reports](#), which include the Council Weekly Updates prepared throughout the year. These reports highlight key achievements, updates on city projects, and opportunities where we can collaborate to address community needs. My goal in sharing this information is to promote transparency and provide valuable insights that support the City Council in making informed decisions to benefit Needles. These updates also serve as a resource for you, our residents, to stay engaged and informed about the progress we are making as a community.
8. City Hall will be closed on **Thursday, January 9, 2025**, in observance of a **National Day of Mourning**. Regular operations will resume on **Friday, January 10, 2025**, at 8:30 AM. For emergencies during the closure, residents can contact City Staff at **760-326-5700**, and our after-hours answering service will promptly make direct calls to the appropriate staff member. For public awareness, a flyer has been posted on the front door of City Hall detailing the closure.
9. **IMPORTANT UPCOMING DATES:**
 - **January 25 – Community Clean-Up:** Dispose of trash and bulky items for free from **8:00 AM to noon** at various city locations: Gates (Safari Drive), North K (near underpass and BNSF Road), Vista (Nikki Bunch Ball Field), and Cibola (Robuffa near Public Works Yard). Note: Hazardous waste and specific materials are not accepted.
 - **February 15 – Route 66 Information Fair:** The 2025 Route 66 Information Fair, hosted by the Friends of El Garces, will feature Route 66 vendors, tours, and presenters. More information to follow.
 - **April 21-27–Route 66 Bike Week:** Experience the adventure of a lifetime by riding the historic stretch of **Route 66** from Needles to Seligman. This weeklong event celebrates the freedom of the open road and the vibrant culture of Route 66. More information, visit their [website](#).



City of Needles

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(760) 326-2113 • FAX (760) 326-6765
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Mayor, Janet Jernigan
Vice Mayor Ellen Campbell
Councilmember Tona Belt
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
Councilmember Zachery Longacre

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: January 10, 2024

1. On **Tuesday, January 7, 2024**, the **Housing Authority of the City of Needles** proudly hosted a special ribbon-cutting ceremony to launch the **Veterans Housing Program**, marking a significant milestone in addressing the housing needs of homeless veterans. Despite **40 mph winds**, the community gathered at **1624 W Broadway**, the site of the newly repurposed **former Sage Motel**, to celebrate this transformative initiative. The event brought together **community members, city officials, city staff**, representatives from the **Chamber of Commerce**, the **Veterans of Foreign Wars (VFW) Post 404**, Needles Unified School District, and staff from the offices of **State Senator Padilla** and **Assemblymember Gonzalez**. **Commendations** were presented from **Senator Padilla, Assemblymember Gonzalez**, and **Congressman Ruiz**. While **Congressman Ruiz's office** was not present, his commendation was delivered by **Senator Padilla's office**, recognizing the **City Council's dedication** to supporting veterans and ensuring they have access to the resources and care they deserve.
The **Veterans Housing Program** combines **HUD rental assistance** with **VA case management services**, offering a comprehensive solution to support homeless veterans. Since **May 2024**, nine **HUD-VASH vouchers** have been issued, providing critical housing and support services. This initiative reflects the successful collaboration between the **Housing Authority of the City of Needles** and dedicated **community partners**. We extend our heartfelt gratitude to everyone who joined us in celebrating this important achievement. Together, we are striving to ensure our **veterans** receive the **dignity, care, and stability** they have earned through their service. **Refer to the attached images.**
2. The City of Needles stands in solidarity with those impacted by the devastating fires in Southern California. These tragic events have upended lives and entire communities, and our hearts go out to everyone affected. We also commend the tireless efforts of city staff, public officials, and volunteers providing mutual aid to assist those in need during this difficult time. The wildfires in Los Angeles, now designated as a federal disaster, highlight the importance of fire prevention and

preparedness. The City of Needles is committed to learning from these events and implementing proactive measures to protect our community.

This week, the San Bernardino County Emergency Operations Center activated a January Red Flag Wind Event for our area. The City of Needles responded using the Needles Connect App to inform the community about the National Weather Service's Wind Advisory, with wind speeds reaching 50–60 mph. City staff advised residents to trim tree branches away from homes and power lines and secure outdoor objects such as furniture and trash cans. Thanks to the diligent efforts of city staff, no power outages occurred within the City of Needles. The power outage at Park Moabi was also resolved promptly, ensuring minimal disruption. In collaboration with the San Bernardino County Fire Department (SBCFD), city staff has initiated plans to enhance fire safety preparedness and provide the functionality of all hydrants. Fire prevention is a shared responsibility, and we urge residents to identify and address fire hazards on their properties.

JJ DeLeon, General Manager of the Rivers Edge Golf Course, led efforts to identify and remove dead overhanging trees, palm trees, and brush on the golf course to reduce fire risks. Residents are encouraged to follow suit by maintaining their properties and reporting fire hazards to the City of Needles Code Enforcement at 760-326-2115 (ext. 123) or through the Needles Connect App, available on the [Google Play Store](#) or the [Apple Store](#). The City of Needles has also been working on its Local Hazard Mitigation Plan (LHMP), a five-year strategic initiative funded by FEMA. The LHMP aims to enhance preparation for natural and human-caused hazards, reduce risks, and make Needles eligible for FEMA grants and state disaster assistance. Community participation is critical to the plan's success. We invite residents and businesses to share input through surveys, public meetings, and feedback opportunities to help identify strategies to protect lives, property, and resources. [Click here](#) to complete a survey and learn more about the [LHMP](#). Together, we can build a safer and more resilient Needles.

Many community members have asked how they can support those affected by the Los Angeles wildfires. Donations can be made to the Emergency Network Los Angeles by [clicking the provided link](#) or to the American Red Cross Response and Disaster Relief. Visit the [American Red Cross California Wildfires website](#) for information on open shelters and to donate. Thank you for your continued efforts to keep Needles safe and support those in need during this challenging time. Together, we can ensure a brighter and more prepared future for our community.

3. City staff met with an Assemblymember Gonzalez representative this week to discuss key **community needs** in Needles. The closure of the city's **only grocery store** in **2014** left residents without access to **healthy and affordable food**, earning the city a **"Food Desert" designation** in **2023**. Efforts are ongoing to attract a **grocery retailer**, leveraging available programs to address this critical issue.

Housing shortages remain another pressing concern, with **600 new jobs** created by the city's **\$50 million cannabis industry**. However, **90% of employees** live in

Arizona or Nevada due to limited local housing options. Recognized through the **Prohousing Designation program**, Needles is conducting a **housing study** supported by the **Gates Foundation** and advocating for **streamlined processes** to reduce construction costs and encourage housing development.

Infrastructure improvements are also a priority, with the city investing **\$8.5 million** since **2020** to treat **45% of its 45-mile road network** through the **15-year Pavement Management Plan**. Additional funding is being sought for projects like the **River Road & River Street Rehabilitation** to enhance **access and safety**. Similarly, protecting the city's **Colorado River water rights** remains critical as agreements governing the river's operation expire in **2026**. Efforts include applying for funding to **modernize irrigation systems** and reduce **water consumption**.

The **Needles Aquatic Center Renovation** is another top priority. While the city's recent **funding request** was not approved, efforts continue to secure the **\$5 million** needed for upgrades to enhance the center's role as a **cooling facility during extreme heat events**, bolstering **community resilience**. Additionally, the city's **Off-Highway Motor Vehicle (OHMV) Pilot Program**, set to run through **2028**, integrates OHMVs into the **transportation framework**, supporting **tourism** and **local businesses**. Continued **legislative support** will be crucial to extend the program's benefits.

Finally, Needles is pursuing a **\$60 million Vehicle Charging Hub** to advance **renewable energy** and **EV infrastructure**. This initiative aligns with **California's clean energy goals** and enhances local services, attracts visitors, and stimulates **economic growth**. The city appreciates **Assemblymember Gonzalez's support** and looks forward to continued collaboration to address these vital community needs.

Notable Video Highlights: Celebrating This Year's Achievements

- **Clean California Community Designation Program:**
Governor Gavin Newsom recognized the City of Needles as part of this statewide initiative to create **cleaner, safer, and more sustainable environments**. As a proud participant, the city received **\$2.4 million** to revitalize [Bob Belts Beach Park](#). This project earned the **2024 American Public Works Association Southern California Chapter BEST Project of the Year** award in the [Recreation & Athletic Facilities](#) category.
- **Weather Channel Feature:**
Needles was showcased on the [Weather Channel's America's Morning Headquarters](#), including a video highlighting [Jack Smith Park's Marilyn Hohstadt Mathews Walking Trail](#), a community favorite.
- **Behavioral Health Clubhouse Funding:**
Congressman Raul Ruiz secured a [\\$1 million appropriation for the Needles Behavioral Health Clubhouse](#), a vital resource that enhances community access to **behavioral health services**.
- **Celebration of Needles' History:**
The city's [unique history and historical charm](#) continue to attract visitors and foster **community pride**.

- **2024 State of the City Address:**

A link to the **2024 State of the City Address** by the **Mayor** is available, including both a [recording](#) and [presentation slides](#), offering a comprehensive overview of the city's **accomplishments and vision for the future**.

4. Save the date for the **3rd Annual Job and Resource Fair** on **March 19, 2025**, at the **El Garces Historic Train Depot**, located at 950 Front Street, Needles, CA. The event, hosted by **San Bernardino County Supervisor Dawn Rowe**, will take place from **10:00 a.m. to 2:00 p.m.** and promises to be an invaluable opportunity for residents, city staff, and public officials to connect with agencies and organizations providing essential services. This dynamic event will feature access to vital resources such as record issuance, document recording, property assessments, expungement assistance, and specialized support for veterans, including VA benefits and identification cards. Non-profits like **IEHP** and **Tri-State Community Health Center** will also be on-site to offer additional resources.

Employers and resource providers are encouraged to showcase their organizations, meet potential employees, and promote their services in a vibrant, engaging environment. **For those interested in participating, registration is [available online](#) or refer to the attached flyer.** Auxiliary aids and services are available upon request for individuals with disabilities; please call **1-800-735-2922** before the event to arrange assistance. Don't miss this opportunity to engage with your community and take advantage of the valuable services and connections available at this event.

5. **Tomorrow, January 11, 2024**, the **Needles Unified School District (NUSD) Associated Student Body (ASB)** and **Interact Club** will come together to paint a new rendering on the **expression wall** at **Duke Watkins Park**. **Come join them as part of this exciting event** to support **creativity** and **community spirit**. This collaboration highlights the community's dedication to fostering **creativity** and celebrating the **vibrant additions** to the park. The **expression wall**, a key feature of the **\$3,965,400 Duke Watkins Park Improvement Project**, serves as a platform for **artistic expression** and **community engagement**. Designed to inspire **creativity**, this vibrant **graffiti art wall** has quickly become a symbol of **artistic collaboration** and **community pride**. This initiative not only fulfills a **requirement** of the park improvement project but also emphasizes the importance of nurturing the **arts** and bringing the **community** together to enhance this **dynamic new feature** of **Duke Watkins Park**.
6. The **City Council** has prioritized **fostering economic growth and business development** by enhancing public relations to position Needles as a business-friendly community. This includes **streamlining the permitting process to encourage** investment and maintaining proactive communication with current applicants to ensure their projects progress smoothly at the City and County levels. This week, City staff connected with the owners of West Side Chevron to provide updates on their permitting process, and we are thrilled to announce the opening of [Krispy Krunchy Chicken](#), which is anticipated for mid-February. This new business will expand dining options and contribute to the local economy.

Additionally, we are excited to highlight the success of recently opened businesses, such as **Needles Smash Burger**, located at 2205 Needles Highway. Now under new management, Needles Smash Burger offers a full menu of specialty burgers, salads, and fries, with [online orders available](#) or by phone at **760-983-7865**. These developments exemplify the City's commitment to supporting local entrepreneurs and creating a vibrant business ecosystem in Needles. We remain dedicated to working closely with current and prospective businesses to ensure our community remains a welcoming and thriving hub for growth and opportunity.

7. The **City Council** remains dedicated to enhancing **Needles' visual appeal** and **quality of life** through targeted **beautification** and **clean-up projects**. This week, the **Public Works team** initiated efforts to **refresh red curb markings** along **Needles Highway**, starting near **Carl's Jr.** and moving toward **R Street**. This **systematic approach** ensures that each section is completed thoroughly before transitioning to the next, ultimately covering **key thoroughfares** and eventually reaching the **East Side** of the city. These efforts are part of the City's broader commitment to maintaining **public spaces** and **infrastructure**, reflecting our shared goals of **stewardship**, **accountability**, and **community pride**. Residents are encouraged to play an **active role** in these initiatives by notifying **staff** by using the **Needles Connect App**, available on the [Google Play Store](#) and [Apple Store](#) or by calling **City Hall at 760-326-2115**. These ongoing projects highlight the **dedication of City staff** to creating a **clean, welcoming environment** for all. Attached are **images capturing the team's progress**, showcasing their **hard work** and **commitment** to keeping **Needles beautiful**. Together, we can ensure a **brighter** and **more inviting community** for residents and visitors alike.
8. Rivers Edge Golf Course continues to exceed expectations, with an impressive **8,445 rounds of golf played** through December, marking a remarkable performance halfway through the season. The course remains a hub for community engagement, and we're thrilled to host the **Needles Women's Club Fundraiser on January 20, 2025**. This event promises to bring the community together for a meaningful cause. Don't miss your chance to participate—**book your spot today** by calling **760-326-3931** or visiting our [website](#). JJ DeLeon is ready to assist those looking to host their tournaments. He can be reached at **760-326-3931** for inquiries and arrangements. We are proud of Rivers Edge's continued success and are committed to ensuring it remains a **valued asset** for our community. In addition to these achievements, the **\$8.9 million Well #11 Water Treatment Project** has introduced an essential enhancement to the course. **Protective fencing** was recently installed along **Hole #5**, adjacent to the water treatment facility. Completed by **Cal-Zone**, this addition significantly improves the safety and security of the project while preserving the quality of the golf course experience. We invite you to take a closer look at the new fencing through the **attached images**, highlighting our commitment to maintaining a safe and enjoyable environment at Rivers Edge.
9. On **January 14, 2024**, the Needles Women's Club will host a Barbecue Lunch Fundraiser to benefit women's empowerment, youth programs, scholarships, and civic initiatives. For just \$10, enjoy a delicious meal featuring a pork sandwich, coleslaw, chips, and cookies! Order your lunch today by [clicking this link](#). Meals can

be picked up at the Needles Women's Club, located at 305 W. Broadway Street, or delivered for orders of three or more. Don't miss the chance to support your local Women's Club! Place your order **by 5:30 p.m. on January 13, 2025.**

10. The **Needles Pride Program** is a community-driven initiative that enhances neighborhoods by fostering pride, improving property upkeep, and ensuring compliance with city codes. This program emphasizes well-maintained landscapes, eliminating visible outside storage, parking properly, removing inoperative or abandoned vehicles from public view, and appropriately placing trash containers. Residents can schedule up to **three free bulky item pick-ups annually** by calling **1-800-364-3754** to support these efforts. Additionally, we encourage residents to join these efforts by reporting public nuisances to the **City of Needles Code Enforcement** at **760-326-2115 (ext. 123)** or through the **Needles Connect app**, available on the [Google Play Store](#) for Android or the [Apple Store](#) for iOS devices. Your input is invaluable in helping us maintain and enhance the community. Through a combination of community engagement, organized clean-ups, and collaboration with the **Code Enforcement team**, the program aims to create a cleaner, safer, and more vibrant city. **Please refer to the attached updated flyer showcasing** the program's details to guide residents in participating in this impactful initiative.

7. **IMPORTANT UPCOMING DATES:**

- **January 18—Community Clean-Up:** Join **Councilmember Longacre** for the second community clean-up effort, which will remove illegal dumping and litter from **Third Street** near the former **Center for Change** at **300 H Street, Needles, CA 92363**. The event begins at **10:00 AM**.
- **January 25—Community Clean-Up:** From 8:00 AM to noon, trash and bulky items can be disposed of for free at various city locations: Gates (Safari Drive), North K (near the underpass and BNSF Road), Vista (Nikki Bunch Ball Field), and Cibola (Robuffa near Public Works Yard). Note: Hazardous waste and specific materials are not accepted.
- **February 15—Route 66 Information Fair:** The 2025 Route 66 Information Fair, hosted by the Friends of El Garces, will feature Route 66 vendors, tours, and presenters. More information will follow.
- **April 21-27—Route 66 Bike Week:** Experience the adventure of a lifetime by riding the historic stretch of **Route 66** from Needles to Seligman. This weeklong event celebrates the freedom of the open road and the vibrant culture of Route 66. For more information, visit their [website](#).
- **May 15, 2024—Run for the Wall (RFTW):** This annual event honoring Vietnam Veterans will welcome over 300 motorcyclists as they journey across the country. This meaningful tribute will take place at the historic El Garces, with the riders expected to arrive at noon.

1. VETERANS HOUSING RIBBON CUTTING





Job and Resource Fair

**March 19, 2025
10 a.m. - 2 p.m.**

EMPLOYERS & RESOURCES PROVIDERS

Join us for our upcoming Job Fair and take advantage of this excellent opportunity to connect with a diverse pool of talent.

Showcase your organization, meet prospective employees, and promote your resources to job seekers in a dynamic and engaging environment.

This WIOA Title-I financially assisted program and EDD, is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made prior to the event by calling 1-800-735-2922. TTY users, please call the California Relay Service 711. For federal funding disclosure information, visit Workforce.SBCounty.gov/about/ffd.

Workforce.SBCounty.gov

LOCATION

El Garces Historic Train Depot
950 Front Street
Needles, CA 92363

SAVE THE DATE!



REGISTER HERE:

[HDHE0319.eventbrite.com](https://hdhe0319.eventbrite.com)

America's **Job** Center of CaliforniaSM Item 10.

7. PUBLIC WORKS RED CURBS



8. GOLF COURSE FENCE



10. NEEDLES PRIDE



NEEDLES PRIDE

Needles residents care about their community and so should you! The Needles Pride initiative is a neighborhood focus program aimed at improving the community by working in partnership with property owners, area residents, and local businesses to clean up neighborhoods and maintain compliance with City Codes.

Please take the time to evaluate your property and correct any violations you may have.

How to Participate in the City-Wide Clean-Up



BEAUTIFICATION

Maintain Landscaping

Maintain landscape in healthy condition by proper irrigating, trimming, edging, and removing weeds, and dead plants



Clear Storage

Outside storage including but not limited to furniture, household items, yard equipment, building material, vehicle parts, and appliances must be kept out of public eye.



Park in Designated Areas

Vehicles are required to be parked on existing driveways or approved surfaces. Parking is not allowed on dirt, vacant lots, front yards, or decorative landscapes.



CODE VIOLATIONS

Inoperative Vehicles

Vehicles that are unlicensed, wrecked, damaged, or in disrepair may not be stored in public view.



Trash Containers

Trash containers shall not be stored in front yards or on sidewalks except when placed in areas of collection at the time permitted.



Bulky Items

Keep sidewalks clear of discarded household items such as furniture, appliances, electronics, and more. You may schedule up to three (3) bulky item pick ups per year by calling Republic Services at 928-758-9135.



If you have questions about the Needles Pride initiative contact Code Enforcement Officer Bernie Hatz at (760) 326-5700, ext. 129. You can also conveniently reach out through the Needles Connect app, available for free on Android and Apple devices. Let's work together to make Needles shine!