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

A G E N D A

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY
HOUSING AUTHORITY CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA
COUNCIL CHAMBERS, 1111 BAILEY AVENUE

TUESDAY, FEBRUARY 10, 2026

COUNCIL EXECUTIVE SESSION – 5:00 PM
CITY COUNCIL MEETING – 6:00 PM

THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS IN WRITING PRIOR TO NOON ON THE DAY OF THE MEETING BY EMAILING cclark@cityofneedles.com
TO JOIN THE LIVE TEAMS MEETING: log into the City of Needles website at www.cityofneedles.com to access the agenda and Click here to join the meeting

If asked, enter the following: Meeting ID: 202 746 159#
OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 202 746 159#
The meetings are being recorded.

CALL TO ORDER
ROLL CALL

PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS
A three-minute time limit per person has been established.

RECESS TO EXECUTIVE SESSION

EXECUTIVE SESSION

a. Conference with Legal Counsel Regarding Potential Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4) Number of Cases: 1

b. Conference with Legal Counsel Regarding Potential Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4) Number of Cases: 1

CALL TO ORDER
ROLL CALL

EXECUTIVE SESSION REPORT - by City Attorney

PLEDGE OF ALLEGIANCE
INVOCATION
APPROVAL OF AGENDA
CONFLICT OF INTEREST
CORRESPONDENCE
INTRODUCTIONS
CITY ATTORNEY – Parliamentary Procedures

As a courtesy to those in attendance, we would ask that cell phones be turned off or set in their silent mode. Thank you

PUBLIC APPEARANCE - Persons wishing to address the NPUA / City Council on subjects other than those scheduled are requested to do so at this time. When called by the Mayor, please 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 the California Government Code Section 54950 prohibits the City Council from taking action on a specific item until it appears on the agenda.

PUBLIC HEARING

1. Adopt Resolution 2026-1 of the City Council of the City of Needles Approving a Conditional Use Permit Amendment to City Council Resolution 2017-114 for a Medical Marijuana Cultivation Facility Located at 204 Bazoobuth Street (APN 0186-154-13), Including Modification of Perimeter Wall Materials and Relocation of Parking and Trash Enclosure to Adjacent Parcels (APNS 0186-154-05 And 0186-154-01). **ITEM CONTINUED TO FEBRUARY 24, 2026.**

PRESENTATION
(A ten-minute time limit per presentation has been established per Municipal Code Section 2-18.)

2. Accept and file the FY 23/24 City and NPFA Financial Statements Audits and Single Audit Exemption. **(ACT)**

REGULAR NPUA / COUNCIL ITEMS

3. Authorize the Mayor to execute the Bureau of Reclamation's Post 2026 Draft EIS Public Comment from the City of Needles dated February 10, 2026 **(ACT)**

4. Accept the work completed by WEKA, Inc. for the Phase V Water Service Lateral Replacement Project and authorize a Notice of Completion to be recorded with the San Bernardino County Recorder's office. **(ACT)**

COUNCIL 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 Mayor or any member of the City Council may pull an item from the Consent Calendar for discussion. Prior to Council action, a member of the public may address the City Council on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **RECOMMENDED ACTION:** Approve Items 5 through 6 on the Consent Calendar by affirmative roll call vote. (**ACT)**

5. Approve the Warrants Register through February 10, 2026

6. Approve the Minutes of January 27, 2026

END OF COUNCIL CONSENT CALENDAR

REGULAR COUNCIL ITEMS

7. Award the Base Bid and Additive Alternate to Rainy Day Roofing, Inc. for the Administration Building Façade Awning Project in the amount of $192,102 plus 10% contingency for a total project cost of $211,312.20 and authorize staff to execute a Public Works Agreement with Rainy Day Roofing, Inc. and move forward with the Notice of Award and Notice to Proceed. **(ACT)**

8. Ballot measure(s) for the November 3, 2026 General Municipal Election. **(DIS)**

9. Waive full reading and Adopt Ordinance 679-AC Amending Chapter 12, Entitled Short-Term Residential Rentals, in the Needles Municipal Code. (First Read Introduction) **(ACT)**

CITY ATTORNEY REPORT
CITY CLERK REPORT
CITY MANAGER REPORT
City Manager's Report for the weeks of January 23 and 30, 2026

COUNCIL REQUESTS
Council Member Ford
Council Member McCorkle
Vice Mayor Campbell
Council Member Pogue
Council Member Belt
Council Member Longbrake
Mayor Jernigan

ADJOURNMENT

INTERNET ACCESS TO CITY COUNCIL AGENDAS AND STAFF REPORT MATERIAL IS AVAILABLE PRIOR TO CITY COUNCIL MEETINGS AT: http://www.cityofneedles.com

Posted: February 6, 2026

SB 343-DOCUMENTS RELATED TO OPEN SESSION AGENDAS -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the City Clerk's 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 the City Clerk's Office at (760) 326-2113 ext 133. 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).

I hereby certify, under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the front entrance of City Hall not less than 72 hours prior to the meeting.

Dated this 6th day of February 2026

/s/ Candace Clark, CPMC, CMC, City Clerk

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: Presentation by Vasquez & Company LLP of the City and NPFA audit reports for the fiscal year ended June 30, 2024

Background: The fiscal year 2023/24 City and NPFA audit reports have been completed by Vasquez & Company LLP. The audit reports will be presented via teleconference.

Attached are the 2024 Financial Audit Results Presentation materials, and audit reports for the fiscal year ended June 30, 2024.

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Accept and file the FY 23/24 City and NPFA Financial Statements Audits and Single Audit Exemption

Submitted By: Mark DeMay, Director of Finance and Administrative Services

City Manager Approval: Patrick J Martinez Date: 2/5/2026

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

CITY OF NEEDLES, CALIFORNIA

Annual Financial Report and Required Supplemental Information

Fiscal Year Ended June 30, 2024

with Independent Auditor's Report

VASQUEZ + COMPANY L

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FINANCIAL SECTION

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+ COMPANY LLP

Independent Auditor's Report

The Honorable Mayor and the Members of the City Council
City of Needles, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Needles, California (the City), as of and for the year ended June 30, 2024, and the related notes to basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Needles, California, as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Housing Authority of the City of Needles, a component unit of the City, which represent 24%, 64%, and 17%, respectively, of the assets, net position, and revenues of the other enterprise funds as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Housing Authority of the City of Needles, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Restatements
As discussed in Note 13 to the financial statements, the 2023 financial statements have been restated to reflect changes within the financial reporting entity and to correct misstatements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 17 and the required supplementary information on pages 65 through 68 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Vasquez & Company LLP

Glendale, California
January 28, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Within this section of the annual financial report, the City of Needles, California's management presents this discussion and analysis of the City's financial performance for the fiscal year ended June 30, 2024. The financial statements and footnotes follow this section and should be read in conjunction with this discussion and analysis.

The discussion below includes the City's governmental funds (the general fund and other nonmajor governmental funds), as well as the City's proprietary funds (the Public Utility, other enterprise funds, and internal service funds).

Financial Highlights

- The City's net position (excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources) increased from $59.6 million, as restated, to $74.4 million for the fiscal year ended June 30, 2024. Governmental activities experienced an increase of $5.2 million, including transfers to business-type activities of $180 thousand. The change in net position resulting from business-type activities for the fiscal year was an increase of $9.6 million.

- Total net position comprises the following:

    1. Capital assets, net of related debt, of $49.0 million, include capital assets, net of accumulated depreciation and amortization, reduced by outstanding debt related to the acquisition or construction of such capital assets.

    2. Net position of $5.7 million that is restricted as to its use by outside factors such as debt covenants, grantors, laws, or regulations.

    3. Net position of $19.7 million is not restricted as to its use and is available to fund the City's operations.

- The City's governmental funds reflect total fund balances of $19.0 million at June 30, 2024. This represents an increase of $1.4 million from the prior fiscal year.

Overview of the Financial Statements

Management's Discussion and Analysis serves as an introduction to the City's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to financial statements. In addition, there is certain supplemental information included with the financial statements and notes thereto.

Government-wide Financial Statements

The City's government-wide financial statements include: (1) a *Statement of Net Position*, and (2) a *Statement of Activities*.

These financial statements present the City's current and long-term financial information. At the government-wide level, the financial statements are similar to normal operating financial statements, using the full accrual basis of accounting and eliminating or reclassifying internal activities.

The *Statement of Net Position* presents all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference presented as *net position*. The evaluation of whether the City's financial status is improving or not can be measured by changes in net position over time. Increases in net position generally represent an improvement in financial position.

The *Statement of Activities* reflects the change in the City's net position during the current fiscal year. This statement includes all revenues and expenses for the year, regardless of when the cash is received or paid. The statement shows the costs of the City's functions and activities, then shows how much of those costs are funded by program revenues or grants, with the remaining amount dependent on the City's general revenues.

Both of the above statements report on governmental activities of the City that are funded by taxes and intergovernmental grants, and business-type activities that are funded primarily by charges to users. Governmental activities include general government, public safety, public works, parks and recreation, and community development. Business-type activities include power and water, wastewater, refuse collection, public transportation, and a municipal golf course. Financial statements for fiduciary activities are not included in the government-wide financial statements, as the assets of those activities are not available to fund the City's programs and activities.

The financial reporting entity includes the City's funds and organizations for which the City is accountable. The City itself is considered the primary government, and the organizations for which the City is accountable are considered component units. The component units are legally separate from the City but are governed by the same individuals who govern the City. There are three such component units: (1) the Needles Public Utility Authority, (2) the Housing Authority of the City of Needles. and (3) the Needles Public Financing Authority. All of these component units are blended into the City's financial statements. More comprehensive information about the City's component units can be found in the notes to the financial statements following this discussion and analysis.

Fund Financial Statements

Fund-level financial statements are intended to present the financial position and activities of individual funds within the City. A fund is a self-balancing set of accounts used to ensure that resources intended to fund specific activities or objectives are, in fact, properly utilized. Fund-level financial statements focus on significant funds, with major funds reported separately, and non-major funds aggregated into a single presentation.

There are three primary types of funds, as follows:

Governmental funds are reported in fund-level financial statements and include the governmental types of activities previously mentioned.

The City's major governmental fund is the General Fund.

The fund level statements differ significantly from the government-wide financial statements, as the fund level statements focus on current resources, uses of those resources, and resources remaining at the end of the fiscal year.

The government-wide financial statements include the current resources and use of those resources, as well as the long-term financial information for the City. A reconciliation of the fund level balance sheet and statement of revenues, expenditures, and changes in fund balance to the government-wide statements follows the fund level financial statements.

Proprietary funds are also reported in fund-level financial statements and include those activities for which the costs incurred are intended to be recovered through charges to the users of the services provided. Proprietary funds include *enterprise* funds and *internal service* funds. The functions of enterprise funds are the same as the business-type activities reported in the government-wide financial statements. Enterprise funds recover costs primarily through charges to external customers. The City's enterprise funds include the electric, water and wastewater utility, sanitation, public transportation, and the golf course.

Internal service funds provide services to other departments within the City and charge these departments for such services. Internal service funds include water, wastewater, electricity, utility office, admin facility, fleet maintenance, information systems and vehicle replacement. Because the public utility dominates the City's financial position, the internal service funds are included within the business-type activities in the government-wide financial statements.

Proprietary funds present their financial position and their activities similar to private companies. Accordingly, the fund-level financial statements utilize the same focus as that used for the government-wide financial statements. The major difference is that individual proprietary funds are only presented at the fund level. The City's major proprietary fund includes the Public Utility Fund. The remaining non-major proprietary funds are aggregated into a single presentation at the fund level.

Fund Financial Statements, continued

Fiduciary funds, such as custodial funds, are reported in fiduciary fund financial statements. Such statements are excluded from the government-wide financial statements. Fiduciary fund financial statements report on resources that are unavailable to finance City programs. The focus of fiduciary fund financial statements is similar to that for proprietary funds.

Notes to the Financial Statements

Following the government-wide and fund-level financial statements are various notes to such statements. These notes are critical to a reader's understanding of the City and its financial position and performance.

Financial Analysis for the City as a Whole

The accumulation of consistently presented financial information allows a reader to understand the City's financial position and determine whether there is improvement or deterioration.

One measure of continued improvement is the change in net position. The City's net position increased by about $14.8 million, primarily because of continued positive results from utility revenues and cannabis tax revenues.

The following table shows summarized information regarding the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, and the changes therein for the fiscal years ended June 30, 2024 and 2023:

	Governmental Activities		Business-Type Activities		Totals			
	2024	2023 (As restated)	2024	2023 (As restated)	2024	2023 (As restated)	Amount Change	Percent Change
Assets								
Current and other assets	$ 23,466,971	$ 20,605,937	$ 14,852,003	$ 13,000,711	$ 38,318,974	$ 33,606,648	$ 4,712,326	14.0%
Capital assets, net	23,711,539	20,352,309	34,591,820	28,133,796	58,303,359	48,486,105	9,817,254	20.2%
Total assets	47,178,510	40,958,246	49,443,823	41,134,507	96,622,333	82,092,753	14,529,580	17.7%
Deferred outflows of resources	1,646,648	1,763,784	1,154,309	1,118,561	2,800,957	2,882,345	(81,388)	-2.8%
Liabilities								
Current and other liabilities	2,542,928	1,500,607	4,678,124	5,069,860	7,221,052	6,570,467	650,585	9.9%
Long-term liabilities	4,580,400	4,562,477	12,605,339	13,424,398	17,185,739	17,986,875	(801,136)	-4.5%
Total liabilities	7,123,328	6,063,084	17,283,463	18,494,258	24,406,791	24,557,342	(150,551)	-0.6%
Deferred inflows of resources	546,016	657,748	62,815	117,264	608,831	775,012	(166,181)	-21.4%
Net Position								
Net investment in capital assets	23,661,672	20,277,271	25,309,906	17,608,751	48,971,578	37,886,022	11,085,556	29.3%
Restricted	5,680,476	5,396,163	36,425	-	5,716,901	5,396,163	320,738	5.9%
Unrestricted	11,813,666	10,327,764	7,905,523	6,032,795	19,719,189	16,360,559	3,358,630	20.5%
Total net position	$ 41,155,814	$ 36,001,198	$ 33,251,854	$ 23,641,546	$ 74,407,668	$ 59,642,744	$ 14,764,924	24.8%

Financial Analysis for the City as a Whole, continued

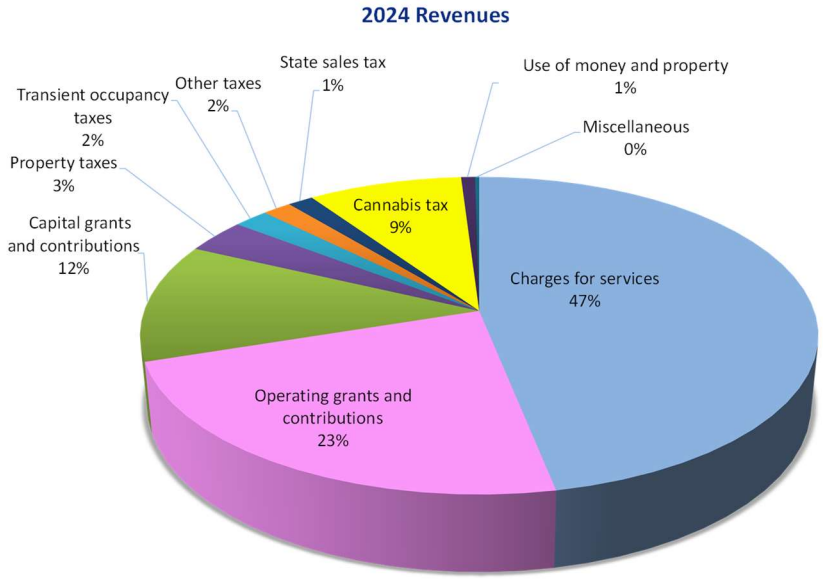
Net position was positive for both governmental activities and business-type activities in 2024 and 2023. Overall, the net governmental activities position increased by about $5.2 million due to the current year's change in operations. The increase in net position from business-type activity operations was about $9.6 million, primarily due to increases in grants and contributions received to support the City's operations and capital improvement plans.

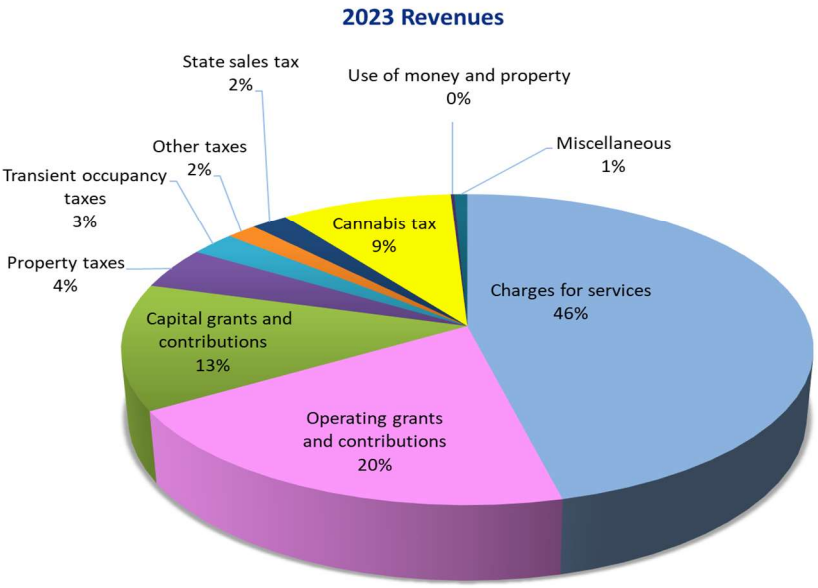
Governmental activities' revenues increased by about $1.8 million. Property taxes and transient occupancy taxes continued to play a significant role in the City's results, totaling about $3.0 million in revenues for fiscal year 2024. However, the most significant governmental activity revenue was cannabis taxes, which reported a total of $4.8 million in 2024. Governmental activities' expenses increased by about $985 thousand due to increases in pension and OPEB expenses allocated to general government functions.

To assist in analyzing the City's operating results, comparative data is accumulated and presented. The following table summarizes the City's changes in net position for the years ended June 30, 2024 and 2023:

	Governmental Activities		Business-Type Activities		Totals			
	2024	2023 (As restated)	2024	2023 (As restated)	2024	2023 (As restated)	Amount Change	Percent Change
Revenues								
Program revenues								
Charges for services	$ 1,138,678	$ 1,175,821	$ 25,133,693	$ 19,349,552	$ 26,272,371	$ 20,525,373	$ 5,746,998	28.0%
Operating grants and contributions	6,130,023	5,063,959	6,783,969	3,926,969	12,913,992	8,990,928	3,923,064	43.6%
Capital grants and contributions	-	-	6,778,399	5,816,021	6,778,399	5,816,021	962,378	16.5%
General revenues								
Property taxes	1,931,794	1,921,322	-	-	1,931,794	1,921,322	10,472	0.5%
Transient occupancy taxes	1,085,367	1,088,807	-	-	1,085,367	1,088,807	(3,440)	-0.3%
Fuel taxes	264,395	238,700	-	-	264,395	238,700	25,695	10.8%
State sales taxes	796,325	881,494	-	-	796,325	881,494	(85,169)	-9.7%
Franchise taxes	228,126	157,148	-	-	228,126	157,148	70,978	45.2%
Cannabis taxes	4,792,160	4,115,018	-	-	4,792,160	4,115,018	677,142	16.5%
Utility users taxes	415,037	343,007	-	-	415,037	343,007	72,030	21.0%
Use of money and property	268,803	10,790	163,921	68,123	432,724	78,913	353,811	448.4%
Miscellaneous	127,163	357,469	-	-	127,163	357,469	(230,306)	-64.4%
Total revenues	17,177,871	15,353,535	38,859,982	29,160,665	56,037,853	44,514,200	11,523,653	25.9%
Expenses								
General government	1,814,647	1,756,949	-	-	1,814,647	1,756,949	57,698	3.3%
Public safety	4,201,398	5,003,930	-	-	4,201,398	5,003,930	(802,532)	-16.0%
Public works	2,370,153	2,093,518	-	-	2,370,153	2,093,518	276,635	13.2%
Parks and recreation	3,269,585	1,600,328	-	-	3,269,585	1,600,328	1,669,257	104.3%
Community development	544,562	755,023	-	-	544,562	755,023	(210,461)	-27.9%
Interest on long-term debt	2,537	8,360	-	-	2,537	8,360	(5,823)	-69.7%
Public Utility Authority	-	-	25,014,602	22,527,383	25,014,602	22,527,383	2,487,219	11.0%
Sanitation	-	-	1,474,649	1,366,404	1,474,649	1,366,404	108,245	7.9%
Golf Course	-	-	1,103,759	883,792	1,103,759	883,792	219,967	24.9%
Transit	-	-	632,013	613,577	632,013	613,577	18,436	3.0%
Housing	-	-	845,025	(989,643)	845,025	(989,643)	1,834,668	-185.4%
Total expenses	12,202,881	11,218,108	29,070,048	24,401,513	41,272,929	35,619,621	5,653,308	15.9%
Increase in net position before transfers	4,974,990	4,135,427	9,789,934	4,759,152	14,764,924	8,894,579	5,870,345	66.0%
Transfers	179,626	142,335	(179,626)	(142,335)	-	-	-	100.0%
Change in net position	5,154,616	4,277,762	9,610,308	4,616,817	14,764,924	8,894,579	5,870,345	66.0%
Net position - beginning	36,001,198	31,723,436	23,641,546	19,024,729	59,642,744	50,748,165	8,894,579	17.5%
Ending net position	$ 41,155,814	$ 36,001,198	$ 33,251,854	$ 23,641,546	$ 74,407,668	$ 59,642,744	$ 14,764,924	24.8%

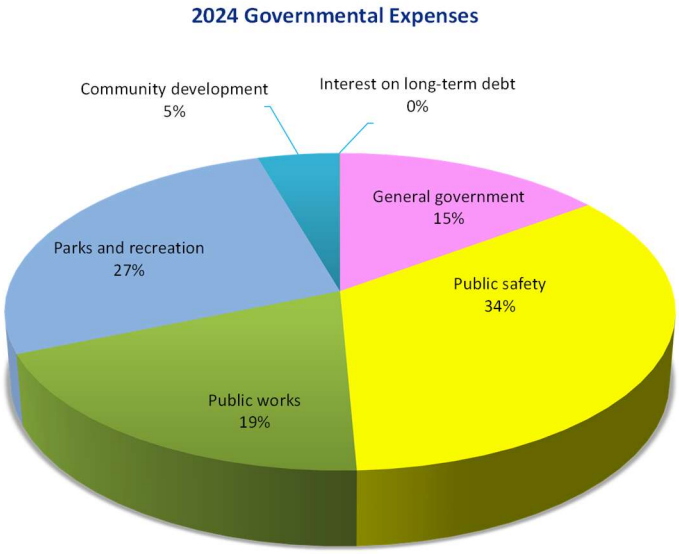
The following charts show graphic representations of the City's revenues for the fiscal years ended June 30, 2024 and 2023:

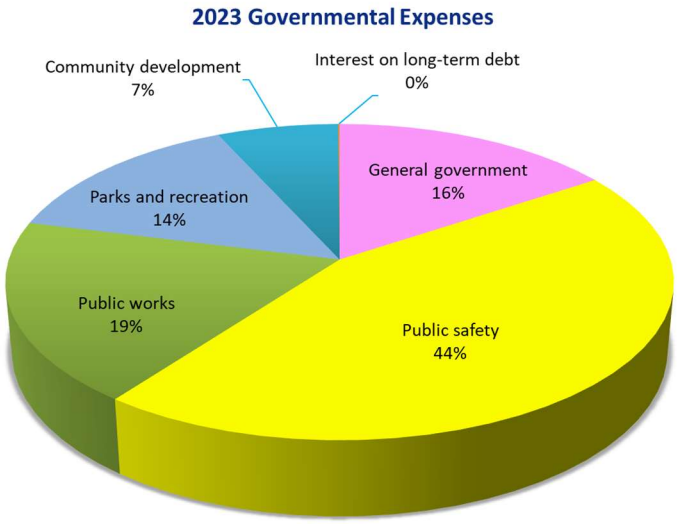




As displayed in the charts above, the revenues from charges for services comprise 45% and 46% of the City's revenues for 2024 and 2023, respectively. Most of the charges for services are attributed to the Public Utility Fund, which makes up approximately 38% of all revenues in 2024 and 35% of all revenues in 2023.

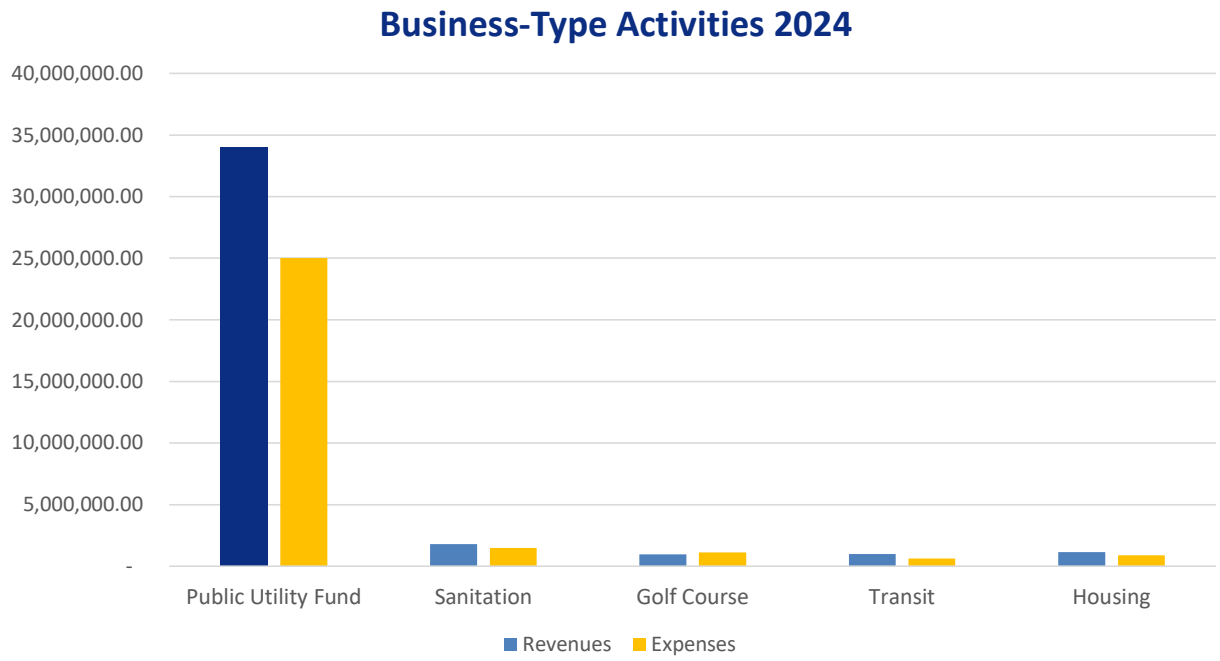
The following charts show graphic representations of the City's governmental functional expenses for the fiscal years ended June 30, 2024 and 2023:





The City contracts with the County of San Bernardino for public safety services. These expenses are funded primarily through general revenues. Parks and recreation expenses are significant for the City, as it is the City's responsibility to maintain the marinas, public swimming pool, skate park, and cemetery.

The following chart depicts the revenues and expenses of the City's business-type activities for the year ended June 30, 2024:



The Public Utility Fund contributed most of the City's revenues and produced $21.1 million in operating revenues. Interest expense of $433 thousand on the revenue refinancing bonds, non-operating of $5.5 million, and net capital contributions and transfers of about $6.9 million contributed to the Public Utility Fund's increase in net position of about $8.7 million for the fiscal year.

The City's business-type activities also include refuse collection, golf course, public transportation and housing authority. All business-type activities are designed to be self-supporting, and costs are expected to be fully recovered by user fees and other revenues. Refuse collection activities are contracted out to a private company. The sanitation fund increased its net position by $110 thousand, the golf course fund increased its net position by $113 thousand, the transit fund increased its net position by $332 thousand, and the housing authority fund increased its net position by $276 thousand.

Financial Analysis of the City's Funds

Governmental funds

Governmental funds focus on the availability of resources on a short-term basis, showing inflows and outflows, and resulting in an ending balance of spendable resources.

City officials compare these available resources to the upcoming financial obligations. The ending fund balance for governmental funds at June 30, 2024, was $19.0 million. Of this total, $6.6 million was unassigned and is available to fund any City requirements. Nonspendable fund balances of $7.7 million represent assets that cannot be converted to cash, such as prepaid items and advances to other funds.

There are restricted fund balances totaling $4.1 million, committed fund balances of $350 thousand, and assigned fund balances of $229 thousand.

Governmental fund balances increased by $1.4 million from the previous year, as restated. Excess of revenues over expenditures of about $1.2 million and a net transfer of approximately $179 thousand contributed to the increase.

Major Governmental Funds

The City's General Fund is the primary governmental fund in use, and accounts for about 72% of governmental revenues and about 78% of governmental expenditures. The fund balance of General Fund increased by $1.1 million from the previous year. General Fund revenues increased by $1.2 million, and expenditures increased by about $1.5 million from last year.

Other Governmental Funds

All other governmental funds are considered nonmajor funds. Such funds include special revenue funds, debt service fund, and capital projects funds. Together, these funds experienced an increase in fund balances of about $281 thousand. The total ending fund balance for these funds was $2.6 million.

Proprietary funds

Proprietary fund financial statements are similar to those prepared for private companies, with both short-term and long-term information included in the statements. Also, proprietary funds have the same focus as the government-wide financial statements.

Major Proprietary Funds

The Public Utility Fund is by far the most significant fund for the City, comprising 78% of total assets and about 55% of total revenues. Public Utility Fund provides power, water, and wastewater to the City's businesses and residents. All fixed assets of the utility are carried on the Public Utility Fund's books, as well as the revenue bonds issued to finance the acquisition of the utility.

General Fund Budgetary Highlights

The original budget adopted for the General Fund totaled $13,788,989 in resources (inflows) and $15,321,209 in charges to appropriations (outflows). The budget was amended once during the fiscal year, primarily to reflect increases in inflows of $3,308,013 and a net increase in expenditures as follows: general government expenditures of $833,826, public safety expenditures of $112,717, public works of $17,000, parks and recreation expenditures of $(155,665), and transfers to other funds of $2,438,229. The General Fund ended the fiscal year 2024 with $2,602,411 budget surplus.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2024, the City had approximately $58.3 million invested in capital assets, $23.7 million of which was in governmental activities and $34.6 million of which was in business-type activities.

The notes to the financial statements include more details about changes in capital assets, accumulated depreciation, ongoing construction, and commitments outstanding at the end of the fiscal year.

Capital assets, net of accumulated depreciation and amortization, are as follows:

	Governmental Activities		Business-Type Activities		Totals			
	2024	2023 (As restated)	2024	2023 (As restated)	2024	2023 (As restated)	Amount Change	Percent Change
Non-Depreciable Assets								
Land	$ 424,042	$ 340,403	$ 3,394,088	$ 3,211,934	$ 3,818,130	$ 3,552,337	$ 265,793	7.5%
Construction in progress	4,040,708	1,896,821	6,349,554	5,481,354	10,390,262	7,378,175	3,012,087	40.8%
Total non-depreciable assets	4,464,750	2,237,224	9,743,642	8,693,288	14,208,392	10,930,512	3,277,880	30.0%
Depreciable and Amortizable Assets								
Structures and improvements	18,668,668	17,477,423	20,599,110	15,525,370	39,267,778	33,002,793	6,264,985	19.0%
Equipment and vehicles	527,187	564,195	1,545,951	1,111,429	2,073,138	1,675,624	397,514	23.7%
Right-of-use lease asset	35,684	54,057	285,260	352,556	320,944	406,613	(85,669)	-21.1%
SBITA assets	15,250	19,410	15,085	30,172	30,335	49,582	(19,247)	-38.8%
Intangible asset	-	-	2,402,772	2,420,981	2,402,772	2,420,981	(18,209)	-0.8%
Total depreciable and amortizable assets	19,246,789	18,115,085	24,848,178	19,440,508	44,094,967	37,555,593	6,539,374	17.4%
Total	$ 23,711,539	$ 20,352,309	$ 34,591,820	$ 28,133,796	$ 58,303,359	$ 48,486,105	$ 9,817,254	20.2%

Long-term debt

At the end of the fiscal year, the City's total long-term debt obligations were $17.2 million. Of this total, $4.6 million is in governmental activities, and the remaining balance is in business-type activities.

The business-type activities debt consists of revenue bonds issued by the Needles Public Utility Authority. These bonds are being repaid from the utility's operating revenues. There is also a note payable in the sanitation fund resulting from an agreement with San Bernardino County related to a municipal landfill.

The following table depicts the City's outstanding long-term debt obligations at June 30, 2024 and 2023:

	Governmental Activities		Business-Type Activities		Totals			
	2024	2023 (As restated)	2024	2023 (As restated)	2024	2023 (As restated)	Amount Change	Percent Change
Compensated absences	$ 192,085	$ 236,068	$ 251,212	$ 259,409	$ 443,297	$ 495,477	(52,180)	-10.5%
Estimated claims liability	100,000	100,000	-	-	100,000	100,000	-	0.0%
Lease liability	37,535	55,628	296,548	360,064	334,083	415,692	(81,609)	-19.6%
SBITA liability	12,332	15,945	15,994	31,024	28,326	46,969	(18,643)	-39.7%
Net pension liability	3,550,222	3,418,332	2,533,522	2,196,678	6,083,744	5,615,010	468,734	8.3%
NPUA 2016 bonds	-	-	8,774,103	9,846,660	8,774,103	9,846,660	(1,072,557)	-10.9%
Notes payable	-	-	195,269	227,787	195,269	227,787	(32,518)	-14.3%
Other postemployment benefits liability	710,882	736,504	538,691	502,776	1,249,573	1,239,280	10,293	0.8%
Total	$ 4,603,056	$ 4,562,477	$ 12,605,339	$ 13,424,398	$ 17,208,395	$ 17,986,875	$ (778,480)	-4.3%

Economic Activity Update – Fiscal Year 2024

City of Needles, California

The City of Needles experienced strong and measurable economic momentum during FY 2024, driven by private investment, rising property values, expanding tourism activity, and disciplined reinvestment of locally generated revenues into infrastructure and community services. Strategic fiscal management, voter-approved economic development policies, and strong state and federal partnerships continued to strengthen the City's financial position while laying the groundwork for long-term, sustainable growth.

Business & Industry Growth

Cannabis-related industrial development remained the City's primary economic driver in FY 2024. The sector generated approximately $4.8 million in local cannabis tax revenue, representing roughly 36% of the City's operating budget, and has generated more than $22.5 million in total revenue since voter approval of Measure S. Cannabis activity has resulted in nearly one million square feet of permitted facilities, with approximately 280,000–300,000 square feet currently in operation, and has created approximately 605 active jobs, including employment opportunities for Needles residents and the greater tri-state region.

Consistent with City policy, 10% of cannabis tax revenues were reinvested into the City's Economic Development Program to support non-cannabis business growth. This strategy has helped catalyze key projects such as the Hampton Inn & Suites, a 67,000-square-foot boat storage facility, and the redevelopment of underutilized commercial properties, including the Filter Change coffee and auto service center.

Beyond industrial activity, the City continued to attract and retain small businesses through streamlined permitting, competitive utility rates, and active recruitment efforts. New and expanding businesses during FY 2024 included US Cannabis Labs, 07 Boba Tea, and The Painted Butterfly, further diversifying the local economy and expanding services for residents and visitors.

Property Valuation & Household Income

The City's assessed property valuation increased to approximately $563 million in 2024, reflecting a $27 million year-over-year increase (5%) and an 81% increase since 2017. This sustained growth reflects strong investor confidence, reinvestment in existing properties, and new development activities throughout the community.

Median household income has increased by approximately 20% since 2017, driven in part by job creation and wage growth in the industrial, hospitality, and service sectors, reinforcing positive economic outcomes for residents.

Tourism, Hospitality & Sales Activity

Tourism remained a critical pillar of the City's economy in FY 2024. Over the past decade, hotel revenues have increased by approximately 86%, and by 23% since 2017, supported by Route 66 travel, river-based recreation, and regional visitation. While FY 2024 revenues moderated from the prior year's peak, lodging revenues remain well above pre-pandemic levels. The $12 million Hampton Inn & Suites, which opened in 2023, significantly strengthened the City's hospitality offerings and visitor capacity.

Jack Smith Park and Boat Launch continued to serve as one of the City's strongest economic engines, welcoming more than 500,000 visitors annually. Since 2017, park-related activity has generated nearly $2 million in additional General Fund revenue, supporting local lodging, dining, fuel sales, and small businesses.

Retail and visitor activity also drove continued growth in local sales tax revenues. Over the past decade, sales tax receipts increased by approximately 90%, representing a $531,246 increase, supported by Interstate 40 traffic exposure of approximately 8.5 million travelers annually and strong performance by food, fuel, and service-oriented businesses.

Infrastructure & Capital Investment

In FY 2024, the City continued implementation of its 15-year Pavement Management Program, reinvesting locally generated revenues into critical street and water infrastructure. Since 2020, the City has invested more than $8.5 million in roadway and utility improvements, rehabilitating approximately 39% of the City's roadway network, with an average annual investment of $2 million.

During FY 2024, the City advanced Phase IV-A of the Pavement Management Program, utilizing a sequenced approach that addressed underground utilities prior to roadway paving. Water service replacement work was completed by Phillips Excavating at a cost of $955,147.70, substantially completed in April 2024. Roadway paving followed in October 2024, with Vance Corporation completing paving work totaling $1.33 million and United Paving completing additional paving improvements totaling $972,000, supported in part by federal funding assistance secured through Congressman Obernolte.

Separately, paving improvements along Flip Mendez Parkway were completed for $174,985, funded through Community Development Block Grant (CDBG) resources.

Beyond streets, the City successfully leveraged approximately $15 million in infrastructure grants to modernize its water system, including major investments in the Well 11 Treatment Plant, booster stations, pump stations, transmission mains, and new water storage facilities—projects completed or underway at no cost to local ratepayers.

Public Services, Housing & Community Stability

Public services remained stable and accessible throughout FY 2024. The Needles Courthouse continued full-time operations, restoring local access to judicial services. The City's Housing Authority maintained full occupancy and expanded coordination with federal and county partners, supporting public housing units, Section 8 vouchers, and veteran housing programs, while completing long-overdue capital improvements to housing facilities.

The City also expanded access to healthcare and social services through partnerships with Tri-State Community Healthcare, IEHP, Palo Verde College, and workforce development providers, strengthening long-term community stability.

Grants, Planning & Economic Positioning

During FY 2024, the City leveraged more than $4.5 million in general planning and infrastructure grants and more than $7 million in parks and recreation grants, including major investments at Bob Belt's Beach Park, Duke Watkins Park, Jack Smith Walking Trail, and Rivers Edge Golf Course.

Needles' Prohousing Designation from the California Department of Housing and Community Development—earned as the first rural jurisdiction in San Bernardino County—positioned the city as a statewide leader in reducing development barriers and promoting housing production. This designation included a nearly $445,000 award and strengthened the City's competitiveness for future state funding while supporting new residential development, including riverfront housing and infill opportunities.

Conclusion
Together, these efforts reflect the City of Needles' disciplined, strategic approach to economic development—balancing revenue growth, infrastructure reinvestment, housing expansion, and quality-of-life improvements. FY 2024 marked another year of tangible progress, positioning Needles for continued resilience, diversification, and long-term prosperity.

Closing Statement for the Audit Report

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances, to comply with finance-related laws and regulations, and to demonstrate the City's commitment to public accountability.

For questions or additional information, please contact the City of Needles Finance Department at 817 Third Street, Needles, California 92363. You may also request the separately issued financial statements of the Needles Public Utility Authority, the Needles Public Financing Authority, and the Housing Authority of the City of Needles.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Needles, California
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	$ 7,158,380	$ 15,142,115	$ 22,300,495
Restricted cash	2,216,792	-	2,216,792
Accounts receivable, net	650,267	4,099,253	4,749,520
Due from other governments	1,952,596	2,748,814	4,701,410
Internal balances	10,923,028	(10,923,028)	-
Inventory	-	1,047,832	1,047,832
Prepaid items	163,074	2,568,576	2,731,650
Notes receivable	-	168,441	168,441
Lease receivables	402,834	-	402,834
Capital assets, net	23,711,539	34,591,820	58,303,359
TOTAL ASSETS	47,178,510	49,443,823	96,622,333
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	1,610,596	1,126,989	2,737,585
Deferred outflows of resources related to OPEB	36,052	27,320	63,372
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,646,648	1,154,309	2,800,957
LIABILITIES			
Accounts payable	1,316,551	1,763,087	3,079,638
Accrued payroll	286,850	45,916	332,766
Deposits payable	295,339	2,719,296	3,014,635
Accrued interest	-	141,117	141,117
Unearned revenues	621,532	3,890	625,422
Other liabilities	-	4,818	4,818
Long-term liabilities			
Due within one year	22,656	1,280,531	1,303,187
Due in more than one year	319,296	8,252,595	8,571,891
Net pension liability	3,550,222	2,533,522	6,083,744
Other postemployment benefits liability	710,882	538,691	1,249,573
TOTAL LIABILITIES	7,123,328	17,283,463	24,406,791
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	159,879	62,815	222,694
Deferred inflows of resources related to leases	386,137	-	386,137
TOTAL DEFERRED INFLOWS OF RESOURCES	546,016	62,815	608,831
NET POSITION			
Net investment in capital assets	23,661,672	25,309,906	48,971,578
Restricted for			
Community development projects	5,680,476	-	5,680,476
Housing authority	-	36,425	36,425
Unrestricted	11,813,666	7,905,523	19,719,189
TOTAL NET POSITION	$ 41,155,814	$ 33,251,854	$ 74,407,668

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Activities
Year ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
PRIMARY GOVERNMENT							
Governmental activities							
General government	$ 1,814,647	$ 1,091,197	$ 82,786	$ -	$ (640,664)	$ -	$ (640,664)
Public safety	4,201,398	-	878,511	-	(3,322,887)	-	(3,322,887)
Public works	2,370,153	607	1,860,258	-	(509,288)	-	(509,288)
Parks and recreation	3,269,585	46,874	2,825,715	-	(396,996)	-	(396,996)
Community development	544,562	-	482,753	-	(61,809)	-	(61,809)
Interest on long-term debt	2,537	-	-	-	(2,537)	-	(2,537)
Total governmental activities	12,202,881	1,138,678	6,130,023	-	(4,934,180)	-	(4,934,180)
Business-type activities							
Public utility	25,014,602	21,540,299	5,547,624	6,754,487	-	8,827,808	8,827,808
Sanitation	1,474,649	1,776,084	-	-	-	301,435	301,435
Golf course	1,103,759	650,044	324,685	-	-	(129,030)	(129,030)
Transit	632,013	49,620	911,660	23,554	-	352,821	352,821
Housing	845,025	1,117,646	-	358	-	272,979	272,979
Total business-type activities	29,070,048	25,133,693	6,783,969	6,778,399	-	9,626,013	9,626,013
Total primary government	$ 41,272,929	$ 26,272,371	$ 12,913,992	$ 6,778,399	(4,934,180)	9,626,013	4,691,833
General revenues:							
Taxes:							
Property taxes					1,931,794	-	1,931,794
Transient occupancy taxes					1,085,367	-	1,085,367
Fuel taxes					264,395	-	264,395
State sales taxes					796,325	-	796,325
Franchise taxes					228,126	-	228,126
Cannabis taxes					4,792,160	-	4,792,160
Utility users taxes					415,037	-	415,037
Use of money and property					268,803	163,921	432,724
Miscellaneous					127,163	-	127,163
Transfers					179,626	(179,626)	-
Total general revenues					10,088,796	(15,705)	10,073,091
Change in net position					5,154,616	9,610,308	14,764,924
Net position - beginning, as previously reported					35,945,023	22,647,895	58,592,918
Restatements (Note 13)					56,175	993,651	1,049,826
Net position - beginning, as restated					36,001,198	23,641,546	59,642,744
Net position - ending					$ 41,155,814	$ 33,251,854	$ 74,407,668

See accompanying Notes to Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

City of Needles, California
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	$ 3,998,016	$ 3,160,364	$ 7,158,380
Restricted cash	1,864,545	352,247	2,216,792
Accounts receivable, net	648,308	1,959	650,267
Due from other funds	3,633,316	-	3,633,316
Due from other governments	1,744,665	207,931	1,952,596
Prepaid items	33,271	129,803	163,074
Lease receivables	402,834	-	402,834
Advances to other funds	7,576,966	-	7,576,966
TOTAL ASSETS	$ 19,901,921	$ 3,852,304	$ 23,754,225
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable	$ 909,570	$ 406,981	$ 1,316,551
Accrued liabilities	281,444	5,406	286,850
Deposits	295,339	-	295,339
Due to other funds	-	287,254	287,254
Unearned revenues	48,386	573,146	621,532
Total liabilities	1,534,739	1,272,787	2,807,526
Deferred inflows of resources			
Unavailable revenues	1,592,175	7,391	1,599,566
Leases	386,137	-	386,137
Total deferred inflows of resources	1,978,312	7,391	1,985,703
Fund balances (deficit)			
Nonspendable	7,610,237	129,803	7,740,040
Restricted	1,864,545	2,216,365	4,080,910
Committed	350,000	-	350,000
Assigned	-	229,102	229,102
Unassigned	6,564,088	(3,144)	6,560,944
Total fund balances	16,388,870	2,572,126	18,960,996
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 19,901,921	$ 3,852,304	$ 23,754,225

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2024

Fund balances - total governmental funds		$ 18,960,996
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues reported as unavailable revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.		1,599,566
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds Balance Sheet.		
Governmental capital assets	$ 40,194,874	
Less: Accumulated depreciation	(16,534,269)	
Governmental right-of-use lease assets	84,754	
Less: Accumulated amortization	(49,070)	
Governmental SBITA assets	20,796	
Less: Accumulated amortization	(5,546)	23,711,539
Long-term liabilities applicable to the City governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position. Balances as of June 30,2024 are:		
Compensated absences	(192,085)	
Estimated claims liability	(100,000)	
Lease liability	(37,535)	
SBITA liability	(12,332)	(341,952)
Pension and OPEB related debt applicable to the City governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are only reported in the Statement of Net Position as the changes in these amounts effects only the government-wide statements for governmental activities:		
Deferred outflows of resources related to OPEB	36,052	
Net OPEB Liability	(710,882)	
Deferred outflows of resources related to pension	1,610,596	
Deferred inflows of resources related to pension	(159,879)	
Net pension liability	(3,550,222)	(2,774,335)
Net position of governmental activities		$ 41,155,814

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2024

	General Fund	State Recreation Grants Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 9,020,683	$	$ 211,772	$ 9,232,455
Licenses, permits, and fees	547,680		-	547,680
Intergovernmental	726,722		3,479,655	4,206,377
Charges for services	1,013,344		1,052,201	2,065,545
Fines and forfeitures	292,686		-	292,686
Use of money and property	258,569		10,234	268,803
Other revenues	124,138		3,025	127,163
Total revenues	11,983,822		4,756,887	16,740,709
EXPENDITURES				
Current				
General government	2,174,497		-	2,174,497
Public safety	5,005,030		224,074	5,229,104
Public works	1,283,767		1,055,070	2,338,837
Parks and recreation	3,475,221		198,035	3,673,256
Community development	146,852		120,774	267,626
Capital outlay	-		1,799,371	1,799,371
Debt service				
Principal retirement	21,706		-	21,706
Interest and fiscal charges	2,537		-	2,537
Total expenditures	12,109,610		3,397,324	15,506,934
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(125,788)		1,359,563	1,233,775
OTHER FINANCING SOURCES (USES)				
Transfers in	2,161,565		248,979	2,410,544
Transfers out	(903,680)		(1,327,237)	(2,230,917)
Total other financing sources (uses)	1,257,885		(1,078,258)	179,627
CHANGES IN FUND BALANCES	1,132,097		281,305	1,413,402
FUND BALANCES (DEFICITS)				
Fund balances (deficits) - beginning, as previously reported	15,256,773	(1,038,863)	3,273,509	17,491,419
Restatements (Note 13)	-	1,038,863	(982,688)	56,175
Fund balances - beginning, as restated	15,256,773	-	2,290,821	17,547,594
Fund balances - ending	$ 16,388,870	$ -	$ 2,572,126	$ 18,960,996

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities
Year ended June 30, 2024

Net change in fund balances - total governmental funds		$ 1,413,402
Amounts reported for governmental activities in the Statement of Activities are different because:		
Revenues reported as unavailable revenues in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activities.		437,161
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation and amortization expense.		
Capital outlay	$ 4,641,467	
Depreciation and amortization expenses, net of deletions of $85,669	(1,262,827)	3,378,640
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
SBITA adjustment		(15,945)
Lease liability repayments		18,093
SBITA liability repayments		3,613
Net change in compensated absences		43,983
OPEB expense reported in the governmental funds includes the insurance premiums paid. In the Statement of Activities, OPEB expense includes the changes in the net OPEB liability, and related changes in OPEB amounts for deferred outflows of resources and deferred inflows of resources.		15,786
Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the changes in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources.		(140,117)
Change in net position of governmental activities		$ 5,154,616

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Net Position
Proprietary Funds
June 30, 2024

	Public Utility Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current assets				
Cash and investments	$ 7,312,421	$ 2,146,215	$ 9,458,636	$ 5,683,479
Accounts receivable, net	3,806,926	289,137	4,096,063	3,190
Notes receivable	168,441	-	168,441	-
Due from other funds	5,044,547	-	5,044,547	30,246
Due from other governments	2,203,274	545,540	2,748,814	-
Inventory	1,039,089	8,743	1,047,832	-
Prepaid items	-	13,722	13,722	2,554,854
Total current assets	19,574,698	3,003,357	22,578,055	8,271,769
Non-current assets				
Right of use assets, net	114,417	-	114,417	-
SBITA assets, net	-	15,085	15,085	-
Capital assets, net	31,269,952	2,401,830	33,671,782	790,536
Total non-current assets	31,384,369	2,416,915	33,801,284	790,536
TOTAL ASSETS	50,959,067	5,420,272	56,379,339	9,062,305
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	1,102,416	24,573	1,126,989	-
Deferred outflows of resources related to OPEB	26,724	596	27,320	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,129,140	25,169	1,154,309	-
LIABILITIES				
Current liabilities				
Accounts payable	1,179,035	390,038	1,569,073	194,014
Accrued payroll	-	5,146	5,146	40,770
Deposits	2,709,596	9,700	2,719,296	-
Due to other funds	953,185	2,653,816	3,607,001	4,813,854
Unearned revenues	-	3,890	3,890	-
Accrued interest	141,117	-	141,117	-
Compensated absences - current	-	1,851	1,851	-
Advance payable - current	157,719	-	157,719	-
Lease liability - current	51,101	46,198	97,299	16,508
SBITA liability - current	-	15,994	15,994	-
Bonds/note payable - current	1,114,355	34,524	1,148,879	-
Other liabilities	-	4,818	4,818	-
Total current liabilities	6,306,108	3,165,975	9,472,083	5,065,146
Noncurrent liabilities				
Net pension liability	2,478,280	55,242	2,533,522	-
Other postemployment benefits liability	526,945	11,746	538,691	-
Compensated absences - noncurrent	230,122	7,405	237,527	11,834
Advance payable - noncurrent	7,419,247	-	7,419,247	-
Lease liability - noncurrent	68,966	79,874	148,840	33,901
Bonds/note payable - noncurrent	7,659,749	160,744	7,820,493	-
Total noncurrent liabilities	18,383,309	315,011	18,698,320	45,735
TOTAL LIABILITIES	24,689,417	3,480,986	28,170,403	5,110,881
DEFERRED INFLOW OF RESOURCES				
Deferred inflows of resources related to pensions	61,445	1,370	62,815	-
TOTAL DEFERRED INFLOW OF RESOURCES	61,445	1,370	62,815	-
NET POSITION				
Net investment in capital assets	22,490,198	2,079,581	24,569,779	740,127
Restricted	-	36,425	36,425	-
Unrestricted (deficit)	4,847,147	(152,921)	4,694,226	3,211,297
TOTAL NET POSITION	$ 27,337,345	$ 1,963,085	29,300,430	$ 3,951,424
Internal service fund allocated to enterprise funds			3,951,424	
Net Position, Business-Type Activities			$ 33,251,854	

See accompanying Notes to Basic Financial Statements.

Agenda Item 2.

City of Needles, California
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year ended June 30, 2024

	Public Utility Fund	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for services	$ 19,946,047	$ -	$ 2,417,618	$ 22,363,665	$ 14,583,483
Operating grants and subsidies	-		870,448	870,448	-
Other fees and sales	-	-	286,318	286,318	-
Other revenues	1,129,464	-	19,010	1,148,474	1,999
Total operating revenues	21,075,511		3,593,394	24,668,905	14,585,482
OPERATING EXPENSES					
Personnel costs	-	-	322,102	322,102	3,016,987
Contractual services	-	-	1,771,896	1,771,896	488,924
Power and utilities	-	-	289,662	289,662	6,819,493
Maintenance and operations	23,041,681	-	1,037,171	24,078,852	2,938,440
Administrative and management	-	-	357,538	357,538	512,400
Insurance	-	-	22,965	22,965	155,131
Depreciation and amortization	1,539,937	-	230,682	1,770,619	185,868
Total operating expenses	24,581,618		4,032,016	28,613,634	14,117,243
Operating income (loss)	(3,506,107)		(438,622)	(3,944,729)	468,239
NON-OPERATING REVENUES (EXPENSES)					
Interest revenue	142,214	-	5,135	147,349	16,572
Government grants	5,547,624	-	1,236,345	6,783,969	-
Loss on sale of asset	-	-	(1,610)	(1,610)	-
Interest expense and fiscal charges	(432,984)	-	(21,820)	(454,804)	(3,451)
Total non-operating revenues (expenses)	5,256,854	-	1,218,050	6,474,904	13,121
Income (loss) before capital contributions and transfers	1,750,747	-	779,428	2,530,175	481,360
Capital contributions - AB 2766	-	-	15,000	15,000	-
Capital contributions - State of good repair	-	-	8,554	8,554	-
Capital contributions	6,748,792	-	358	6,749,150	5,695
Transfers in	198,054	-	241,481	439,535	417,240
Transfers out	-	-	(214,598)	(214,598)	(821,803)
Net capital contributions and transfers	6,946,846	-	50,795	6,997,641	(398,868)
Changes in net position	8,697,593	-	830,223	9,527,816	82,492
Net position (deficit) - beginning, as previously reported	18,639,752	(1,118,334)	1,262,410	18,783,828	3,864,067
Restatements (Note 13)	-	1,118,334	(129,548)	988,786	4,865
Net position - beginning, as restated	18,639,752	-	1,132,862	19,772,614	3,868,932
Net position - ending	$ 27,337,345	$ -	$ 1,963,085	$ 29,300,430	$ 3,951,424
Change in net position of internal service fund allocated to enterprise funds				$ 82,492	
Change in net position of enteprise funds				9,527,816	
Change in net position of business-type activities				$ 9,610,308	

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2024

	Public Utility Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities				
Cash collected from customers	$ 19,538,822	$ 3,234,299	$ 22,773,121	$ 15,343,056
Cash payments to suppliers for goods and services	(23,846,195)	(3,585,224)	(27,431,419)	(11,008,850)
Cash payments to employees for services	276,084	(363,325)	(87,241)	(3,016,987)
Net cash provided by (used in) operating activities	(4,031,289)	(714,250)	(4,745,539)	1,317,219
Cash Flows From Noncapital Financing Activities				
Operating grants received	5,547,624	1,236,345	6,783,969	-
Increase in due from other funds	(927,790)	-	(927,790)	(10,789)
Increase (decrease) in due to other funds/advances	785,934	(440,114)	345,820	936,859
Operating transfers in	198,054	241,481	439,535	1,369,416
Operating transfers out	-	(214,598)	(214,598)	(1,773,979)
Net cash provided by noncapital financing activities	5,603,822	823,114	6,426,936	521,507
Cash Flows from Capital and Financing Activities				
Acquisition and construction of capital assets	(6,874,624)	(1,217,997)	(8,092,621)	(353,672)
Principal paid on bonds/note payable	(1,072,556)	(32,519)	(1,105,075)	-
Capital grants received	6,748,792	23,912	6,772,704	5,695
Payments of leases	(48,925)	(44,946)	(93,871)	30,355
Payments of subscriptions	-	15,140	15,140	-
Interest paid	(450,234)	(21,820)	(472,054)	(3,451)
Net cash used in capital and related financing activities	(1,697,547)	(1,278,230)	(2,975,777)	(321,073)
Cash Flows from Investing Activities				
Collection of notes receivable	340,175	(1,911)	338,264	-
Interest on investments	142,214	5,135	147,349	16,572
Net cash provided by investing activities	482,389	3,224	485,613	16,572
Net increase (decrease) in cash and investments	357,375	(1,166,142)	(808,767)	1,534,225
Cash and investments, beginning of year	6,955,046	3,312,357	10,267,403	4,149,254
Cash and cash investments, end of year	$ 7,312,421	$ 2,146,215	$ 9,458,636	$ 5,683,479
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ (3,506,107)	$ (438,622)	$ (3,944,729)	$ 468,239
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization	1,539,937	230,682	1,770,619	185,868
Changes in assets and liabilities				
Decrease (increase) in:				
Accounts receivable	(1,536,689)	(52,061)	(1,588,750)	(3,190)
Due from other governments	(303,893)	(460,858)	(764,751)	-
Inventory	(209,539)	784	(208,755)	-
Prepaid expenses	-	7,864	7,864	760,764
Deferred outflows	(40,356)	4,608	(35,748)	-
Increase (decrease) in:				
Accounts payable	(252,820)	100,081	(152,739)	(95,460)
Accrued liabilities	-	-	-	700
Deposits payable	(38,262)	(1,500)	(39,762)	-
Unearned revenues	-	(105,717)	(105,717)	-
Net pension liability	340,079	(3,235)	336,844	-
OPEB liability	37,553	(1,638)	35,915	-
Deferred inflows	(52,697)	(1,752)	(54,449)	-
Compensated absences payable	(8,495)	7,114	(1,381)	298
Net cash provided by (used in) operating activities	$ (4,031,289)	$ (714,250)	$ (4,745,539)	$ 1,317,219

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2024

	Custodial Fund Water Quality Maintenance Fund
ASSETS	
Cash and investments	$ 10,673,202
Total assets	10,673,202
FIDUCIARY NET POSITION	
Restricted for other organizations	$ 10,673,202

See accompanying Notes to Basic Financial Statements.

City of Needles, California
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year ended June 30, 2024

	Custodial Fund Water Quality Maintenance Fund
ADDITIONS	
Deposits	$ 1,358,194
Investment earnings	487,290
Total revenues	1,845,484
DEDUCTIONS	
Distributions	521,664
Total expenses	521,664
CHANGE IN FIDUCIARY NET POSITION	1,323,820
Fiduciary net position - beginning, as previously reported	-
Restatement (Note 13)	9,349,382
Fiduciary net position - beginning, as restated	9,349,382
FIDUCIARY NET POSITION - END OF YEAR	$ 10,673,202

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of the City of Needles, California (City) are discussed in subsequent sections of this Note. The remaining Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2024.

B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION

Description of the Reporting Entity
The City was incorporated on October 30, 1913, as a General Law City. The City became a Charter City on January 28, 1959, and operates under a Council-Manager form of government. The City Council consists of seven members elected by the citizens of the City. The City provides the following services to its citizens: public safety (police and fire), highways and streets, electricity, water, wastewater, sanitation, public transportation, health and social services, cemetery, culture-recreation, public improvements, community development (planning, building, zoning), and general administrative services.

The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City, as distinct from legal relationships. Blended component units, although legally separate entities, are in substance part of the City's operations and so data from these units are combined with data of the primary government.

Each blended component unit has a June 30, 2024 fiscal year-end and issues separate audited financial statements. The City has no discretely presented component units.

Management has determined that the following component units should be blended: Needles Public Financing Authority, Housing Authority of the City of Needles, and Needles Public Utility Authority. Additional detailed financial information for each of these entities can be obtained from the City of Needles Finance Department at 817 Third Street, Needles, California, 92363.

Needles Public Financing Authority
The Needles Public Financing Authority (NPFA) was formed on March 7, 1992, for the sole purpose of providing financing for various City capital projects. The Financing Authority is governed by a seven-member board, which consists of members of the City Council.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION (CONTINUED)

Housing Authority of the City of Needles
The Housing Authority of the City of Needles (Housing Authority) was established in 1942, under the U.S. Housing Act of 1937 and the State of California Housing Authority Law of 1938. The Housing Authority is a nonprofit government agency that is chartered by the State of California to administer the development, rehabilitation or financing of affordable housing programs. During the fiscal year 2024, the City assumed administrative and operational responsibility for the Housing Authority. Accordingly, the Housing Authority is reported as a blended component unit within the City's financial statements.

Needles Public Utility Authority
The Needles Public Utility Authority (NPUA) was formed on January 6, 1997, for the purpose of owning, operating, and maintaining the Utility Enterprise. The Utility Enterprise consists of the Water, Sewer, and Electric Enterprise Funds serving the City and the surrounding area. A seven-member Board that consists of members of the City Council governs the Utility Authority.

Other Governmental Agencies
Other governmental agencies providing various levels of service to the City include the State of California, the County of San Bernardino (County), as well as various special districts and school districts. Each of the above agencies has an independent elected governing board or is dependent on an independently elected governing board other than the City Council. Accordingly, financial data and transactions of these agencies are not included within the scope of this financial report.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements
The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report on financial information for the City as a whole, excluding fiduciary activities such as employee pension plans. Individual funds are not displayed, but the statements distinguish governmental activities, which are generally supported by taxes and City general revenues, from business-type activities, generally financed as a whole or in part by fees charged to external customers.

The Statement of Activities reports the expenses of a given function, offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION (CONTINUED)

Government-Wide Financial Statements (Continued)
Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions on the specified program purposes. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements
Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns, with composite columns for nonmajor funds.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments. Proprietary and fiduciary fund financial statements and financial statements of City component units also report using this same focus and basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied, while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest, which are reported as expenditures in the year due.

Major revenue sources subject to accrual include cannabis taxes, property taxes, sales taxes, transient occupancy taxes, franchise taxes, intergovernmental revenues, and use of money and property.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, then unrestricted resources as necessary. Restricted assets and liabilities payable from restricted assets that are considered current are reported as current assets and liabilities in the financial statements.

Assets that are restricted for the acquisition or construction of noncurrent assets, or are restricted for the liquidation of long-term debt, are considered noncurrent.

D. FUND TYPES AND MAJOR FUNDS

Governmental Funds
The City reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources not reported in other funds.

Proprietary Funds
The City reports the following major enterprise fund:

Public Utility Fund – This fund accounts for the operating activities of the City's public utility operations. NPUA transactions roll up to this fund.

Other Fund Types
The City also reports the following fund types:

Internal Service Funds – These funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These include fleet maintenance, business office, and information technology. These are proprietary funds reported with business-type activities in the government-wide statements, as the majority of the activities are charged to other proprietary funds.

Fiduciary Fund – Custodial Fund – This fund accounts for the restricted trust fund for Water Quality Maintenance of the All-American Canal. The trust funds for canal capital maintenance and improvements are held by the Trustee, Zions Bank. The City is responsible for the annual operation of the canal under the contract with the Bureau of Reclamation (BOR) and the Metropolitan Water District of Southern California (MWD).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION

Cash and Investments
The City maintains and controls one major cash and investment pool. Each fund's portion of the pool is displayed on its respective balance sheet as "cash and investments".

In addition, non-pooled cash and investments are separately held and reflected in respective funds or component units as "cash with fiscal agents" or "restricted cash".

For purposes of the accompanying statement of cash flows, the City considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The fair value of the State Treasurer's Investment Pool is based on the stated fair value represented by the Pool.

Cash deposits are reported at the carrying amount, which reasonably approximates fair value.

Inventory of Supplies
Inventories in governmental funds consist of expendable supplies held for consumption stated on an average cost basis. They are reported at cost, which is recorded as an expenditure at the time the inventory items are used. Proprietary fund inventories and similar component unit inventories are recorded at the lower of cost or market value on an average cost basis. Inventories are reported similarly in the fund financial statements and the government-wide financial statements.

Prepaid Items
Prepaid items represent payments made to vendors that benefit future reporting periods and are reported on a consumption basis. Prepaid items are reported similarly in the fund financial statements and the government-wide financial statements.

Capital Assets, Depreciation, and Amortization
The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements.

Proprietary and component unit capital assets are also reported in their respective funds and component unit financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a cost of $5,000 or more. The cost of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION (CONTINUED)

Capital Assets, Depreciation, and Amortization (Continued)
When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives for depreciable assets are as follows:

Buildings	20 – 30 years
Improvements, other than buildings	5 – 15 years
Mobile equipment	5 – 7 years
Furniture, machinery, and equipment	5 – 7 years

Long-term Debt and Bond Discounts/Premiums
In the government-wide financial statements, outstanding debt is reported as a liability. Bond issuance costs, bond discounts and premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

Governmental fund financial statements recognize debt proceeds and premiums as other financing sources of the current fiscal period. Issuance costs are reported as expenditures of the current fiscal period.

Unavailable Revenues
Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be available to finance expenditures of the current period. Governmental funds report revenues in connection with receivables for revenues not considered available to liquidate as deferred inflows of resources in the current period. Unavailable revenues in the current year represent revenues not collected within the availability period of 60 days.

Compensated Absences
Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees up to specified maximums. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued in the government-wide, proprietary, and component unit financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION (CONTINUED)

Fund Balances
In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental fund types report fund equity in one of five categories, as follows:

Nonspendable – Fund balances that cannot be spent because they are either:

- Not in Spendable Form – generally, amounts that are not expected to be converted to cash, such as inventories or prepaid amounts. This classification also includes some long-term amounts, such as property acquired for resale or the long-term portion of loans receivable.

- Legally or Contractually Required to be Maintained Intact – amounts that are required to be maintained intact, such as the principal of a permanent fund.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned – This is the residual classification for the general fund (i.e., everything that is not in another classification or another fund).

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION (CONTINUED)

Net Position
The net position represents the residual interest in the City's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. In accordance with GASB Statement No. 63, the fund equity section on the Statement of Net Position was combined to report the total net position and present it in three broad components:

Net investment in capital assets – The amount consists of capital assets, including infrastructure, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted – Amount consists of net position restricted by external creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabled legislature.

Unrestricted – Amount consists of all net position that do not meet the definition of "net investment in capital assets" or "restricted" net position.

When both restricted and unrestricted net position are available, restricted resources are depleted first before unrestricted resources are used.

F. REVENUES, EXPENDITURES, AND EXPENSES

Utility Billings
The Public Utility Fund bills individuals and businesses for electric, water, and sewer services monthly. The billings are considered delinquent when they are not paid by the due date indicated on the billing, which is generally 20 days after the billing date. The City reserves an amount as uncollectible based on historical collection rates. The amount of the estimated uncollectible billings as of June 30, 2024 was $396,547.

Use of Estimates
The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. REVENUES, EXPENDITURES, AND EXPENSES (CONTINUED)

Property Tax Revenues
All property taxes are collected and allocated by the County to the various taxing entities. Property taxes are determined annually as of March 1 and attach as an enforceable lien on real property as of July 1. Taxes are due November 30 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when available and measurable. The City considers property tax as available if it is received within 60 days after the year-end.

Pension
For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

G. IMPLEMENTATION OF NEW ACCOUNTING PRONOUNCEMENTS

Released GASB Statements to be implemented in future financial statements are as follows:

- GASB Statement No. 101 - Compensated Absences. The requirements of this statement are effective for reporting periods beginning after December 15, 2023.
- GASB Statement No. 102 - *Certain Risk Disclosures*. The requirements of this statement are effective for reporting periods beginning after June 15, 2024.
- GASB Statement No. 103 - *Financial Reporting Model Improvements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.
- GASB Statement No. 104 - *Disclosure of Certain Capital Assets*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The County is permitted by State Law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the market value no more than 2% per year. The City receives a share of this basic levy proportionate to what it received in the 1976 and 1978 periods. Property tax rates for bond debt service are determined by the City, with collections and allocations made by the County.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Balance/Net Position – Primary Government
Deficit fund balances/net position as of June 30, 2024 are as follows:

State Recreation Grants Special Revenue Fund	$	(227)
Safe Routes to School Special Revenue Fund		(2,479)
Hazard Mitigation Special Revenue Fund		(438)
Sanitation Enterprise Fund		(1,008,073)
Sewer Internal Service Fund		(87,715)

Budgets and Budgetary Accounting
The City prepared and adopted annual operating budgets for the General Fund, all Special Revenue funds, and all Capital Projects funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed budget for the fiscal year commencing on the following July 1. The budget includes proposed expenditures and the means of financing them.

2. The City Council reviews the proposed budget at a specially scheduled session, which is open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.

3. The budget is legally adopted through passage of a resolution.

4. The City Manager is authorized to transfer funds within departmental budgets between major object classifications and between capital projects in the same fund. The City Council must authorize transfers between funds, between departments, and from the fund balances reserved for specific purposes.

5. Annual budgets presented are legally adopted and amended as required for the General, Special Revenue, and Capital Projects funds. All budgets presented are prepared on a basis consistent with GAAP.

6. Budgeted amounts are reflected after all applicable amendments and revisions.

7. For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the department level. The legal level of budgetary control is at the level called “department”. A “department” for legal appropriation purposes may be a single organization (i.e., City Attorney), or an entire department having multiple organizations (i.e., Parks and Recreation), or an entire fund (i.e., Special Fund for Capital Outlay). All departments and funds should complete the year within legally authorized expenditures.

NOTE 3 CASH AND INVESTMENTS

Cash and Investments

As of June 30, 2024, cash and investments were reported in the accompanying financial statements as follows:

	Unrestricted	Restricted	Total
Governmental Activities	$ 7,158,380	$ 2,216,792	$ 9,375,172
Business-Type Activities	15,142,115	-	15,142,115
Fiduciary Fund	-	10,673,202	10,673,202
Total Cash and Investments	$ 22,300,495	$ 12,889,994	$ 35,190,489

Cash and investments held by the City at June 30, 2024 consisted of the following:

Petty cash and cash drawers	$ 4,717
Cash in banks	22,969,502
Investments	12,216,270
Total Cash and Investments	$ 35,190,489

The City maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the financial statements as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various investments.

Disclosures Relating to Custodial Risk

Custodial credit risk for deposits with financial institutions is the risk that, in the event of a failure of the financial institution, the City's deposits will not be returned or the City will not be able to obtain collateral securities pledged by the financial institutions.

Custodial credit risk is not covered by bond indentures, although the indentures usually require the issuer to maintain reserve accounts with the trustee bank named in the indenture.

The City's policy, in accordance with the State of California Government Code, is to require financial institutions to collateralize the City's deposits at 110% of the deposit amount with U.S. government securities in the City's name.

California law allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total deposit. The City, at management's discretion, may waive the 110% collateral requirements for deposits that are federally insured up to $100,000. Federal insurance provides up to $250,000 of coverage for each depositor.

At June 30, 2024, the book balance of the City's deposits was $35.2 million, and the bank balance was $37.3 million, which is insured and collaterized under California law. The difference of $2.1 million represents outstanding checks and other reconciling items. The City's deposits were covered by FDIC insurance or collaterized as required by California law.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City manages its exposure to declines in fair values by limiting the maximum maturity length of investments to five years.

As of June 30, 2024, the City had the following investments:

Investment Type		Remaining Maturity (in Years) Less Than 1 Year
LAIF	$	1,543,068
Cash with Fiscal Agents:		
Money Market Mutual Funds		10,673,202
Total Investments	$	12,216,270

Disclosures Relating to Credit Risk

Credit risk is the risk that an issuer of security or a counterparty to the investment will not be able to fulfill its obligations with respect to the investment. The City does not have a formal policy with respect to credit risk.

Instead, the City follows State of California law, which authorizes the City to invest in obligations of U.S. Government agencies and U.S. Government securities, certificates of deposit, municipal securities, and the Local Agency Investment Fund (LAIF) of the State of California. As of June 30, 2024, the City's investments in external investment pools are unrated, and money market mutual funds are rated AAA.

Disclosures Relating to Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to a concentration of funds in a single issue or issuer. With respect to concentration risk, as of June 30, 2024, the City has not invested more than 5% of its total investments in any one issuer. Investments guaranteed by the U.S. government and investments in money market mutual funds and external investment pools are excluded from this requirement.

Fair Value Measurement

The City categorizes its fair value measurement within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements), inputs are quoted prices of similar assets in active markets (Level 2 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The City's investments in LAIF are not subject to the fair value hierarchy. The City's investments in money market mutual funds are actively traded and therefore, measured using level 1 inputs.

NOTE 4 CAPITAL ASSETS

A summary of the changes in capital assets is as follows:

	Balance July 1, 2023, as restated	Additions	Deletions	Balance June 30, 2024
Governmental Activities				
Capital assets, not being depreciated				
Land	$ 340,403	$ 83,639	$ -	$ 424,042
Construction in progress	1,896,821	3,675,439	(1,531,552)	4,040,708
Total capital assets, not being depreciated	2,237,224	3,759,078	(1,531,552)	4,464,750
Capital assets being depreciated and amortized				
Structures and improvements	31,953,807	2,254,139	-	34,207,946
Equipment	1,381,787	226,060	(85,669)	1,522,178
Right-of-use lease assets	84,754	-	-	84,754
SBITA assets	20,796	-	-	20,796
Total capital assets being depreciated and amortized	33,441,144	2,480,199	(85,669)	35,835,674
Less accumulated depreciation and amortization for				
Structures and improvements	(14,476,384)	(1,062,894)	-	(15,539,278)
Equipment	(817,592)	(263,068)	85,669	(994,991)
Right-of-use lease assets	(30,697)	(18,373)	-	(49,070)
SBITA assets	(1,386)	(4,160)	-	(5,546)
Total accumulated depreciation and amortization	(15,326,059)	(1,348,495)	85,669	(16,588,885)
Total capital assets being depreciated and amortized, net	18,115,085	1,131,704	-	19,246,789
Capital assets, net	$ 20,352,309	$ 4,890,782	$ (1,531,552)	$ 23,711,539
Business-Type Activities				
Capital assets not being depreciated				
Land	$ 3,211,934	$ 182,154	$ -	$ 3,394,088
Construction in progress	5,481,354	4,949,813	(4,081,613)	6,349,554
Total capital assets, not being depreciated	8,693,288	5,131,967	(4,081,613)	9,743,642
Capital assets being depreciated and amortized				
Structures and improvements	46,525,557	6,656,968	(86,536)	53,095,989
Equipment	3,279,289	663,393	(143,201)	3,799,481
Right-of-use lease assets	499,987	45,406	-	545,393
SBITA assets	45,255	-	-	45,255
Water rights	2,662,807	-	-	2,662,807
Canal construction cost sharing	728,366	-	-	728,366
Total capital assets being depreciated and amortized	53,741,261	7,365,767	(229,737)	60,877,291
Less accumulated depreciation and amortization for				
Structures and improvements	(31,000,187)	(1,581,618)	84,926	(32,496,879)
Equipment	(2,167,860)	(228,871)	143,201	(2,253,530)
Right-of-use lease assets	(147,431)	(112,702)	-	(260,133)
SBITA assets	(15,083)	(15,087)	-	(30,170)
Water rights	(490,687)	-	-	(490,687)
Canal construction cost sharing	(479,505)	(18,209)	-	(497,714)
Total accumulated depreciation and amortization	(34,300,753)	(1,956,487)	228,127	(36,029,113)
Total capital assets being depreciated and amortized, net	19,440,508	5,409,280	(1,610)	24,848,178
Capital assets, net	$ 28,133,796	$ 10,541,247	$ (4,083,223)	$ 34,591,820

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation Expense

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities		Business-Type Activities	
Public safety	$ 76,757	Public Utility Fund	$ 1,539,937
Public works	522,104	Golf course	105,250
Parks and recreation	403,953	Transit	79,460
Community development	345,681	Housing	45,972
	$ 1,348,495	Internal service funds	185,868
			$ 1,956,487

NOTE 5 LEASE RECEIVABLES

The City leases its property to other agencies in the course of making services available to the community. The material leases that fall under the scope of GASB 87 include the City subleasing Bureau of Land Management land to the County to operate the Marina, RV park, and other recreational services. It also leases the Needles Chamber of Commerce building to the Needles Area Chamber of Commerce nonprofit corporation for operating the Chamber of Commerce and Visitor's Center. The lease with the County first commenced in 1960 and has since been amended to extend through June 2048, while the lease with the Needles Area Chamber of Commerce expires in April 2026.

The City also entered into different lease agreements as follows:

- Commencing on April 23, 2020, the City entered into a 10-year lease agreement with Electrify America, LLC to lease the parking space owned by the City to build an electric vehicle charging station for monthly rent payments of $400.

- Commencing on March 1, 2021, the City entered into a 5-year lease agreement with Inventory 19th Hole Bar & Grill to use a certain portion of the City-owned municipal golf course known as the Rivers Edge Golf Course for monthly rent payments of $550.

- Commencing on October 25, 2022, the City entered into a 3-year lease agreement with the County to use a certain portion of the City-owned building known as Building C for monthly rent payments of $4,052.

- Commencing on June 1, 2023, the City entered into a 3-year lease agreement with Parking Concepts, Inc. to lease the office space and garage space for monthly rent payments of $728.

NOTE 5 LEASE RECEIVABLES (CONTINUED)

At June 30, 2024, the total operating lease receivables and deferred inflows of resources for the above leases were $402,834 and $386,137, respectively. Discount rates ranging from 0.712% to 3.378% were used to calculate the net present values of the leases. There were no significant variable payments received during the fiscal year ended June 30, 2024. The future minimum operating lease receivable payments as of June 30, 2024, were as follows:

Year Ending June 30		Amount
2025	$	78,236
2026		36,688
2027		14,986
2028		13,030
2029		14,709
2030-2034		60,223
2035-2039		60,720
2040-2044		66,504
2045-2047		57,738
Total	$	402,834

NOTE 6 BALANCES AND TRANSFERS/PAYMENTS WITHIN THE REPORTING ENTITY

In general, outstanding balances between funds are presented in the financial statements as either “Due to/from other funds” (i.e., the current portion of interfund loans) or “Advances to/from other funds” (i.e., the non-current portion of interfund loans).

These balances include outstanding charges by one fund to another fund for goods or services or for other miscellaneous receivables/payables between funds. Balances between governmental funds and business-type funds are reflected in the government-wide financial statements as “internal balances”.

NOTE 6 BALANCES AND TRANSFERS/PAYMENTS WITHIN THE REPORTING ENTITY (CONTINUED)

Due To/From Other Funds

The composition of due to/from other funds as of June 30, 2024 is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Major Funds			
General Fund	Public Utility Fund	$ 922,939	Temporary cash borrowing
	Other Governmental Funds		
	Department of Housing and Community Development Grant	17,544	Temporary cash borrowing
	Safe Routes to School Grant	2,479	Temporary cash borrowing
	Hazard Mitigation	438	Temporary cash borrowing
	Jack Smith Park Marina	36,100	Temporary cash borrowing
	Other Enterprise Fund		
	Sanitation	2,476,278	Temporary cash borrowing
	Golf Course	177,538	Temporary cash borrowing
Public Utility Fund	Internal Service Funds	4,813,854	Reimbursement of expenses
	Other Governmental Fund		
	All American Canal	230,693	Reimbursement of expenses
Internal Service Funds	Public Utility Fund	30,246	Reimbursement of expenses
		$ 8,708,109	

Advances To/From Other Funds

The City entered into a Purchase Obligation with the NPUA in which the NPUA agreed to pay the City $685,300 each February 1st, including interest imputed at 6.714% through February 2012. Starting February 2013, the annual payment was reduced to $673,036 as a result of the $400,000 prepayments made in 2012. The annual payment was further reduced to $666,983 in fiscal year 2016 as a result of the additional prepayment made in 2013, amounting to $350,000. The balance of the obligation as of June 30, 2024 was $7,576,966.

Annual maturities of the Purchase Obligation are presented below:

Year Ending June 30:	Principal	Interest	Total
2025	$ 157,719	$ 508,717	$ 666,436
2026	37,293	498,128	535,421
2027	39,797	495,624	535,421
2028	42,469	492,952	535,421
2029	45,320	490,101	535,421
2030 - 2034	276,538	2,400,567	2,677,105
2035 - 2039	382,703	2,294,402	2,677,105
2040 - 2044	529,625	2,147,480	2,677,105
2045 - 2049	732,952	1,944,153	2,677,105
2050 - 2054	1,014,338	1,662,767	2,677,105
2055 - 2059	1,403,750	1,273,355	2,677,105
2060 - 2064	1,942,660	734,445	2,677,105
2065 - 2066	971,802	98,925	1,070,727
	$ 7,576,966	$ 15,041,616	$ 22,618,582

NOTE 6 BALANCES AND TRANSFERS/PAYMENTS WITHIN THE REPORTING ENTITY (CONTINUED)

Transfers

Transfers and payments within the reporting entity are primarily to provide cash to meet operating and debt service needs or to fund the construction or purchase of capital assets. The government-wide statement of activities eliminates transfers reported within the segregated governmental and business-type activities columns. Only transfers *between* the two columns appear in this statement.

The following schedule reports transfers and payments within the reporting entity:

Transfer To	Transfer From	Amount	Purpose
Major Funds			
General Fund			
	Other Governmental Fund		
	Gas Tax	$ 139,164	Gas tax
	Caltrans Grant	986,000	Grant reimbursement
	Other Enterprise Fund		
	Sanitation	191,174	Fund operations
	Transit	23,424	Fund operations
	Internal Service Funds	821,803	Fair share allocation
Public Utility Fund	General Fund	15,901	General fund reserves
	Other Governmental Fund		
	Redevelopment Agency	182,153	Fund operations
Nonmajor Funds			
Other Governmental Funds			
Cemetery	General Fund	127,752	Cemetery Fund from General Fund
Boating and Waterways Grant	General Fund	24,637	Fund operations
Redevelopment Agency	General Fund	96,589	Transfer of RDA debt payment
Other Enterprise Funds			
Golf	General Fund	241,481	Fund operations
Transit	Other Governmental Fund		
	Measure I Transit	1	Fund operations
Internal Service Funds	General Fund	397,320	Transfer of capital assets
	Other Governmental Fund		
	All American Canal	19,920	Fund operations
		$ 3,267,319	

NOTE 7 LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions of the City for the year ended June 30, 2024:

Description and Purpose	Balance July 1, 2023, as restated	Additions	Deletions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Bonds and Direct Borrowings:					
Lease liability	$ 55,628	$ -	$ (18,093)	$ 37,535	$ 18,801
SBITA liability	15,945	-	(3,613)	12,332	3,855
Subtotal	71,573	-	(21,706)	49,867	22,656
Other Long-term Liabilities					
Compensated absences, net	236,068	-	(43,983)	192,085	-
Estimated claims liability	100,000	-	-	100,000	-
Total Governmental Activities	407,641	-	(65,689)	341,952	22,656
Business-Type Activities:					
Bonds and Direct Borrowings:					
NPUA 2016 bonds	9,846,660	-	(1,072,557)	8,774,103	1,114,355
Notes Payable	227,787	-	(32,518)	195,269	34,524
Lease liability	360,064	45,406	(108,922)	296,548	113,807
SBITA liability	31,024	-	(15,030)	15,994	15,994
Subtotal	10,465,535	45,406	(1,229,027)	9,281,914	1,278,680
Other Long-term Liabilities					
Compensated absences	259,409	-	(8,197)	251,212	1,851
Total Business-Type Activities	10,724,944	45,406	(1,237,224)	9,533,126	1,280,531
Total Primary Government	$ 11,132,585	$ 45,406	$ (1,302,913)	$ 9,875,078	$ 1,303,187

Bonds and Direct Borrowings

2016 Revenue Refunding Bonds (NPUA 2016 Bonds)

In December 2016, the Utility Authority issued $15,488,000 in revenue bonds bearing interest at 3.86%. Principal payments in various amounts are due annually through February 2031. $ 8,774,103

Debt service requirements for NPUA 2016 Bonds are as follows:

Year Ending June 30:	Principal	Interest	Total
2025	$ 1,114,355	$ 328,030	$ 1,442,385
2026	1,157,784	284,600	1,442,384
2027	1,202,907	239,478	1,442,385
2028	1,249,787	192,598	1,442,385
2029	1,298,494	143,891	1,442,385
2030-2031	2,750,776	133,993	2,884,769
	$ 8,774,103	$ 1,322,590	$ 10,096,693

NOTE 7 LONG TERM LIABILITIES (CONTINUED)

Obligation under agreement with the County of San Bernardino (Notes Payable)
The note payable in the Sanitation Enterprise Fund resulted from an agreement the City made with the County on January 30, 1996. The County agreed to accept the landfill into the County landfill system and to serve as the lead agency for the cleanup, closure, and post-closure activities for the landfill.

The City agreed to reimburse the County $665,195 for its share of the cleanup, closure, and post-closure costs, to provide in-kind services for post-closure activities, to assist the County in obtaining approval from regulatory agencies for a “monolithic soil cover”, and in seeking recovery from other parties who may be responsible for the costs of cleanup, closure, and post-closure.

Per the agreement, interest shall accrue on the unpaid balance at 6% per annum compounded annually commencing on January 1 of the year following the year in which the landfill is deemed closed.

The landfill ceased accepting waste in 1994 and was closed in 2002. The Closure Agreement calls for annual principal payments of $50,000 over 15 years.

The City settled this obligation with the County by agreeing to pay a principal amount of $447,361 beginning on July 1, 2014. Payments are $3,775 per month for 180 months ending on June 1, 2029. This debt bears interest at 6% per annum.

Future payments under this debt are as follows:

Year Ending June 30:	Principal	Interest	Total
2025	$ 34,524	$ 10,778	$ 45,302
2026	36,654	8,647	45,301
2027	38,914	6,387	45,301
2028	41,314	3,987	45,301
2029	43,863	1,439	45,302
	$ 195,269	$ 31,238	$ 226,507

Lease Liability
The City maintains several equipment operating leases that commenced during or before the fiscal year ended June 30, 2024. The City leases 7 vehicles serving the Code Enforcement, Public Works, Utility Office, Water, Wastewater, and Electric departments, which commenced in 2021 and will expire in the fiscal year ending June 30, 2028. Upon expiration, there is a $400 processing fee for each vehicle, which has been included in the total lease obligation being amortized. There is also an ongoing lease for 60 golf carts utilized by the Golf Course, which began in August 2021 and will expire in August 2026. The City leased a copy machine in July 2021 for the administrative offices, which expires in July 2026 and automated mailroom machines in August 2023, which expires in July 2028. None of the lease agreements carries any residual value guarantees or includes any variable payments. The discount rates used to calculate the lease liability range from 2.62% to 7.65%.

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Lease Liability (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

Governmental Activities

Year Ending June 30:	Principal	Interest	Total Payments
2025	$ 18,801	$ 1,350	$ 20,151
2026	11,932	671	12,603
2027	6,802	204	7,006
Total	$ 37,535	$ 2,225	$ 39,760

Business-Type Activities

Year Ending June 30:	Principal	Interest	Total Payments
2025	$ 113,807	$ 10,699	$ 124,506
2026	94,857	6,761	101,618
2027	70,537	2,986	73,523
2028	16,439	655	17,094
2029	908	6	914
Total	$ 296,548	$ 21,107	$ 317,655

Other Long-term Liabilities

SBITA Liability

The City has entered into IT software subscription agreements with various SBITA vendors with subscription terms ranging from 3 – 5 years. Subscription payable is measured at the present value of the subscription payments expected to be made during the subscription term. These SBITAs qualify as capital assets for accounting purposes and have been recorded at the present values of their future subscription payments as of their commencement dates using a discount of 3.16%. As a result of these SBITAs, the City has recorded these SBITA assets with a net book value of $30,335 as of June 30, 2024.

Compensated Absences

The City's policies relating to compensated absences are described in Note 1 of the notes to financial statements. The outstanding balance at June 30, 2024, was $443,297.

Estimated Claims Payable

See Note 10 regarding the City's risk management. The claims payable is normally liquidated by the General Fund. The outstanding balance at June 30, 2024, was $100,000.

NOTE 8 UTILITY ENTERPRISE

As disclosed in Note 1, the Needles Public Utility Authority (NPUA) was formed on January 6, 1997, to own, operate, and maintain the Utility Enterprise. On March 6, 1997, NPUA purchased the Utility Enterprise (consisting of the Water, Sewer, and Electric Funds) from the City for $65,000,000.

To fund the acquisition, NPUA issued 1997 revenue bonds totaling $21,145,000, of which $17,941,092 was used as an initial down payment for the acquisition. These bonds were fully paid during the year ended June 30, 2017, with the proceeds of 2016 revenue refunding bonds issued by the NPUA. The 2016 Revenue Refunding bonds were issued in the face amount of $15,488,000 and are more fully described in Note 7.

The balance of $47,058,908 was financed by the City and evidenced by an advance from the City to the NPUA. This is being repaid with an annual purchase payment of $685,300 through the year 2065. As a component unit, the NPUA is included as part of the City's reporting entity (see Note 1). Accordingly, the Utility Enterprise assets and liabilities acquired by NPUA are included in the financial statements at net book value rather than fair market value (acquisition price) and the note, which approximates the step-up to the fair market value, is shown as an interfund advance from the general fund to the NPUA (see Note 6).

The City and NPUA entered into a separate agreement wherein the City has agreed to continue to manage and administer the utility operations. As a result, the City performs the customer billing and collection function and pays the expenses related to the utility operations. NPUA reimburses the City monthly for expenses incurred.

Section 1202 of the Needles Municipal Code states, "Each utility shall be operated as a separate unit and all accounting respecting such utility shall be on that basis. All personal services of officers or employees and all costs incurred for the joint benefit of any such utility and any other office, department or agency of the city shall be prorated between them. Charges shall be made by the utility for all service, property or other things of value supplied or rendered by it to any other office, department or agency of the City."

The City acts as the manager and operator of NPUA's Enterprises under a Management Agreement. The City receives a management fee equal to its actual costs and direct overhead incurred in connection with the management and operation of the Enterprises. Such costs include, but are not limited to, salaries, insurance, and retirement benefits of City employees providing services to Enterprises. Each July 1, the Management Agreement is extended for one year, unless either party notifies the other that it does not intend to extend the term of the Agreement. Total payments made to the City for operating the Enterprises for the year ended June 30, 2024 amounted to $16,139,611. This amount includes payment of Fair Share Allocation (FSA) and purchase of electric power and capital assets.

NOTE 8 UTILITY ENTERPRISE (CONTINUED)

In exchange for the City providing rights of way and rights of access to all real property owned by the City and necessary for NPUA to operate the Enterprises, the City collected an annual franchise fee from NPUA. The amount of the franchise fee was determined by the City, the payment of which is subordinate to NPUA's annual debt service. In August 2010, NPUA's Board approved the increase in franchise fee from 5% of gross revenues to 7.5% of gross revenues for two years, and then 5% thereafter. In November 2012, the voters of the City of Needles approved Measure T, eliminating 2.5% of the franchise fee that the City of Needles charges NPUA and establishing a utility user tax of up to 2.5% to be applied to electric, water, and sewer charges. In fiscal year 2017, the City underwent a study to determine the utilities' actual usage of rights of way and rights of access to all real property owned by the City. After the study, the City eliminated the franchise fee and created the Fair Share Allocation (FSA). The FSA and utility user taxes amounted to $1,209,644 for the year ended June 30, 2024.

NOTE 9 RESTRICTED FUND BALANCES AND NET POSITION

The fund balances of the governmental funds have been classified into the five categories of fund balance specified in GASB Statement No. 54. The City's fund balances at June 30, 2024 are as follows:

	General Fund	Other Governmental Funds	Total
Nonspendable			
Prepaid items	$ 33,271	$ 129,803	$ 163,074
Advances to other funds	7,576,966	-	7,576,966
Subtotal	7,610,237	129,803	7,740,040
Restricted			
Debt service	1,864,545	-	1,864,545
Public safety	-	310,791	310,791
Public works	-	1,463,385	1,463,385
Parks and recreation	-	274,675	274,675
Community development	-	167,514	167,514
Subtotal	1,864,545	2,216,365	4,080,910
Committed			
General government	350,000	-	350,000
Subtotal	350,000	-	350,000
Assigned			
Capital projects	-	229,102	229,102
Subtotal	-	229,102	229,102
Unassigned	6,564,088	(3,144)	6,560,944
Total	$ 16,388,870	$ 2,572,126	$ 18,960,996

NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 126 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program
Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses also have a $50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: https://cjpia.org/coverage/ risk-sharing-pools/.

NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE (CONTINUED)

B. Primary Self-Insurance Programs of the Authority (Continued)

Workers' Compensation Program
Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $75,000 to $200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For Fiscal Year 2023-24, the Authority's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased through reinsurance policies, and Employer's Liability losses from $5 million to $10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance
The City participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a $250,000 deductible. The Authority has an aggregate limit of $20 million.

Property Insurance
The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City property is currently insured according to a schedule of covered property submitted by the City to the Authority. The City property currently has all-risk property insurance protection in the amount of $59,870,184. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance which has a $2,500 deductible.

NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE (CONTINUED)

C. Purchased Insurance (Continued)

Earthquake and Flood Insurance
The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City property currently has earthquake protection in the amount of $37,854,370. There is a deductible of 5% per unit of value with a minimum deductible of $100,000.

Crime Insurance
The City purchases crime insurance coverage in the amount of $1,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2023-24.

NOTE 11 DEFINED BENEFIT PENSION PLANS

Plan Description
All qualified permanent and probationary employees are eligible to participate in the City's Employee Pension Plan, a cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State Statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website. The plan in existence for employees hired before January 1, 2013, ("Classic" plan) is closed to new entrants.

Benefits Provided
CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 11 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The Plans' provisions and benefits in effect at June 30, 2024 reporting year, are summarized as follows:

	Miscellaneous Plan	
Hire date	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Benefits as a % of annual salary	2.00%	2.00%
Required employee contribution rates	7.00%	7.75%
Required employer contribution rates	11.84%	7.68%

	Safety Plan
Hire date	Prior to January 1, 2013
Benefit formula	3% @ 50
Benefit vesting schedule	5 years of service
Benefit payments	monthly for life
Retirement age	50
Benefits as a % of annual salary	3.00%
Required employee contribution rates	0.00%
Required employer contribution rates	0.00%

Contributions
Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2024, the contributions recognized as part of pension expense for each Plan were $821,311.

Net Pension Liability
As of June 30, 2024, the City reported a net pension liability of $5,876,877 for its proportionate share of the net pension liability of the Miscellaneous Plan and $206,867 for its proportionate share of the net pension liability of the Safety Plan.

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability (Continued)

The City's net pension liability for the Miscellaneous Plan and the Safety Plan (the Plans) is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2023, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plans as of June 30, 2024 and 2023 was as follows:

	Miscellaneous Plan	Safety Plan	Total
Proportion June 30, 2024	0.11753%	0.00277%	0.12030%
Proportion June 30, 2023	0.11571%	0.00292%	0.11863%
Change	0.00182%	-0.00015%	0.00167%

Actuarial Assumptions

The total pension liabilities on June 30, 2022 actuarial valuations was determined using the following actuarial assumptions:

	Miscellaneous Plan	Safety Plan
Valuation date	June 30, 2022	June 30, 2022
Measurement date	June 30, 2023	June 30, 2023
Actuarial cost method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected salary increase	Varies by entry age and service	
Mortality[1]	Derived using CalPERS' membership data for all funds	
Post retirement benefit increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter	

[1] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability (Continued)

Long-term expected rate of return
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term return expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows:

Asset Class[1]	Assumed Asset Allocation	Real Return[1,2]
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity - Non Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed securities	5.00	0.5
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	-5.00	-0.59

[1] An expected inflation of 2.30% used for this period.

[2] Figures are based on the 2021 Asset Liability Management study.

Discount Rate
The discount rate used to measure the total pension liability was 6.90% for each plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan as of the reporting year June 30, 2024 are as follows:

	Total Pension Liability	Fiduciary Net Position	Pension Liability/ (Asset)
Miscellaneous Plan			
Balance at June 30, 2023	$ 21,945,392	$ 16,530,852	$ 5,414,540
Changes in the Year:			
Service cost	540,524	-	540,524
Interest on the total pension liability	1,525,998	-	1,525,998
Changes in benefit terms	177	-	177
Difference between expected and actual experience	312,218	-	312,218
Change in proportion	3,445,448	3,351,772	93,676
Net plan to plan resource movement	-	20	(20)
Contributions - employer	-	726,919	(726,919)
Contributions - employee	-	227,483	(227,483)
Net investment income	-	1,023,974	(1,023,974)
Benefits payments, including refunds of employee contributions	(1,098,821)	(1,054,847)	(43,974)
Administrative expense	-	(12,114)	12,114
Net Changes	4,725,544	4,263,207	462,337
Balance at June 30, 2024	$ 26,670,936	$ 20,794,059	$ 5,876,877

	Total Pension Liability	Fiduciary Net Position	Pension Liability/ (Asset)
Safety Plan			
Balance at June 30, 2023	$ 1,148,313	$ 947,843	$ 200,470
Changes in the Year:			
Service cost	22,108	-	22,108
Interest on the total pension liability	75,443	-	75,443
Changes in benefit terms	5	-	5
Difference between expected and actual experience	24,385	-	24,385
Change in proportion	(61,769)	(48,772)	(12,997)
Net plan to plan resource movement	-	5,808	(5,808)
Contributions - employer	-	37,634	(37,634)
Contributions - employee	-	9,642	(9,642)
Net investment income	-	55,590	(55,590)
Benefits payments, including refunds of employee contributions	(57,212)	(62,682)	5,470
Administrative expense	-	(657)	657
Net Changes	2,960	(3,437)	6,397
Balance at June 30, 2024	$ 1,151,273	$ 944,406	$ 206,867

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for the Miscellaneous and Safety Plans, calculated using the discount rate for the Plans, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate Minus 1%	Current Discount Rate	Discount Rate Plus 1%
Employer's Net Pension Liability/(Asset)			
Miscellaneous Plan	$ 9,036,591	$ 5,876,877	$ 3,276,160
Safety Plan	364,801	206,867	77,745
Total	$ 9,401,392	$ 6,083,744	$ 3,353,905

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

Annual Pension Cost

For 2024, the City recognized net pension expense of $1,204,070. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 366,887	$ -
Differences between expected and actual experience	315,411	47,872
Differences between projected and actual earnings on plan investments	979,829	-
Differences between the employer's contributions and the employer's proportionate share of contributions	46,726	167,440
Change in employer's proportion	207,421	7,382
Pension contributions subsequent to the measurement date	821,311	-
Total	$ 2,737,585	$ 222,694

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Annual Pension Cost (Continued)
The $821,311 deferred outflow of resources related to pension contributions made subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows will be recognized as pension expense as follows:

Fiscal Year Ending June 30	Miscellaneous	Safety	Total
2024	$ 533,243	$ 1,402	$ 534,645
2025	370,803	975	371,778
2026	746,316	12,748	759,064
2027	27,303	790	28,093
	$ 1,677,665	$ 15,915	$ 1,693,580

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY

General Information about the OPEB Plan
Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. The City has elected to use the GASB 75 “lookback” method, where assets and liabilities are measured as of the prior fiscal year-end, but applied to the current fiscal year. For this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023

Plan Description
In addition to providing pension benefits, the City provides certain health care benefits for retired employees. Classified employees retiring after 20 or more years of service and after having reached age 58 or older are provided medical insurance coverage until the retiree becomes eligible for Medicare. Unclassified employees retiring at age 55 or later with 20 or more years of service are paid $300 per month for medical insurance coverage until the retiree becomes eligible for Medicare.

Contributions
The contribution requirements of the City are established and may be amended by the City Council. While GASB Statement 75 requires that the liability for all post-employment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The City will pay for the post-employment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the City’s financial statements. The contributions made on behalf of the plan members for the year ended June 30, 2024 were $63,372.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

General Information about the OPEB Plan (Continued)

Employees Covered
Participants eligible for OPEB were as follows:

	Valuation Date 6/30/2023
Active employees electing coverage	44
Active employees waiving coverage	7
Retirees electing coverage	3
Total	54

Total OPEB Liability

Actuarial Assumptions
Significant assumptions are as follows:

Discount rate	3.86%
Expected return on plan assets	N/A
Inflation rate	2.50%
Mortality	Based on assumptions for Public Agency Miscellaneous members published in the 2021 CalPERS Experience Study. These tables include generational mortality improvement using 80% of scale MP-2020
Health care cost trend rate	7.60% for fiscal year 2024, gradually decreasing over several decades to an ultimate rate of 3.90% in fiscal year 2076 and later years.

Discount
The discount rate used to measure the total OPEB liability is the 20-year municipal bond rate of 3.86%. This discount rate approach is necessary as the City funds the OPEB benefit on a pay-as-you-go basis. The municipal bond rate is the assumed rate of return on general funds, and the assumption is that the City will use general funds to pay benefits.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

Changes in the Total OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability during the measurement period ended on June 30, 2023, for the City's reporting date of June 30, 2024:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)
Balance at June 30, 2023	$ 1,239,280	$ -	$ 1,239,280
Changes recognized for the measurement period:			
Service cost	69,124	-	69,124
Interest	46,838	-	46,838
Differences between expected and actual experience	(49,674)	-	(49,674)
Change of assumptions	22,174	-	22,174
Benefit payments	(78,169)	-	(78,169)
Net changes	10,293	-	10,293
Balance at June 30, 2024	$ 1,249,573	$ -	$ 1,249,573

Sensitivity of the City's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease 2.86%	Discount Rate 3.86%	1% Increase 4.86%
Total OPEB liability	$ 1,342,378	$ 1,249,573	$ 1,162,252

Sensitivity of the City's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 1,130,112	$ 1,249,573	$ 1,388,777

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the City's deferred outflows of resources and deferred inflows of resources related to OPEB were from the following sources:

	Deferred Outflows of Resources[1]	Deferred Inflows of Resources
Contributions between measurement date and reporting date	$ 63,372	$ -

[1] Includes estimated implicit rate subsidy of $33,979.

Deferred outflows from contributions between measurement date and reporting date will be recognized as OPEB expense in the year ended June 30, 2025.

OPEB Expense

For the year ended June 30, 2024, the City's OPEB expense was $88,462. Details of the expense are shown below:

Service cost	$ 69,124
Interest cost	46,838
Differences between expected and actual experience	(49,674)
Changes of assumptions	22,174
OPEB Expense	$ 88,462

NOTE 13 ADJUSTMENTS AND RESTATEMETNS OF BEGINNING BALANCES

Changes to or Within the Financial Reporting Entity

The State Recreation Grants Special Revenue Fund and the Sanitation Fund were reported as major funds in the City's 2023 Annual Financial Report. For the current year, changes in size criteria altered the presentation of these funds. In addition, the City established a new fund, the Hazard Mitigation Special Revenue Fund, and introduced a new component unit, the Housing Authority of the City of Needles. Starting in Fiscal Year 2024, the City Council of the City of Needles served as the governing board of the Housing Authority. The Housing Authority is included among the other enterprise funds blended into the City's Annual Financial Report.

NOTE 13 ADJUSTMENTS AND RESTATEMENTS OF BEGINNING BALANCES (CONTINUED)

Correction of Errors in Previously Issued Financial Statements
During the fiscal year 2024, the City determined:

a. that the payment of $13,125 made by the Measure I Transit Fund to the vendor was not applied to reduce its liability, and the City did not recognize the Cemetery Endowment revenue of $43,050 for the Cemetery Fund. Collectively, these omissions resulted in an understatement of both the Other Governmental Fund Balances and Governmental Activities' Net Position by $56,175.

b. that the City has failed to recognize a SBITA in the prior year for the TransTrack of the Transit Fund. This resulted in an understatement of both the Other Enterprise Funds and Business-Type Activities' Net Position by $854.

c. that the City did not reduce the 1997 Bonds Payable balance. This resulted in an understatement of both Internal Service Funds and Business-Type Activities' net position by $4,865.

d. that the City did not report the Water Quality Maintenance Fund as a custodial fund in the prior year, even though it met the criteria for fiduciary reporting. This resulted in an understatement of the Fiduciary Net Position by $9,349,382.

The effects of the above changes within the financial reporting entity and correcting the above errors are shown in the table below.

		Changes to or within the Financial Reporting Entity (A)					
	Juner 30, 2023, As Previously Reported	Adjustment - Hazard Mitigation SRF as new fund	Adjustment - Housing Authority of the City of Needles as new component unit	Adjustment - State Recreation Grants SRF as nonmajor fund	Adjustment - Sanitation Fund as nonmajor fund	Error Corrections (B)	June 30, 2023, As Restated
Government-wide							
Government Activities	$ 35,945,023	$ -	$ -	$ -	$ -	$ 56,175	$ 36,001,198
Business-Type Activities	22,647,895	-	989,640	-	-	4,011	23,641,546
Total Primary Government	$ 58,592,918	$ -	$ 989,640	$ -	$ -	$ 60,186	$ 59,642,744
Governmental Funds							
Major Funds							
General Fund	$ 15,256,773	$ -	$ -	$ -	$ -	$ -	$ 15,256,773
State Recreation Grants Special Revenue Fund	(1,038,863)	-	-	1,038,863	-	-	-
Nonmajor Funds							
Other Governmental Funds	3,273,509	-	-	(1,038,863)	-	56,175	2,290,821
Total Governmental Funds	$ 17,491,419	$ -	$ -	$ -	$ -	$ 56,175	$ 17,547,594
Proprietary Funds							
Major Funds							
Public Utility Authority	$ 18,639,752	$ -	$ -	$ -	$ -	$ -	$ 18,639,752
Sanitation Fund	(1,118,334)	-	-	-	1,118,334	-	-
Nonmajor Funds							
Other Enterprise Funds	1,262,410	-	989,640	-	(1,118,334)	(854)	1,132,862
Internal Service Funds	3,864,067	-	-	-	-	4,865	3,868,932
Total Proprietary Funds	$ 22,647,895	$ -	$ 989,640	$ -	$ -	$ 4,011	$ 23,641,546
Fiduciary Fund	$ -	$ -	$ -	$ -	$ -	$ 9,349,382	$ 9,349,382

NOTE 14 CONTINGENCIES AND COMMITMENTS

As a result of the normal course of operations, the City is involved in a number of legal matters. The accompanying financial statements reflect management's reasonable estimate of the potential liability associated with these matters, although the actual liability may be more or less than the estimate.

NOTE 15 SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through January 28, 2026 the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Needles, California
Budgetary Comparison Schedule
General Fund
Year ended June 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Budgetary fund balance July 1, 2023	$ 15,256,773	$ 15,256,773	$ 15,256,773	$ -
Resources (inflows):				
Taxes	8,447,884	8,244,884	9,020,683	775,799
Licenses, permits, and fees	536,616	541,400	547,680	6,280
Intergovernmental	2,181,581	2,239,080	726,722	(1,512,358)
Charges for services	1,071,482	1,071,662	1,013,344	(58,318)
Fines and forfeitures	272,000	282,250	292,686	10,436
Use of money and property	164,438	219,238	258,569	39,331
Transfers from other funds	1,104,388	4,482,388	2,161,565	(2,320,823)
Other revenues	10,600	16,100	124,138	108,038
Amounts available for appropriation	29,045,762	32,353,775	29,402,160	(2,951,615)
Charges to appropriations (outflows):				
General government:				
City attorney	80,000	180,000	82,315	97,685
City manager	200,572	223,712	209,117	14,595
Finance and administration	922,557	1,597,823	1,178,088	419,735
City clerk	300,509	312,509	269,733	42,776
Planning and zoning	367,266	371,851	132,017	239,834
Engineer	402,783	406,383	303,227	103,156
Community development	103,945	106,045	79,022	27,023
Senior center	62,202	75,337	67,830	7,507
Parks and recreation:				
Aquatics	246,913	261,913	223,721	38,192
Parks	2,902,214	2,916,706	2,734,241	182,465
Jack Smith Park Marina	115,646	115,646	96,068	19,578
Recreation	386,397	469,622	421,191	48,431
Public safety:				
Police	3,759,034	3,777,034	3,753,813	23,221
Animal control	257,830	317,901	331,542	(13,641)
Building and safety	484,342	473,271	293,308	179,963
Code enforcement	794,178	744,178	626,367	117,811
Public works:				
Streets	3,145,063	2,989,398	1,217,375	1,772,023
Sanitation	68,907	68,907	66,392	2,515
Nondepartmental:				
Principal retirement	-	-	21,706	(21,706)
Interest and fiscal charges	-	-	2,537	(2,537)
Transfers to other funds	720,851	3,159,080	903,680	2,255,400
Total charges to appropriations	15,321,209	18,567,316	13,013,290	5,554,026
Budgetary fund balance June 30, 2024	$ 13,724,553	$ 13,786,459	$ 16,388,870	$ 2,602,411

City of Needles, California
Schedule of the City's Proportionate Share of the Net Pension Liability and Schedule of Plan Contribution
Miscellaneous Plan
Last Ten Fiscal Years

	June 30				
Measurement Date	2014	2015	2016	2017	2018
City's proportion of the net pension liability	0.03%	0.08%	0.10%	0.10%	0.10%
City's proportionate share of the net pension liability	$ 2,054,707	$ 2,283,923	$ 3,417,806	$ 3,947,484	$ 3,782,261
City's covered payroll	$ 2,347,411	$ 2,129,947	$ 2,150,169	$ 2,183,340	$ 2,366,448
City's proportionate share of the net pension liability as a percentage of its covered payroll	87.53%	107.23%	158.96%	180.80%	159.83%
City's proportionate share of the fiduciary net position as a percentage of the total pension liability	87.06%	85.73%	79.32%	78.17%	79.63%

	June 30				
Measurement Date	2019	2020	2021	2022	2023
City's proportion of the net pension liability	0.10%	0.11%	0.10%	0.10%	0.10%
City's proportionate share of the net pension liability	$ 4,139,617	$ 4,520,208	$ 2,311,158	$ 5,414,540	$ 5,876,877
City's covered payroll	$ 2,366,583	$ 2,566,584	$ 2,921,443	$ 3,726,896	$ 3,849,699
City's proportionate share of the net pension liability as a percentage of its covered payroll	174.92%	176.12%	79.11%	145.28%	152.66%
City's proportionate share of the fiduciary net position as a percentage of the total pension liability	78.47%	77.34%	77.34%	75.33%	74.85%

CalPERS - Schedule of City's contributions:

	June 30				
Fiscal Year End	2015	2016	2017	2018	2019
Actuarially determined contribution	$ 174,760	$ 357,824	$ 363,108	$ 386,723	$ 448,179
Contributions in relation to the actuarially determined contribution	174,760	357,824	363,108	386,723	448,179
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 2,129,947	$ 2,150,169	$ 2,183,340	$ 2,366,448	$ 2,366,583
Contributions as a percentage of covered payroll	7.44%	16.80%	16.89%	17.71%	18.94%

	June 30				
Fiscal Year End	2020	2021	2022	2023	2024
Actuarially determined contribution	$ 500,300	$ 583,707	$ 690,883	$ 790,332	$ 790,843
Contributions in relation to the actuarially determined contribution	500,300	583,707	690,883	790,332	790,843
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 2,566,584	$ 2,921,443	$ 3,214,748	$ 3,726,896	$ 4,084,885
Contributions as a percentage of covered payroll	21.14%	22.74%	22.78%	21.21%	20.54%

City of Needles, California
Schedule of the City's Proportionate Share of the Net Pension Liability
and Schedule of Plan Contribution
Safety Plan
Last Ten Fiscal Years

	June 30				
Measurement Date	2014	2015	2016	2017	2018
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	$ -	$ 10,757	$ 99,001	$ 130,042	$ 131,962
City's covered payroll	$ -	$ -	$ -	$ -	$ -
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A
Plan Fiduciary net position as a percentage of the total pension liability	N/A	99.23%	92.89%	91.21%	90.91%

	June 30				
Measurement Date	2019	2020	2021	2022	2023
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	$ 153,418	$ 173,792	$ 21,535	$ 200,470	$ 206,867
City's covered payroll	$ -	$ -	$ -	$ -	$ -
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A
Plan Fiduciary net position as a percentage of the total pension liability	86.96%	85.17%	98.15%	82.54%	82.03%

CalPERS - Schedule of City's contributions:

	June 30				
Fiscal Year End	2015	2016	2017	2018	2019
Actuarially determined contribution	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

	June 30				
Fiscal Year End	2020	2021	2022	2023	2024
Actuarially determined contribution	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	30,468
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (30,468)
City's covered payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

City of Needles, California
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

	June 30				
Fiscal Year End	2018	2019	2020	2021	2022
Total OPEB liability					
Service cost	$ 45,161	$ 42,518	$ 44,458	$ 50,497	$ 60,909
Interest	37,348	44,070	45,273	35,320	29,150
Differences between expected and actual experience	-	-	127,243	-	196,696
Change in assumptions	(59,030)	(5,315)	(266,725)	54,488	21,133
Benefit payments	(53,510)	(70,393)	(70,629)	(92,163)	(80,726)
Total change in Net OPEB liability	(30,031)	10,880	(120,380)	48,142	227,162
Total OPEB liability - beginning	1,260,633	1,230,602	1,241,482	1,121,102	1,169,244
Total OPEB liability - ending	$ 1,230,602	$ 1,241,482	$ 1,121,102	$ 1,169,244	$ 1,396,406
Covered-employee payroll	$ 2,433,924	$ 2,767,083	$ 2,713,144	$ 2,767,083	$ 2,921,443
Total OPEB liability (asset) as a percentage of covered-employee payroll	50.60%	44.90%	41.30%	42.30%	47.80%
Plan fiduciary net position as a % of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%

	June 30,	
Fiscal Year End	2023	2024
Total OPEB liability		
Service cost	$ 92,786	$ 69,124
Interest	27,713	46,838
Differences between expected and actual experience	2,121	(49,674)
Change in assumptions	(188,098)	22,174
Benefit payments	(91,648)	(78,169)
Total change in Net OPEB liability	(157,126)	10,293
Total OPEB liability - beginning	1,396,406	1,239,280
Total OPEB liability - ending	$ 1,239,280	$ 1,249,573
Covered-employee payroll	$ 3,737,513	$ 4,308,476
Total OPEB liability (asset) as a percentage of covered-employee payroll	33.20%	29.00%
Plan fiduciary net position as a % of the total OPEB liability	0.00%	0.00%

*Fiscal year ended June 30, 2018 was the first year of implementation.
**The City's OPEB Plan is not funded, thus, Schedule of Contribution to Plan is not presented.

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SUPPLEMENTARY INFORMATION

City of Needles, California
Combining Balance Sheet
Other Governmental Funds
June 30, 2024

	Special Revenue				
	CDBG	Cemetery	Caltrans grant (bridge project)	Special Gas Tax	Housing & CD Grant
ASSETS					
Cash and investments	$ 4,846	$ 126,452	$ 50,332	$ 301,041	$ -
Restricted cash	-	261,957	-	-	-
Accounts receivable, net	-	1,563	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	49,835	22,281	52,544
Prepaid items	-	2,019	127,682	-	-
TOTAL ASSETS	$ 4,846	$ 391,991	$ 227,849	$ 323,322	$ 52,544
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ 1,479	$ 49,835	$ -	$ -
Accrued liabilities	-	3,681	-	-	-
Due to other funds	-	-	-	-	17,544
Unearned revenues	-	45,425	-	-	-
Total liabilities	-	50,585	49,835	-	17,544
DEFERRED INFLOW OF RESOURCES					
Unavailable revenues	-	-	-	-	6,953
Total deferred inflow of resources	-	-	-	-	6,953
FUND BALANCES (DEFICITS)					
Nonspendable	-	2,019	127,682	-	-
Restricted	4,846	339,387	50,332	323,322	28,047
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	4,846	341,406	178,014	323,322	28,047
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	$ 4,846	$ 391,991	$ 227,849	$ 323,322	$ 52,544

(Continued)

City of Needles, California
Combining Balance Sheet
Other Governmental Funds (Continued)
June 30, 2024

	Special Revenue			
	New Sanbag Meas. I	Measure I Transit	COPS - AB 3229 Supplemental	I/S Commerce I40/J Street Project
ASSETS				
Cash and investments	$ 708,973	$ 10,718	$ 261,966	$ 2,140
Restricted cash	-	-	-	-
Accounts receivable, net	-	-	396	-
Due from other funds	-	-	-	-
Due from other governments	46,610	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	$ 755,583	$ 10,718	$ 262,362	$ 2,140
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ -	$ 71,259	$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	71,259	-
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Total deferred inflow of resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	755,583	10,718	191,103	2,140
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	755,583	10,718	191,103	2,140
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	$ 755,583	$ 10,718	$ 262,362	$ 2,140

(Continued)

City of Needles, California
Combining Balance Sheet
Other Governmental Funds (Continued)
June 30, 2024

	Special Revenue				
	State Recreation Grants	Ca. Conserv. Recycle Grant	Safe Routes to School	Redevelopment Agency	All American Canal
ASSETS					
Cash and investments	$ 810,845	$ 15,117	$ -	$ 113,203	$ 614,964
Restricted cash	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	102
TOTAL ASSETS	$ 810,845	$ 15,117	$ -	$ 113,203	$ 615,066
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	$ 283,351	$ -	$ -	$ -	$ 704
Accrued liabilities	-	-	-	-	1,725
Due to other funds	-	-	2,479	-	230,693
Unearned revenues	527,721	-	-	-	-
Total liabilities	811,072	-	2,479	-	233,122
DEFERRED INFLOW OF RESOURCES					
Unavailable revenues	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	102
Restricted	-	15,117	-	113,203	381,842
Assigned	-	-	-	-	-
Unassigned	(227)	-	(2,479)	-	-
Total fund balances	(227)	15,117	(2,479)	113,203	381,944
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	$ 810,845	$ 15,117	$ -	$ 113,203	$ 615,066

(Continued)

City of Needles, California
Combining Balance Sheet
Other Governmental Funds (Continued)
June 30, 2024

	Special Revenue		Capital Projects		
	Active Transportation Program	Hazard Mitigation	Redevelopment Agency	North Needles	South Needles
ASSETS					
Cash and investments	$ 725	$ -	$ -	$ 45,996	$ 93,046
Restricted cash	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	438	-	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	$ 725	$ 438	$ -	$ 45,996	$ 93,046
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ 273	$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	438	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	-	438	-	273	-
DEFERRED INFLOW OF RESOURCES					
Unavailable revenues	-	438	-	-	-
Total deferred inflow of resources	-	438	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	725	-	-	-	-
Assigned	-	-	-	45,723	93,046
Unassigned	-	(438)	-	-	-
Total fund balances	725	(438)	-	45,723	93,046
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	$ 725	$ 438	$ -	$ 45,996	$ 93,046

(Continued)

	Capital Projects Boating and Waterways Grant	Total Nonmajor Funds
ASSETS		
Cash and investments	$ -	$ 3,160,364
Restricted cash	90,290	352,247
Accounts receivable, net	-	1,959
Due from other funds	-	-
Due from other governments	36,223	207,931
Prepaid items	-	129,803
TOTAL ASSETS	$ 126,513	$ 3,852,304
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts payable	$ 80	$ 406,981
Accrued liabilities	-	5,406
Due to other funds	36,100	287,254
Unearned revenues	-	573,146
Total liabilities	36,180	1,272,787
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	-	7,391
Total deferred inflow of resources	-	7,391
FUND BALANCES		
Nonspendable	-	129,803
Restricted	-	2,216,365
Assigned	90,333	229,102
Unassigned	-	(3,144)
Total fund balances	90,333	2,572,126
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 126,513	$ 3,852,304

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City of Needles, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year ended June 30, 2024

	Special Revenue				
	CDBG	Cemetery	Caltrans grant (bridge project)	Special Gas Tax	Housing & CD Grant
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	7,900	-	100,115	264,395	45,592
Charges for services	-	35,131	-	-	-
Use of money and property	-	8,163	-	-	-
Other revenues	-	3,025	-	-	-
Total revenues	7,900	46,319	100,115	264,395	45,592
EXPENDITURES					
Current					
Public safety	-	-	-	-	-
Public works	7,996	-	49,925	-	-
Parks and recreation	-	198,035	-	-	-
Community development	-	-	-	-	34,780
Capital outlay	-	-	23,330	-	-
Total expenditures	7,996	198,035	73,255	-	34,780
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(96)	(151,716)	26,860	264,395	10,812
OTHER FINANCING SOURCES (USES)					
Transfers in	-	127,753	-	-	-
Transfers out	-	-	(986,000)	(139,164)	-
Total other financing sources (uses)	-	127,753	(986,000)	(139,164)	-
CHANGES IN FUND BALANCES	(96)	(23,963)	(959,140)	125,231	10,812
FUND BALANCES (DEFICITS)					
Fund balances (deficits) - beginning as previously reported	4,942	322,319	1,137,154	198,091	17,235
Restatements (Note 13)	-	43,050	-	-	-
Fund balances - beginning, as restated	4,942	365,369	1,137,154	198,091	17,235
Fund balances (deficts) - ending	$ 4,846	$ 341,406	$ 178,014	$ 323,322	$ 28,047

(Continued)

City of Needles, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds (Continued)
Year ended June 30, 2024

	Special Revenue			
	New Sanbag Meas. I	Measure I Transit	COPS - AB 3229 Supplemental	I/S Commerce I40/J Street Project
REVENUES				
Taxes	$ 211,772	$ -	$ -	$ -
Intergovernmental	-	-	231,177	91
Charges for services	-	-	-	-
Use of money and property	-	-	2,071	-
Other revenues	-	-	-	-
Total revenues	211,772	-	233,248	91
EXPENDITURES				
Current				
Public safety	-	-	224,074	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	224,074	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	211,772	-	9,174	91
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
CHANGES IN FUND BALANCES	211,772	-	9,174	91
FUND BALANCES				
Fund balances - beginning as previously reported	530,686	10,718	181,929	2,049
Restatements (Note 13)	13,125	-	-	-
Fund balances - beginning, as restated	543,811	10,718	181,929	2,049
Fund balances - ending	$ 755,583	$ 10,718	$ 191,103	$ 2,140

(Continued)

City of Needles, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds (Continued)
Year ended June 30, 2024

	Special Revenue				
	State Recreation Grants	Ca. Conserv. Recycle Grant	Safe Routes to School	Redevelopment Agency	All American Canal
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	2,644,599	-	-	-	-
Charges for services	-	-	-	-	1,017,070
Use of money and property	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	2,644,599	-	-	-	1,017,070
EXPENDITURES					
Current					
Public safety	-	-	-	-	-
Public works	-	-	-	-	997,149
Parks and recreation	-	-	-	-	-
Community development	-	17,915	-	32,089	-
Capital outlay	1,605,963	-	-	-	-
Total expenditures	1,605,963	17,915	-	32,089	997,149
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,038,636	(17,915)	-	(32,089)	19,921
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(19,920)
Total other financing sources (uses)	-	-	-	-	(19,920)
CHANGES IN FUND BALANCES	1,038,636	(17,915)	-	(32,089)	1
FUND BALANCES					
Fund balances - beginning as previously reported	-	33,032	(2,479)	145,292	381,943
Restatements (Note 13)	(1,038,863)	-	-	-	-
Fund balances - beginning, as restated	(1,038,863)	33,032	(2,479)	145,292	381,943
Fund balances - ending	$ (227)	$ 15,117	$ (2,479)	$ 113,203	$ 381,944

(Continued)

City of Needles, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds (Continued)
Year ended June 30, 2024

	Special Revenue		Capital Projects		
	Active Transportation Program	Hazard Mitigation	Redevelopment Agency	North Needles	South Needles
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	4,670	-	-	-
Charges for services	-	-	-	-	-
Use of money and property	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	-	4,670	-	-	-
EXPENDITURES					
Current					
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Community development	-	5,108	3,398	26,056	1,428
Capital outlay	-	-	-	-	-
Total expenditures	-	5,108	3,398	26,056	1,428
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(438)	(3,398)	(26,056)	(1,428)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	96,589	-	-
Transfers out	-	-	(182,153)	-	-
Total other financing sources (uses)	-	-	(85,564)	-	-
CHANGES IN FUND BALANCES	-	(438)	(88,962)	(26,056)	(1,428)
FUND BALANCES					
Fund balances - beginning as previously reported	725	-	88,962	71,779	94,474
Restatements (Note 13)	-	-	-	-	-
Fund balances - beginning, as restated	725	-	88,962	71,779	94,474
Fund balances - ending	$ 725	$ (438)	$ -	$ 45,723	$ 93,046

(Continued)

	Capital Projects: Boating and Waterways Grant	Total Nonmajor Funds
REVENUES		
Taxes	$ -	$ 211,772
Intergovernmental	181,116	3,479,655
Charges for services	-	1,052,201
Use of money and property	-	10,234
Other revenues	-	3,025
Total revenues	181,116	4,756,887
EXPENDITURES		
Current		
Public safety	-	224,074
Public works	-	1,055,070
Parks and recreation	-	198,035
Community development	-	120,774
Capital outlay	170,078	1,799,371
Total expenditures	170,078	3,397,324
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,038	1,359,563
OTHER FINANCING SOURCES (USES)		
Transfers in	24,637	248,979
Transfers out	-	(1,327,237)
Total other financing sources (uses)	24,637	(1,078,258)
CHANGES IN FUND BALANCES	35,675	281,305
FUND BALANCES		
Fund balances - beginning as previously reported	54,658	3,273,509
Restatements (Note 13)	-	(982,688)
Fund balances - beginning, as restated	54,658	2,290,821
Fund balances - ending	$ 90,333	$ 2,572,126

(Concluded)

City of Needles, California
Combining Statement of Net Position
Other Enterprise Funds
June 30, 2024

	Sanitation	Golf Course	Transit	Housing	Total Other Enterprise Funds
ASSETS					
Current assets					
Cash and investments	$ 1,488,036	$ -	$ 71,274	$ 586,905	$ 2,146,215
Accounts receivable, net	274,875	-	343	13,919	289,137
Due from other governments	-	322,214	223,326	-	545,540
Inventory	-	8,743	-	-	8,743
Prepaid items	7,550	1,064	-	5,108	13,722
Total current assets	1,770,461	332,021	294,943	605,932	3,003,357
Non-current assets					
SBITA assets, net	-	-	15,085	-	15,085
Capital assets, net	-	1,027,195	668,565	706,070	2,401,830
Total non-current assets	-	1,027,195	683,650	706,070	2,416,915
TOTAL ASSETS	1,770,461	1,359,216	978,593	1,312,002	5,420,272
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pensions	-	24,573	-	-	24,573
Deferred outflows of resources related to OPEB	-	596	-	-	596
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	25,169	-	-	25,169
LIABILITIES					
Current liabilities					
Accounts payable	106,988	220,160	44,405	18,485	390,038
Accrued payroll	-	-	-	5,146	5,146
Compensated absences - current	-	-	-	1,851	1,851
Deposits	-	-	-	9,700	9,700
Due to other funds	2,476,278	177,538	-	-	2,653,816
Deferred revenue	-	-	-	3,890	3,890
Bonds/note payable - current	34,524	-	-	-	34,524
Lease liability - current	-	46,198	-	-	46,198
SBITA liability - current	-	-	15,994	-	15,994
Other liabilities	-	4,818	-	-	4,818
Total current liabilities	2,617,790	448,714	60,399	39,072	3,165,975
Noncurrent liabilities					
Net pension liability	-	55,242	-	-	55,242
Other postemployment benefits liability	-	11,746	-	-	11,746
Compensated absences - noncurrent	-	-	-	7,405	7,405
Lease liability - noncurrent	-	79,874	-	-	79,874
Bonds/note payable - noncurrent	160,744	-	-	-	160,744
Total noncurrent liabilities	160,744	146,862	-	7,405	315,011
TOTAL LIABILITIES	2,778,534	595,576	60,399	46,477	3,480,986
DEFERRED INFLOW OF RESOURCES					
Deferred inflows of resources related to pensions	-	1,370	-	-	1,370
TOTAL DEFERRED INFLOW OF RESOURCES	-	1,370	-	-	1,370
NET POSITION					
Net investment in capital assets	(195,268)	901,123	667,656	706,070	2,079,581
Restricted	-	-	-	36,425	36,425
Unrestricted	(812,805)	(113,684)	250,538	523,030	(152,921)
TOTAL NET POSITION	$ (1,008,073)	$ 787,439	$ 918,194	$ 1,265,525	$ 1,963,085

City of Needles, California
Combining Statement of Revenues, Expenses, and Changes in Net Position
Other Enterprise Funds
Year ended June 30, 2024

	Sanitation	Golf Course	Transit	Housing	Total Other Enterprise Funds
OPERATING REVENUES					
Charges for services	$ 1,776,084	$ 599,414	$ 42,120	$ -	$ 2,417,618
Operating grants and subsidies	-	-	-	870,448	870,448
Other fees and sales	-	48,507	-	237,811	286,318
Other revenues	-	2,123	7,500	9,387	19,010
Total operating revenues	1,776,084	650,044	49,620	1,117,646	3,593,394
OPERATING EXPENSES					
Personnel costs	-	17,648	-	304,454	322,102
Contractual services	1,258,779	513,117	-	-	1,771,896
Power and utilities	-	181,266	-	108,396	289,662
Maintenance and operations	191,173	201,008	549,093	95,897	1,037,171
Administrative and management	11,902	63,466	1,729	280,441	357,538
Insurance	12	13,501	1,197	8,255	22,965
Depreciation and amortization	-	105,250	79,460	45,972	230,682
Total operating expenses	1,461,866	1,095,256	631,479	843,415	4,032,016
Operating income (loss)	314,218	(445,212)	(581,859)	274,231	(438,622)
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	-	-	2,229	2,906	5,135
Government grants	-	324,685	911,660	-	1,236,345
Loss on sale of asset	-	-	-	(1,610)	(1,610)
Interest expense and fiscal charges	(12,783)	(8,503)	(534)	-	(21,820)
Total nonoperating revenues (expenses)	(12,783)	316,182	913,355	1,296	1,218,050
Income (Loss) before capital contributions and transfers	301,435	(129,030)	331,496	275,527	779,428
Capital contributions - AB 2766	-	-	15,000	-	15,000
Capital contributions - State of good repair	-	-	8,554	-	8,554
Capital contributions	-	-	-	358	358
Transfers in	-	241,481	-	-	241,481
Transfers out	(191,174)	-	(23,424)	-	(214,598)
Net capital contributions and transfers	(191,174)	241,481	130	358	50,795
Changes in net position	110,261	112,451	331,626	275,885	830,223
Net position - beginning as previously reported	-	674,988	587,422	-	1,262,410
Restatements (Note 13)	(1,118,334)	-	(854)	989,640	(129,548)
Net position - beginning, as restated	(1,118,334)	674,988	586,568	989,640	1,132,862
Net position - ending	$ (1,008,073)	$ 787,439	$ 918,194	$ 1,265,525	$ 1,963,085

City of Needles, California
Combining Statement of Cash Flows
Other Enterprise Funds
Year ended June 30, 2024

	Sanitation	Golf Course	Transit	Housing	Total Other Enterprise Funds
Cash Flows from Operating Activities					
Cash collected from customers	$ 1,722,838	$ 344,199	$ 49,277	$ 1,117,985	$ 3,234,299
Cash payments to suppliers for goods and services	(1,559,251)	(793,737)	(811,917)	(420,319)	(3,585,224)
Cash payments to employees for services	-	(19,665)	-	(343,660)	(363,325)
Net cash provided by (used in) operating activities	163,587	(469,203)	(762,640)	354,006	(714,250)
Cash Flows From Noncapital Financing Activities					
Operating grants received	-	324,685	911,660	-	1,236,345
Increase (decrease) in due to other funds/advances	(617,652)	177,538	-	-	(440,114)
Operating transfers in	-	241,481	-	-	241,481
Operating transfers out	(191,174)	-	(23,424)	-	(214,598)
Net cash provided by (used in) noncapital financing activities	(808,826)	743,704	888,236	-	823,114
Cash Flows from Capital and Financing Activities					
Acquisition and construction of capital assets	-	(427,080)	(325,414)	(465,503)	(1,217,997)
Principal paid on bonds/note payable	(32,519)	-	-	-	(32,519)
Capital grants received	-	-	23,554	358	23,912
Payments of leases	-	(44,946)	-	-	(44,946)
Payments of subscriptions	-	-	15,140	-	15,140
Interest paid	(12,783)	(8,503)	(534)	-	(21,820)
Adjustment to subscriptions					
Net cash used in noncapital related financing activities	(45,302)	(480,529)	(287,254)	(465,145)	(1,278,230)
Cash Flows from Investing Activity:					
Purchase of certificates of deposit	-	-	-	(1,911)	(1,911)
Interest on investments	-	-	2,229	2,906	5,135
Net cash provided by investing activity	-	-	2,229	995	3,224
Net decrease in cash and investments	(690,541)	(206,028)	(159,429)	(110,144)	(1,166,142)
Cash and investments, beginning of year	2,178,577	206,028	230,703	697,049	3,312,357
Cash and cash investments, end of year	$ 1,488,036	$ -	$ 71,274	$ 586,905	$ 2,146,215
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 314,218	$ (445,212)	$ (581,859)	$ 274,231	$ (438,622)
Adjustments to reconcile operating income (loss) to net cash used in operating activities					
Depreciation and amortization	-	105,250	79,460	45,972	230,682
Changes in assets and liabilities					
Decrease (increase) in:					
Accounts receivable	(53,246)	-	(343)	1,528	(52,061)
Due from other governments	-	(306,488)	(154,370)	-	(460,858)
Inventory	-	784	-	-	784
Prepaid expenses	-	(141)	-	8,005	7,864
Deferred outflows	-	4,608	-	-	4,608
Increase (decrease) in:					
Accounts payable	(97,385)	178,658	500	18,308	100,081
Deposits payable	-	-	-	(1,500)	(1,500)
Unearned revenues	-	-	(106,028)	311	(105,717)
Net pension liability	-	(3,235)	-	-	(3,235)
OPEB liability	-	(1,638)	-	-	(1,638)
Deferred inflows	-	(1,752)	-	-	(1,752)
Compensated absences payable	-	(37)	-	7,151	7,114
Net cash provided by (used in) operating activities	$ 163,587	$ (469,203)	$ (762,640)	$ 354,006	$ (714,250)

City of Needles, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	Water	Sewer	Electric	Utility Office	Admin Facility
ASSETS					
Current assets					
Cash and investments	$ 401,794	$ 251,500	$ 3,298,558	$ 351,468	$ 131,687
Accounts receivable, net	682	599	1,909	-	-
Due from other funds	-	-	30,246	-	-
Prepaid items	5,683	2,446	2,541,678	3,665	-
Total current assets	408,159	254,545	5,872,391	355,133	131,687
Noncurrent assets					
Capital assets, net	-	-	-	96,863	274,598
Total noncurrent assets	-	-	-	96,863	274,598
TOTAL ASSETS	408,159	254,545	5,872,391	451,996	406,285
LIABILITIES					
Accounts payable	27,152	5,549	140,925	1,131	4,045
Accrued payroll	11,580	3,229	18,655	5,048	-
Compensated absences	-	-	-	6,647	-
Due to other funds	341,828	333,482	4,138,544	-	-
Lease liability, current portion	-	-	-	5,586	10,922
Lease liability, noncurrent portion	-	-	-	945	32,956
TOTAL LIABILITIES	380,560	342,260	4,298,124	19,357	47,923
NET POSITION					
Net investment in capital assets	-	-	-	90,332	230,720
Unrestricted	27,599	(87,715)	1,574,267	342,307	127,642
TOTAL NET POSITION	$ 27,599	$ (87,715)	$ 1,574,267	$ 432,639	$ 358,362

(Continued)

City of Needles, California
Combining Statement of Net Position
Internal Service Funds (Continued)
June 30, 2024

	Fleet Maintenance	Information Systems	Vehicle Replacement	Total Internal Service Fund
ASSETS				
Current assets				
Cash and investments	$ 638,355	$ 148,276	$ 461,841	$ 5,683,479
Accounts receivable, net	-	-	-	3,190
Due from other funds	-	-	-	30,246
Prepaid items	1,382	-	-	2,554,854
Total current assets	639,737	148,276	461,841	8,271,769
Noncurrent assets				
Capital assets, net	5,356	30,314	383,405	790,536
Total noncurrent assets	5,356	30,314	383,405	790,536
TOTAL ASSETS	645,093	178,590	845,246	9,062,305
LIABILITIES				
Accounts payable	3,821	4,545	6,846	194,014
Accrued payroll	2,258	-	-	40,770
Compensated absences	5,187	-	-	11,834
Due to other funds	-	-	-	4,813,854
Lease liability, current portion	-	-	-	16,508
Lease liability, noncurrent portion	-	-	-	33,901
TOTAL LIABILITIES	11,266	4,545	6,846	5,110,881
NET POSITION				
Net investment in capital assets	5,356	30,314	383,405	740,127
Unrestricted	628,471	143,731	454,995	3,211,297
TOTAL NET POSITION	$ 633,827	$ 174,045	$ 838,400	3,951,424

(Concluded)

City of Needles, California
Combining Statement of Revenues, Expenses, and Change in Net Position
Internal Service Funds
Year ended June 30, 2024

	Water	Sewer	Electric	Utility Office	Admin Facility
OPERATING REVENUES					
Charges for services	$ 1,829,976	$ 1,209,678	$ 11,523,825	$ -	$ -
Other revenues	-	-	-	-	-
Total operating revenues	1,829,976	1,209,678	11,523,825	-	-
OPERATING EXPENSES					
Personnel	876,752	265,002	1,375,631	343,047	-
Contractual services	-	342,011	318	2,734	-
Power and utilities	83,589	105,788	6,583,236	-	46,880
Maintenance and operations	189,676	59,661	2,416,185	3,994	56,610
Administrative and management	181,722	145,431	31,930	30,011	70,478
Insurance	37,326	46,365	66,261	5,179	-
Depreciation and amortization	-	-	-	14,286	31,533
Total operating expenses	1,369,065	964,258	10,473,561	399,251	205,501
Operating income (loss)	460,911	245,420	1,050,264	(399,251)	(205,501)
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	3,456	2,796	9,976	-	-
Interest expense and fiscal charges	-	-	-	(260)	(3,191)
Total nonoperating revenues (expenses)	3,456	2,796	9,976	(260)	(3,191)
Income (loss) before capital contributions, and transfers	464,367	248,216	1,060,240	(399,511)	(208,692)
Capital contributions	-	-	-	5,695	-
Transfers in	-	-	-	496,836	244,392
Transfers out	(460,912)	(245,421)	(1,050,150)	(17,496)	-
Net capital contributions and transfers	(460,912)	(245,421)	(1,050,150)	485,035	244,392
Changes in net position	3,455	2,795	10,090	85,524	35,700
Net position - beginning	24,144	(91,188)	1,559,990	347,115	322,662
Restatements (Note 13)	-	678	4,187	-	-
Net position - beginning, as restated	24,144	(90,510)	1,564,177	347,115	322,662
Net position - ending	$ 27,599	$ (87,715)	$ 1,574,267	$ 432,639	$ 358,362

(Continued)

City of Needles, California
Combining Statement of Revenues, Expenses, and Change in Net Position
Internal Service Funds (Continued)
Year ended June 30, 2024

	Fleet Maintenance	Information Systems	Vehicle Replacement	Eliminations	Total Internal Service Fund
OPERATING REVENUES					
Charges for services	$ -	$ -	$ 20,004	$ -	$ 14,583,483
Other revenues	1,999	-	-	-	1,999
Total operating revenues	1,999	-	20,004	-	14,585,482
OPERATING EXPENSES					
Personnel	156,555	-	-	-	3,016,987
Contractual services	-	123,711	20,150	-	488,924
Power and utilities	-	-	-	-	6,819,493
Maintenance and operations	74,375	75,921	62,018	-	2,938,440
Administrative and management	-	52,828	-	-	512,400
Insurance	-	-	-	-	155,131
Depreciation and amortization	670	17,908	121,471	-	185,868
Total operating expenses	231,600	270,368	203,639	-	14,117,243
Operating income (loss)	(229,601)	(270,368)	(183,635)	-	468,239
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	-	-	344	-	16,572
Interest expense and fiscal charges	-	-	-	-	(3,451)
Total nonoperating revenues (expenses)	-	-	344	-	13,121
Income (loss) before capital contributions, and transfers	(229,601)	(270,368)	(183,291)	-	481,360
Capital contributions	-	-	-	-	5,695
Transfers in	278,484	273,096	76,608	(952,176)	417,240
Transfers out	-	-	-	952,176	(821,803)
Net capital contributions and transfers	278,484	273,096	76,608	-	(398,868)
Changes in net position	48,883	2,728	(106,683)	-	82,492
Net position - beginning	584,944	171,317	945,083	-	3,864,067
Restatements (Note 13)	-	-	-	-	4,865
Net position - beginning, as restated	584,944	171,317	945,083	-	3,868,932
Net position - ending	$ 633,827	$ 174,045	$ 838,400	$ -	$ 3,951,424

(Concluded)

City of Needles, California
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2024

	Water	Sewer	Electric	Utility Office	Admin Facility
Cash Flows from Operating Activities					
Cash collected from customers	$ 1,828,080	$ 1,209,624	$ 12,283,408	$ 69	$ -
Cash payments to suppliers for goods and services	(490,932)	(720,515)	(9,110,921)	(43,597)	(236,407)
Cash payments to employees for services	(876,752)	(265,002)	(1,375,631)	(343,047)	-
Net cash provided by (used in) operating activities	460,396	224,107	1,796,856	(386,575)	(236,407)
Cash Flow From Noncapital Financing Activities					
Operating transfers in	-	-	-	496,836	244,392
Operating transfers out	(460,912)	(245,421)	(1,050,150)	(17,496)	-
Increase in due from other funds	-	-	(10,789)	-	-
Increase in due to other funds/advances	106,024	73,386	757,449	-	-
Net cash provided by (used in) noncapital financing activities	(354,888)	(172,035)	(303,490)	479,340	244,392
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	-	-	-	-	(86,893)
Capital contribution	-	-	-	5,695	-
Payments of leases	-	-	-	(5,435)	35,790
Interest paid	-	-	-	(260)	(3,191)
Net cash used in capital and related financing activities	-	-	-	-	(54,294)
Cash Flow From Investing Activities					
Interest on investments	3,456	2,796	9,976	-	-
Net cash provided by investing activities	3,456	2,796	9,976	-	-
Net increase (decrease) in cash and investments	108,964	54,868	1,503,342	92,765	(46,309)
Cash and investments, beginning of year	292,830	196,632	1,795,216	258,703	177,996
Cash and cash investments, end of year	$ 401,794	$ 251,500	$ 3,298,558	$ 351,468	$ 131,687
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 460,911	$ 245,420	$ 1,050,264	$ (399,251)	$ (205,501)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	-	-	-	14,286	31,533
Changes in assets and liabilities:					
Decrease (increase) in:					
Accounts receivable	(682)	(599)	(1,909)	-	-
Prepaid expenses	(1,214)	545	761,492	69	-
Increase (decrease) in:					
Accounts payable	1,263	(20,648)	(13,584)	(938)	(62,439)
Accrued liabilities	118	(611)	593	265	-
Compensated absences	-	-	-	(1,006)	-
Net cash provided by (used in) operating activities	$ 460,396	$ 224,107	$ 1,796,856	$ (386,575)	$ (236,407)

(Continued)

City of Needles, California
Combining Statement of Cash Flows
Internal Service Funds (Continued)
Year ended June 30, 2024

	Fleet Maintenance	Information Systems	Vehicle Replacement	Total Internal Service Fund
Cash Flows from Operating Activities				
Cash collected from customers	$ 1,871	$ -	$ 20,004	$ 15,343,056
Cash payments to suppliers for goods and services	(72,882)	(258,274)	(75,322)	(11,008,850)
Cash payments to employees for services	(156,555)	-	-	(3,016,987)
Net cash provided by (used in) operating activities	(227,566)	(258,274)	(55,318)	1,317,219
Cash Flow From Noncapital Financing Activities				
Operating transfers in	278,484	273,096	76,608	1,369,416
Operating transfers out	-	-	-	(1,773,979)
Increase in due from other funds	-	-	-	(10,789)
Increase in due to other funds/advances	-	-	-	936,859
Net cash provided by (used in) noncapital financing activities	278,484	273,096	76,608	521,507
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	-	-	(266,779)	(353,672)
Capital contribution	-	-	-	5,695
Payments of leases	-	-	-	30,355
Interest paid	-	-	-	(3,451)
Net cash used in capital and related financing activities	-	-	(266,779)	(321,073)
Cash Flow From Investing Activities				
Interest on investments	-	-	344	16,572
Net cash provided by investing activities	-	-	344	16,572
Net increase (decrease) in cash and investments	50,918	14,822	(245,145)	1,534,225
Cash and investments, beginning of year	587,437	133,454	706,986	4,149,254
Cash and cash investments, end of year	$ 638,355	$ 148,276	$ 461,841	$ 5,683,479
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ (229,601)	$ (270,368)	$ (183,635)	$ 468,239
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	670	17,908	121,471	185,868
Changes in assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	-	-	-	(3,190)
Prepaid expenses	(128)	-	-	760,764
Increase (decrease) in:				
Accounts payable	(146)	(5,814)	6,846	(95,460)
Accrued liabilities	335	-	-	700
Compensated absences	1,304	-	-	298
Net cash provided by (used in) operating activities	$ (227,566)	$ (258,274)	$ (55,318)	$ 1,317,219

(Concluded)

Needles Public Financing Authority
Annual Financial Report with Required Supplementary Information
As of and for the Year Ended June 30, 2024
with Independent Auditor's Report

VASQUEZ
+ COMPANY L

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Independent Auditor's Report

The Board of Directors
Needles Public Financing Authority
Needles, California

Opinion

We have audited the financial statements of Needles Public Financing Authority (the Authority), a component unit of the City of Needles, California (the City), as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2024, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

Relationship to the City's Financial Statements
As discussed in Note 1, the financial statements present only the Authority and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2024, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Vasquez & Company LLP

Glendale, California
January 28, 2026

Within this section of the financial statements, the Authority's management presents this discussion and analysis of the Authority's financial performance for the fiscal year ended June 30, 2024. The financial statements and footnotes follow this section and should be read in conjunction with this discussion and analysis.

Financial Highlights

- The Authority's net position (excess of assets over liabilities) remained at $0 in FY 2023-24.
- The Authority's total liabilities decreased from $10,216,490 in FY 2022-23 to $9,102,134 in FY 2023-24.
- During the year, the Authority's change in net position was $0, compared to the FY 2022-23 change in net position of $(11,777).

Overview of the Financial Statements

Management's Discussion and Analysis serves as an introduction to the Authority's basic financial statements. The basic financial statements include the financial statements and notes to the basic financial statements. The Authority is a self-supporting entity and follows the enterprise fund reporting. Accordingly, the basic financial statements are presented using the accrual basis of accounting.

The Authority's reporting package includes the following three financial statements:

(1) The *Statement of Net Position* presents all of the Authority's assets and liabilities, with the difference presented as net position. The evaluation of whether the Authority's financial status is improving or not improving can be measured by changes in net position over time. Increases in net position represent an improvement in the financial position.

(2) The *Statement of Activities* reflects the change in the Authority's net position during the current fiscal year. This statement includes all revenues and expenses for the year, regardless of when the cash is received or paid.

(3) The *Statement of Cash Flows* provides insight into the Authority's cash inflows and outflows during the fiscal year. This statement helps assess the Authority's ability to generate cash, meet financial obligations, and fund future projects. It complements the Statement of Net Position and Statement of Activities by providing a detailed view of liquidity and financial sustainability.

The Authority itself is considered a component unit of the City of Needles, California (the City). The Authority is legally separate from the City but is governed by the same individuals who govern the City. Other component units of the City include: (1) the Needles Public Utility Authority, (2) Needles Redevelopment Agency, and (3) Housing Authority of the City of Needles. All of these component units are blended into the City's financial statements.

Financial Analysis of the Authority

One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities will help answer this question. Net position remained at $0 because the Authority's revenues equaled the expenses.

The following table shows summarized information of the Authority's Statements of Net Position as of the fiscal years ended June 30, 2024 and 2023, and the related changes:

	Fiscal Year 2024	Fiscal Year 2023	Dollar Change	Percent Change
Accrued interest receivable	**$ 328,030**	$ 369,830	$ (41,800)	100%
Installment contract receivable	**8,774,104**	9,846,660	(1,072,556)	-11%
Total Assets	**9,102,134**	10,216,490	(1,114,356)	-11%
Current liabilities				
Interest payable	**328,030**	369,830	(41,800)	100%
Long-term liabilities				
Due within one year	**1,114,355**	1,072,556	41,799	4%
Due in more than one year	**7,659,749**	8,774,104	(1,114,355)	-13%
Total Liabilities	**9,102,134**	10,216,490	(1,114,356)	-11%
Total Net Position	**$ -**	$ -	$ -	0%

To assist in analyzing the Authority's operating results, comparative data is accumulated and presented. The following table summarizes the Authority's Statements of Activities for the years ended June 30, 2024 and 2023, and the respective changes:

	Fiscal Year 2024	Fiscal Year 2023	Dollar Change	Percent Change
Nonoperating Revenues				
Installment contract payments	**$ 369,830**	$ 410,062	$ (40,232)	-10%
Use of money and property	**-**	332	(332)	-100%
Total program revenues	**369,830**	410,394	(40,564)	-10%
Nonoperating Expenses				
Interest expenses	**369,830**	415,687	(45,857)	-11%
Transfers to the Needles Redevelopment Agency	**-**	6,484	(6,484)	100%
Total expenses	**369,830**	422,171	(52,341)	-12%
Change in net position	**-**	(11,777)	11,777	-100%
Net position, beginning of year	**-**	11,777	(11,777)	-100%
Net position, end of year	**$ -**	$ -	$ -	0%

Capital Asset and Debt Administration

Capital assets

At June 30, 2024, the Authority had no capital assets.

Long-term debt

At the end of the fiscal year, the Authority's total long-term debt obligations were $8,774,104. The following table summarizes the outstanding long-term obligations of the Authority as of June 30, 2024 and 2023, and the related changes:

Description	**Fiscal Year 2024**	Fiscal Year 2023	Dollar Change	Percent Change
2016 Enterprise Revenue Bonds	**$ 8,774,104**	$ 9,846,660	$ 1,072,556	11%

Economic Conditions and Budgeting

The City of Needles is one of the oldest cities in San Bernardino County, founded in 1883 with the coming of the Railroad. Needles is a city with a rich and colorful history, providing a satisfying, less hurried way of life and a supportive business climate.

The City's population has been about the same (roughly 5,000) for many years. The relatively low cost of real property in Needles is attractive to people who are looking to retire and move to a smaller community, and to people looking for a vacation home with vast recreational facilities in the area.

The low cost of water and power within the City has attracted new businesses in the cultivation industry. As a result, the City faces promising growth by the addition of these businesses and the people employed to support them.

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Authority's finances, comply with finance-related laws and regulations, and demonstrate the Authority's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Finance Department at 817 Third Street, Needles, California 92363.

You may also contact the City's Finance Department for the separately issued financial statements of the City of Needles.

Needles Public Financing Authority
Statement of Net Position
June 30, 2024

ASSETS		
Accrued interest receivable	$	328,030
Installment contract receivable		8,774,104
Total assets		9,102,134
LIABILITIES		
Current liabilities		
Interest payable		328,030
Long-term liabilities		
Due within one year		1,114,355
Due in more than one year		7,659,749
Total liabilities		9,102,134
NET POSITION		
Restricted for loan payments		-
Total net position	$	-

See notes to basic financial statements.

NONOPERATING REVENUES	
Installment contract payments	$ 369,830
Total revenues	369,830
NONOPERATING EXPENSES	
Interest expenses	369,830
Total expenses	369,830
CHANGE IN NET POSITION	-
Net position - beginning of year	-
Net position - end of year	$ -

See notes to basic financial statements.

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from installment contract	$	1,072,556
Interest received on installment contract receivable		41,800
Cash provided by operating activities		1,114,356
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bonds payable		(1,072,556)
Interest paid on bonds payable		(41,800)
Cash used in capital and related financing activities		(1,114,356)
CHANGE IN CASH WITH FISCAL AGENTS		-
Cash with fiscal agents - Beginning of Year		-
CASH WITH FISCAL AGENTS - END OF YEAR	$	-
RECONCILIATION OF OPERATING INCOME TO CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$	-
Adjustments to reconcile operating income to cash provided by operating activities:		
Changes in operating assets and liabilities:		
Decrease in accrued interest receivable		41,800
Decrease in installment contract receivable		1,072,556
Cash provided by operating activities	$	1,114,356

See notes to basic financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity

The City of Needles (the "City"), pursuant to Resolution No. 3-16-92 adopted on March 16, 1992, and the City of Needles Redevelopment Agency (the "Agency"), pursuant to Resolution No. 92-2 adopted on March 16, 1992, formed the Needles Public Financing Authority (the "Authority") by the execution of a joint exercise of powers agreement (the "Joint Powers Agreement") dated March 17, 1992. Pursuant to the Joint Powers Agreement, the Authority is authorized to issue revenue bonds to provide funds to acquire public obligations and to make loans to public entities.

A seven-member Board of Directors, of which all are also members of the City Council, governs the Authority. The Authority is a blended component unit of the City, and its financial statements are included in the financial statements of the City.

Financial Statements

The financial statements include the Statement of Net Position, the Statement of Activities and the Statement of Cash Flows. These statements report on financial information for the Authority as a whole, excluding fiduciary activities such as employee pension plans. Individual funds are not displayed, but the statements distinguish governmental activities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). The Authority's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The financial statements report using the economic resources measurement focus and the accrual basis of accounting, which generally report all (both current and noncurrent) economic resources and obligations under the Statement of Net Position. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Use of Estimates

The presentation of financial statements, in conformity with US GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 LOANS TO OTHER GOVERNMENTAL ENTITIES

Needles Public Utility Authority (NPUA)
NPUA issued 2016 Enterprise bonds to purchase the 1997 Revenue Bonds. The Authority entered into an Installment Agreement with the NPUA on December 1, 2016. The bonds were issued to provide money to purchase the 1997 NPUA bonds. The bonds are secured by an Indenture of Trust dated December 1, 2016, between the Authority and U.S. Bank National Association, the Trustee.

Under the Installment Agreement, NPUA is to make payments to the Authority sufficient to meet the debt service requirements of the 2016 Enterprise Bonds. The installment agreement calls for semi-annual payments of $721,193, including interest at 3.86% per annum, beginning August 1, 2017, and ending on February 1, 2031. The principal balance of the bonds payable as of June 30, 2024, is $8,774,104.

The following is a summary of the changes in long-term debt for the fiscal year ended June 30, 2024:

Description	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Current Portion
2016 Enterprise Revenue Bonds	$ 9,846,660	$ -	$ (1,072,556)	$ 8,774,104	$ 1,114,355

The date of issue, maturity, interest rates, and original amounts authorized for the long-term debt are as follows:

Description	Date of Issue	Years of Maturity	Rate of Interest	Amount Amortized
2016 Enterprise Revenue Bonds	12/29/2016	2017 - 2031	3.86%	$ 15,488,000

Debt service requirements are summarized as follows:

Year Ending June 30	Principal	Interest
2025	$ 1,114,355	$ 328,030
2026	1,157,784	284,600
2027	1,202,907	239,479
2028	1,249,787	192,598
2029	1,298,494	143,891
2030-2031	2,750,777	133,993
Total	$ 8,774,104	$ 1,322,591

NOTE 3 SUBSEQUENT EVENTS

The Authority has evaluated events or transactions subsequent to June 30, 2024, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 28, 2026 the date the financial statements were available to be issued, and determined that no subsequent events required recognition or disclosure in the accompanying financial statements.



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 Larry Ford

City Manager Patrick Martinez

January 29, 2026

Local Government Reporting Section – City
California State Controller's Office
3301 C. Street, Suite 700
Sacramento, CA 95816

RE: Single Audit Report (SAR) Package Exemption Letter – Fiscal Year 2023-2024

The City of Needles, California, has reviewed its financial activity for the fiscal year ended June 30, 2024. Based on this review, the City did not expend $750,000 or more on federal awards during the fiscal year. Accordingly, the City does not meet the threshold requirement under 2 CFR Part 200, Subpart F (Uniform Guidance) for a Single Audit and is therefore exempt from this reporting requirement for the referenced period.

We further note that the Housing Authority of the City of Needles, a component unit of the City, has independently prepared and submitted its Single Audit report to the Federal Audit Clearinghouse (FAC) in compliance with applicable federal requirements.

This letter is issued to formally notify the State Controller's Office of the City's exempt status for the fiscal year ended June 30, 2024. Please retain this correspondence as part of the City's official records.

Respectfully,

Mark C. DeMay, CGFM

Director of Finance and Administrative Services
City of Needles

REPORT TO THE CITY COUNCIL

February 10, 2026

YOUR SUCCESS OUR MISSION

Since 1969

VASQUEZ + COMPANY LLP

Agenda Item 2.

/ Introduction

To the Honorable Members of the City Council

We are pleased to present this report related to our audit of the financial statements of the City of Needles (the City) as of and for the year ended June 30, 2024. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process, as well as other matters that we believe may be of interest to you. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

This report is intended solely for the information and use of the City Council and Management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to be of service to the City.



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/ Leadership Team Serving CITY OF NEEDLES



Roger Martinez
Relationship Partner



Cristy Canieda
Engagement Partner



Linda Narciso
Quality Control Partner

Audit



Rhoda Dollaga
Audit Manager

Information Technology



Jason Tagasa
IT Audit Manager

/ Independence

There are no relationships between any of our representatives and the City that in our professional judgment may reasonably be thought to bear on independence.

Vasquez & Company LLP meets the independence requirements of the AICPA and the *Government Auditing Standards* as it relates to the City.

/ Scope of Services



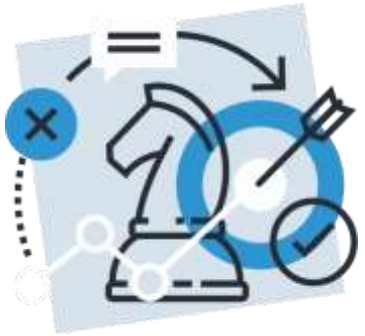
The Financial Statement Audit

- City's basic financial statements
- City's Public Financing Authority (PFA)



The Single Audit

- Audit of Major Federal Grant Programs in accordance with the Uniform Guidance



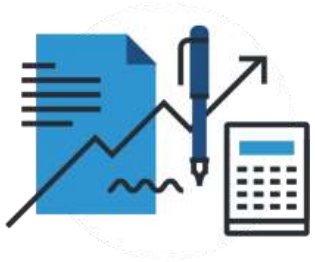
Consultation

- Year-Round Consultation on Financial and Accounting Matters

/ Summary of Audit Results



/ Financial Statement Audit



Unmodified (Clean) Opinions on the Basic Financial Statements

- The basic financial statements present fairly, in all material respects, the City's and the PFA's financial position as of June 30, 2024, the changes in net position, and cash flows for the year ended.
- The supplemental combining and individual financial statements, in all material respects, in relation to the basic financial statements as a whole.



Internal Control over Financial Reporting

- Material weaknesses and significant deficiencies on internal control over financial reporting were noted.

/ Material Weakness and Significant Deficiencies on Internal Control Over Financial Reporting

Material Weakness

Significant Delay in Completing the Audit (Repeat Finding)

- The 2023 audit began in December 2023 but was not completed until July 2025, a 20-month turnaround driven by the turnover in the City's finance management, which delayed the preparation of required financial information. Audit progress depended on management's ability to provide accurate and timely documentation.
- During the 2023 audit, the auditors identified and corrected significant financial reporting errors, resulting in more accurate financial statements and placing the City in a stronger financial reporting position going into 2024.
- The same audit team performed the 2024 audit, demonstrating consistent capacity, expertise, and responsiveness.
- The 2024 audit began in September 2025 and was completed by January 2026, a 5-month turnaround.
- The contrast between the two years highlights that audit efficiency is directly tied to management stability and audit readiness.



Material Weakness and Significant Deficiencies on Internal Control Over Financial Reporting, Continued

Significant Deficiencies

1. Non-compliance with the CA Government Code Section 53646 – Annual Adoption of Investments policy and quarterly submission of Treasurer's report (Repeat Finding)
2. Unreported Custodial Fund Activity – The City failed to report $9,349,382 restricted trust resources related to the Water Quality Maintenance of the All-American Canal in the prior years.



/ Single Audit

The City's federal expenditures, excluding the Housing Authority's federal expenditures audited by other auditors, did not exceed $750,000. As a result, the City was not required to undergo a Single Audit and has submitted an exemption letter to the State.

/ Auditor’s Required Communication To Those Charged With Governance



/ Required Communication to Those Charged with Governance

Our responsibilities	Our responsibilities have been described in our engagement letter dated September 16, 2025.
Planned scope and timing of the audit	We have issued a separate communication regarding the planned scope and timing of our audit and identified significant risks.
Adoption of, or change in, accounting policies	Management has the primary responsibility for the appropriateness of the accounting policies used by the City. The City did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the fiscal year 2024.
Significant accounting policies	We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.
Significant unusual transactions	We did not identify any significant unusual transactions.

/ Required Communication to Those Charged with Governance, continued

Audit adjustments	Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the City. We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.
Disagreements with management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations with other accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant issues discussed with management	No significant issues arising from the audit were discussed or were the subject of correspondence with management.
Significant difficulties encountered in performing the audit	We did not encounter any significant difficulties in dealing with management during the audit.

/ Required Communication to Those Charged with Governance, continued

Significant matters that required consultation	We did not encounter any difficult or contentious matters that required consultation outside the engagement team and that are, in our professional judgment, significant and relevant to your responsibility to oversee the financial reporting process.
Shared responsibilities for independence	Independence is a **joint responsibility** and is managed most effectively when management, City Council, and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) independence rules. AICPA and GAO rules require independence both in mind and in appearance when providing audit and other attestation services. Vasquez ensures that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of engagement. Vasquez maintains a system of quality control over compliance with independence rules and firm policies.
Internal controls and compliance matters	We have separately communicated on internal control and compliance over financial reporting identified during our audit of the financial statements as required by *Government Auditing Standards.* This communication describes the material weakness and significant deficiencies identified during the financial statement audit.
Significant written communications between management and our firm	The most significant written communications between management and our firm were the Letter of Comments to Management and the Management Representation Letters.

New Accounting Pronouncements – Effective in Future Years

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

To be implemented in FY 2025	• GASB 101 – Compensated Absences • GASB 102 – Certain Risk Disclosures
To be implemented in FY 2026	• GASB 103 – Financial Reporting Model • GASB 104 – Disclosure of Certain Capital Assets
To be implemented in FY 2027	• GASB 105 – Subsequent Events



QUESTIONS

/ Contact Information

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Thank you for your time and attention!



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

City of Needles, California

Year Ended June 30, 2024

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The Honorable Mayor and the Members of the City Council
City of Needles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Needles, California (the City), as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 28, 2026.

Our report includes a reference to other auditors who audited the financial statements of the Housing Authority of the City of Needles, a component unit of the City, as described in our report on the City's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

We consider the following deficiency to be a material weakness.

Significant Delay in Completing the Audit

Observation

California Government Code Section 6505 requires that municipalities conduct an annual audit of their accounts and records, either internally or through an independent certified public accountant. The audit must adhere to generally accepted auditing standards and be filed as a public record within 12 months of the fiscal year's end.

The City failed to complete its required annual audit for Fiscal Year 2024 within the mandated 12-month deadline. As of June 30, 2025, no audit report has been issued or filed, resulting in noncompliance with California Government Code Section 6505.

Cause and Effect

The City's audit delays stem from management turnover in key financial leadership positions. The transition among multiple interim finance officials and auditors disrupted record collection, transaction verification, and report finalization.

Noncompliance may trigger funding restrictions, stricter oversight, and increased regulatory scrutiny, potentially leading to corrective actions or financial penalties. Additionally, the delayed audit has increased costs, requiring extended engagements, additional staff hours, and expedited review fees to meet compliance requirements.

Recommendation

To support the timely completion of future audits and ensure continued compliance with California Government Code Section 6505, the City should focus on strengthening the stability and structure of its financial management and reporting processes. Establishing permanent leadership in key finance roles will provide the continuity necessary to maintain accurate records and prepare audit materials throughout the fiscal year. Developing a formal audit timeline, with defined milestones for year-end close, documentation preparation, and auditor coordination, will help keep the process organized and predictable. Enhancing internal controls related to record retention and transaction review will further reduce delays by ensuring that information is complete and readily accessible. Consistent communication with the external audit team will also allow potential issues to be identified and resolved early. Together, these steps will help the City improve audit readiness, reduce unnecessary costs, and maintain compliance with state requirements.

Management response

The City acknowledges the delay in completing the Fiscal Year 2024 audit and recognizes the importance of timely financial reporting. To address this issue, the City has implemented structural and procedural improvements to strengthen audit readiness and ensure compliance moving forward. Documented finance procedures, task schedules, and closing checklists have been developed to guide staff through year-end processes and audit preparation. A formal annual audit timeline has been established with defined milestones for reconciliations, financial statement preparation, and coordination with external auditors. Key balance sheet accounts are now reconciled on a monthly basis, and management-level review procedures have been formalized for journal entries and year-end adjustments.

Finance staff continue to participate in governmental accounting training, and cross-training within the department has been implemented to ensure continuity of critical reporting functions during staffing transitions. These measures establish a structured internal control framework designed to ensure future audits are completed within statutory deadlines and that financial reporting processes remain consistent and reliable.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies to be significant deficiencies.

1. Submission of Investment Reports

Observation

Under California Government Code section 53646, local agency treasurers must submit quarterly investment reports within 45 days of the end of each quarter. These reports must include details on investment types, issuers, maturity dates, amounts, compliance with the agency's investment policy, and an assessment of the agency's ability to meet financial obligations for the next six months. Additionally, the City's investment policy requires the annual submission of the Statement of Investment Policy and mandates monthly reporting of all investments held in the City's portfolio to the City Council within 60 days after the end of the monthly reporting period.

The City failed to submit the Statement of Investment Policy to the City Council annually as required, with the most recent policy dated January 2000. Additionally, investment reports for Fiscal Year 2024 were not submitted to the City Council.

Cause and Effect

The failure to submit the Statement of Investment Policy and monthly investment reports for the fiscal year 2024 appears to be primarily due to management turnover, which disrupted established reporting processes.

Recommendation

To strengthen compliance with state requirements and the City's investment policy, the City should reestablish a structured and reliable investment reporting process supported by consistent financial leadership. Updating and formally presenting the Statement of Investment Policy on an annual basis should be incorporated into the City's regular governance cycle, with clear internal deadlines and assigned responsibilities. Designating a specific finance staff member to oversee investment reporting, supported by cross-training to ensure continuity during staffing transitions, will help maintain the timely preparation of monthly and quarterly reports. Implementing a standardized reporting calendar and internal review procedures will further support accuracy, transparency, and timely submission to the City Council. These steps will help the City restore compliance, improve oversight, and reduce the risk of future reporting lapses.

Management response
The City has updated its Investment Policy and obtained City Council approval to ensure alignment with current legal and reporting requirements. In addition, the City has addressed prior delays in monthly and quarterly reporting by establishing a formal reporting schedule and clearly assigning preparation and review responsibilities within the Finance Department. Written procedures now guide the timely completion and internal review of all required investment reports before submission to the City Council. These improvements strengthen oversight, promote consistency, and ensure ongoing compliance with statutory and policy requirements, supported by experienced financial leadership and structured internal processes.

2. Fiduciary Fund Reporting

Observation
During the audit, it was noted that the City did not report the Water Quality Maintenance Fund as a custodial fund in the prior year, even though the activity met the criteria for fiduciary reporting under Governmental Accounting Standards Board (GASB) standards. The fund accounts for restricted trust resources dedicated to the Water Quality Maintenance of the All-American Canal. These trust assets, totaling $9,349,382, are held by the Trustee, Zions Bank, for canal capital maintenance and improvements. The City is responsible for the annual operation of the canal under its contract with the Bureau of Reclamation and the Metropolitan Water District of Southern California.

Cause and Effect
The omission occurred because the City did not have adequate controls in place to identify and evaluate activities that met the criteria for fiduciary reporting. As a result, the Water Quality Maintenance Fund was not reported as a custodial fund in the prior year, leading to a misstatement of the fiduciary financial statements and an understatement of the City's Fiduciary Net Position by $9,349,382.

Recommendation
The City should strengthen its internal controls over fund classification and fiduciary reporting by implementing a formal process to review all trust-related and custodial activities each year to ensure they are evaluated in accordance with GASB requirements. Staff involved in financial reporting should receive periodic training on fiduciary fund criteria, and communication between Finance and external trustees, such as Zions Bank, should be improved to ensure all fiduciary activities are identified and assessed in a timely manner. Enhancing these procedures will help ensure that fiduciary resources are properly recognized and reported in future financial statements.

Management response
The City has corrected this inadvertent reporting error and has implemented formal review procedures to prevent recurrence. An annual evaluation of fund classifications and related activities has been incorporated into the year-end closing process to ensure compliance with GASB reporting requirements. Documented financial reporting checklists and management-level review of fiduciary and custodial accounts have been established to strengthen oversight and accuracy. In addition, Finance staff have received updated training on fund classification and fiduciary reporting standards to reinforce proper application of accounting guidance. These procedural and training improvements create a structured internal control framework to ensure similar issues do not occur in the future.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to the Findings

Government Auditing Standards require the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described previously. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Glendale, California
January 28, 2026

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☒ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: Authorize the Mayor to execute the Bureau of Reclamation's Post-2026 Draft Environmental Impact Statement Public Comment from the City of Needles dated February 10, 2026

Background: Since 1885, the City has had Present Perfected Rights ("PPR") under Contract No. 05-XX-30-W0445, allowing 1,500 acre-feet ("AF") of diversion from the Colorado River ("River"), which provides 950 AF of consumptive use under PPR #43. The Contract is listed in the Consolidated Degree of the Supreme Court of the United States in the case of *Arizona v. California et a*l.

The highest priority rights to River water are "perfected rights" that are based on historical use of river water prior to the construction of the large Federal projects to dam and divert the river water. It is sometimes stated as "First in use, first in right." The use must be for beneficial purposes.

In 1995, the City purchased additional PPR from the Santa Fe Railway Company for 1,260 AF of diversion and 273 AF of consumption, PPR #44. Added together, these PPR allow the City to divert up to 2,760 AF of water (1,500 AF allowed the City via its 1885 PPR diversion and 1,260 AF via the City's acquisition of Santa Fe Railway Company's 1896 PPR diversion) and consume 1,223 AF.

The City of Needles is also allocated 527 acre-feet per year through management of the Lower Colorado Water Supply Project.

The City completed a Phase 1 SCIA pilot project for turf removal at the River's Edge Golf Course on April 15, 2016, which reduces the annual diversion by 232 acre-feet for ten years, expiring in 2026. In total, the City of Needles is allocated 2,261 AF of annual diversions.

Looking ahead, a number of reservoir and water management decisional documents and agreements that govern the operation of Colorado River facilities and the management of Colorado River water are currently scheduled to expire at the end of 2026. The Secretary, acting through Reclamation, proposes the adoption of new guidelines and coordinated management strategies to address Lake Powell and Lake Mead through their full operating range, to be implemented upon the expiration of the existing guidelines and agreements.

The Draft EIS analyzes a broad range of reasonable alternatives for the operational elements identified in the proposed federal action. These alternatives were developed through extensive

engagement with a wide range of partners and stakeholders, as well as the general public, over a timeframe of more than three years.

Despite this extensive engagement, this Draft EIS does **not identify a Preferred Alternative** due to the current absence of a consensus-based approach to post-2026 reservoir operations among Basin entities.

Reclamation anticipates identifying a Preferred Alternative after publication of this Draft EIS that incorporates elements or variations of the Draft EIS alternatives, which would then be fully analyzed in the Final EIS.

Enclosed is the Bureau of Reclamation Draft Environmental Impact Statement evaluating a range of operational alternatives for managing Colorado River reservoirs after 2026, when current interim guidelines expire.

The Draft EIS will be published in the Federal Register on January 16, 2026, initiating a 45-day comment period that will end on March 2, 2026. Comments may be submitted via the following methods. Reclamation held two virtual public meetings to provide information on the Draft EIS. Staff and the Board of Public Utilities Chairman participated.

Fiscal Impact: To be determined

Environmental Impact: To be determined

Recommended Action: Authorize the Mayor to execute the Bureau of Reclamation's Post-2026 Draft EIS Public Comment from the City of Needles dated February 10, 2026

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 2/5/2026

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

Agenda Item 3.

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 Larry Ford

City Manager Patrick Martinez

February 10, 2026

Bureau of Reclamation
Attn: BCOO-1000
P.O. Box 61470
Boulder City, NV 89006
Email: crbpost2026@usbr.gov

RE: Bureau of Reclamation's Post-2026 Draft EIS Public Comment from the City of Needles

To Whom It May Concern:

On behalf of the City of Needles, we respectfully submit these comments in response to the Bureau of Reclamation's Post-2026 Draft EIS published in the Federal Register on January 16, 2026.

The City of Needles is located in eastern San Bernardino County, California, along the Colorado River. The City holds miscellaneous present perfected rights ("PPRs") with a priority date of 1885 under Contract No. 05-XX-30-W0445 for 1,500 acre-feet of annual diversions, limited to 950 acre-feet on a consumptive use basis. The City also acquired from the Atchison, Topeka and Santa Fe Railway Company certain perfected water rights held by the Santa Fe Railway, with a priority date of 1896, for 1,260 acre-feet of annual diversions, limited to 273 acre-feet on a consumptive use basis. In addition, there are eight (8) other PPR entitlement holders within the City of Needles.

The City's PPR contracts are recognized in the Consolidated Decree of the Supreme Court of the United States in *Arizona v. California*. Under that decree, present perfected rights are treated as the most senior and highest-priority water rights. Protection of these senior rights must remain a foundational principle of any future operating framework.

The Draft EIS analyzes a broad range of reasonable alternatives for the operational elements identified in the proposed federal action post-2026. The City of Needles strongly supports the Maximum Operational Flexibility Alternative, particularly where shortages are distributed in a manner that fully recognizes and protects present perfected rights. In addition, the City recommends continuing current strategies based on existing agreements among the Lower Basin states. We further urge that comparable conservation and shortage management measures be implemented by Upper Basin states to ensure a more equitable, basin-wide approach. The City of Needles has actively participated in existing agreements and has made water conservation a high local priority, despite its relatively small size and limited resources.

Thank you for the opportunity to comment on this important matter. If you have any questions, please contact Rainie Torrance, Utility Manager, at rtorrance@cityofneedles.com or (760) 326-5700 ext. 140.

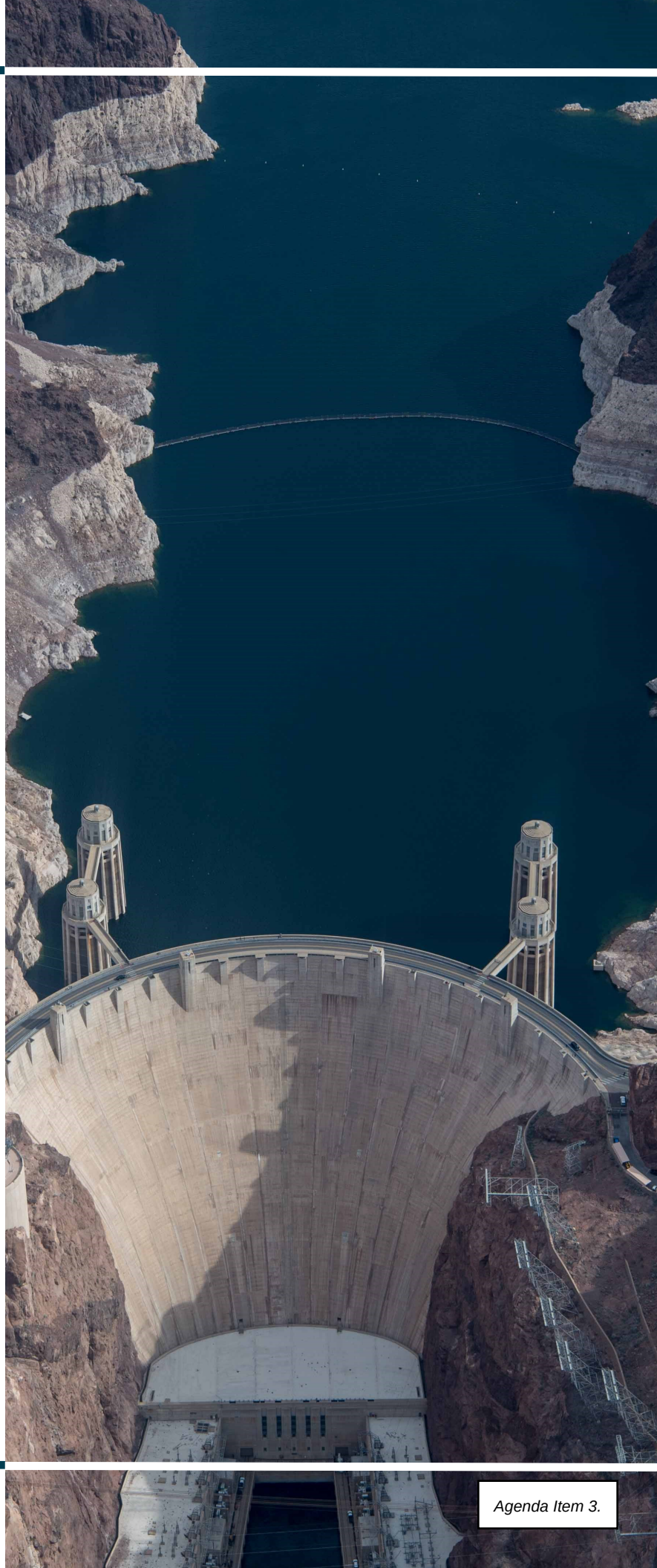
Janet Jernigan
Mayor, City of Needles

BUREAU OF
RECLAMATION

Draft
Environmental Impact Statement

Post-2026 Operational Guidelines and Strategies for Lake Powell and Lake Mead

Executive Summary



January 2026
U.S. Department of the Interior
Bureau of Reclamation
Upper and Lower Colorado Basins
Interior Regions 7 and 8

Agenda Item 3.

BUREAU OF
RECLAMATION

Mission Statements

The **Department of the Interior** protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated island communities.

The mission of the **Bureau of Reclamation** is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

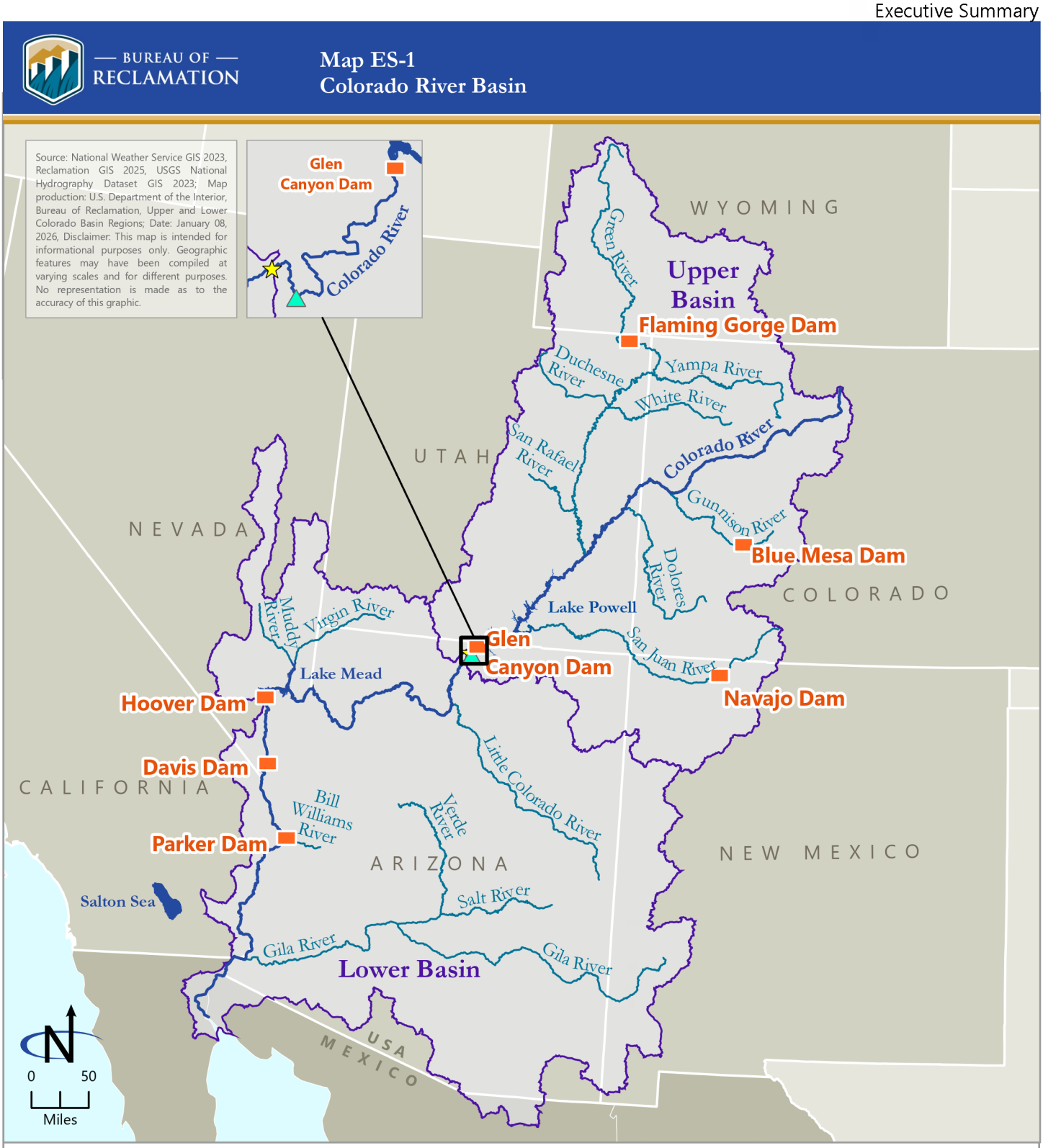
Photo by Reclamation, unknown date

Executive Summary

ES.1 Background

Prudent management of the Colorado River Basin (Basin) is crucial because the Colorado River is the foundation for diverse resources across a large geographic region and faces exceptional challenges from prolonged drought and future uncertainty. States, tribes, and Mexico rely on the Colorado River to support essential municipal, agricultural, environmental, cultural and hydropower needs. These resources are now at significant risk: since the onset of the current drought in 2000, the Basin's primary reservoirs, Lake Powell and Lake Mead, have fallen to historically low elevations. Several of the major reservoir- and water-management documents and agreements developed to guide Colorado River operations through the persistently dry conditions expire in 2026, including the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead (2007 Interim Guidelines; Reclamation 2007), the 2019 Colorado River Drought Contingency Plans (Reclamation 2019), and key international agreements between the United States and Mexico. Despite the significance of these agreements, actions taken over the past two decades have not been sufficiently robust to prevent continued decline of the reservoirs.

The Secretary (Secretary) of the Department of the Interior (Department), acting through the Bureau of Reclamation (Reclamation), proposes adoption of new guidelines and coordinated management strategies to address Lake Powell and Lake Mead through their full operating range to take effect when the current agreements expire in 2026. Management strategies will primarily focus on the operation of Glen Canyon Dam and Hoover Dam but may include actions upstream and downstream of these facilities to protect critical reservoir elevations such as releases from the Colorado River Storage Project (CRSP) Upper Initial Units and approaches to enhance opportunities for Lower Basin water users to reduce water use (see **Map ES-1**). This Draft EIS has been prepared to inform the Secretary's timely adoption of a new set of guidelines that would be sufficiently robust and provide improved predictability to all water users and managers in the Basin. Developing new guidelines is difficult in this complex Basin, where critically low storage in Lake Powell and Lake Mead, significant hydrologic variability, and the anticipation of drier future conditions amplify the central tradeoff: balancing the potentially profound impacts of water-delivery reductions with the need to maintain reservoir storage. The alternatives in this Draft EIS capture a broad range of management strategies to address this tradeoff, and they demonstrate that there are multiple ways to find a balance if conditions improve. If conditions do not improve, achieving a balance is more difficult, and, under critically dry futures, even large and unprecedented reductions may not be enough to stabilize storage.


— BUREAU OF —
RECLAMATION
Map ES-1
Colorado River Basin
Source: National Weather Service GIS 2023, Reclamation GIS 2025, USGS National Hydrography Dataset GIS 2023; Map production: U.S. Department of the Interior, Bureau of Reclamation, Upper and Lower Colorado Basin Regions; Date: January 08, 2026, Disclaimer: This map is intended for informational purposes only. Geographic features may have been compiled at varying scales and for different purposes. No representation is made as to the accuracy of this graphic.
Glen Canyon Dam
Colorado River
WYOMING
Green River
Upper Basin
Flaming Gorge Dam
Duchesne River
Yampa River
White River
UTAH
San Rafael River
Colorado River
Gunnison River
Blue Mesa Dam
NEVADA
Dolores River
COLORADO
Muddy River
Virgin River
Lake Powell
Glen Canyon Dam
San Juan River
Navajo Dam
Lake Mead
Hoover Dam
Davis Dam
Little Colorado River
CALIFORNIA
Bill Williams River
Verde River
Parker Dam
ARIZONA
NEW MEXICO
Salton Sea
Salt River
Gila River
Gila River
Lower Basin
USA
MEXICO
N
0
50
Miles
Major dam
Lee Ferry Compact Point
Lees Ferry Gaging Station
Colorado River
Major Colorado River tributary
Colorado River Basin, Upper and Lower Basins
States in the Colorado River Basin (Wyoming, Colorado, Utah, and New Mexico are Upper Division states, and Arizona, California, and Nevada are Lower Division states)

Given the magnitude of the tradeoffs and the considerable hydrologic uncertainty, and recognizing the important operating experience gained during the current interim period, the Secretary proposes that these new guidelines also be interim in duration to gain additional operating experience. To provide stability and predictability to Basin water users, the Secretary intends that the interim period extend approximately 20 years; however, given the ongoing efforts toward achieving consensus among various Basin entities regarding appropriate post-2026 operations, the Secretary remains open to a shorter duration or phased implementation as part of a longer-term framework.

Reclamation, as the agency that is designated to act on the Secretary's behalf with respect to operation of Glen Canyon Dam and Hoover Dam and managing the mainstream waters of the lower Colorado River pursuant to federal law, is the lead federal agency for the purposes of compliance pursuant to the National Environmental Policy Act of 1969 (NEPA), as amended, for the development and implementation of the proposed interim guidelines. Five federal agencies are cooperating for purposes of assisting with environmental analysis and preparation of this Environmental Impact Statement (EIS). The cooperating agencies are the Bureau of Indian Affairs, United States Fish and Wildlife Service, National Park Service (NPS), Western Area Power Administration, and the United States Section of the International Boundary and Water Commission. The EIS is organized into three volumes:

Volume I – EIS with the following chapters:

> Chapter 1: Purpose and Need. Provides the background of Colorado River operations and describes why federal action is needed.
>
> Chapter 2: Description of Alternatives. Describes Reclamation's engagement with stakeholders, how alternatives were developed and considered, and a detailed overview of all alternatives evaluated in the EIS.
>
> Chapter 3: Affected Environment and Environmental Consequences. Describes the existing environmental conditions and evaluates potential impacts that could result from implementation of the alternatives.
>
> Chapter 4: Consultation and Coordination. Describes public and stakeholder involvement process during the preparation of this Draft EIS.

Volume II – Supporting appendices, primarily focused on modelling information, including modeling assumptions, analytical methods, and supporting calculations.

Volume III – Technical appendices for each of the environmental resources discussed in Chapter 3. These appendices provide supporting and more detailed information.

ES.1.1 Purpose and Need for Action

The proposed federal action is needed for the following reasons:

- *The Secretary is legally required to coordinate operations of Colorado River reservoirs:* The Colorado River Basin Project Act of 1968 directs the Secretary to adopt criteria for the coordinated

long-range operation of Colorado River reservoirs. In compliance with this obligation, the Criteria for Coordinated Long-Range Operation of Colorado River Reservoirs (LROC) were developed and adopted by the Secretary in 1970. The LROC provides general narrative guidance regarding Lake Powell and Lake Mead operations but does not contain specific, objective criteria to guide annual operations. To address this inadequacy, the 2007 Interim Guidelines were developed to provide objective criteria used by the Department to implement the LROC. The 2007 Interim Guidelines have provided the predictability needed by the entities that receive Colorado River water to better plan for and manage available water supplies from the Colorado River and other sources.

- The *2007 Interim Guidelines are expiring:* Current operational guidelines expire during the 2026 operating year. The Department has determined that specific, objective operational guidelines are important to provide improved predictability and should be established for another interim period beyond 2026. Most of the federal and non-federal agreements associated with implementing provisions of the 2007 Interim Guidelines also expire after the 2026 operating year.
- *The 2007 Interim Guidelines have not sufficiently reduced risk:* Based on operational experience since 2007, the current guidelines are not robust enough to manage the system in a way that is sufficiently protective of the resources dependent on the Colorado River. Despite near-continuous drought-response actions in recent years, low-reservoir conditions have persisted, and new infrastructure risks at Glen Canyon Dam have arisen. More robust and adaptive guidelines are needed for the efficient and sustainable management of the major mainstream Colorado River reservoirs and system resources.
- *Imbalance between water supply and demand will be exacerbated by increasingly likely low-runoff conditions:* The Basin is experiencing increased aridity due to climate variability, and long-term drought and low-runoff conditions are expected in the future. These conditions will exacerbate the now widely recognized imbalance between water supply and demand in the Basin. Robust and flexible guidelines are needed to manage the Colorado River system and its resources under a broad range of potential future hydrologic conditions.
- *Expanded and innovative use of conservation is needed:* Recognizing the anticipated future low-runoff conditions in the Basin, the Department has also determined a need for guidelines that provide Colorado River water users, including Basin Tribes, expanded opportunities to conserve, store, and take subsequent delivery of water in and from Lake Mead and/or Lake Powell. The guidelines should also support and integrate future efficiency improvements and opportunities for augmentation.
- *Addressing tribal concerns regarding Basin management is needed:* Basin Tribes have expressed concern that the current approach to Colorado River water management is insufficient to address the range of interests, needs, and fundamental rights of the Basin Tribes. The Department has determined a need for guidelines that provide flexibility and predictability for Basin Tribes to remain able to benefit from their water rights and have opportunities to participate in voluntary conservation programs.

The purpose for the proposed federal action is to:

- Update and expand management guidelines for Colorado River reservoirs, particularly for the coordinated operation of Lake Powell and Lake Mead
- Provide Colorado River water users a greater degree of predictability with respect to annual water availability in future years under anticipated increasing variability, low runoff, and low-reservoir conditions
- Provide additional mechanisms for the conservation, storage, and delivery of water supplies in Colorado River reservoirs
- Provide new or enhanced opportunities for Basin Tribes to benefit from their water rights
- Provide flexibility to build resilience and accommodate future needs and growth that are supported by Colorado River water supplies, including the integration of unquantified tribal water rights once they are resolved

ES.1.2 Proposed Federal Action

Reclamation, acting on behalf of the Secretary, proposes to adopt specific guidelines and coordinated reservoir management strategies to address operations of Lake Powell and Lake Mead through their full operating ranges. This action would improve predictability to all water users and managers in the Basin by developing and adopting objective guidelines for the operation of Glen Canyon Dam and Hoover Dam to take effect when the current operating guidelines expire in 2026. This action is designed to provide for the sustainable management of the Colorado River system and its resources under a wide range of potential future system conditions.

The proposed federal action considers the following operational elements that are collectively designed to address the purpose and need for the proposed federal action:

1) Identification of circumstances under which the Secretary would allocate the annual amount of water available for consumptive use from Lake Mead to the Lower Division states (Arizona, California, and Nevada) at, below, or above 7.5 million acre-feet (maf), pursuant to the Supreme Court Decree in *Arizona* v. *California,* 376 U.S. 340 (1964) (Final Decree entered in 2006).
2) Coordinated operations of Lake Powell and Lake Mead, particularly under low reservoir conditions.
3) Storage and delivery of conserved water in Lake Mead and/or Lake Powell to increase the flexibility to meet water use needs from both reservoirs, including the storage and delivery of non-system water; exchanges; and water conserved through extraordinary measures by or for tribal, agricultural, or municipal entities.

The proposed federal action allows for development of robust operating guidelines for Lake Powell and Lake Mead without precluding upstream or downstream actions needed to protect critical reservoir elevations at Lake Powell and Lake Mead, such as the following:

- Approaches that consider total system storage in all major Colorado River reservoirs and/or actual inflows to determine coordinated operations of Lake Powell and Lake Mead.
- Approaches that include opportunities for conservation, augmentation, demand management, or other water management strategies.
- Emergency response operations at upstream CRSP reservoirs to protect critical infrastructure at Glen Canyon Dam.

The Secretary intends that the guidelines be interim in nature and extend for the same duration as the 2007 Interim Guidelines (approximately 20 years). Adoption of new guidelines for an interim (or limited) period provides the opportunity to gain additional experience for operating the reservoirs, thereby informing future operational and water management decisions. Given the ongoing efforts toward achieving consensus among various Basin entities regarding appropriate post-2026 operations, the Secretary remains open to a shorter duration or phased implementation as part of a longer-term framework.

Recognizing additional authorities may be developed, the Department intends to adopt and implement the guidelines in a manner consistent with the Law of the River. The Department also intends that the guidelines be used to implement the LROC through the issuance of the Annual Operating Plan for Colorado River Reservoirs.

ES.1.3 Geographic Scope

Consistent with the geographic scope analyzed in the 2007 Interim Guidelines FEIS, the geographic scope that would be affected by the proposed federal action begins at full pool of Lake Powell at Gypsum Canyon and extends downstream along the mainstream Colorado River floodplain to the Southerly International Boundary (SIB) with Mexico. This proposed federal action would also potentially affect interests of water users in the Lower Division States in service areas that extend beyond the Colorado River floodplain.

Although the proposed federal action is focused on Lake Powell and Lake Mead operations, management strategies that include activities upstream of Lake Powell are being analyzed in this Draft EIS. These activities include Upper Basin conservation and, if warranted to protect critical reservoir elevations, operations at the CRSP Upper Initial Units. Operations at the CRSP Upper Initial Units specifically contemplated in the Draft EIS alternatives are intended to remain within the scope of the existing Records of Decision (RODs). [1] Accordingly, the Draft EIS does not expand the geographic scope of analysis upstream of Lake Powell. With respect to Upper Basin

[1] While the Secretary will consider and prioritize operations at these facilities that are consistent with existing RODs, the Secretary retains the authority to operate outside those RODs if necessary. The modeling assumptions regarding operation of the CRSP Upper Initial Units presented in this Draft EIS are not intended to, and do not, limit the Secretary's ability to operate these facilities as necessary to respond to hydrologic conditions in accordance with applicable federal law, including operations for the authorized purposes as stated in the 1956 Colorado River Storage Project Act.

conservation, the nexus to the proposed federal action is the storage and delivery of that conserved water in Lake Powell. The effects of this storage in and delivery from Lake Powell are within the scope of the EIS, while specific activities that may be undertaken in the Upper Basin to generate the conserved water are not within the scope of this EIS. Any such activities are unknown at this time and will not necessarily require federal decision making. Any federal decisions associated with these conservation activities will be assessed outside of this EIS.

ES.2 Alternatives

ES.2.1 Alternative Development

The process of developing the range of alternatives was informed by solicitation of input and extensive collaborative engagement with stakeholders, including the Basin States,[2] Basin Tribes, conservation organizations, other federal agencies, and members of the public. Reclamation solicited input on considerations for alternatives during pre-scoping and scoping periods in 2022 and 2023 and worked collaboratively with Basin stakeholders to identify a range of alternatives throughout 2024 and 2025.

During the public involvement periods and the subsequent alternatives development process, Reclamation received considerable input from the Basin States, many Basin Tribes,[3] conservation organizations, other federal agencies, other stakeholders, and members of the public. Input submitted ranged from detailed proposed alternatives to operational concepts and principles. Throughout the alternatives development phase, Reclamation conducted over 100 meetings with states, tribes, and other partners to review and discuss their input. For those proposals containing sufficient detail to be considered as a full alternative or a major component of an alternative, Reclamation worked extensively with these entities to not only understand and gather additional information, but also to model and perform preliminary analyses of their proposals to facilitate refinements. Additionally, Reclamation developed and hosted an online platform, the Post-2026 Operations Exploration Web Tool, allowing stakeholders, interested parties, and the public to independently or collaboratively design operational strategies to inform their input to the NEPA process.

Despite this extensive engagement, a consensus-based approach to Basin reservoir operations has not yet been achieved and therefore, Reclamation has not identified a Preferred Alternative in this Draft EIS. Since 1970, the Basin States have supported operations and reached agreements among themselves and with the Secretary on various aspects of Colorado River reservoir operations. It is beyond question that achieving a consensus-based approach to Basin reservoir operations has

[2] Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming

[3] There are 30 federally recognized Native American Tribes in the Colorado River Basin: Ak-Chin Indian Community, Chemehuevi Indian Tribe, Cocopah Indian Tribe, Colorado River Indian Tribes, Fort McDowell Yavapai Nation, Fort Mojave Indian Tribe, Fort Yuma-Quechan Tribe, Gila River Indian Community, Havasupai Tribe, Hopi Tribe, Hualapai Tribe, Jicarilla Apache Nation, Kaibab Band of Paiute Indians, Las Vegas Paiute Tribe, Moapa Band of Paiute Indians, Navajo Nation, Pascua Yaqui Tribe, Pueblo of Zuni, Salt River Pima-Maricopa Indian Community, San Carlos Apache Tribe, San Juan Southern Paiute, Shivwits Band of Paiutes, Southern Ute Indian Tribe, Tohono O'odham Nation, Tonto Apache Tribe, Ute Indian Tribe of the Uintah and Ouray Reservation, Ute Mountain Ute Tribe, White Mountain Apache Tribe, Yavapai-Apache Nation, and Yavapai-Prescott Indian Tribe.

proved critical to the long-term operating success of the Basin. Given the importance of a consensus-based approach to operations in terms of the stability of the system, the Department will continue to pursue an agreement among various Basin entities. Should a consensus emerge following the publication of this Draft EIS, Reclamation anticipates that such an agreement will incorporate elements or variations of these Draft EIS alternatives and will be fully analyzed in the Final EIS.

ES.2.2 Alternatives

This Draft EIS includes the following five alternatives that capture an appropriately board range of operational elements and potential environmental impacts:

- No Action Alternative
- Basic Coordination Alternative
- Enhanced Coordination Alternative
- Maximum Operational Flexibility Alternative
- Supply Driven Alternative

Three of the alternatives directly reflect proposals and concepts received from, and refined through, stakeholder engagement. Specifically, a group of Basin Tribes and other federal agencies informed Reclamation's development of the Enhanced Coordination Alternative and the Maximum Operational Flexibility Alternative is based on a proposal from a consortium of conservation organizations. The Supply Driven Alternative incorporates concepts from the separate proposals submitted by the Upper Division and Lower Division States, as well as ideas emerging from discussions with the Basin States during spring 2025. Reclamation developed the Basic Coordination Alternative to provide a compliance option for a set of operations that could be implemented in 2027 if no new agreements among Basin water users are adopted.

The Secretary has the vested authority and responsibility to operate the System through coordinated operations, including the ability to respond to exigent and emergency conditions, pursuant to applicable federal law, the Decree, contractual obligations, and other elements of the Law of the River. The full extent of Reclamation's operational authority has not been tested to date—either operationally or through legislative or judicial review. The primary reason for this is that management of the river has been based on agreements among Basin water users. In most cases, Reclamation's authority to fully implement the agreements has not been in question; however, specific operational mechanisms negotiated as part of the 2019 Drought Contingency Plan required congressional legislation[4] to fully implement.

The alternatives in this Draft EIS are designed to cover a wide range of potential outcomes with respect to post-2026 operations; accordingly, they incorporate components that are within existing authorities along with components that would require new authorities and/or new agreements among Basin water users to fully implement.

[4] The Colorado River Drought Contingency Authorization Act was passed on April 16, 2019, directing the Secretary to implement the 2019 DCP.

Each alternative is comprised of four operational elements reflective of the proposed federal action: (1) Guidelines to Reduce or Increase Deliveries from Lake Mead, (2) Coordinated Reservoir Operations (Lake Powell and Lake Mead), (3) Storage and Delivery of Conserved System and Non-System Water, and (4) Additional Activities Above Lake Powell. Each element is varied across the alternatives providing a reasonable and broad range of Colorado River operations that capture an appropriate range of potential environmental impacts. Based on the analysis in and public review of this Draft EIS, Reclamation may refine these Draft EIS alternatives or develop additional alternatives for the Final EIS.

Summary descriptions of the No Action Alternative and the four action alternatives considered and evaluated in the Draft EIS are provided in **Table ES-1**.

Table ES-1
Summary Comparison of Alternatives

No Action Alternative

The No Action Alternative is included as a requirement of NEPA. Operations would revert to annual determinations announced through the Annual Operating Plan. Pursuant to the LROC, the objective is to maintain a minimum release of water from Lake Powell of 8.23 maf, therefore Lake Powell releases are assumed to be 8.23 maf[1] unless a higher release is required for equalization or a lower release occurs due to Glen Canyon Dam infrastructure limitations.[2] Shortages to the Lower Basin would be based on priority and reach a maximum of 600 thousand acre-feet (kaf). This would not represent a continuation of current operations but is generally based on the operating guidance that was in place before the adoption of the 2007 Interim Guidelines. While the authority to use CRSP Upper Initial Units to respond to exigent and emergency conditions was recognized at that time, no specific framework for such activities had been developed, so no defined activities are included in this alternative. Existing Intentionally Created Surplus (ICS) would be delivered in accordance with existing agreements, but there would be no new storage and delivery mechanisms.

Shortage Guidelines to Reduce Deliveries from Lake Mead[3]	Coordinated Reservoir Operations (Lake Powell and Lake Mead)	Storage and Delivery of Conserved System and Non-system Water[3]	Surplus Guidelines to Increase Deliveries/ Releases from Lake Mead[3]	Additional Activities Above Lake Powell
• Shortages determined based on Lake Mead elevation • Shortage volume of 400, 500, and 600 kaf at elevations 1,075, 1,050, and 1,025 feet, respectively • Shortages distributed based on priority	• Lake Powell release of 8.23 maf unless more is required for equalization releases • Releases less than 8.23 maf below elevation 3,490 feet due to Glen Canyon Dam infrastructure limitations	• No new storage and delivery mechanism to replace ICS • Delivery of existing ICS in accordance with existing agreements	• Surplus determinations limited to 70R (spill avoidance strategy) and Flood Control conditions	• No specific additional activities above Lake Powell defined

[1] Article II(2) of the LROC states the "objective shall be to maintain a minimum release of water from Lake Powell of 8.23 [maf]." Reclamation recognizes that entities in the Basin have different legal positions regarding how this LROC statement incorporates other Law of the River elements to determine annual releases. Reclamation also recognizes that variation in releases of water above and below the minimum objective release of 8.23 maf can, in appropriate circumstances, be adopted.

[2] Releases from Glen Canyon Dam may be unable to achieve the specified annual release volume when Lake Powell is below elevation 3,490 feet due to infrastructure constraints. Modeling assumptions for all alternatives reflect this constraint (see **Appendix A**).

[3] These operational elements contain modeling assumptions for water deliveries to Mexico. Shortage volumes include assumptions related to reductions in water deliveries to Mexico. Lake Mead storage volumes for the Storage and Delivery of Conserved System and Non-system Water include assumptions related to storage available to Mexico. Surplus Guidelines include assumptions related to increased deliveries to Mexico. **Appendix A** provides additional detail. Reclamation's modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

Basic Coordination Alternative	This alternative is designed to be implementable absent new agreements among Basin water users. Lake Powell releases would primarily be 8.23 maf, with some releases above and below 8.23 maf, and minimum releases of 7.0 maf. Lake Powell elevations could be increased by releases from CRSP Upper Initial Units within their respective RODs to protect infrastructure at Glen Canyon Dam. Reclamation would identify triggers for when additional Upper Basin actions are needed to protect critical infrastructure. Lower Basin shortages up to 1.48 maf would be triggered based on Lake Mead elevation and distributed consistent with priority system. Existing ICS would be delivered in accordance with existing agreements, but there would be no new delivery and storage mechanisms.				
	Shortage Guidelines to Reduce Deliveries from Lake Mead[3]	**Coordinated Reservoir Operations (Lake Powell and Lake Mead)**	**Storage and Delivery of Conserved System and Non-system Water[3]**	**Surplus Guidelines to Increase Deliveries/ Releases from Lake Mead[3]**	**Additional Activities Above Lake Powell**
	• Shortages based on Lake Mead elevation up to 1.48 maf • Shortages distributed based on priority • Identify conditions when additional reductions may be needed to avoid reaching critically low elevations	• Lake Powell releases are determined based on Lake Powell elevation unless equalization releases are required • Releases range from 9.5 to 7.0 maf, unless more is required for equalization releases • Identify conditions when additional action may be needed for infrastructure protection	• No new storage and delivery mechanism to replace ICS • Delivery of existing ICS in accordance with existing agreements	• Surplus determinations limited to 70R (spill avoidance strategy) and Flood Control conditions	• Releases from CRSP Upper Initial Units within their respective RODs and contingent on hydrologic conditions to protect infrastructure at Glen Canyon Dam • Identify conditions when additional Upper Basin actions may be needed for infrastructure protection

[3] These operational elements contain modeling assumptions for water deliveries to Mexico. Shortage volumes include assumptions related to reductions in water deliveries to Mexico. Lake Mead storage volumes for the Storage and Delivery of Conserved System and Non-system Water include assumptions related to storage available to Mexico. Surplus Guidelines include assumptions related to increased deliveries to Mexico. **Appendix A** provides additional detail. Reclamation's modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

Enhanced Coordination Alternative

This alternative is based on concepts from Basin Tribes, federal agencies, and other stakeholders to achieve protection of critical infrastructure while benefitting key resources (e.g., natural, hydropower and recreation) through an approach to distributing storage between Lake Powell and Lake Mead. Lake Powell releases would be determined based on a combination of Lake Powell and Lake Mead elevations, 10-year running-average hydrology, and Lower Basin deliveries. This alternative would include storage and delivery mechanisms for Lake Powell and Lake Mead and extensive flexibilities for all users. The operations incorporate Basin-wide shared contributions to the system, including Upper Basin conservation that would be stored in Lake Powell and Lower Basin shortages starting at 1.3 maf, approximately the average annual evaporative and system losses at and below Lake Mead, and reaching a maximum of 3.0 maf. Shortages would be triggered based on combined storage in Lake Powell and Lake Mead and distributed pro rata.

Shortage Guidelines to Reduce Deliveries from Lake Mead[3]	**Coordinated Reservoir Operations (Lake Powell and Lake Mead)**	**Storage and Delivery of Conserved System and Non-system Water[3]**	**Surplus Guidelines to Increase Deliveries/ Releases from Lake Mead[3]**	**Additional Activities Above Lake Powell**
• Shortages determined based on combined storage in Lake Powell and Lake Mead • Shortages begin at 60% full at a volume of 1.3 maf, then increase linearly, reaching a maximum of 3.0 maf at 30% full and below • Shortages distributed pro rata	• Lake Powell releases determined based on a combination of Lake Powell and Lake Mead elevations, 10-year running-average hydrology, and Lower Basin deliveries • Releases range from 10.8 to 4.7 maf	• Storage up to 5.0 maf in Lake Mead with additional 2.0 maf Protection Pool; included for purposes of determining Lake Powell releases and shortages • Storage up to 2.0 maf in Lake Powell; included for purposes of determining Lake Powell releases but excluded from shortage determinations • Existing ICS converted to new mechanism immediately • Extensive flexibilities for all users: intra- and interstate transactions within each basin • Tribal water (both conserved consumptive use and unused) including in Lake Powell conservation pool and Lake Mead Protection Pool	• Surplus determinations limited to 70R (spill avoidance strategy) and Flood Control conditions	• Upper Basin conservation contributed to the Lake Powell conservation pool based on hydrologic conditions: up to 200 kaf per year for first 5 years, up to 275 kaf per year for second 5 years, up to 350 kaf starting in year 11

[3] These operational elements contain modeling assumptions for water deliveries to Mexico. Shortage volumes include assumptions related to reductions in water deliveries to Mexico. Lake Mead storage volumes for the Storage and Delivery of Conserved System and Non-system Water include assumptions related to storage available to Mexico. Surplus Guidelines include assumptions related to increased deliveries to Mexico. **Appendix A** provides additional detail. Reclamation's modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

<table>
<tr><td>Maximum Operational Flexibility Alternative</td><td colspan="5">This alternative is informed by a proposal submitted by a consortium of conservation organizations and incorporates proactive responses, targeted reservoir management strategies, and innovative and flexible tools to address an increasingly variable set of future hydrologic conditions. Lake Powell releases would range from 11.0 maf to 5.0 maf and would be determined by total CRSP system storage and recent hydrology. Releases would switch to “run-of-river” when Lake Powell is at 3,510 feet or lower. The operations incorporate Basin-wide shared contributions, including up to 4.0 maf of shortages in the Lower Basin triggered by combined seven-reservoir storage (CRSP Units, Lake Mead, Lake Mohave, and Lake Havasu) and recent hydrology and voluntary water contributions from both basins.</td></tr>
<tr><td></td><td>Shortage Guidelines to Reduce Deliveries from Lake Mead[3]</td><td>Coordinated Reservoir Operations (Lake Powell and Lake Mead) [3]</td><td>Storage and Delivery of Conserved System and Non-system Water</td><td>Surplus Guidelines to Increase Deliveries/ Releases from Lake Mead[3]</td><td>Additional Activities Above Lake Powell</td></tr>
<tr><td></td><td>• Shortages determined based on combined seven-reservoir storage and recent hydrology
• Shortages start at 80% full and increase linearly, subject to upward adjustment based on hydrology, reaching a maximum of 4.0 maf
• Shortages distributed based on priority, as described in Approach 1 of the Supply Driven Alternative</td><td>• Lake Powell releases determined based on total Upper Basin system storage and recent hydrology
• Releases subject to downward adjustment based on hydrology and range from 11.0 to 5.0 maf
• Releases switch to “run-of-river” when Lake Powell is at elevation 3,510 feet or lower</td><td>• Storage up to 8.0 maf in either Lake Powell or Lake Mead; excluded for purposes of determining Lake Powell releases and shortages
• Existing ICS converted to new mechanism over 5 years
• Extensive flexibilities for all users: transactions within and across basins, including interstate and inter-basin</td><td>• Surplus determinations limited to Flood Control conditions</td><td>• Average of 200 kaf of Upper Basin annual conservation based on hydrologic conditions contributed to the Lake Powell conservation pool</td></tr>
</table>

[3] These operational elements contain modeling assumptions for water deliveries to Mexico. Shortage volumes include assumptions related to reductions in water deliveries to Mexico. Lake Mead storage volumes for the Storage and Delivery of Conserved System and Non-system Water include assumptions related to storage available to Mexico. Surplus Guidelines include assumptions related to increased deliveries to Mexico. **Appendix A** provides additional detail. Reclamation’s modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

<table>
<tr><td>Supply Driven Alternative</td><td colspan="5">Annual Lake Powell releases are determined based on a 65 percent of 3-year-average natural flow at Lees Ferry. Lake Powell elevations could be increased by releases from CRSP Upper Initial Units within their respective RODs to protect infrastructure at Glen Canyon Dam. This alternative would include new delivery and storage mechanisms for Lake Powell and Lake Mead. Lower Basin shortages up to 2.1 maf would be triggered based on Lake Mead elevation. This alternative analyzes two approaches to shortage distribution: state-based combined with Lower Basin-wide priority and state-based combined with Lower Basin-wide pro rata.</td></tr>
<tr><td></td><td>Shortage Guidelines to Reduce Deliveries from Lake Mead[3]</td><td>Coordinated Reservoir Operations (Lake Powell and Lake Mead)</td><td>Storage and Delivery of Conserved System and Non-system Water[3]</td><td>Surplus Guidelines to Increase Deliveries/Releases from Lake Mead[3]</td><td>Additional Activities Above Lake Powell</td></tr>
<tr><td></td><td>• Shortages determined based on Lake Mead elevation
• Shortages start at 1,145 feet and reach a maximum of 2.1 maf at 1,000 feet and below</td><td>• Lake Powell releases determined primarily based on 65% of 3-year natural flows at Lees Ferry
• Releases range from 12.0 to 4.7 maf</td><td>• Storage up to 8.0 maf in Lake Mead; excluded for purposes of determining shortages
• Storage up to 3.0 maf at Lake Powell; included for purposes of determining Lake Powell releases
• Existing ICS converted to new mechanism over 10 years
• Expanded flexibilities: interstate exchanges within each basin</td><td>• Surplus determinations based on Lake Mead elevation at or above 1,165 feet, 70R (spill avoidance strategy) or Flood Control conditions</td><td>• Increased releases from CRSP Upper Initial Units by up to 500 kaf per year within their respective RODs and contingent on hydrologic conditions to protect infrastructure at Glen Canyon Dam
• Up to 200 kaf of Upper Basin annual conservation based on hydrologic conditions contributed to the Lake Powell conservation pool
• In years when Lake Powell cannot meet its required water year release because of low elevation, additional “gap water” is introduced into the system and tracked to be released in subsequent years</td></tr>
</table>

[3] These operational elements contain modeling assumptions for water deliveries to Mexico. Shortage volumes include assumptions related to reductions in water deliveries to Mexico. Lake Mead storage volumes for the Storage and Delivery of Conserved System and Non-system Water include assumptions related to storage available to Mexico. Surplus Guidelines include assumptions related to increased deliveries to Mexico. **Appendix A** provides additional detail. Reclamation’s modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

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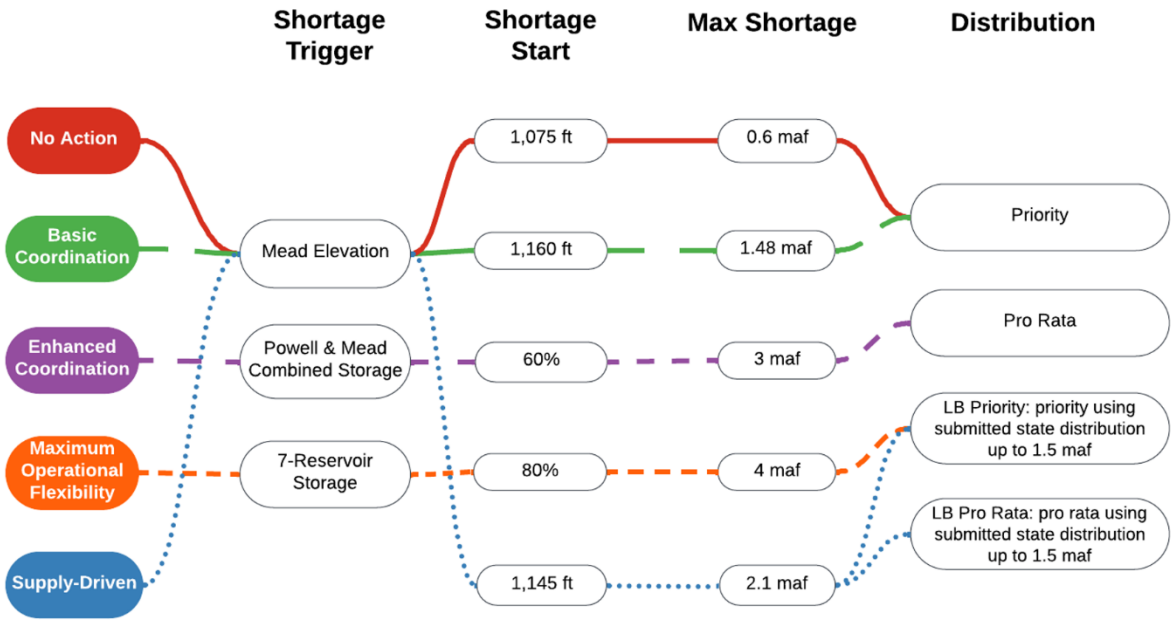
ES.2.3 Range of Alternatives

The Draft EIS incorporates a reasonable and broad range of alternatives in accordance with NEPA. It is important that the range is sufficient to cover reasonable permutations of operations and provide flexibility to incorporate public input between the Draft and Final EIS. The figures below demonstrate the broad range of operational approaches incorporated into the alternatives by summarizing them across the following categories: Lower Basin Shortage Guidelines, Coordinated Reservoir Operations, Lake Mead Storage and Delivery of Conserved Water, and Activities above Lake Powell. For each figure below, the individual lines connect each alternative with the approach(es) that Reclamation has analyzed within that alternative.

Lower Basin Shortage Guidelines

Figure ES-1, Lower Basin Shortage Guidelines, shows the range of approaches considered for factors that would trigger Lower Basin shortage, the level at which shortages would start, the maximum Lower Basin shortage amount, and the method(s) by which shortages would be distributed among Lower Basin water users.

Figure ES-1
Lower Basin Shortage Guidelines

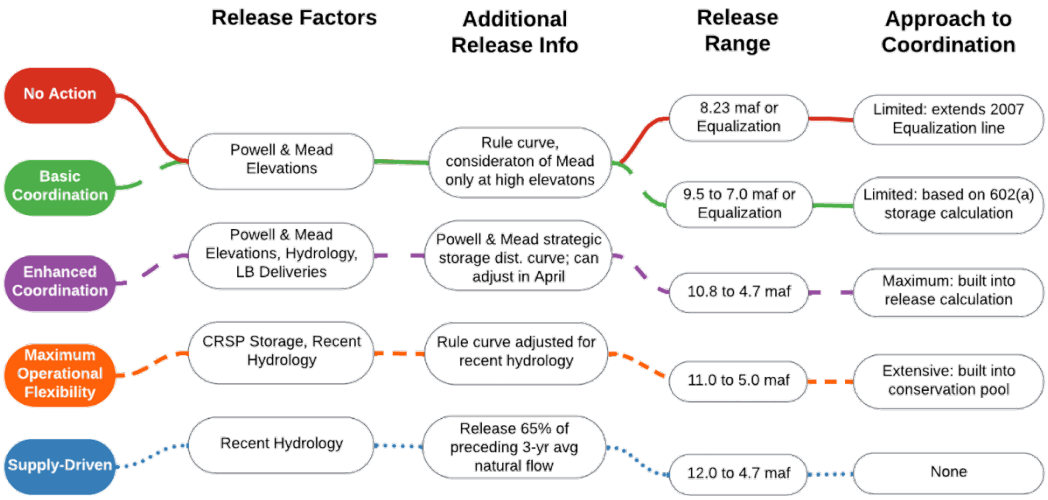


Notes: Additional restrictions in water deliveries will occur when Lake Mead is near dead pool, resulting in large reductions (referred to as "dead-pool related reductions"). These are not considered an operational element of the alternatives.
Shortage volumes include modeling assumptions for reductions in water deliveries to Mexico. Reclamation's modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

Coordinated Reservoir Operations

Figure ES-2, Coordinated Reservoir Operations, shows the range of approaches considered for the factors that would determine Lake Powell water year release volumes, additional information about the structure of operations, the range of water year release volumes that could occur based on those factors, and the approach to coordination of operations between Lake Powell and Lake Mead (that is, how dependent operations of Lake Powell would be on conditions at Lake Mead).

Figure ES-2
Coordinated Reservoir Operations

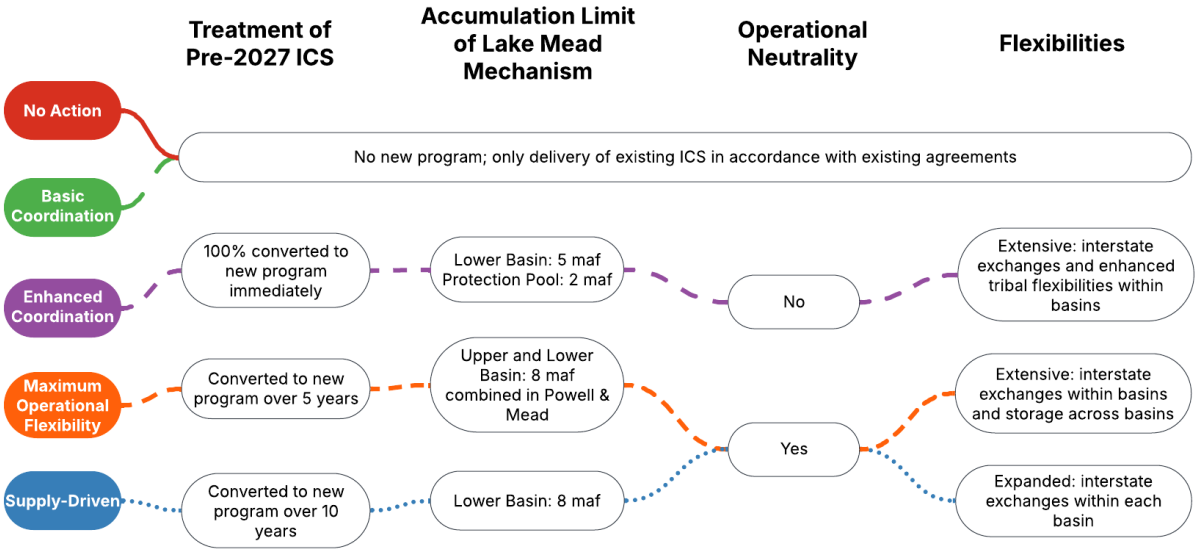


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Lake Mead Storage and Delivery of Conserved Water

Figure ES-3, Lake Mead Storage and Delivery of Conserved System Water, shows the range of approaches considered to incorporate this mechanism, including how Intentionally Created Surplus created prior to 2027 is converted into a new mechanism, the maximum amount of conserved water that could be stored in Lake Mead, whether stored conserved water is excluded from determinations of Lake Powell releases and shortage volumes ("operational neutrality"), and the level of flexibilities for transactions of stored conserved water between users. .

Figure ES-3
Lake Mead Storage and Delivery of Conserved System Water



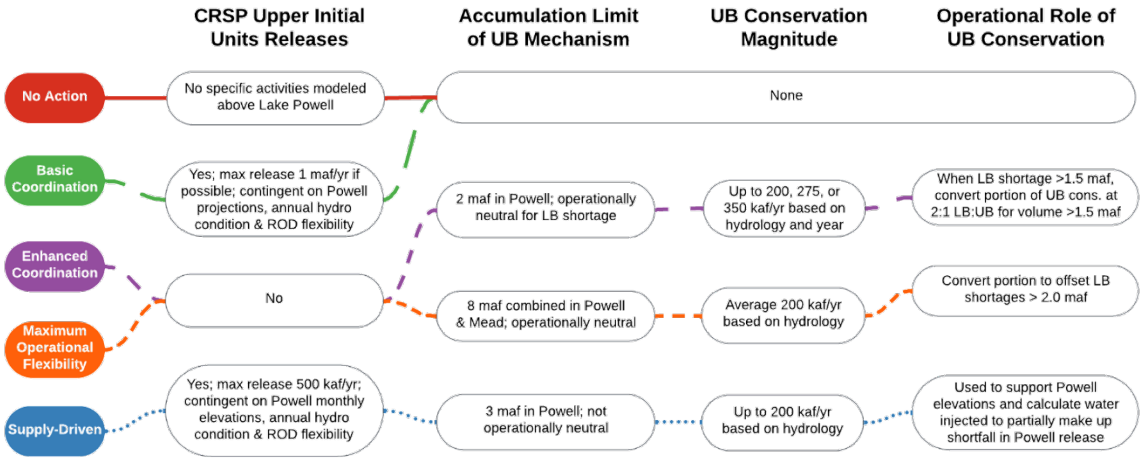
Note: Accumulation limits include modeling assumptions for storage available to Mexico. Reclamation's modeling assumptions are not intended to constitute an interpretation or application of the 1944 Water Treaty or to represent current United States policy or a determination of future United States policy regarding deliveries to Mexico. The United States will conduct all necessary and appropriate discussions regarding the proposed federal action and implementation of the 1944 Water Treaty with Mexico through the IBWC in consultation with the Department of State.

Activities Above Lake Powell

Figure ES-4, Activities Above Lake Powell, shows the range of approaches to releases from CRSP Upper Initial Units to protect Glen Canyon Dam infrastructure,[5] the maximum amount of conserved water that could be stored, assumptions about the amount of annual Upper Basin conservation, and rules for when Upper Basin conserved water would be converted to system water.

[5] CRSP Upper Initial Units include Flaming Gorge, Blue Mesa (a component of the Aspinall Unit), and Navajo reservoirs. Current RODs governing operations of these units were signed in 2006, 2012, and 2006, respectively.

Figure ES-4
Activities Above Lake Powell



ES.3 Potential Environmental Effects

ES.3.1 Analysis Methods

The analysis for this Draft EIS uses a Decision Making under Deep Uncertainty (DMDU) approach, drawn from a well-established branch of decision science, that is designed to account for uncertainty in future Basin conditions. The most impactful and largest source of uncertainty is future hydrology. Since 2000, hydrologic conditions drier than those in the previously observed record have continued to occur, confounding ongoing efforts to manage system risk. Reclamation began significant investments in research to improve hydrologic predictions and understanding of long-term supply outlooks in 2004, but there have been only limited improvements in prediction skill and long-term hydrologic projections continue to show a wide range of possibilities around the overall likelihood of a drier future. Therefore, long-term planning in the Basin must account for conditions of *deep uncertainty*, which occur when it is not possible to confidently assign probabilities to specific future conditions. Population growth and water use in the Basin also contribute to the challenge of planning for a deeply uncertain future.

Alongside research into understanding hydrologic uncertainty, Reclamation has also invested in decision science research through the development of DMDU methods that allow for reliable analysis despite the uncertainty. Development of DMDU applications in the Basin stems from a collaboration with the RAND Corporation during the 2012 Colorado River Basin Water Supply and Demand Study, when the methods were introduced into Reclamation's long-term planning. The DMDU framework used here enhances the ability to evaluate the robustness of the alternatives – that is, their ability to meet important performance objectives in a wide range of futures. It also supports the identification of future conditions that could cause vulnerability to critical system conditions. A focus on robustness and vulnerability prevent overreliance on the types of probabilistic risk projections that, in previous planning efforts, did not convey the actual risks facing the system and contributed to insufficient protection against the ongoing drought.

The hydrologic modeling performed for this analysis employs DMDU by testing the system in 1,200 potential futures that cover a wide range of hydrologic conditions and incorporate multiple sets of initial reservoir conditions that account for uncertainty about where the system will be in January 2027 when the new guidelines would take effect. This hydrologic modeling generated projections of future Colorado River system conditions (such as reservoir elevations, reservoir releases, and river flows) for the alternatives. These system projections serve as the basis for analyzing potential effects on other environmental resources (e.g., recreation, biological resources, and energy) and any associated resource specific models. For each resource, the analysis describes robustness across this wide range, identifies specific conditions that could cause vulnerability, and provides important context for interpreting those findings without overconfidently predicting system outcomes. This aligns with the guidance provided in Executive Order "Restoring Gold Standard Science" from May 2025, and provides a sound basis for comparing the alternatives' ability to meet key performance thresholds for resources throughout the Basin.

ES.3.2 Summary of Environmental Consequences

The analysis focuses on specific issues identified during internal and public scoping for all affected environmental resources (e.g., hydrologic, biologic, and socioeconomic). Resources considered but determined to not be significantly impacted by the action include transportation, noise, light, and minerals.

A summary of environmental consequences is provided in **Table ES-8**, Summary of Potential Effects of the Alternatives, located at the end of this Executive Summary. Performance indicators were developed to address the specific issues raised during scoping. Throughout, a higher percentage reflects better performance. Where quantitative or DMDU results are not possible, a qualitative description of potential impacts is provided. The affected environment and environmental consequences are discussed in detail in Chapter 3 and the associated resource appendices.

ES.4 Key Tradeoffs and Conclusions

The action alternatives together capture a wide range of concepts across the operational elements that make up an alternative; this operational variety produces a wide range of potential system outcomes. The following sections provide an overview of performance and vulnerability for long-term and near-term outlooks.

ES.4.1 Overview of Long-term Performance in Key Metrics

Figure ES-5 summarizes how the alternatives and the Continued Current Strategies Comparative Baseline[6] (labeled Cont. Current in the following figures and tables) perform over the next 20 years in five metrics that are represented by vertical axes. The metrics are described in **Table ES-2**. While there are many important metrics across Basin resources, these summarize the high-level system impacts that propagate through all resources. As described in **Table ES-2**, these elevations have

[6] This scenario represents no changes from current operations and relies on strategies and agreements that expire in 2026. It is provided as a comparative baseline to inform an understanding of how the alternatives perform relative to current operations.

particular operational relevance, and comparing alternative performance relative to these elevations provides meaningful insight. In practice, operational implementation would include identifying elevations above critical thresholds (i.e., 3,490 feet and 950 feet) at which additional responsive actions could be taken in advance to avoid reaching those critical elevations. The "buffer" elevations shown in **Table ES-2** (i.e., 3,500 feet and 975 feet) do not represent an operational decision for actual implementation; rather, they are used solely for analytical purposes in this Draft EIS.

Table ES-2
High Level Performance Metrics Included in Figure ES-5

Metric Name	Description
Percent of months in which Lake Powell stays above elevation 3,500 feet	Elevation 3,500 feet provides a buffer above 3,490 feet, below which infrastructure may be critically impacted and hydropower cannot be produced at Glen Canyon Dam
Percent of months in which Lake Mead stays above elevation 975 feet	Elevation 975 feet provides a buffer above 950 feet, below which infrastructure may be critically impacted and hydropower cannot be produced at Hoover Dam
Percent of years in which Lake Mead dead pool-related reductions[7] are avoided	Delivery reductions due to Lake Mead being near dead pool (elevation 895 feet) resulting in large magnitudes of reductions to Lower Basin water users
Average annual shortage	The average annual shortage that occurs under each alternative provides important summary information for Lower Basin water users and context for reservoir-based performance
Average water year releases from Glen Canyon Dam	The average water year release from Glen Canyon Dam that occurs under each alternative provides important context for reservoir-based performance

In **Figure ES-5**, the performance of each alternative is captured by a colored, segmented line that crosses the axes at different vertical positions, where the height denotes performance. Crossing lines are a visual cue that there is a tradeoff between different performance metrics. The five-metric performance summary is divided into three categories of long-term future hydrology,[8] summarized in **Table ES-3**. Results are divided into these categories to demonstrate how the alternatives respond under different assumptions about long-term hydrologic conditions and to explore the impacts of hydrology on performance tradeoffs.

[7] Dead pool and Hoover Dam infrastructure can start to impact Lake Mead's ability to make deliveries to the Lower Basin at elevation 950 feet. Restrictions in water deliveries will occur when Lake Mead is near dead pool, resulting in large reductions (referred to as "dead-pool related reductions"). Although not considered an operational element of the alternatives, accounting for such reductions is an important performance metric.
[8] Wetter futures were also tested and are included in the impact analysis; however, for this analysis the hydrologic categories shown are most informative.

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Figure ES-5
Key Performance Tradeoffs in Different Hydrologic Conditions

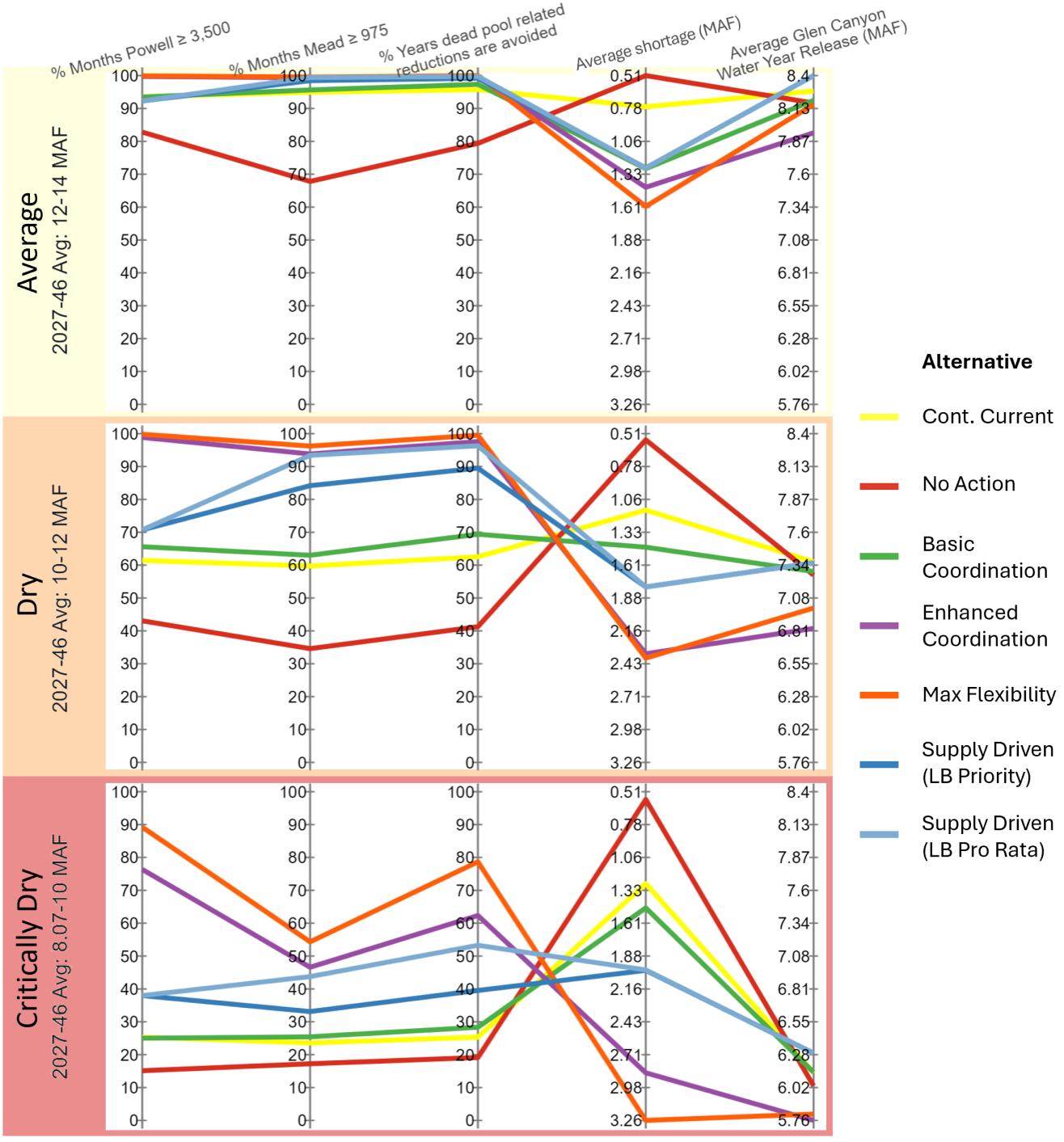


Table ES-3
Hydrologic Categories Included in Figure ES-5

Long-Term Hydrologic Category	Average Annual Simulated Lees Ferry Flow, 2027-2046 (maf)
Average[9]	12-14
Dry	10-12
Critically Dry	<10

A key performance tradeoff demonstrated by **Figure ES-5** is the tradeoff between percent of years in which critical reservoir elevations and dead pool-related reductions are avoided (first three axes from left) and average shortage (fourth axis from left). In the Average hydrologic category, this stands out as a difference between the No Action Alternative and the other alternatives, but in the Dry and Critically Dry hydrologic categories, the performance differences between the action alternatives becomes clearer and the tradeoffs (indicated by the crossing lines) become steeper: the Maximum Operational Flexibility and Enhanced Coordination alternatives incorporate large shortages and better protect the reservoirs, Supply Driven and Basic Coordination have lower volumes of shortage and lower reservoir protection, and No Action provides minimal protection and results in a high frequency of dead pool-related reductions while imposing minimal shortage. Differences in performance between Supply Driven (Lower Basin [LB] Priority approach) and the Supply Driven (LB Pro Rata approach) are primarily due to differing assumptions regarding the use of the storage and delivery mechanism for conserved water.

In Dry hydrologic futures, Maximum Operational Flexibility and Enhanced Coordination show that lower water year releases from Glen Canyon Dam provide more protection to keep Lake Powell above 3,500 feet, while the higher water year releases in Basic Coordination and Supply Driven result in significantly higher frequencies of Lake Powell falling below 3,500 feet. In the Critically Dry hydrologic category, water year releases are low across all alternatives, but, for Basic Coordination and Supply Driven, this is driven largely by critically low Lake Powell elevations and thus constrained release volumes in over 60 percent of months.

The effectiveness of large shortages at preventing dead pool-related delivery reductions is clearest in the Critically Dry hydrologic category, where Maximum Operational Flexibility and Enhanced Coordination rely on large average shortages to significantly outperform the other alternatives in avoiding dead pool-related reductions. However, even these two more protective alternatives would experience Lake Mead elevations below 975 feet in over 50 percent of months if future conditions are similar to those in the Critically Dry hydrologic category.

[9] The 20-year average Lees Ferry natural flow is 12.7 maf in 2025. Since 2004, the 20-year running average has been in the Average hydrologic category in 21 out of 22 years, with one year slightly above 14 maf. Since 2018, the 20-year averages have been predominantly between 12 and 13 maf.

The analysis related to **Figure ES-5** examines tradeoffs and the influence of different long-term hydrologic scenarios on the alternatives' performance in important metrics. **Table ES-4** and **Table ES-5**, below, provide insight into what specific long-term hydrology is likely to cause the system to be vulnerable to critical conditions under different alternatives and whether those conditions are similar to anything from the observed record. This context is helpful in understanding whether the conditions leading to vulnerability could be reasonably expected based on history.[10] Based on analysis of 1,200 modeled futures (which include system projections resulting from three sets of 2027 initial reservoir elevations), an average-flow threshold was identified for each alternative that skillfully predicted the occurrence of a critical system condition at least once within 20 years of implementation (between 2027 and 2046).

Table ES-4
Vulnerability to Lake Powell Falling Below Elevation 3,500 Feet at Least Once in the First 20 Years and Comparison to Historical Conditions

Alternative	Water Year 2027-2046 Average Natural Flow that Could Cause Vulnerability (maf/yr)	Number of Years Below Threshold 2000-2024 *(Historical Data)*	Number of Years Below Threshold 1906-2024 *(Historical Data)*
Cont. Current	≤13.1	8	12
No Action	≤18.6	25	100
Basic Coordination	≤13.1	8	12
Enhanced Coordination	≤9.7	0	0
Max Flexibility	≤9.0	0	0
Supply Driven (LB Priority)	≤13.9	18	40
Supply Driven (LB Pro Rata)	≤13.9	18	40

Table ES-5
Vulnerability to Lake Mead Falling Below Elevation 975 Feet at Least Once in the First 20 Years and Comparison to Historical Conditions

Alternative	Water Year 2027-2046 Average Natural Flow that Could Cause Vulnerability (maf/yr)	Number of Years Below Threshold 2000-2024 *(Historical Data)*	Number of Years Below Threshold 1906-2024 *(Historical Data)*
Cont. Current	≤12.5	1	1
No Action	≤15.8	24	81
Basic Coordination	≤12.0	0	0
Enhanced Coordination	≤10.9	0	0
Max Flexibility	≤10.2	0	0
Supply Driven (LB Priority)	≤11.3	0	0
Supply Driven (LB Pro Rata)	≤10.5	0	0

[10] Information about how the vulnerability thresholds compare to projections of future conditions, which include the potential for a drier future, can be found in Technical Appendix 3 – Hydrologic Resources.

With respect to Lake Powell falling below elevation 3,500 feet at least once in the next 20 years, the Supply Driven Alternative is most vulnerable action alternative: under these operations, Lake Powell would likely fall to critical elevations if the 20-year average natural flow at Lees Ferry is 13.9 maf or lower. Hydrologic conditions this dry or drier occurred in 18 years since 2000. With respect to Lake Mead falling below elevation 975 feet at least once in the next 20 years, the flow thresholds indicating vulnerability are drier for all of the action alternatives than any observed historical conditions.

ES.4.2 Near-term Vulnerability

The guidelines adopted through the post-2026 process are likely to face an early test as they begin 2027 operations with low elevations at Lake Powell and Lake Mead. It is useful to understand what hydrology could cause the same critical system conditions examined above to occur under each alternative within the first five years of operations. **Table ES-6** and **Table ES-7** compare the vulnerability thresholds between alternatives in the context of historical conditions. These results only include system projections resulting from the low 2027 initial reservoir elevations. For context, the 5-year average Lees Ferry natural flow is 11.1 maf in 2025.

With respect to Lake Powell falling below elevation 3,500 feet at least once in the next five years, the Supply Driven and Basic Coordination alternatives are equally vulnerable: under these operations, Lake Powell would likely fall to critical elevations if the average natural flow at Lees Ferry from 2027 to 2031 is 11.3 maf or lower. Hydrologic conditions this dry or drier occurred in six years since 2000. With respect to Lake Mead falling below elevation 975 feet at least once in the next five years, the Basic Coordination Alternative is the most vulnerable; Lake Mead would likely fall to critical elevations if the average flow from 2027 to 2031 is 10.2 maf or drier. These conditions have occurred in one year since 2000.

Table ES-6
Vulnerability to Lake Powell Falling Below Elevation 3,500 Feet at Least Once in the First Five Years and Comparison to Historical Conditions

Alternative	Water Year 2027-2031 Average Natural Flow that Could Cause Vulnerability (maf/yr)	Number of Years Below Threshold 2000-2024 *(Historical Data)*	Number of Years Below Threshold 1906-2024 *(Historical Data)*
Cont. Current	≤10.9	4	5
No Action	≤12.9	13	29
Basic Coordination	≤11.3	6	7
Enhanced Coordination	≤8.6	0	0
Max Flexibility	≤8.2	0	0
Supply Driven (LB Priority)	≤11.3	6	7
Supply Driven (LB Pro Rata)	≤11.3	6	7

Table ES-7
Vulnerability to Lake Mead Falling Below Elevation 975 Feet at Least Once in the First Five Years and Comparison to Historical Conditions

Alternative	Water Year 2027-2031 Average Natural Flow that Could Cause Vulnerability (maf/yr)	Number of Years Below Threshold 2000-2024 *(Historical Data)*	Number of Years Below Threshold 1906-2024 *(Historical Data)*
Cont. Current Strategies	≤10.9	3	5
No Action	≤12.5	11	25
Basic Coordination	≤10.2	1	1
Enhanced Coordination	≤9.2	0	0
Max Flexibility	≤9.1	0	0
Supply Driven (LB Priority)	≤10.0	1	1
Supply Driven (LB Pro Rata)	≤8.7	0	0

ES.4.3 Conclusions

A number of reservoir and water management decisional documents and agreements that govern operation of Colorado River facilities and management of Colorado River water are currently scheduled to expire at the end of 2026. The Secretary, acting through Reclamation, proposes adoption of new guidelines and coordinated management strategies to address Lake Powell and Lake Mead through their full operating range, to be implemented upon the expiration of the existing guidelines and agreements. Management strategies will primarily focus on the operation of Glen Canyon Dam and Hoover Dam but may include actions upstream and downstream of these facilities to protect critical reservoir elevations.

Since the adoption of the current guidelines in 2007, unprecedented drought has changed the Basin's understanding of hydrology. Hydrologic conditions drier than those in the previously observed record have continued to occur, confounding ongoing efforts to manage system risk. This reality poses both near and long-term challenges in managing the Colorado River system to continue to provide predictability and certainty to Basin water users as well as operating flexibility to conserve and enhance water storage in Colorado River system reservoirs.

This Draft EIS analyzes a broad range of reasonable alternatives for the operational elements identified in the proposed federal action. These alternatives were developed through extensive engagement with a wide range of partners and stakeholders as well as the general public during a timeframe of over three years. Despite this extensive engagement, this Draft EIS does not identify a Preferred Alternative due to the current absence of a consensus-based approach to post-2026 reservoir operations among Basin entities. Reclamation anticipates identifying a Preferred Alternative after publication of this Draft EIS that incorporates elements or variations of the Draft EIS alternatives, which would then be fully analyzed in the Final EIS.

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Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

ES.5 Summary of Potential Effects

Table ES-8
Summary of Potential Effects of the Alternatives

Hydrology

Impact Category	Performance Indicator[1]	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Reservoir Elevations	Lake Powell end-of-water-year (EOWY) elevations in the critically dry flow category	**Lowest** elevations in the critcally dry flow category	**Second lowest** elevations in the critcally dry flow category	**Highest** elevations in the critcally dry flow category	**Second highest** elevations in the critcally dry flow category	**Tied in the middle** performing for elevations in the critcally dry flow category	**Tied in the middle** performing for elevations in the critcally dry flow category
	Percent of modeled futures in which *Lake Powell elevation stays above 3,500 feet 100% of the time*. The higher the percentage, the more likely Lake Powell will remain above the minimum power pool (3,490 feet) under most future hydrologic scenarios.	**20%** of modeled futures meet *the preferred minimum performance*.	**25%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**87%** of modeled futures meet *the preferred minimum performance*.	**24%** of modeled futures meet *the preferred minimum performance*.	**24%** of modeled futures meet *the preferred minimum performance*.
	Lake Mead end-of-calendar-year (EOCY) elevations in all flow categories	**Lowest** elevations in all flow categories	**Second lowest** elevations in all flow categories	**Third lowest** elevations in all flow categories	**Third highest** elevations in all flow categories	**Second highest** elevations in all flow categories	**Highest** elevations in all flow categories
	Percent of futures in which *Lake Mead elevation stays above 975 feet 100% of the time*. The higher the percentage, the more likely Lake Mead will remain above the minimum power pool (950 feet) under most future hydrologic scenarios.	**25%** of modeled futures meet *the preferred minimum performance*.	**58%** of modeled futures meet *the preferred minimum performance*.	**75%** of modeled futures meet *the preferred minimum performance*.	**79%** of modeled futures meet *the preferred minimum performance*.	**71%** of modeled futures meet *the preferred minimum performance*.	**80%** of modeled futures meet *the preferred minimum performance*.
	Lake Mohave and Lake Havasu end of year elevations.	No impact; the existing rule curves continue to determine elevations.					
System Storage	Lake Powell + Lake Mead combined storage capacity (median values across all flow categories)	**Lowest** combined storage in all flow categories	**Second lowest** combined storage in all flow categories	**Second highest** combined storage in all flow categories	**Highest** combined storage in all flow categories	**Third lowest** combined storage in all flow categories	**Third highest** combined storage in all flow categories
	CRSP Reservoir (Flaming Gorge, Navajo, Blue Mesa, and Powell) combined storage capacity (median values across all flow categories)	**Highest** combined storage in the two wettest flow categories. **Third highest** combined storage in the average and two driest flow categories.	**Second lowest** combined storage in all flow categories except the dry and critically dry flow categories, where it is the **lowest**.	**Third highest** storage in the two wettest flow categories **Highest** combined storage in the average and two driest flow categories.	**Second highest** combined storage in all flow categories	**Lowest** combined storage in wet, moderately wet, and average flow categories (same as Supply Driven Alternative [LB Pro Rata approach])	**Lowest** combined storage in wet, moderately wet, average, and critically dry flow categories (same as Supply Driven Alternative [LB Priority approach])

Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

Impact Category	Performance Indicator[1]	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
System Storage *(continued)*	Seven-Reservoir (Flaming Gorge, Navajo, Blue Mesa, Powell, Mead, Mohave, and Havasu) combined storage capacity (median values across all flow categories)	**Lowest** combined storage in all flow categories	**Second lowest** combined storage in all flow categories	**Second highest** combined storage in all flow categories	**Highest** combined storage in all flow categories	**Third lowest** combined storage in all flow categories	**Third highest** combined storage in all flow categories
Reservoir Releases	Annual Glen Canyon Dam EOWY releases under average and critically dry hydrology conditions (median values)	Releases of 8.23 maf in the average flow category. Releases of 6.26 maf the critically dry flow category.	Releases of 8.23 maf in the average flow category. Releases of 6.82 maf in the critically dry flow category.	Releases of 7.87 maf in the average flow category. Releases of 5.11 maf in the critically dry flow category.	Releases of 8.17 maf in the average flow category. Releases of 5.68 maf in the critically dry flow category.	Releases of 8.39 maf in the average flow category. Releases of 5.96 maf in the critically dry flow category.	Releases of 8.39 maf in the average flow category. Releases of 5.96 maf in the critically dry flow category.
	10-year Glen Canyon Dam releases under average and critically dry hydrology conditions (median values)	Releases of 82.2 maf in the average flow category. Releases of 74.5 maf Releases in the critically dry flow category.	Releases of 81.5 maf in the average flow category. Releases of 74.7 maf in the critically dry flow category.	Releases of 79.8 maf in the average flow category. Releases of 69.0 maf in the critically dry flow category.	Releases of 80.9 maf in the average flow category. Releases of 70.8 maf in the critically dry flow category.	Releases of 83.0 maf in the average flow category. Releases of 73.4 maf in the critically dry flow category.	Releases of 83.0 maf in the average flow category. Releases of 73.4 maf in the critically dry flow category
	10-year Lee Ferry Compact Point flow volumes under average and critically dry hydrology conditions (median values)	Flows of 83.6 maf in the average flow category. Flows of 76.0 maf in the critically dry flow category.	Flows of 83.0 maf in the average flow category. Flows of 76.2 maf in the critically dry flow category.	Flows of 81.3 maf in the average flow category. Flows of 70.4 maf in the critically dry flow category.	Flows of 82.3 maf in the average flow category. Flows of 72.4 maf in the critically dry flow category.	Flows of 84.6 maf in the average flow category. Flows of 74.9 maf in the critically dry flow category.	Flows of 84.6 maf in the average flow category. Flows of 74.9 maf in the critically dry flow category.
	Annual EOCY Hoover Dam releases under critically dry hydrology conditions (median values)	Releases of 8.7 maf in the average flow category. Flows of 7.1 maf in the critically dry flow category.	Releases of 8.1 maf in the average flow category. Flows of 7.7 maf in the critically dry flow category.	Releases of 7.7 maf in the average flow category. Flows of 6.6 maf in the critically dry flow category.	Releases of 7.8 maf in the average flow category. Flows of 6.6 maf in the critically dry flow category.	Releases of 7.8 maf in the average flow category. Flows of 7.3 maf in the critically dry flow category.	Releases of 7.7 maf in the average flow category. Flows of 7.2 maf in the critically dry flow category.
	Annual EOCY Davis Dam releases under average and critically dry hydrology conditions (median values)	Releases of 8.6 maf in the average flow category. Releases of 7.0 maf in the critically dry flow category.	Releases of 8.0 maf in the average flow category. Releases of 7.6 maf in the critically dry flow category.	Releases of 7.5 maf in the average flow category. Releases of 6.5 maf in the critically dry flow category.	Releases of 7.7 maf in the average flow category. Releases of 6.5 maf in the critically dry flow category.	Releases of 7.7 maf in the average flow category. Releases of 7.2 maf in the critically dry flow category.	Releases of 7.6 maf in the average flow category. Releases of 7.1 maf in the critically dry flow category.
	Annual EOCY Parker Dam releases under average and critically dry hydrology conditions (median values)	Releases of 6.6 maf in the average flow category. Releases of 5.9 maf in the critically dry flow category.	Releases of 6.5 maf in the average flow category. Releases of 6.3 maf in the critically dry flow category.	Releases of 5.5 maf in the average flow category. Releases of 4.7 maf in the critically dry flow category.	Releases of 6.3 maf in the average flow category. Releases of 5.8 maf in the critically dry flow category.	Releases of 6.3 maf in the average flow category. Releases of 6.1 maf in the critically dry flow category.	Releases of 5.8 maf in the average flow category. Releases of 5.5 maf in the critically dry flow category.

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Impact Category	Performance Indicator[1]	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
River Flows	River flows in Reach 1 (Glen Canyon Dam to Lake Mead).	**Second highest** river flows in the critically dry flow category. Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.	**Highest** river flows in the critically dry flow category. Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.	**Lowest** river flows in the critically dry flow category. Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.	**Second lowest** river flows in the critically dry flow category. Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.	**Third lowest** river flows in the critically dry flow category (same as Supply Driven Alternative [LB Pro Rata approach]) Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.	**Third lowest** river flows in the critically dry flow category (same as Supply Driven Alternative [LB Priority approach]) Mirrors trends for releases from Glen Canyon Dam. River flows decrease as flow categories get drier.
	River flows in Reach 2 (Hoover Dam to Lake Mohave)	**Second lowest** river flows in the critically dry flow category. Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.	**Highest** river flows in the dry flow category. Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.	**Tied lowest** river flows in the dry flow category (same as Maximum Flexibility). Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.	**Tied lowest** river flows in the dry flow category (same as Enhanced Coordination). Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.	**Second highest** river flows in the dry flow category. Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.	**Third highest** river flows in the dry flow category. Mirrors trends for releases from Hoover Dam. River flows decrease as flow categories get drier.
	River flows in Reach 3 (Davis Dam to Lake Havasu)	**Second lowest** river flows in the dry flow category. Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.	**Highest** river flows in the dry flow category. Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.	**Tied lowest** river flows in the dry flow category (same as Maximum Flexibility). Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.	**Tied lowest** river flows in the dry flow category (same as Enhanced Coordination). Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.	**Second highest** river flows in the dry flow category. Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.	**Third highest** river flows in the dry flow category. Mirrors trends for releases from Davis Dam. River flows decrease as flow categories get drier.
	River flows in Reach 4 (Parker Dam to Cibola Gage)	**Third highest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.	**Highest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.	**Lowest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.	**Third lowest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.	**Second highest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.	**Second lowest** river flows in the dry flow category. Mirrors trends for releases from Parker Dam. River flows decrease as flow categories get drier.
	River flows in Reach 5 (Cibola Gage to Imperial Dam)	**Third highest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.	**Highest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.	**Lowest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.	**Third lowest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.	**Second highest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.	**Second lowest** river flows in the dry flow category. Mirrors trends for river flows in Reach 4. River flows decrease as flow categories get drier.

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Impact Category	Performance Indicator[1]	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
River Flows *(continued)*	River flows in Reach 6 (Imperial Dam to Northerly International Boundary [NIB])	Among the **middle** performing. Releases of 1.1 maf in the middle flow category.	Among the **middle** performing Releases of 1.0 maf in the middle flow category.	Among the **middle** performing Releases of 1.0 maf in the middle flow category.	**Lowest** river flows in all flow categories. Releases of 0.9 maf in the middle flow category.	Among the **middle** performing**.** Releases of 1.0 maf in the middle flow category.	**Highest** river flows in all flow categories. Releases of 1.1 maf in the middle flow category.
	River flows in Reach 7 (NIB to SIB)	Flows below Morelos Dam are infrequent under all flow categories. **Least likely** for infrequent flows to occur in the wetter flow categories.	Flows below Morelos Dam are infrequent under all flow categories. Among the **middle** performing for infrequent flows to occur in the wetter flow categories.	Flows below Morelos Dam are infrequent under all flow categories. Among the **middle** performing for infrequent flows to occur in the wetter flow categories.	Flows below Morelos Dam are infrequent under all flow categories. Among the **middle** performing for infrequent flows to occur in the wetter flow categories.	Flows below Morelos Dam are infrequent under all flow categories. **Most likely** for infrequent flows to occur in the wet flow category.	Flows below Morelos Dam are infrequent under all flow categories. **Most likely** for infrequent flows to occur in the wet flow category.
Groundwater	Groundwater in Reach 1 (Glen Canyon Dam to Lake Mead).	**Least** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.	**Second least** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.	**Second most** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.	**Most** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.	**Tied third least** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.	**Tied third least** robust at keeping elevations above 3,500 feet, changes to groundwater levels adjacent to Lake Powell may be affected by changes in reservoir elevations. Groundwater elevations through Grand Canyon are not anticipated to be affected.
	Groundwater in Reach 2 (Hoover Dam to Lake Mohave)	Groundwater elevations through this reach are not anticipated to be affected.	Groundwater elevations through this reach are not anticipated to be affected.	Groundwater elevations through this reach are not anticipated to be affected.	Groundwater elevations through this reach are not anticipated to be affected.	Groundwater elevations through this reach are not anticipated to be affected.	Groundwater elevations through this reach are not anticipated to be affected.
	Groundwater in Reach 3 (Davis Dam to Lake Havasu)	**Second lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.	**Highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.	**Tied lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.	**Tied lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.	**Second highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.	**Third highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage. Groundwater elevations adjacent to Lake Havasu are not anticipated to be affected.

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Impact Category	Performance Indicator[1]	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Groundwater *(continued)*	Groundwater in Reach 4 (Parker Dam to Cibola Gage)	**Third highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Third lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Second highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Second lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.
	Groundwater in Reach 5 (Cibola Gage to Imperial Dam)	**Third highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Third lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Second highest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.	**Second lowest** river flows in reach; changes to groundwater levels adjacent to the river may be affected by changes in river stage.
	Groundwater in Reach 6 (Imperial Dam to NIB)	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.	Most of the river channel is bypassed with a series of canals and sluiceways. Groundwater elevations through this reach are not anticipated to be affected.
	Groundwater in Reach 7 (NIB to SIB)	**Least likely** for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.	Among the **middle** performing for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.	Among the **middle** performing for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.	Among the **middle** performing for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.	**Most likely** for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.	**Most likely** for infrequent flows to occur in this reach. Groundwater in the southern reach of the limitrophe may be affected by decreased flows.

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Water Deliveries

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Apportionments	Upper Division States	No impact	No impact	No impact	No impact	No impact	No impact
	Lower Division States	Shortages are distributed based on priority.	Shortages are distributed based on priority.	Shortages are distributed pro rata.	Shortages are distributed based on priority.	Shortages are distributed based on priority.	Shortages are distributed pro rata.
Lower Division States Water Supply Determinations and Total Water Deliveries	Percent of modeled futures in which *dead pool-related reductions are avoided in 100% of years*. The higher the percentage, the more likely dead pool-related reductions are avoided.	**30%** of modeled futures meet *the preferred minimum performance*.	**62%** of modeled futures meet *the preferred minimum performance*.	**84%** of modeled futures meet *the preferred minimum performance*.	**91%** of modeled futures meet *the preferred minimum performance*.	**76%** of modeled futures meet *the preferred minimum performance*.	**85%** of modeled futures meet *the preferred minimum performance*.
	Effects of modeling assumptions for Upper and Lower Basin conservation activity (comparison of shortage and depletion results when turning conservation activity on and off).	Median reductions remain **similar** with conservation on or off.[11]	Median reductions remain **similar** with conservation on or off.[1]	Median reductions **slightly higher with conservation on** compared to conservation off in **wetter flow** categories. Median reductions **slightly higher with conservation off** compared to conservation on in **drier flow categories**.	Median reductions **slightly higher with conservation on** compared to conservation off in **wetter flow** categories. Median reductions **slightly higher with** conservation **off** compared to conservation on in **drier flow categories**.	Median reductions **slightly higher with conservation on** compared to conservation off	Median reductions **slightly higher with conservation on** compared to conservation off
	Maximum shortage (maf) where shortage is any modeled reduction to the ability of an entitlement holder to exercise an entitlement as described in the assumptions of the model	Total Lower Basin: 0.60 Arizona: 0.47 California: 0.00 Nevada: 0.03	Total Lower Basin: 1.48 Arizona: 1.15 California: 0.00 Nevada: 0.08	Total Lower Basin: 3.00 Arizona: 0.93 California: 1.47 Nevada: 0.10	Total Lower Basin: 4.00 Arizona: 1.93 California: 1.28 Nevada: 0.20	Total Lower Basin: 2.10 Arizona: 1.22 California: 0.44 Nevada: 0.09	Total Lower Basin: 2.10 Arizona: 0.92 California: 0.76 Nevada: 0.07
	Annual volume of Lower Basin shortage and dead pool-related reductions under critically dry hydrologic conditions (median values). Volumes are expressed as a total volume of reductions to the Lower Basin, including Mexico.	Median reductions increase as flow categories become drier. Shortage: 0.6 maf **Lowest** Dead pool-related reductions: 1.7 maf **Highest**	Median reductions increase as flow categories become drier. Shortage: 1.48 maf **Second lowest** Dead pool-related reductions: 0 maf **Tied lowest**	Median reductions increase as flow categories become drier. Shortage: 2.93 maf **Second highest** Dead pool-related reductions: 0 maf **Tied lowest**	Median reductions increase as flow categories become drier. Shortage: 2.98 maf **Highest** Dead pool-related reductions: 0 maf **Tied lowest**	Median reductions increase as flow categories become drier. Shortage: 1.95 maf **Third highest** Dead pool-related reductions: 0 maf **Tied lowest**	Median reductions increase as flow categories become drier. Shortage: 1.94 maf **Third lowest** Dead pool-related reductions: 0 maf **Tied lowest**

[11] While the No Action and Basic Coordination alternatives do not include mechanisms to conserve and store water in Lake Powell or Lake Mead, the model does include assumptions for the delivery of existing ICS that was conserved prior to 2027. In the conservation-off results, activity related to pre-2027 conservation is turned off for all the alternatives and the CCS Comparative Baseline. Refer to **TA 4**, Water Deliveries, for more details.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Lower Division States Water Supply Determinations and Total Water Deliveries *(continued)*	Annual shortage by state under critically dry hydrology conditions (median values). Values are reported as percent of apportionment.	Arizona: 16.7% **Lowest** California: 0% **Lowest** Nevada: 11% **Lowest**	Arizona: 41.1% **Second highest** California: 0% **Lowest** Nevada: 27.2% **Third highest**	Arizona: 32.6% **Third lowest** California: 32.6% **Highest** Nevada: 32.6% **Second highest**	Arizona: 57.8% **Highest** California: 16.4% **Second highest** Nevada: 45.9% **Highest**	Arizona: 39.7% **Third highest** California: 10% **Second lowest** Nevada: 25.5% **Third lowest**	Arizona: 31.4% **Second lowest** California: 15.3% **Third lowest** Nevada: 21.5% **Second lowest**
	Annual depletions (reported as percent of apportionment) by state under critically dry hydrology conditions (median values). Depletion is defined as total consumptive use (such as the amount of water diverted from the river) minus the return flow.	Arizona: 54.6% **Second Lowest** California: 89.0% **Second highest** Nevada: 64.2% **Lowest**	Arizona: 58.9% **Third highest** California: 100% **Highest** Nevada: 83.3% **Third Lowest**	Arizona: 71.3% **Highest** California: 66.6% **Lowest** Nevada: 89.2% **Third highest**	Arizona: 42.5% **Lowest** California: 82.0% **Second Lowest** Nevada: 72.1% **Second Lowest**	Arizona: 57.4% **Third Lowest** California 87.0% **Third highest** Nevada: 89.7% **Second highest**	Arizona: 63.0% **Second highest** California: 84.0% **Third Lowest** Nevada: 96.4% **Highest**
Deliveries to Mexico	Annual delivery reduction under critically dry hydrology (median values). Values are reported as percent of allotment.	6.7% **Lowest**	16.4% **Second Lowest**	32.6% **Second highest**	33.1% **Highest**	21.7% **Third highest**	21.5% **Third Lowest**
	Annual depletions under critically dry hydrology (median values). Values are reported as percent of allotment.	75.0% **Third Lowest**	83.6% **Highest**	68.1% **Second Lowest**	66.1% **Lowest**	83.3% **Second highest**	83.3% **Second highest**
Lower Division States Combined Shortages	Shortage Allocation Model (SAM) and Alternative Distribution Model (ADM) estimated shortage impacts by water user type (Tribal, Domestic, and Non-Tribal Irrigation) under shortage conditions over a specified range of shortage volumes	Tribal: 241 kaf Domestic: 277 kaf Non-Tribal Irrigation: 6 kaf	Tribal: 241-489 kaf Domestic: 277-752 kaf Non-Tribal Irrigation: 6-34 kaf	Tribal: 76-378 kaf Domestic: 109-546 kaf Non-Tribal Irrigation: 316-1,578 kaf	Tribal: 209-582 kaf Domestic: 313-1,501 kaf Non-Tribal Irrigation: 2-1,211 kaf	Tribal: 209-510 kaf Domestic: 313-1,179 kaf Non-Tribal Irrigation: 2-88 kaf	Tribal: 139-357 kaf Domestic: 155-449 kaf Non-Tribal Irrigation: 206-944 kaf

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Geomorphology and Sediment

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Water Availability	Percent of modeled futures in which *Lake Powell exceeds 3,500 feet in November or April (or both) in 100 percent of years*.	**25%** of modeled futures meet *the preferred minimum performance*.	**37%** of modeled futures meet *the preferred minimum performance*.	**87%** of modeled futures meet *the preferred minimum performance*.	**91%** of modeled futures meet *the preferred minimum performance*.	**30%** of modeled futures meet *the preferred minimum performance*.	
Sand Mass	Percent of modeled futures in which the *monthly Glen Canyon Dam releases are less than 900,000 acre-feet (approximately 15,000 cfs) in at least 90 percent of months*. In other words, Glen Canyon Dam release rates are non-erosive in at least 90 percent of the simulation period.	**10%** of modeled futures meet *the preferred minimum performance*.	**28%** of modeled futures meet *the preferred minimum performance*.	**59%** of modeled futures meet *the preferred minimum performance*.	**20%** of modeled futures meet *the preferred minimum performance*.	**8%** of modeled futures meet *the preferred minimum performance*.	
	Percent of modeled futures in which the *sand mass in Marble Canyon exceeds 294,000 metric tons, the average transport capacity for a 60-hour duration HFE, in November or April at least once every four years*.	**43%** of modeled futures meet *the preferred minimum performance*.	**47%** of modeled futures meet *the preferred minimum performance*.	**47%** of modeled futures meet *the preferred minimum performance*.	**44%** of modeled futures meet *the preferred minimum performance*.	**43%** of modeled futures meet *the preferred minimum performance*.	
High Flow Experiment (HFE) Frequency and Duration	Percent of modeled futures in which *a spring or fall HFE of at least 60 hours occurs at least once every four years*.	**10%** of modeled futures meet *the preferred minimum performance*.	**20%** of modeled futures meet *the preferred minimum performance*.	**23%** of modeled futures meet *the preferred minimum performance*.	**25%** of modeled futures meet *the preferred minimum performance*.	**17%** of modeled futures meet *the preferred minimum performance*.	
Sandbar Volume	Percent of modeled futures in which *the maximum sediment year sandbar volume is greater than the sandbar volume at the start of the simulation period in at least 60% of years*. In other words, net sandbar growth is positive for at least 60 percent of the years.	**82%** of modeled futures meet *the preferred minimum performance*.	**90%** of modeled futures meet *the preferred minimum performance*.	**92%** of modeled futures meet *the preferred minimum performance*.	**93%** of modeled futures meet *the preferred minimum performance*.	**93%** of modeled futures meet *the preferred minimum performance*.	
Sand Transport	Percent of modeled futures in which *the fraction of sand mass transported by sandbar-forming flow rates (above 37,000 cfs) is at least 0.4 (40 percent of the sand transport)*.	**49%** of modeled futures meet *the preferred minimum performance*.	**74%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**77%** of modeled futures meet *the preferred minimum performance*.	

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Water Quality

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **salinity**?	Percent of modeled futures in which *the salinity concentration below **Hoover Dam** is less than 723 mg/L in 100% of years*.	**77%** of modeled futures meet *the preferred minimum performance*.	**83%** of modeled futures meet *the preferred minimum performance*.	**80%** of modeled futures meet *the preferred minimum performance*.	**86%** of modeled futures meet *the preferred minimum performance*.	**91%** of modeled futures meet *the preferred minimum performance*.	**92%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *the salinity concentration below **Parker Dam** is less than 747 mg/L in 100% of years*.	**77%** of modeled futures meet *the preferred minimum performance*.	**85%** of modeled futures meet *the preferred minimum performance*.	**84%** of modeled futures meet *the preferred minimum performance*.	**89%** of modeled futures meet *the preferred minimum performance*.	**92%** of modeled futures meet *the preferred minimum performance*.	**93%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *the salinity concentration **at Imperial** is less than 879 mg/L in 100% of years*.	**88%** of modeled futures meet *the preferred minimum performance*.	**93%** of modeled futures meet *the preferred minimum performance*.	**94%** of modeled futures meet *the preferred minimum performance*.	**96%** of modeled futures meet *the preferred minimum performance*.	**98%** of modeled futures meet *the preferred minimum performance*.	**98%** of modeled futures meet *the preferred minimum performance*.
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **temperature**?	Annual average daily temperature of the Colorado River **at Lees Ferry** under critically dry hydrology conditions (median values)	13.6 °C (56.5 °F)	13.8 °C (56.8 °F)	12.3 °C (54.1 °F)	13.2 °C (55.8 °F)	13.6 °C (56.5 °F)	13.6 °C (56.5 °F)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **temperature**?	Annual maximum daily temperature of the Colorado River **at Lees Ferry** under critically dry hydrology conditions (median values)	19.5 °C (67.1 °F)	19.7 °C (67.5 °F)	16.3 °C (61.3 °F)	17.7 °C (63.9 °F)	18.9 °C (66 °F)	18.9 °C (66 °F)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **temperature**?	Annual average daily temperature of the Colorado River **at Pearce Ferry** under critically dry hydrology conditions (median values)	16.8 °C (62.2 °F)	16.7 °C (62 °F)	16.1 °C (61 °F)	16.6 °C (61.9 °F)	16.8 °C (62.2 °F)	16.8 °C (62.2 °F)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **temperature**?	Annual maximum daily temperature of the Colorado River **at Pearce Ferry** under critically dry hydrology conditions (median values)	23.3 °C (73.9 °F)	23.5 °C (74.3 °F)	22.4 °C (72.3 °F)	23.3 °C (73.9 °F)	23.6 °C (74.5 °F)	23.6 °C (74.5 °F)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect projected **dissolved oxygen**?	Percent of modeled futures in which *Lake Powell reservoir elevations stay above 3,490 feet and minimum dissolved oxygen concentration is greater than 2mg/L from Glen Canyon Dam releases in at least 90% of years*.	**40%** of modeled futures meet *the preferred minimum performance*.	**40%** of modeled futures meet *the preferred minimum performance*.	**89%** of modeled futures meet *the preferred minimum performance*.	**87%** of modeled futures meet *the preferred minimum performance*.	**35%** of modeled futures meet *the preferred minimum performance*.	**35%** of modeled futures meet *the preferred minimum performance*.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect **harmful algal blooms and nutrients**?	Qualitative comparison of water year minimum Lake Powell reservoir elevations under critically dry hydrology conditions (median values)	Water year minimum Lake Powell elevation median is the lowest, which would pose the **highest increased risk** for cyanobacterial blooms.	Water year minimum Lake Powell elevation median is the second lowest, which would pose **increased risk** for cyanobacterial blooms.	Water year minimum Lake Powell elevation median is highest, which would pose a **decreased risk** for cyanobacterial blooms.	Water year minimum Lake Powell elevation median is the second highest, which would pose a **decreased risk** for cyanobacterial blooms.	Water year minimum Lake Powell elevation median is third lowest compared with the other alternatives, which would pose an **increased risk** for cyanobacterial blooms compared with the Enhanced Coordination and Maximum Operational Flexibility alternatives, but a **decreased risk** compared with the No Action and Basic Coordination alternatives.	
How would reservoir storage, reservoir releases, and corresponding changes in river flows downstream of the reservoirs affect **dilution capacity**?	Qualitative comparison of water year minimum Lake Powell reservoir elevations under critically dry hydrology conditions (median values)	Water year minimum Lake Powell elevation median is the lowest, which would pose the **greatest increased risk** of greater concentrations of pollutants of concern but it is unlikely for any alternative to significantly reduce the dilution capacity.	Water year minimum Lake Powell elevation median is the lowest, which would pose an **increased risk** of greater concentrations of pollutants of concern but it is unlikely for any alternative to significantly reduce the dilution capacity.	Water yea minimum Lake Powell elevation median is the highest, which would pose a **decreased risk** of greater concentrations of pollutants of concern but it is unlikely for any alternative to significantly reduce the dilution capacity.	Water year minimum Lake Powell elevation median is the highest, which would pose a **decreased risk** of greater concentrations of pollutants of concern but it is unlikely for any alternative to significantly reduce the dilution capacity.	Water year minimum Lake Powell elevation median is third lowest compared with the other alternatives, which would pose an **increased risk** of greater concentrations of pollutants of concern compared with the Enhanced Coordination and Maximum Operational Flexibility alternatives, but a decreased risk compared with the No Action and Basic Coordination alternatives. However, it is unlikely for any alternative to significantly reduce the dilution capacity.	

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Air Quality

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Shoreline Area	Percent of modeled futures in which ***Lake Mead*** *shoreline exposure area stays below 500 square kilometers in every month.*	**40%** of modeled futures meet *the preferred minimum performance.*	**67%** of modeled futures meet *the preferred minimum performance.*	**84%** of modeled futures meet *the preferred minimum performance.*	**89%** of modeled futures meet *the preferred minimum performance.*	**79%** of modeled futures meet *the preferred minimum performance.*	
	Percent of modeled futures in which ***Lake Powell*** *shoreline exposure area stays below 500 square kilometers in every month.*	**24%** of modeled futures meet *the preferred minimum performance.*	**33%** of modeled futures meet *the preferred minimum performance.*	**86%** of modeled futures meet *the preferred minimum performance.*	**95%** of modeled futures meet *the preferred minimum performance.*	**28%** of modeled futures meet *the preferred minimum performance.*	
Shoreline Dust Emissions	Percent of modeled futures in which ***Lake Mead*** *shoreline dust emissions stay below 500 kilograms in every month.*	**27%** of modeled futures meet *the preferred minimum performance.*	**59%** of modeled futures meet *the preferred minimum performance.*	**78%** of modeled futures meet *the preferred minimum performance.*	**82%** of modeled futures meet *the preferred minimum performance.*	**74%** of modeled futures meet *the preferred minimum performance.*	
	Percent of modeled futures in which ***Lake Powell*** *shoreline dust emissions stay below 450 kilograms in every month.*	**22%** of modeled futures meet *the preferred minimum performance.*	**29%** of modeled futures meet *the preferred minimum performance.*	**85%** of modeled futures meet *the preferred minimum performance.*	**92%** of modeled futures meet *the preferred minimum performance.*	**27%** of modeled futures meet *the preferred minimum performance.*	
How would lake reservoir elevations and releases impact power generation and carbon dioxide equivalent (**CO_2e**) emissions?	Change in CO_2e emissions due to a loss of hydropower generation at **Glen Canyon Dam** under average hydrology conditions.	Hydropower generation would be highly affected resulting in the **tied most CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be slightly less affected than under the No Action Alternative, resulting in the **second most CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be least affected, resulting in the **tied lowest CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be similar to that under the Enhanced Coordination Alternative, resulting in the **tied lowest CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be the same as under the No Action Alternative, resulting in the **tied most CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	
	Change in CO_2e emissions due to a loss of hydropower generation at **Hoover Dam** under average hydrology conditions.	Hydropower generation would be most affected resulting in the **most CO_2e emissions**, with potential decrease in CO_2e emissions. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be slightly less affected than under the No Action Alternative, resulting in the **second lowest CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be slightly less affected than under the Basic Coordination Alternative, resulting in the **third lowest CO_2e emissions** under this alternative. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be similar to that under the Enhanced Coordination Alternative.	Hydropower generation would be least affected, resulting in the **lowest CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases. Hydropower generation would be the same between the two Supply Driven Alternatives.	

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
How would lake reservoir elevations and releases impact power generation and carbon dioxide equivalent (**CO_2e**) emissions? *(continued)*	Change in CO_2e emissions due to a loss of hydropower generation at **Davis Dam** under average hydrology conditions.	Hydropower generation would be the least affected, resulting in the **lowest CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be slightly less affected than under the No Action Alternative, resulting in the **second lowest CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be highly affected, resulting in the **tied most CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be similar to that under the Enhanced Coordination Alternative, resulting in the **tied most CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be similar to that under the Enhanced Coordination Alternative. Hydropower generation would be similar between the two Supply Driven Alternatives.	
	Change in CO_2e emissions due to a loss of hydropower generation at **Parker Dam** under average hydrology conditions.	Hydropower generation would be the least affected, resulting in the **tied least CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be similar to that under the No Action Alternative, resulting in the **tied least CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be highly affected, resulting in the **most CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Hydropower generation would be slightly more affected than under the No Action Alternative, resulting in the **second least CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	Under the Supply Driven Alternative (LB Priority approach), hydropower generation would be similar to that under the Maximum Flexibility Alternative. Under the Supply Driven Alternative (LB Pro Rata approach), hydropower generation would be highly affected, resulting in the **second most CO_2e emissions**. This is due to the inverse correlation between CO_2e emissions from alternative energy sources and generation from reservoir elevations and releases.	

Agenda Item 3.

Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

Aquatic Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Lake Powell elevations	Percent of modeled futures in which *Lake Powell elevation is below 3,598 feet at least 60% of months*, meaning critical habitat of Colorado Pikeminnow and Razorback Sucker is not inundated in the Colorado River Inflow.	**43%** of modeled futures meet *the preferred minimum performance*.	**49%** of modeled futures meet *the preferred minimum performance*.	**17%** of modeled futures meet *the preferred minimum performance*.	**20%** of modeled futures meet *the preferred minimum performance*.	**58%** of modeled futures meet *the preferred minimum performance*.	**58%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Powell elevation is below 3,600 feet at least 60% of months*, meaning critical habitat of Colorado Pikeminnow and Razorback Sucker is not inundated in the San Juan River Inflow.	**44%** of modeled futures meet *the preferred minimum performance*.	**50%** of modeled futures meet *the preferred minimum performance*.	**18%** of modeled futures meet *the preferred minimum performance*.	**21%** of modeled futures meet *the preferred minimum performance*.	**59%** of modeled futures meet *the preferred minimum performance*.	**59%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Powell elevation is below 3,666.5 feet in 100% of months, meaning the Paiute Farms Waterfall remains a barrier to upstream fish passage*.	**29%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.	**18%** of modeled futures meet *the preferred minimum performance*.	**17%** of modeled futures meet *the preferred minimum performance*.	**43%** of modeled futures meet *the preferred minimum performance*.	**43%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *October 1st Lake Powell elevation is above 3,570 feet at least 80% of years*, meaning the risk of smallmouth bass entrainment is reduced.	**34%** of modeled futures meet *the preferred minimum performance*.	**30%** of modeled futures meet *the preferred minimum performance*.	**73%** of modeled futures meet *the preferred minimum performance*.	**61%** of modeled futures meet *the preferred minimum performance*.	**28%** of modeled futures meet *the preferred minimum performance*.	**28%** of modeled futures meet *the preferred minimum performance*.
Water Temperature	Percent of modeled futures in which *water temperature at Lees Ferry (river mile [RM] 0) never exceeds 20°C*.	**22%** of modeled futures meet *the preferred minimum performance*.	**24%** of modeled futures meet *the preferred minimum performance*.	**71%** of modeled futures meet *the preferred minimum performance*.	**59%** of modeled futures meet *the preferred minimum performance*.	**21%** of modeled futures meet *the preferred minimum performance*.	**21%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *water temperature at the Little Colorado River Confluence (RM 62) exceeds 12°C ≥200 days every year*.	**1%** of modeled futures meet *the preferred minimum performance*.	**1%** of modeled futures meet *the preferred minimum performance*.	**0%** of modeled futures meet *the preferred minimum performance*.	**1%** of modeled futures meet *the preferred minimum performance*.	**0%** of modeled futures meet *the preferred minimum performance*.	**0%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *water temperature at the Little Colorado River Confluence (RM 62) exceeds 16°C ≤170 days every year*.	**35%** of modeled futures meet *the preferred minimum performance*.	**34%** of modeled futures meet *the preferred minimum performance*.	**78%** of modeled futures meet *the preferred minimum performance*.	**70%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *water temperature at the Havasu Creek Confluence (RM 157.2) exceeds 12°C ≥200 days every year*.	**21%** of modeled futures meet *the preferred minimum performance*.	**20%** of modeled futures meet *the preferred minimum performance*.	**9%** of modeled futures meet *the preferred minimum performance*.	**8%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Water Temperature *(continued)*	Percent of modeled futures in which *water temperature at the Havasu Creek Confluence (RM 157.2) exceeds 16°C ≤190 days every year.*	**35%** of modeled futures meet *the preferred minimum performance.*	**42%** of modeled futures meet *the preferred minimum performance.*	**80%** of modeled futures meet *the preferred minimum performance.*	**78%** of modeled futures meet *the preferred minimum performance.*	**35%** of modeled futures meet *the preferred minimum performance.*	**35%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which *water temperature at Pearce Ferry (RM 281) exceeds 12°C ≥200 days every year.*	**63%** of modeled futures meet *the preferred minimum performance.*	**70%** of modeled futures meet *the preferred minimum performance.*	**67%** of modeled futures meet *the preferred minimum performance.*	**63%** of modeled futures meet *the preferred minimum performance.*	**78%** of modeled futures meet *the preferred minimum performance.*	**78%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which *water temperature at Pearce Ferry (RM 281) exceeds 16°C ≤190 days every year.*	**19%** of modeled futures meet *the preferred minimum performance.*	**19%** of modeled futures meet *the preferred minimum performance.*	**49%** of modeled futures meet *the preferred minimum performance.*	**40%** of modeled futures meet *the preferred minimum performance.*	**16%** of modeled futures meet *the preferred minimum performance.*	**16%** of modeled futures meet *the preferred minimum performance.*
Smallmouth population growth	Percent of modeled futures in which *the 5-year Smallmouth Bass growth rate (lambda) at Lees Ferry is always less than 1.*	**22%** of modeled futures meet *the preferred minimum performance.*	**25%** of modeled futures meet *the preferred minimum performance.*	**69%** of modeled futures meet *the preferred minimum performance.*	**57%** of modeled futures meet *the preferred minimum performance.*	**23%** of modeled futures meet *the preferred minimum performance.*	**23%** of modeled futures meet *the preferred minimum performance.*
Smallmouth bass entrainment	Percent of modeled futures in which *the annual count of adult smallmouth bass that are entrained and survive is always less than 50 individuals.*	**18%** of modeled futures meet *the preferred minimum performance.*	**18%** of modeled futures meet *the preferred minimum performance.*	**61%** of modeled futures meet *the preferred minimum performance.*	**50%** of modeled futures meet *the preferred minimum performance.*	**16%** of modeled futures meet *the preferred minimum performance.*	**16%** of modeled futures meet *the preferred minimum performance.*
Lake Mead elevation	Percent of modeled futures in which *Lake Mead elevation is above the historical minimum elevation of 1,040.92 feet ≥90% of months.*	**13%** of modeled futures meet *the preferred minimum performance.*	**44%** of modeled futures meet *the preferred minimum performance.*	**57%** of modeled futures meet *the preferred minimum performance.*	**56%** of modeled futures meet *the preferred minimum performance.*	**58%** of modeled futures meet *the preferred minimum performance.*	**69%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which *Colorado River water levels at Pearce Ferry Rapid are Below 1,090 Feet ≥90% of months.*	**58%** of modeled futures meet *the preferred minimum performance.*	**26%** of modeled futures meet *the preferred minimum performance.*	**12%** of modeled futures meet *the preferred minimum performance.*	**13%** of modeled futures meet *the preferred minimum performance.*	**9%** of modeled futures meet *the preferred minimum performance.*	**7%** of modeled futures meet *the preferred minimum performance.*
Hoover Dam releases	Percent of modeled futures in which *monthly releases from Hoover Dam are within the range observed during 2008–2024 in 100% of the time.*	**66%** of modeled futures meet *the preferred minimum performance.*	**58%** of modeled futures meet *the preferred minimum performance.*	**32%** of modeled futures meet *the preferred minimum performance.*	**20%** of modeled futures meet *the preferred minimum performance.*	**34%** of modeled futures meet *the preferred minimum performance.*	**32%** of modeled futures meet *the preferred minimum performance.*

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Vegetation Including Special Status Species

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Vegetation, including special status plant species	Marsh habitat (Lake Powell, Lake Mead, and Hoover Dam to SIB Reaches) – Changes in water fluctuations within a single year compared to historical conditions.	The No Action Alternative is **among the middle performing** alternative for the Lake Powell reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The No Action Alternative is **among the best performing** alternatives for the Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The No Action Alternative is **among the least performing** alternatives for the Lake Mead reach because its annual variability is least like historic conditions.	The Basic Coordination Alternative is **among the best performing** alternatives for the Lake Mead and Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The Basic Coordination Alternative is **among the least performing** alternatives for the Lake Powell reach because its annual variability is least like historic conditions.	The Enhanced Coordination Alternative is **among the middle performing** alternative for the Lake Mead reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Enhanced Coordination Alternative is **among the best performing** alternatives for the Lake Powell reach because it has annual variability similar to historic conditions. The Enhanced Coordination Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions.	The Maximum Operational Flexibility Alternative is **among the best performing** alternatives for the Lake Powell and Lake Mead reaches because it has annual variability similar to historic conditions. The Maximum Operational Flexibility Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions.	The Supply Driven Alternative is **never the best performing** alternative because it never has variability most similar to historic conditions. The Supply Driven Alternative is **among the middle performing** alternative for the Lake Mead and the Hoover Dam to SIB reaches because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Supply Driven Alternative is **among the least performing** alternatives for the Lake Powell and Hoover Dam to SIB reach because its annual variability is least like historic conditions.	
	Woody riparian habitat (Lake Powell, Lake Mead, and Hoover Dam to SIB Reaches) – Changes in water fluctuations in the preceding 5 years compared to historical conditions.	The No Action Alternative is **among the middle performing** alternative for the Lake Powell reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The No Action Alternative is **among the best performing** alternatives for the Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The No Action Alternative is **among the least performing** alternatives for the Lake Mead reach because its annual variability is least like historic conditions.	The Basic Coordination Alternative is **among the best performing** alternatives for the Lake Mead and Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The Basic Coordination Alternative is **among the least performing** alternatives for the Lake Powell reach because its annual variability is least like historic conditions.	The Enhanced Coordination Alternative is **among the best performing** alternatives for the Lake Powell reach because it has annual variability similar to historic conditions. The Enhanced Coordination Alternative is **among the least performing** alternatives for Lake Mead and the Hoover Dam to SIB reach because its annual variability is least like historic conditions.	The Maximum Operational Flexibility Alternative is **among the best performing** alternatives for the Lake Powell and Lake Mead reaches because it has annual variability similar to historic conditions. The Maximum Operational Flexibility Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions.	The Supply Driven Alternative is **never the best performing** alternative because it never has variability most similar to historic conditions. The Supply Driven Alternative is **among the middle performing** alternative for the Lake Mead reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Supply Driven Alternative is **among the least performing** alternatives for the Lake Powell and Hoover Dam to SIB reach because its annual variability is least like historic conditions. No Alternative is better performing in the Glen Canyon Dam to Lake Mead reach.	
	Upland habitat (Lake Powell, Lake Mead, and Hoover Dam to SIB Reaches) – Changes in water fluctuations in either the preceding single year or preceding 5 years compared to historical conditions.	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).					

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Vegetation, including special status plant species *(continued)*	Marsh habitat suitable area (Glen Canyon Dam to Lake Mead Reach) - A change from the median and interquartile ranges from modeled historic conditions	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Maximum Flexibility Alternative under the driest modeled conditions, marsh habitat **could increase** compared to modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Supply Driven Alternative under the driest modeled conditions, marsh habitat **could increase** compared to modeled historic conditions.	
	Woody Riparian habitat suitable area (Glen Canyon Dam to Lake Mead Reach) - A change from the median and interquartile ranges from modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the No Action Alternative under the driest modeled conditions, woody riparian vegetation **could increase** compared to modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	
	Upland habitat suitable area	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).					
	Native Species Richness (Glen Canyon Dam to Lake Mead Reach) - A change from the median and interquartile ranges from modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.					
	Proportion Native Species Cover (Glen Canyon Dam to Lake Mead Reach) - A change from the median and interquartile ranges from modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the No Action Alternative under the driest modeled conditions, the No Action Alternative had the **highest** proportion of modeled native cover compared to modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Maximum Operational Flexibility Alternative under the driest modeled conditions, the Maximum Operational Flexibility Alternative had the **lowest** proportion of modeled native cover compared to modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	

Agenda Item 3.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Vegetation, including special status plant species *(continued)*	Annual Total Vegetation Cover (Glen Canyon Dam to Lake Mead Reach) - A change from the median and interquartile ranges from modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Maximum Operational Flexibility Alternative under the driest modeled conditions, annual total vegetation cover **could increase** compared to modeled historic conditions.	Considering all modeled natural flow conditions, no alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Supply Driven Alternative under the driest modeled conditions, annual total vegetation cover **could increase** compared to modeled historic conditions.	

Terrestrial Wildlife Including Special Status Species

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Terrestrial wildlife species habitat availability, including for special status species	Terrestrial wildlife species using marsh habitat – Changes in water fluctuations within a single year compared to historical conditions.	The No Action Alternative is **among the middle performing** alternative for the Lake Powell reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The No Action Alternative is **among the best performing** alternatives for the Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The No Action Alternative is **among the least performing** alternatives for the Lake Mead reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Basic Coordination Alternative is **among the best performing** alternatives for the Lake Mead and Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The Basic Coordination Alternative is **among the least performing** alternatives for the Lake Powell reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Enhanced Coordination Alternative is **among the middle performing** alternative for the Lake Mead reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Enhanced Coordination Alternative is **among the best performing** alternatives for the Lake Powell reach because it has annual variability similar to historic conditions. The Enhanced Coordination Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Maximum Operational Flexibility Alternative is **among the best performing** alternatives for the Lake Powell and Lake Mead reaches because it has annual variability similar to historic conditions. The Maximum Operational Flexibility Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Maximum Flexibility Alternative under the driest modeled conditions, marsh habitat could increase compared to modeled historic conditions.	The Supply Driven Alternative is **never the best performing** alternative because it never has variability most similar to historic conditions. The Supply Driven Alternative is **among the middle performing** alternative for the Lake Mead and the Hoover Dam to SIB reaches because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Supply Driven Alternative is **among the least performing** alternatives for the Lake Powell and Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the Supply Driven Alternative under the driest modeled conditions, marsh habitat could increase compared to modeled historic conditions.	

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Terrestrial wildlife species habitat availability, including for special status species *(continued)*	Terrestrial wildlife species using woody riparian habitat – Changes in water fluctuations in the preceding 5 years compared to historical conditions.	The No Action Alternative is **among the middle performing** alternative for the Lake Powell reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The No Action Alternative is **among the best performing** alternatives for the Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The No Action Alternative is **among the least performing** alternatives for the Lake Mead reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach. However, under the No Action Alternative under the driest modeled conditions, woody riparian vegetation may increase compared to modeled historic conditions	The Basic Coordination Alternative is **among the best performing** alternatives for the Lake Mead and Hoover Dam to SIB reaches because it has annual variability similar to historic conditions. The Basic Coordination Alternative is **among the least performing** alternatives for the Lake Powell reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Enhanced Coordination Alternative is **among the best performing** alternatives for the Lake Powell reach because it has annual variability similar to historic conditions. The Enhanced Coordination Alternative is **among the least performing** alternatives for Lake Mead and the Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Maximum Operational Flexibility Alternative is **among the best performing** alternatives for the Lake Powell and Lake Mead reaches because it has annual variability similar to historic conditions. The Maximum Operational Flexibility Alternative is **among the least performing** alternatives for the Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	The Supply Driven Alternative is **never the best performing** alternative because it never has variability most similar to historic conditions. The Supply Driven Alternative is **among the middle performing** alternative for the Lake Mead reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. The Supply Driven Alternative is **among the least performing** alternatives for the Lake Powell and Hoover Dam to SIB reach because its annual variability is least like historic conditions. Considering all modeled natural flow conditions, no Alternative is better performing compared to the modeled historic conditions in the Glen Canyon Dam to Lake Mead reach.	
	Terrestrial wildlife species using upland habitat – Changes in water fluctuations in either the preceding single year or preceding 5 years compared to historical conditions.	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).	Upland habitat would be gained or lost depending on whether conditions are suitable for marsh or woody riparian habitat (see above).

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Cultural Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Projected end-of-year lake elevations that may expose cultural resources to damage from wave action, wet/dry cycling, or increased ease of access	Projected end-of-year lake elevations for Lake Powell (EOWY) and Lake Mead (EOCY) and number of cultural resources potentially impacted	Lake Powell: Under wet hydrologic conditions, median water levels are at or above 3,680 feet protecting all sites up to 3,700 feet. Under average conditions, median water levels fall below 3,600 feet exposing at least 274 archaeological sites. Under critically dry conditions, median water levels drop below 3,500 feet, potentially leaving the most sites exposed with at least 274 sites down to 3,580 feet and those between 3,580 feet and 3,500 feet out of the 477 sites below 3,580 feet. Lake Mead: Under wet hydrologic conditions, median elevations are around 1,150 feet exposing at least 173 archaeological sites. During average hydrologic conditions, median elevations are around 990 feet potentially exposing all 240 sites. In critically dry conditions, all 240 sites would likely be exposed due to low reservoir elevations.	Lake Powell: Under wet hydrologic conditions, median water levels are at or above 3,680 feet, protecting at least 686 sites. Under average conditions, median water levels fall below 3,600 feet exposing at least 274 archaeological sites. Under critically dry conditions, median water levels drop below 3,500 feet, potentially leaving the most sites exposed with at least 274 sites down to 3,580 feet and those between 3,580 feet and 3,500 feet out of the 477 sites below 3,580 feet. Lake Mead: Under wet hydrologic conditions, median water levels are around 1,180 feet, exposing at least 119 archaeological sites. During average hydrological conditions, median elevations are around 1,080 feet exposing at least 237 sites. In critically dry conditions, all 240 sites would likely be exposed due to low reservoir elevations.	Lake Powell: Under wet hydrologic conditions, median water levels are at or above 3,680 feet protecting at least 686 sites. Under average conditions, median water levels drop to around 3,630 feet, leaving at more than 193 sites exposed. Under critically dry conditions, median water levels drop below 3,500 feet, potentially leaving the most sites exposed with at least 274 sites down to 3,580 feet and those between 3,580 feet and 3,500 feet out of the 477 sites below 3,580 feet. Lake Mead: Under wet hydrologic conditions, median water levels are around 1,210 feet, exposing the fewest number of sites (fewer than 69 sites). Under average conditions, median elevations are around 1,110 feet exposing at least 217 sites. In critically dry conditions, all 240 sites would likely be exposed due to low reservoir elevations.	Lake Powell: Under wet hydrologic conditions, median water levels are at or above 3,680 feet protecting at least 686 sites. Under average conditions, median water levels drop to around 3,620 feet, leaving at least 193 sites exposed. Under critically dry conditions, median water levels drop below 3,500 feet, potentially leaving the most sites exposed with at least 274 sites down to 3,580 feet and those between 3,580 feet and 3,500 feet out of the 477 sites below 3,580 feet. Lake Mead: Under wet conditions, median water levels are around 1,210 feet, exposing the fewest number of sites (fewer than 69). Under average conditions, median elevations are around 1,130 feet exposing at least 202 sites. Under critically dry conditions, all 240 sites would likely be exposed due to low reservoir elevations.	Lake Powell: During the wettest flow categories, median water levels are at or above 3,680 feet protecting at least 686 sites. Under average conditions, median elevations are below 3,580 feet leaving at least 274 sites exposed. Under critically dry conditions, median water levels drop below 3,500 feet, potentially leaving the most sites exposed with at least 274 sites down to 3,580 feet and those between 3,580 feet and 3,500 feet out of the 477 sites below 3,580 feet. Lake Mead: Under wet conditions, median water levels are around 1,220 feet, protecting all 240 sites. During average conditions, median elevations are around 1,160 feet exposing at least 173 sites. Under critically dry conditions, all 240 sites would likely be exposed due to low reservoir elevations.	
	Lake Powell: Percent of modeled futures in which *the preservation risk at Lake Powell is below 2.72 in at least 90% of months* Lake Mead: Percent of modeled futures in which *the preservation risk at Lake Mead is below 2.24 in at least 90% of months*	Lake Powell: **23%** of modeled futures meet *the preferred minimum performance*. Lake Mead: **7%** of modeled futures meet *the preferred minimum performance*.	Lake Powell: **21%** of modeled futures meet *the preferred minimum performance*. Lake Mead: **22%** of modeled futures meet *the preferred minimum performance*.	Lake Powell: **58%** of modeled futures meet *the preferred minimum performance*. Lake Mead: **26%** of modeled futures meet *the preferred minimum performance*.	Lake Powell: **36%** of modeled futures meet *the preferred minimum performance*. Lake Mead: **37%** of modeled futures meet *the preferred minimum performance*.	Lake Powell: **16%** of modeled futures meet *the preferred minimum performance*. Lake Mead: **43%** of modeled futures meet *the preferred minimum performance*.	

Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Projected changes in river flows that may contribute to erosion and exposure of cultural resources that may expose sites to damage from erosion, wet/dry cycling, or increased ease of access	Projected releases from dams and forecasted river flow volumes that are outside past releases or flows	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	
Projected availability of sediments along the river which may be transported by wind and deposited on archaeological sites	Percent of modeled futures in which *annual sand area >50th and vegetation cover <50th percentile or sandbar volume >1.5 initial condition at least one out of every 3 years*	**11%** of modeled futures meet *the preferred minimum performance*.	**5%** of modeled futures meet *the preferred minimum performance*.	**15%** of modeled futures meet *the preferred minimum performance*.	**15%** of modeled futures meet *the preferred minimum performance*.	**2%** of modeled futures meet *the preferred minimum performance*.	**2%** of modeled futures meet *the preferred minimum performance*.

Paleontological Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Paleontological preservation risk due to dam operations	Percent of modeled futures in which *monthly preservation risk rank at **Lake Powell** stays below 2.9 at least 90% of months*	**22%** of modeled futures meet *the preferred minimum performance*.	**18%** of modeled futures meet *the preferred minimum performance*.	**47%** of modeled futures meet *the preferred minimum performance*.	**28%** of modeled futures meet *the preferred minimum performance*.	**13%** of modeled futures meet *the preferred minimum performance*.	
	Percent of modeled futures in which *monthly preservation risk rank at **Lake Mead** stays below 2.3 at least 90% of months*	**6%** of modeled futures meet *the preferred minimum performance*.	**15%** of modeled futures meet *the preferred minimum performance*.	**18%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.	**35%** of modeled futures meet *the preferred minimum performance*.	
Paleontological resource preservation and stability due to altered sediment transport	Percent of modeled futures in which *annual sand area >50th and vegetation cover <50th percentile or sandbar volume >1.5 initial condition at least one out of every 3 years*	**11%** of modeled futures meet *the preferred minimum performance*.	**5%** of modeled futures meet *the preferred minimum performance*.	**15%** of modeled futures meet *the preferred minimum performance*.	**15%** of modeled futures meet *the preferred minimum performance*.	**2%** of modeled futures meet *the preferred minimum performance*.	
	Percent of modeled futures in which *the fraction of sand mass transported by sandbar-forming flow rates (above 37,000 cfs) is at least 0.4 over 34 years (40% of the sand transport)*	**49%** of modeled futures meet *the preferred minimum performance*.	**74%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**77%** of modeled futures meet *the preferred minimum performance*.	

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Impacts of increased disturbance, unauthorized collection, and recreational impacts on paleontological resources due to dam operations and altered water levels	Percent of modeled futures in which *Lake Powell elevation stays above 3,500 feet in 100% of months*	**20%** of modeled futures meet *the preferred minimum performance.*	**25%** of modeled futures meet *the preferred minimum performance.*	**82%** of modeled futures meet *the preferred minimum performance.*	**87%** of modeled futures meet *the preferred minimum performance.*	**24%** of modeled futures meet *the preferred minimum performance.*	
	Percent of modeled futures in which *Lake Mead elevation stays above 975 feet in 100% of months*	**25%** of modeled futures meet *the preferred minimum performance.*	**58%** of modeled futures meet *the preferred minimum performance.*	**75%** of modeled futures meet *the preferred minimum performance.*	**79%** of modeled futures meet *the preferred minimum performance.*	**71%** of modeled futures meet *the preferred minimum performance.*	**80%** of modeled futures meet *the preferred minimum performance.*

Tribal Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Reservoir Elevations that may expose TCPs, archaeological sites, or sacred sites to increased access and visitation	Lake Powell EOWY elevations	Lowest elevations in the critcally dry flow category exposing the greatest number of sites to visitation	Second lowest elevations in the critcally dry flow category	Highest elevations in the critcally dry flow category exposing the fewest number of sites to visitation	Second highest elevations in the critcally dry flow category	Tied in the middle performing for elevations in the critcally dry flow category	Tied in the middle performing for elevations in the critcally dry flow category
	Lake Mead EOCY elevations in feet	Lowest elevations in all flow categories exposing the greatest number of sites to visitation	Second lowest elevations in all flow categories	Third lowest elevations in all flow categories	Third highest elevations in all flow categories	Second highest elevations in all flow categories	Highest elevations in all flow categories exposing the fewest number of sites to visitation
Projected changes in river flows that may contribute to erosion and exposure of archaeological sites or sacred sites	Projected releases from dams and forecasted river flow volumes that are outside past releases or flows	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	Under wet and average hydrologic conditions, releases fall within past volumes for the Glen Canyon Dam to Lake Mead reach and Hoover Dam to Lake Mohave. During critically dry conditions, release volumes may drop below past releases; however, impacts would only be for sites close to riverbank. No impacts below Lake Mohave.	

Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Projected changes in natural resources important to Native Americans including riparian vegetation and wildlife	Woody riparian habitat most similar to historic conditions	Among the **middle performing alternatives** for the Lake Powell reach, among the **best performing alternatives** for the Hoover Dam to SIB reaches, and among the **least performing alternatives** for the Lake Mead reach.	Among the **best performing alternatives** for the Lake Mead and Hoover Dam to SIB reaches and among **the least performing alternatives** for the Lake Powell reach.	Among the **best performing alternatives** for the Lake Powell reach and among the **least performing alternatives** for Lake Mead and the Hoover Dam to SIB reach.	Among the **best performing alternatives** for the Lake Powell and Lake Mead reaches and among the **least performing alternatives** for the Hoover Dam to SIB reach.	Never the best performing alternative but among the **middle performing alternatives** for the Lake Mead reach because the annual variability is neither the most similar nor the least similar to historic conditions for these reaches. Among the **least performing alternatives** for the Lake Powell and Hoover Dam to SIB. The **best performing alternative** in the Glen Canyon Dam to Lake Mead reach.	
	Critical fish habitat (Colorado River)	Modeling presented for aquatic species suggests that **between 41 and 50%** of futures would meet acceptable critical habitat performance standards	Modeling suggests that **between 41 and 50%** of futures would meet acceptable critical habitat performance standards	Modeling suggests that **between 11 and 20%** of futures would meet acceptable critical habitat performance standards	Modeling suggests that **between 11 and 20%** of futures would meet acceptable critical habitat performance standards	Modeling suggests that **between 51 and 60%** of futures would meet acceptable critical habitat performance standards	

Recreation

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Reservoir elevation impacts on shoreline recreational facilities, reservoir boating, and sport fishing opportunities	Percent of modeled futures in which *the proportion of **Lake Powell** recreation sites open stays above 0.7 (historical benchmark) for all summer months (May 31 – August 31) each year*	**17%** of modeled futures meet *the preferred minimum performance.*	**15%** of modeled futures meet *the preferred minimum performance.*	**45%** of modeled futures meet *the preferred minimum performance.*	**26%** of modeled futures meet *the preferred minimum performance.*	**13%** of modeled futures meet *the preferred minimum performance.*	**13%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which *the proportion of **Lake Mead** recreation sites open stays above 0.8 (historical benchmark) for all summer months (May 31 – August 31) each year*	**8%** of modeled futures meet *the preferred minimum performance.*	**35%** of modeled futures meet *the preferred minimum performance.*	**37%** of modeled futures meet *the preferred minimum performance.*	**42%** of modeled futures meet *the preferred minimum performance.*	**45%** of modeled futures meet *the preferred minimum performance.*	**53%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which ***Lake Powell** elevation is above the identified boating hazard minimum (3,620 ft) for at least 20% of months*	**66%** of modeled futures meet *the preferred minimum performance.*	**61%** of modeled futures meet *the preferred minimum performance.*	**84%** of modeled futures meet *the preferred minimum performance.*	**83%** of modeled futures meet *the preferred minimum performance.*	**48%** of modeled futures meet *the preferred minimum performance.*	**48%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which ***Lake Mead** elevation is above the identified boating hazard minimum (1,170 ft) for at least 10 percent of months*	**29%** of modeled futures meet *the preferred minimum performance.*	**39%** of modeled futures meet *the preferred minimum performance.*	**58%** of modeled futures meet *the preferred minimum performance.*	**68%** of modeled futures meet *the preferred minimum performance.*	**78%** of modeled futures meet *the preferred minimum performance.*	**81%** of modeled futures meet *the preferred minimum performance.*

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Glen Canyon Dam releases impacts on whitewater boating and sport fishing	Percent of modeled futures in which *daytime flows (7am – 7pm) below Glen Canyon Dam are at least 5,000 cfs every day*	**78%** of modeled futures meet *the preferred minimum performance.*	**80%** of modeled futures meet *the preferred minimum performance.*	**98%** of modeled futures meet *the preferred minimum performance.*	**57%** of modeled futures meet *the preferred minimum performance.*	**97%** of modeled futures meet *the preferred minimum performance.*	**97%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in *which daily water temperature at Lees Ferry never exceed 20℃*	**22%** of modeled futures meet *the preferred minimum performance.*	**24%** of modeled futures meet *the preferred minimum performance.*	**71%** of modeled futures meet *the preferred minimum performance.*	**59%** of modeled futures meet *the preferred minimum performance.*	**21%** of modeled futures meet *the preferred minimum performance.*	**21%** of modeled futures meet *the preferred minimum performance.*

Dams and Electrical Power Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Reservoir Elevations and Power Pool Robustness	Percent of modeled futures in which *Lake Powell elevation is always above minimum power pool (3,490 feet).*	**24%** of modeled futures meet *the preferred minimum performance.*	**33%** of modeled futures meet *the preferred minimum performance.*	**86%** of modeled futures meet *the preferred minimum performance.*	**95%** of modeled futures meet *the preferred minimum performance.*	**28%** of modeled futures meet *the preferred minimum performance.*	**28%** of modeled futures meet *the preferred minimum performance.*
	Percent of modeled futures in which *Lake Mead elevation is always above minimum power pool (950 feet).*	**30%** of modeled futures meet *the preferred minimum performance.*	**61%** of modeled futures meet *the preferred minimum performance.*	**81%** of modeled futures meet *the preferred minimum performance.*	**87%** of modeled futures meet *the preferred minimum performance.*	**76%** of modeled futures meet *the preferred minimum performance.*	**84%** of modeled futures meet *the preferred minimum performance.*
Energy Capacity of the Glen Canyon Dam and Hoover Dam Powerplants	August power capacity (megawatt [MW]) under average hydrology conditions	Glen Canyon Dam: 500-635 MW Hoover Dam: 125-1,240 MW	Glen Canyon Dam: 635-750 MW Hoover Dam: 400-1,550 MW	Glen Canyon Dam: 625-790 MW Hoover Dam: 1,300-1,600 MW	Glen Canyon Dam: 600-650 MW Hoover Dam: 1,200-1,700 MW	Glen Canyon Dam: 620 -740 MW Hoover Dam: 1,380-1,700 MW	Glen Canyon Dam: 620 -740 MW Hoover Dam: 1,490 - 1,725 MW
	August power capacity (MW) under critically dry hydrology conditions	Glen Canyon Dam: 0-520 MW Hoover Dam: 0-250 MW	Glen Canyon Dam: 0-525 MW Hoover Dam: 0-1,260 MW	Glen Canyon Dam: 250-625 MW Hoover Dam: 200 -1,270 MW	Glen Canyon Dam: 225-380 MW Hoover Dam: 249 – 1,425 MW	Glen Canyon Dam: 0-390 MW Hoover Dam: 0-1,500 MW	Glen Canyon Dam: 0-390 MW Hoover Dam: 240-1,550 MW
Energy Generation of the Glen Canyon Dam and Hoover Dam Powerplants	Water year generation (Megawatt Hours [MWh]) under average hydrology conditions	Glen Canyon Dam: 3-4 MWh Hoover Dam: 1.3-3.3 MWh	Glen Canyon Dam: 3.1-3.7 MWh Hoover Dam: 2.8-3.6 MWh	Glen Canyon Dam: 3-4.1 MWh Hoover Dam: 2.7-3.8 MWh	Glen Canyon Dam: 3.3-4 MWh Hoover Dam: 2.9-3.8 MWh	Glen Canyon Dam: 3.1-3.6 MWh Hoover Dam: 2.9-3.9 MWh	Glen Canyon Dam: 3.1-3.6 MWh Hoover Dam: 2.9-4 MWh

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Energy Generation of the Glen Canyon Dam and Hoover Dam Powerplants *(continued)*	Water year generation (MWh) under critically dry hydrology conditions	Glen Canyon Dam: 0-2 MWh Hoover Dam: 0-2.2 MWh	Glen Canyon Dam: 0-2.3 MWh Hoover Dam: 0-3 MWh	Glen Canyon Dam: 1.8-2.7 MWh Hoover Dam: 1.7-2.7 MWh	Glen Canyon Dam: 1.9-2.4 MWh Hoover Dam: 1.9-3 MWh	Glen Canyon Dam: 0-2 MWh Hoover Dam: 0.4-3.2 MWh	Glen Canyon Dam: 0-2 MWh Hoover Dam: 2-3.1 MWh
Glen Canyon Dam and Hoover Dam spillway infrastructure and life safety	Percent of modeled futures in which *the January 1 Lake Powell elevation does not exceed 3,684 feet, the target elevation to preserve flood control storage, in at least 90% of years*.	**60%** of modeled futures meet *the preferred minimum performance*.	**70%** of modeled futures meet *the preferred minimum performance*.	**69%** of modeled futures meet *the preferred minimum performance*.	**66%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.	**82%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Powell elevation is below 3,700 feet in 100% of months*. The higher the percentage, the more likely Lake Powell will remain below the spillway crest.	**49%** of modeled futures meet *the preferred minimum performance*.	**56%** of modeled futures meet *the preferred minimum performance*.	**48%** of modeled futures meet *the preferred minimum performance*.	**43%** of modeled futures meet *the preferred minimum performance*.	**64%** of modeled futures meet *the preferred minimum performance*.	**64%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *the Glen Canyon Dam spillway is not utilized*.	**65%** of modeled futures meet *the preferred minimum performance*.	**70%** of modeled futures meet *the preferred minimum performance*.	**66%** of modeled futures meet *the preferred minimum performance*.	**63%** of modeled futures meet *the preferred minimum performance*.	**76%** of modeled futures meet *the preferred minimum performance*.	**76%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Mead stays below 1,205.4 feet, the elevation of the Hoover Dam spillway crest, in at least 90% of months*	**82%** of modeled futures meet *the preferred minimum performance*.	**76%** of modeled futures meet *the preferred minimum performance*.	**60%** of modeled futures meet *the preferred minimum performance*.	**50%** of modeled futures meet *the preferred minimum performance*.	**43%** of modeled futures meet *the preferred minimum performance*.	**40%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Mead elevation stays below 1,219 feet in at least 90% of months*. The higher the percentage, the more likely Lake Mead will have reserve flood control storage.	**99%** of modeled futures meet *the preferred minimum performance*.	**98%** of modeled futures meet *the preferred minimum performance*.	**90%** of modeled futures meet *the preferred minimum performance*.	**87%** of modeled futures meet *the preferred minimum performance*.	**79%** of modeled futures meet *the preferred minimum performance*.	**78%** of modeled futures meet *the preferred minimum performance*.
	Percent of modeled futures in which *Lake Mead elevation never exceeds 1,226.9 feet*. At this elevation the volume of spillway discharge triggers a "Imminent Life-Threatening Emergency" response.	**91%** of modeled futures meet *the preferred minimum performance*.	**90%** of modeled futures meet *the preferred minimum performance*.	**83%** of modeled futures meet *the preferred minimum performance*.	**81%** of modeled futures meet *the preferred minimum performance*.	**71%** of modeled futures meet *the preferred minimum performance*.	**69%** of modeled futures meet *the preferred minimum performance*.
Glen Canyon Dam electricity rates and market value	Glen Canyon Dam electricity rates and market value	Results in much steeper rate trajectories and higher probabilities of major rate increases compared to the action alternatives.	Results in much steeper rate trajectories and higher probabilities of major rate increases compared to the other action alternatives.	Results in substantially smaller rate increases and less frequent rate adjustments than the No Action Alternative and Continued Current Strategies Comparative Baseline (CCS Comparative Baseline) under dry hydrologic conditions.	Results in substantially smaller rate increases and less frequent rate adjustments than the No Action Alternative and CCS Comparative Baseline under dry hydrologic conditions.	Results in substantially smaller rate increases and less frequent rate adjustments than the No Action Alternative and CCS Comparative Baseline under dry hydrologic conditions.	Results in substantially smaller rate increases and less frequent rate adjustments than the No Action Alternative and CCS Comparative Baseline under dry hydrologic conditions.

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Socioeconomics

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Economic contributions and social conditions associated with changes in agriculture due to water shortages	Level of annual impacts on acres of fallowed agricultural lands during a maximum shortage	For Arizona non-tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 0.6 maf, with an increase of about 1,000 fallowed acres. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the No Action Alternative is among the alternatives with the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 0.6 maf, with no change in fallowed acres. For Arizona tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 0.6 maf, with an increase of about 12,000 fallowed acres.	For Arizona non-tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **low level of impact** on acres of fallowed lands during a maximum shortage of 1.5 maf, with an increase of about 6,000 fallowed acres. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 1.5 maf, with no change in fallowed acres. For Arizona tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **medium level of impact** on acres of fallowed lands during a maximum shortage of 1.5 maf, with an increase of about 49,000 fallowed acres.	For Arizona non-tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **medium level of impact** on acres of fallowed lands during a maximum shortage of 3.0 maf, with an increase of about 62,000 fallowed acres. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Enhanced Coordination Alternative has the **highest level of impact** on acres of fallowed lands during a maximum shortage of 3.0 maf, with an increase of about 283,000, 5,000, and 700 fallowed acres for California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, respectively. For Arizona tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **medium level of impact** on acres of fallowed lands during a maximum shortage of 3.0 maf, with an increase of about 39,000 fallowed acres.	For Arizona non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of impact** on acres of fallowed lands during a maximum shortage of 4.0 maf, with an increase of about 102,000 fallowed acres. For California non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with a **high level of impact** on acres of fallowed lands during a maximum shortage of 4.0 maf, with an increase of about 205,000 fallowed acres. For California tribal and Nevada tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 4.0 maf, with no change in fallowed acres. For Arizona tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of impact** on acres of fallowed lands during a maximum shortage of 4.0 maf, with an increase of about 67,000 fallowed acres.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 7,000 fallowed acres. For California non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 12,000 fallowed acres. For California tribal and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with the **lowest level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with no change in fallowed acres. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **high level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 52,000 fallowed acres.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **medium level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 61,000 fallowed acres. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 153,000, 3,000, and 500 fallowed acres for California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, respectively. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **medium level of impact** on acres of fallowed lands during a maximum shortage of 2.1 maf, with an increase of about 39,000 fallowed acres.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Economic contributions and social conditions associated with changes in agriculture due to water shortages *(continued)*	Level of annual impacts on market value of crop production from a maximum shortage	For Arizona non-tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on market value of crops during a maximum shortage of 0.6 maf, with a loss in market value of about $1.8 million. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the No Action Alternative is among the alternatives with the **lowest level of impact** on market value of crops during a maximum shortage of 0.6 maf, with no loss in market value. For Arizona tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on market value of crops during a maximum shortage of 0.6 maf, with a loss in market value of about $17.4 million.	For Arizona non-tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **low level of impact** on market value of crops during a maximum shortage of 1.5 maf, with a loss in market value of about $10.3 million. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with the **lowest level of impact** on market value of crops during a maximum shortage of 1.5 maf, with no change in market value. For Arizona tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **high level of impact** on market value of crops during a maximum shortage of 1.5 maf, with a loss in market value of about $77.6 million.	For Arizona non-tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **medium level of impact** on market value of crops during a maximum shortage of 3.0 maf, with a loss in market value of about $79.6 million. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Enhanced Coordination Alternative has the **highest level of impact** on market value of crops during a maximum shortage of 3.0 maf, with a loss in market value of about $691.8 million, $10.9 million, and $0.6 million, for California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, respectively. For Arizona tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **medium level of impact** on market value of crops during a maximum shortage of 3.0 maf, with a loss in market value of about $52.4 million.	For Arizona non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of impact** on market value of crops during a maximum shortage of 4.0 maf, with a loss in market value of about $130.7 million. For California non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with a **high level of impact** on market value of crops during a maximum shortage of 4.0 maf, with a loss in market value of about $628.6 million. For California tribal and Nevada tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with the **lowest level of impact** on market value of crops during a maximum shortage of 4.0 maf, with no change in market value. For Arizona tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of** on market value of crops during a maximum shortage of 4.0 maf, with a loss in market value of about $101.0 million.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on market value of crops during a maximum shortage of 2.1 maf, with a loss in market value of about $11.1 million. For California non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on market value of crops during a maximum shortage of 2.1 maf, with a loss in market value of about $25.4 million. For California tribal and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with the **lowest level of impact** on market value of crops during a maximum shortage of 2.1 maf, with no change in market value. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **high level of impact** on market value of crops during a maximum shortage of 2.1 maf with a loss in market value of about $83.1 million.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **medium level of impact** on market value of crops during a maximum shortage of 2.1 maf, with a loss in market value of about $78.2 million. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on market value of crops during a maximum shortage of 2.1 maf, with a loss in market value of about $473.8 million, $7.7 million, and $0.5 million, for California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, respectively. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **medium level of impact** on market value of crops during a maximum shortage of 2.1 maf with a loss in market value of about $51.6 million.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Economic contributions and social conditions associated with changes in agriculture due to water shortages *(continued)*	Level of annual impacts on economic contributions, including jobs, labor income, and total economic output from a maximum shortage	For Arizona non-tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on economic contributions during a maximum shortage of 0.6 maf, with a loss of over 10 jobs, about $0.6 million in labor income, and $2.8 million in economic output. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the No Action Alternative is among the alternatives with the **lowest level of impact** on economic contributions during a maximum shortage of 0.6 maf, with no loss in jobs, labor income, or economic output. For Arizona tribal agriculture entitlement holders, the No Action Alternative has the **lowest level of impact** on economic contributions during a maximum shortage of 0.6 maf, with a loss of about 135 jobs, $10.7 million in labor income, and $34.8 million in economic output.	For Arizona non-tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **medium level of impact** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 80 jobs, $3.5 million in labor income, and $15.8 million in economic output. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with the **lowest level of impact** on economic contributions during a maximum shortage of 1.5 maf, with no change in jobs, labor income, or economic output. For Arizona tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 800 jobs, $45.3 million in labor income, and $153.1 million in economic output.	For Arizona non-tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 3.0 maf, with a loss of about 500 jobs, $29.0 million in labor income, and $126.8 million in economic output. For California non-tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 3.0 maf, with a loss of about 4,000 jobs, $246.5 million in labor income, and $1.0 billion in economic output. For California tribal and Nevada tribal agriculture entitlement holders, the Enhanced Coordination Alternative has the **highest level of impact** on economic contributions during a maximum shortage of 3.0 maf, with a loss of about 63 jobs, $3.9 million in labor income, and $15.9 million in economic output for California tribal entitlement holders, and a loss of about 13 jobs, $0.1 million in labor income, and $0.9 million in economic output for Nevada tribal agriculture entitlement holders. For Arizona tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 500 jobs, $31.2 million in labor income, and $104.5 million in economic output.	For Arizona non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of impact** on economic contributions during a maximum shortage of 4.0 maf, with a loss of about 900 jobs, $46.8 million in labor income, and $207.6 million in economic output. For California non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of impact** on economic contributions during a maximum shortage of 4.0 maf, with a loss of about 5,000 jobs, $336.3 million in labor income, and $1.0 billion in economic output. For California tribal and Nevada tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with the **lowest level of impact** on economic contributions during a maximum shortage of 4.0 maf, with no change in jobs, labor income, or economic output. For Arizona tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative has the **highest level of** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 1,000 jobs, $57.1 million in labor income, and $199.2 million in economic output.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **medium level of impact** on economic contributions during a maximum shortage of 2.1 maf, with a loss of about 90 jobs, $3.8 million in labor income, and $17.0 million in economic output. For California non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **medium level of impact** on economic contributions during a maximum shortage of 2.1 maf, with a loss of over 100 jobs, about $8.5 million in labor income, and $36.9 million in economic output. For California tribal and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with the **lowest level of impact** on economic contributions during a maximum shortage of 2.1 maf, with no change in jobs, labor income, or economic output. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 900 jobs, $48.2 million in labor income, and $163.9 million in economic output.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 2.1 maf, with a loss of 500 jobs, about $28.4 million in labor income, and $124.3 million in economic output. For California non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 2.1 maf, with a loss of about 3,000 jobs, $173.4 million in labor income, and $689.2 million in economic output. For California tribal and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **low level of impact** on economic contributions during a maximum shortage of 2.1 maf, with a loss of about 45 jobs, $2.8 million in labor income, and $11.2 million in economic output for California tribal entitlement holders, and a loss of about 9 jobs, $0.1 million in labor income, and $0.6 million in economic output for Nevada tribal agriculture entitlement holders. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on economic contributions during a maximum shortage of 1.5 maf, with a loss of about 400 jobs, $30.7 million in labor income, and $102.8 million in economic output.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Economic contributions and social conditions associated with changes in agriculture due to water shortages *(continued)*	Impacts on nonmarket values and social conditions from changes in agriculture	For non-tribal and tribal agriculture entitlement holders in Arizona, California, and Nevada, the No Action Alternative is among the alternatives with the **lowest level of impact** on access and quality of nonmarket values and social conditions due to the little to no increases in acreages of fallowed agriculture lands expected from shortages, under this alternative.	For Arizona non-tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **low level of impact** on access and quality of nonmarket values and social conditions due to the low level of impact on acreages of fallowed agriculture lands from shortages. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with the **lowest level of impact** on access and quality of nonmarket values and social conditions due to the little to no increases in acreages of fallowed agriculture lands expected from shortages, under this alternative. For Arizona tribal agriculture entitlement holders, the Basic Coordination Alternative is among the alternatives with a **medium level of impact** on access and quality of nonmarket values and social conditions due to the medium level of impact on acreages of fallowed agriculture lands from shortages.	For Arizona non-tribal and tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **medium level of impact** on access and quality of nonmarket values and social conditions due to the medium level of impact on acreages of fallowed agriculture lands from shortages. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Enhanced Coordination Alternative is among the alternatives with a **high level of impact** on access and quality of nonmarket values and social conditions due to the high level of impact on acreages of fallowed agriculture lands from shortages.	For Arizona non-tribal and tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with a **high level of impact** on access and quality of nonmarket values and social conditions due to the high level of impact on acreages of fallowed agriculture lands from shortages. For California non-tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with a **high level of impact** on access and quality of nonmarket values and social conditions due to the high level of impact on acreages of fallowed agriculture lands from shortages. For California tribal and Nevada tribal agriculture entitlement holders, the Maximum Operational Flexibility Alternative is among the alternatives with the **lowest level of impact** on access and quality of nonmarket values and social conditions due to the little to no increases in acreages of fallowed agriculture lands expected from shortages, under this alternative.	For Arizona non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on access and quality of nonmarket values and social conditions due to the low level of impact on acreages of fallowed agriculture lands from shortages. For California non-tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **low level of impact** on access and quality of nonmarket values and social conditions due to the low level of impact on acreages of fallowed agriculture lands from shortages. For California tribal and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with the **lowest level of impact** on access and quality of nonmarket values and social conditions due to the little to no increases in acreages of fallowed agriculture lands expected from shortages, under this alternative. For Arizona tribal agriculture entitlement holders, the Supply Driven Alternative (LB Priority approach) is among the alternatives with a **high level of impact** on access and quality of nonmarket values and social conditions due to the high level of impact on acreages of fallowed agriculture lands from shortages.	For Arizona non-tribal and tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **medium level of impact** on access and quality of nonmarket values and social conditions due to the medium level of impact on acreages of fallowed agriculture lands from shortages. For California non-tribal, California tribal, and Nevada tribal agriculture entitlement holders, the Supply Driven Alternative (LB Pro Rata approach) is among the alternatives with a **high level of impact** on access and quality of nonmarket values and social conditions due to the high level of impact on acreages of fallowed agriculture lands from shortages.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Economic contributions and value associated with Lake-Based and River-based Recreation	Changes in recreation visitor spending and associated regional employment, labor income, and total economic output from lake-based recreation-related activities	Under No Action and all Alternatives, declining reservoir elevations at Lake Mead and Lake Powell reduce access to boating, marina operations, and shoreline recreation in dry conditions. This is expected to lead to a decrease in visitation and associated spending on lodging, food services, and transportation-related spending in nearby gateway communities. Businesses that rely on water-based visitation, including marinas, guide services, motels, and equipment rentals, are expected to experience losses in jobs and labor income. Downstream economic effects also weaken, reducing Potential for overall economic output.	Decreases in visitation and associated spending would occur under dry conditions as described under the No Action Alternative. Operational changes increase the frequency and duration of low-elevation conditions at Lake Powell, reducing marina operability and shortening boating seasons are likely to further reduce economic contributions associated with recreational use at this reservoir. For Lake Mead, there is more robust performance related to recreation site access and navigation thresholds, therefore visitation and spending associated with this reservoir are anticipated to be maintained at levels at or above that of the No Action Alternative.	Decreases in visitation and associated spending would occur under dry conditions as described under the No Action Alternative. This alternative is among the most robust in terms of meeting thresholds for recreation site access and navigation in Lake Powell and Lake Mead. Consequently, Employment and income losses remain but occur at lower levels relative to No Action and Basic Coordination Alternatives. Gateway communities experience more consistent seasonal activity.	Decreases in visitation and associated spending would occur under dry conditions as described under the No Action Alternative. As discussed under for the Maximum Operational Flexibility Alternative, consequently, economic contributions from lake-based recreation would likely be higher than the CCS Comparative Baseline and No Action Alternative due to more robust maintenance of access for recreation sites and navigation Consequently Employment and income losses remain but occur at lower levels relative to No Action and Basic Coordination Alternatives. Gateway communities experience more consistent seasonal activity.	Decreases in visitation and associated spending would occur under dry conditions as described under the No Action Alternative. For Lake Powell recreation site and navigation access would be less robust than the No Action Alternative which could further impact recreational spending and gateway businesses and concessionaire associated with Lake Powell. In contrast, for Lake Mead, the Supply Driven Alternative (LB Priority approach) modeling represents the most robust outcomes for recreation site access and navigation, supporting continued or increased spending associated with recreation activities for this reservoir.	Decreases in visitation and associated spending would occur under dry conditions as described under the No Action Alternative. Impacts would be the same as described for the Supply Driven Alternative (LB Priority approach).
	Percent of modeled futures in which *the annual recreational value*[12] *of whitewater boating exceeds 34 million dollars at least 90 percent of years*. This threshold indicates when modeled futures achieve recreation values at least as high as the lowest 10 percent of outcomes for recreation value based on recent historic hydrologic data (2020-2023).	**43%** of modeled futures meet *the preferred minimum performance*.	**50%** of modeled futures meet *the preferred minimum performance*.	**48%** of modeled futures meet *the preferred minimum performance*.	**9%** of modeled futures meet *the preferred minimum performance*.	**25%** of modeled futures meet *the preferred minimum performance*.	**25%** of modeled futures meet *the preferred minimum performance*.

[12] Recreational value of whitewater boating is calculated based on net economic value changes for whitewater rafting in Grand Canyon. This approach follows the methods used in the Glen Canyon Dam Long-Term Experimental and Management Plan Final Supplemental Environmental Impact Statement, where past survey research (Neher et al. 2017, Bishop et al. 1987) informed models to project the change in net economic value under different river flow scenarios. These models link willingness-to-pay estimates for boaters to hydrologic conditions, providing a measure of recreation benefits that extends beyond market spending. Reclamation used similar methods for the analysis of potential impacts on recreation as were used in the 2007 Final EIS and 2024 Final SEIS to assess the effects on recreation value associated with white-water boating.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Economic contributions and value associated with Lake-Based and River-based Recreation *(continued)*	Percent of modeled futures in which *the annual recreational value*[13] *of angling exceeds 1.75 million dollars in at least 90 percent of years*. This value indicates when modeled futures achieve recreation values at least as high as the lowest 10 percent of outcomes for recreation value based on recent historic hydrologic data (2020-2023).	**25%** of modeled futures meet *the preferred minimum performance*.	**45%** of modeled futures meet *the preferred minimum performance*.	**1%** of modeled futures meet *the preferred minimum performance*.	**19%** of modeled futures meet *the preferred minimum performance*.	**21%** of modeled futures meet *the preferred minimum performance*.	**21%** of modeled futures meet *the preferred minimum performance*.
How would anticipated water shortages and changes in water levels in reservoirs and river segments affect access and quality of nonmarket values?	Changes in existence and symbolic values of the river due to shifts in scenic character or ecological conditions.	Lower reservoir elevations and increased shoreline exposure reduce opportunities for solitude, as well as access to quiet coves, beaches, and natural shorelines. These conditions diminish the experiential qualities that many users value. Extended low-flow periods could also impact river-based experiences in Grand Canyon due to changes in setting which could impact perceived naturalness (see **TA 14, Recreation**). Cultural and spiritual values tied to iconic landscapes and cultural artifacts could also be impacted in low-hydrologic flow periods (see **TA 11, Cultural Resources**). Ecological services such as riparian habitat stability may decline, influencing non-use values related to wildlife and vegetation communities (see **TA 8, Biological Resources – Fish and Other Aquatic Resources**).	Under dry conditions nonmarket values could be impacted as discussed under the no action alternative. More frequent low-elevation conditions could occur in the Basic Coordination Alternative, which could noticeably affect nonmarket values tied to lake-based recreation and scenic quality (see **TA 14, Recreation**) although at a reduced level compared to the No Action Alternative. Reduced reservoir levels may expose previously submerged areas, altering visual character and diminishing opportunities for solitude. Overall impacts are similar to the No Action.	Under dry conditions nonmarket values could be impacted as discussed under the no action alternative. The Enhanced Coordination Alternative is more robust in terms of the support for nonmarket values, particularly for values associated with Lake Powell, as reservoir levels would be maintained at thresholds supporting access for boating and camping in more modeled futures, supporting experiential benefits and cultural connections (see **TA 11, Cultural Resources**). River-based recreation quality is expected to remain high, due to increased stability with flow-dependent activities (see **TA 14, Recreation**). Non-use values tied to ecosystem services, such as wildlife habitat and riparian vegetation, would also be supported (see **TA 8, Biological Resources – Fish and Other Aquatic Resources**).	Under dry conditions nonmarket values could be impacted as discussed under the no action alternative. Similar to the Enhanced Coordination Alternative, this alternative is more robust in terms of the support for nonmarket values, particularly for values associated with Lake Powell, and for river Based recreation, due to increased stability with flow-dependent activities (see **TA 14, Recreation**).	Outcomes produced by the Supply Driven Alternative (LB Priority approach) vary depending on hydrology and location. In wet years, nonmarket values remain similar to the No Action Alternative but in dry sequences, reduced reservoir elevations and altered flow regimes diminish scenic quality and access for boating and angling (see **TA 14, Recreation**), for Lake Powell. For Lake Mead, the Supply Driven Alternatives (both LB Priority and LB Pro Rata approaches) are the most robust for supporting reservoir levels at Lake Mead which support non-market values. River-based recreation experiences moderate variability in trip quality, while ecosystem services and associated non-use values fluctuate with water availability (see **TA 8, Biological Resources – Fish and Other Aquatic Resources**). Cultural and spiritual values tied to river corridors may also be affected during extended drought periods (see **TA 11, Cultural Resources**).	Impacts would be as described for the Supply Driven Alternative (LB Priority approach).

[13] Recreational value of angling is calculated based on net economic value changes for angling in Glen Canyon. This approach follows the methods used in the Glen Canyon Dam Long-Term Experimental and Management Plan Final Supplemental Environmental Impact Statement, where past survey research (Neher et al. 2017, Bishop et al. 1987) informed models to project the change in net economic value under different river flow scenarios. These models link willingness-to-pay estimates for boaters to hydrologic conditions, providing a measure of recreation benefits that extends beyond market spending. Reclamation used similar methods for the analysis of potential impacts on recreation as were used in the 2007 Final EIS and 2024 Final SEIS to assess the effects on recreation value associated with angling.

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Population and Land Use

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Priority Group: Arizona CAP NIA-A and NIA-B	Percent of modeled futures in which greater than 80% of normal domestic delivery[14] occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**6%** of modeled futures meet the performance definition.	**1%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**0%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
	Percent of modeled futures in which greater than 60% of normal delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**6%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**0%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: Arizona CAP Indian, M&I, and 4(i)	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**19%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**4%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**9%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: Arizona Priorities 2 and 3	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**57%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**61%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: Arizona present perfected right (PPR)	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.

[14] Normal delivery refers to a full supply of domestic water delivery throughout this table.

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Priority Group: Arizona present perfected right (PPR) *(continued)*	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: California Priority 4	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**1%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: California PPR	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Priority Group: Nevada Priorities 1-7	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**50%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.

Some performance indicator descriptions include italics to denote a definition of the "*preferred minimum performance*" that was used as a significant reference point for technical analysis. The following were considered when determining preferred minimum performance: input from resource experts, the severity of negative outcomes associated with not satisfying a given performance level, historical (observed) data, and/or reasonably expected outcomes if current operations and recent hydrology continued. To find more information about preferred minimum performance levels, see Volume III – Technical Appendices.

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	**Basic Coordination Alternative**	**Enhanced Coordination Alternative**	**Maximum Operational Flexibility Alternative**	**Supply Driven Alternative (LB Priority)**	**Supply Driven Alternative (LB Pro Rata)**
Priority Group: Nevada Priority 8	Percent of modeled futures in which greater than 80% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**4%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**13%** of modeled futures meet the performance definition.	**4%** of modeled futures meet the performance definition.	**50%** of modeled futures meet the performance definition.
	Percent of modeled futures, in which greater than 60% of normal domestic delivery occurs at least 90% of years. The higher the percentage, the more robust an alternative is with respect to achieving normal domestic deliveries.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**55%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.
Comparison of impacts to senior and junior entitlements	Shortage to domestic water users across the full modeling period	N/A	>80% percent of normal delivery to some senior entitlements (AZ P2, P3, AZ PPR, California P4, CA PPR, NV P1-7) occurs in all potential futures. In contrast, for junior entitlements there are fewer potential futures in which there is any percentage of normal delivery. Minimal futures (0-10) in which AZ CAP NIA-A and NIA-B receive >80% normal delivery.	While this alternative results in more priority groups receiving domestic delivery closer to normal conditions, it results in shortage impacts on senior entitlements that would otherwise receive deliveries consistent with normal conditions.	>80 percent of normal delivery to some senior entitlements (AZ PPR, CA PPR, NV P1-7) occurs in 100% of potential futures. In contrast, for junior entitlements (AZ CAP NIA-A, NIA-B, M&I, AZ 4(i), CA P4, NV P8) there are fewer potential futures, and in some cases no potential futures, in which there is any percentage of normal domestic water delivery.	>80 percent of normal delivery to senior entitlements (AZ P2, P3, AZ PPR, PPR, NV P1-7) occurs in all potential futures. In contrast, for junior entitlements (AZ CAP NIA-A, NIA-B, M&I, AZ 4(i), CA P4, NV P8), there are fewer potential futures, and in some cases no potential futures, in which there is any percentage of normal domestic water delivery.).	While this alternative results in more priority groups receiving domestic delivery closer to normal conditions, it results in shortage impacts on senior entitlements that would otherwise receive deliveries consistent with normal conditions.
How would operational changes affect population and land use developed land use patterns?	Acres of developed land within the analysis area and potential for changes based on municipal water availability	Development in western Arizona served counties may slow due to water supply uncertainty; risk of infrastructure delays and constraints on new subdivisions under Arizona Department of Water Resources assured water supply rules.	Slightly improved predictability but concentrated shortages in Arizona could still limit growth in high-demand areas like Pinal and Maricopa Counties.	Shared shortages reduce localized development constraints; moderate reservoir levels support more stable urban expansion across Lower Basin states.	Large shortages and operational variability increase risk of development limitations basin-wide; uncertainty may deter investment in growth corridors.	Development largely protected in senior-rights areas (California metro regions); junior-rights Arizona communities face higher risk of growth restrictions.	Broader distribution of shortages may affect development in California and Nevada metropolitan areas, introducing regional planning challenges.
	Acres of irrigated agricultural land within the analysis area and potential for changes based on agricultural water availability	Frequent and severe shortages for junior-priority irrigation users likely lead to fallowing, crop switching, and long-term land retirement in western Arizona counties; Imperial Valley impacts are more limited.	Concentrated impacts for junior users in Arizona still drive significant agricultural land use changes; California and senior priority holders see limited more limited impacts	Pro rata distribution mitigates concentrated impacts for junior users but introduces broader reductions, increasing risk of widespread crop switching and fallowing in both Arizona and California.	Large shortage volumes and reliance on conservation participation create high uncertainty; potential for extensive land retirement if participation is low.	Concentrates impacts on junior users, preserving senior districts but accelerating land use change in western Arizona counties.	Distributes shortages broadly, increasing exposure for senior priority holders California and potentially leading to widespread fallowing and crop switching across the Basin.

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Indian Trust Assets

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Upper Basin Tribal Water Deliveries	Typical Water Deliveries	The alternatives act the same in terms of Upper Basin tribal water deliveries.					
Lower Basin Tribal Water Deliveries	Percent of modeled futures in which *dead pool-related delivery reductions never occur*	**30%** of modeled futures meet *the preferred minimum performance*.	**62%** of modeled futures meet *the preferred minimum performance*.	**84%** of modeled futures meet *the preferred minimum performance*.	**91%** of modeled futures meet *the preferred minimum performance*.	**76%** of modeled futures meet *the preferred minimum performance*.	**85%** of modeled futures meet *the preferred minimum performance*.
Lower Basin Tribal Water Deliveries (Group of tribes with PPR rights)	At least 80% of Normal Water Deliveries (i.e., non-shortage conditions) occurs in at least 90% of years across the full period. The higher the percentage, the more frequently deliveries are estimated to remain consistent with normal delivery.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**4%** of modeled futures meet the performance definition.
Lower Basin Tribal Water Deliveries (Group of tribes with AZ Priority 3 entitlements)	At least 80% of Normal Water Deliveries (i.e., non-shortage conditions) occurs in at least 90% of years across the full period. The higher the percentage, the more frequently deliveries are estimated to remain consistent with normal delivery.	**100%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**72%** of modeled futures meet the performance definition.	**100%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
Lower Basin Tribal Water Deliveries (Group of tribes with Arizona CAP Indian, M&I, and 4i entitlements)	At least 80% of Normal Water Deliveries (i.e., non-shortage conditions) occurs in at least 90% of years across the full period. The higher the percentage, the more frequently deliveries are estimated to remain consistent with normal delivery.	**100%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**4%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
Lower Basin Tribal Water Deliveries (Group of tribes with Arizona CAP Non-Indian Agriculture entitlements)	At least 80% of Normal Water Deliveries (i.e., non-shortage conditions) occurs in at least 90% of years across the full period. The higher the percentage, the more frequently deliveries are estimated to remain consistent with normal delivery.	**6%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**21%** of modeled futures meet the performance definition.	**0%** of modeled futures meet the performance definition.	**2%** of modeled futures meet the performance definition.	**3%** of modeled futures meet the performance definition.
Trust Land (Arizona)	Acres of Fallowed Tribal Land	12,428	12,428 to 49,049	8,072 to 39,176	6,535 to 66,987	6,535 to 52,377	15,801 to 38,575
Trust Land (California)	Acres of Fallowed Tribal Land	0	0	1,298 to 5,092	0	0	579 to 2,803
Trust Land (Nevada)	Acres of Fallowed Tribal Land	0	0	131 to 656	0	0	131 to 460

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Visual Resources

Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Visibility of Attraction Features	Percent of futures in which *Lake Powell elevation is below 3,550 feet in at least 90% of months*. The higher the percentage, the more likely Lake Powell will remain at elevations where Cathedral in the Desert is visible and accessible.	**73%** of modeled futures meet *the preferred minimum performance*. **Third most acceptable** futures where Cathedral in the Desert is visible and accessible.	**74%** of modeled futures meet *the preferred minimum performance*. **Second most acceptable** futures where Cathedral in the Desert is visible and accessible.	**26%** of modeled futures meet *the preferred minimum performance*. **Fewest acceptable** futures where Cathedral in the Desert is visible and accessible.	**42%** of modeled futures meet *the preferred minimum performance*. **Second fewest** acceptable futures where Cathedral in the Desert is visible and accessible.	**76%** of modeled futures meet *the preferred minimum performance*. **Most acceptable futures** where Cathedral in the Desert is visible and accessible.	
	Percent of futures in which *Lake Powell elevation is above 3,550 feet at least 90% of months*. The higher the percentage, the more likely less of Glen Canyon Dam will be visible. Hoover Dam visibility is based on modeling associated with the next issue statement.	**27%** of modeled futures meet *the preferred minimum performance*. **Third fewest** futures where less of Glen Canyon and Hoover dams would be visible, with their increased visibility further dominating the local landscape character.	**26%** of modeled futures meet *the preferred minimum performance*. **Second fewest** futures where less of Glen Canyon Dam would be visible, with its increased visibility further dominating the local landscape character with less of Hoover Dam visible compared to the No Action.	**74%** of modeled futures meet *the preferred minimum performance*. **Most acceptable futures** where less of Glen Canyon and Hoover dams would be visible, reducing their level of dominance in the local landscape compared to the No Action	**58%** of modeled futures meet *the preferred minimum performance*. **Second most acceptable** futures where less of Glen Canyon and Hoover dams would be visible, reducing their level of dominance in the local landscape compared to the No Action.	**24%** of modeled futures meet *the preferred minimum performance*. **Fewest** futures where less of Glen Canyon Dam would be visible, with its increased visibility further dominating the local landscape character. Based on managing higher reservoir levels in Lake Mead compared to Lake Powell under this alternative, less of the upstream side of Hoover Dam would be visible under this alternative (similar to the Enhanced Coordination and Maximum Flexibility alternatives) with comparatively more of the upstream side of Glen Canyon Dam being visible as described above.	
Lake Powell and Lake Mead landscape character	Percent of futures in which ***Lake Powell*** *elevation would result in calcium carbonate rings remaining under historic maximums for 100 percent of the full modeling period*. The higher the percentage, the more likely calcium carbonate rings at Lake Powell will remain shorter than historic maximums.	**16%** of modeled futures meet *the preferred minimum performance*.	**16%** of modeled futures meet *the preferred minimum performance*.	**51%** of modeled futures meet *the preferred minimum performance*.	**38%** of modeled futures meet *the preferred minimum performance*.	**13%** of modeled futures meet *the preferred minimum performance*.	
	Percent of futures in which ***Lake Mead*** *elevation would result in calcium carbonate rings remaining under historic maximums for 100 percent of the full modeling period*. The higher the percentage, the more likely calcium carbonate rings at Lake Mead will remain shorter than historic maximums.	**6%** of modeled futures meet *the preferred minimum performance*.	**30%** of modeled futures meet *the preferred minimum performance*.	**29%** of modeled futures meet *the preferred minimum performance*.	**32%** of modeled futures meet *the preferred minimum performance*.	**47%** of modeled futures meet *the preferred minimum performance*.	

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Impact Category	Performance Indicator	Impacts Summary					
		No Action Alternative	Basic Coordination Alternative	Enhanced Coordination Alternative	Maximum Operational Flexibility Alternative	Supply Driven Alternative (LB Priority)	Supply Driven Alternative (LB Pro Rata)
Colorado River landscape character	Qualitative description of the effect associated with proposed flow rates and the potential to conduct HFEs from Glen Canyon Dam under each alternative.	Initially, there would be less impacts as flows would remain above 7.0 maf; however, if Lake Powell reaches dead pool, impacts would be extensive and immediate due to a dramatic reduction in flows. The current trends of increasing bank armoring, associated with expanding riparian vegetation areas (including tamarisk), would continue under the No Action Alternative. This alternative has the **fewest futures** where HFEs are conducted during the full modeling period.	Impacts would be similar to the No Action since it includes a similar range of releases from Glen Canyon Dam. This alternative would have an **increased number of futures** where HFEs are conducted compared to the No Action Alternative.	Based on yearly projections, if releases as low as 4.7 maf are needed, there would be increased impacts on the river's landscape character. If releases are above 7.0 maf, impacts would be the same as the No Action Alternative. This alternative would result in the **second most futures** where HFEs are conducted.	Based on yearly projections, if releases as low as 5.0 maf are needed, there would be increased impacts on the river's landscape character. If releases are above 7.0 maf, impacts would be the same as the No Action Alternative. This alternative would result in the **most futures** where HFEs are conducted.	Based on yearly projections, if releases as low as 4.7 maf are needed, there would be increased impacts on the river's landscape character. If releases are above 7.0 maf, impacts would be the same as the No Action Alternative. This alternative has the **second fewest futures** where HFEs are conducted during the full modeling period.	
Lower Division States' landscape character	Qualitative description of the effects associated with potential decreases in water availability for the Lower Division States on the broader landscape character including the potential to reach dead pool.	Initially, there would be lower impacts; however, if Lake Mead reaches dead pool, dramatic decreases in water availability could affect the landscape character in all three Lower Division States. Depending on the duration of these decreased water deliveries, the character of irrigated and agricultural landscapes within the Lower Division States would be modified through aridification of these areas; this would diminish the vivid greens associated with crops and ornamental plantings. This alternative has the **most futures** where dead pool shortage is reached.	Impacts would be similar to the No Action except this alternative includes increased shortages to Arizona and Nevada (up to 1.48 maf). While the potential to reach dead pool is reduced under this alternative, compared to the No Action, there is still a risk to reach dead pool under some futures. This alternative has the **second most futures** where dead pool shortage is reached.	Shortages up to 3.0 maf are possible under this alternative, which would incrementally affect all three Lower Division States including irrigated and agricultural landscapes. These shortages are designed to avoid reaching dead pool, tempering the impacts on the character of irrigated and agricultural landscapes within the Lower Division States and avoid more extensive impacts if Lake Mead reached dead pool. This alternative has the **second fewest** futures where dead pool shortage is reached.	Shortages up to 4.0 maf are possible under this alternative, which would incrementally affect all three Lower Division States including irrigated and agricultural landscapes. The shortages are designed to avoid reaching dead pool. This alternative has the **fewest futures** where dead pool shortage is reached.	Shortages up to 2.1 maf are possible under this alternative, which would incrementally affect all three Lower Division States including irrigated and agricultural landscapes. The shortages are designed to avoid reaching dead pool. This alternative, similar to the Enhanced Coordination Alternative, has the **second fewest futures** where dead pool shortage is reached.	

ES.6 References

Bureau of Reclamation (Reclamation). 2007. *Record of Decision: Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead*, Washington, D.C. Internet website: https://www.usbr.gov/lc/region/programs/strategies/RecordofDecision.pdf.

_____. 2019. Colorado River Drought Contingency Plans. May 2019. Internet website: https://www.usbr.gov/ColoradoRiverBasin/dcp/finaldocs.html.

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Agenda Item 3.

City of Needles Present Perfected Rights (“PPR”)

City of Needles Present Perfected Rights ("PPR")

What are Present Perfected Rights?

Present Perfected Rights (PPRs) are the **most senior, earliest water rights on the Colorado River,** established under state law before federal acts like the 1922 Colorado River Compact, **giving them first priority for water use and making them last to be curtailed during shortages**, though their exact definition and quantification have evolved through Supreme Court cases like *Arizona v. California* and the "Law of the River".

These rights form a crucial, high-priority component of the complex Colorado River water allocation system, often tied to specific lands and uses, like those for Native American tribes or older

City of Needles Present Perfected Rights ("PPR")

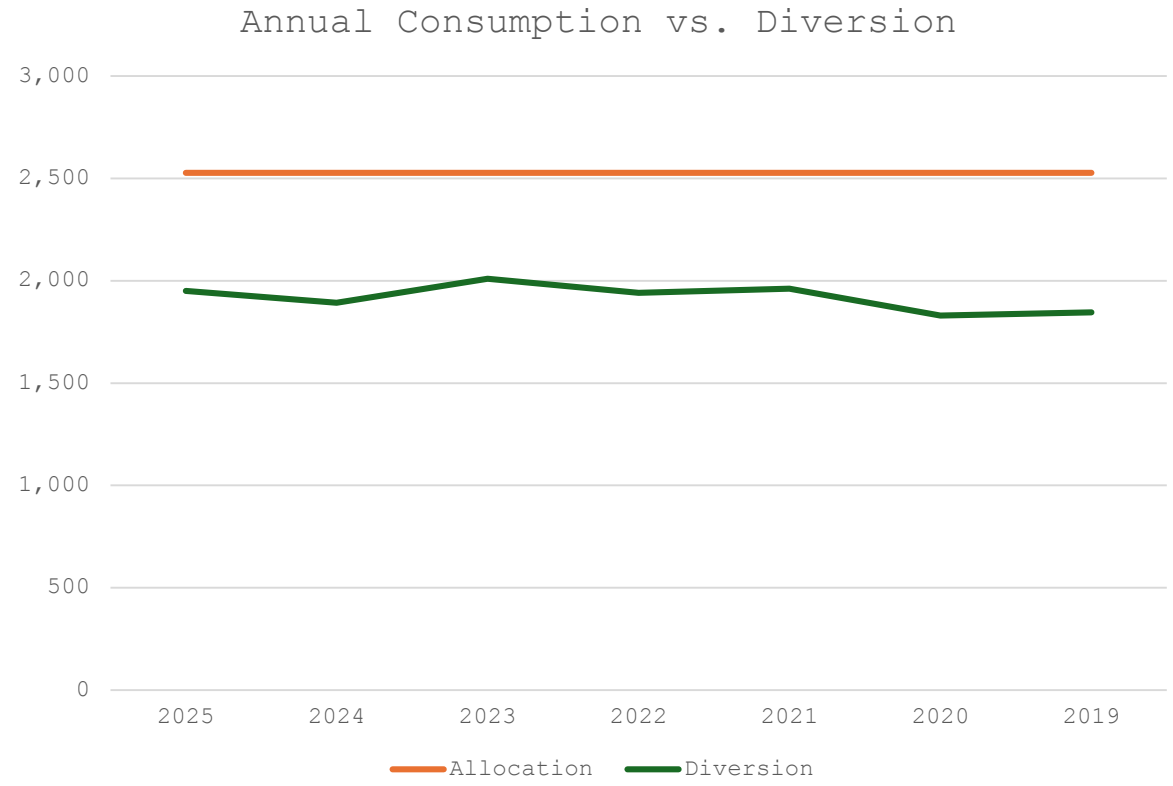
- Since 1885, the City has had Present Perfected Rights ("PPR") under Contract No. 05-XX-30-W0445.
- The Contract is listed in the Consolidated Degree of the Supreme Court of the United States in the case of *Arizona v. California et a*l.
- PPR #43 - 1,500 acre-feet ("AF") of diversion from the Colorado River ("River"), which provides 950 AF of consumptive use.
- In 1995, the City purchased additional PPR from the Santa Fe Railway Company for 1,250 AF of diversion and 273 AF of consumption, PPR #44.
- Together, the City can divert up to 2,760 AF of

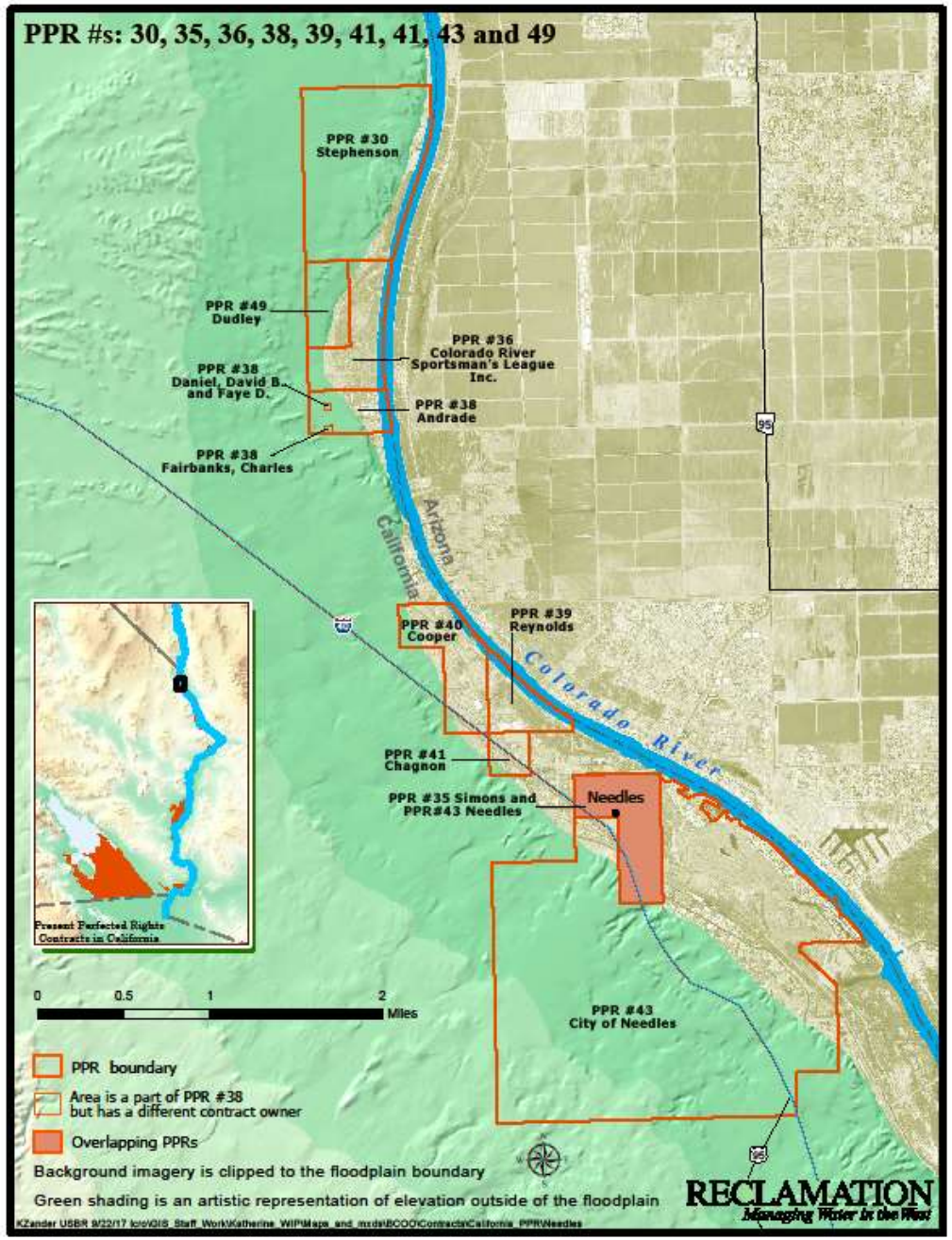
City of Needles Present Perfected Rights ("PPR")

- The City of Needles is also allocated 527 acre-feet per year through management of the Lower Colorado Water Supply Project.

- The City completed a Phase 1 SCIA pilot project for turf removal at the River's Edge Golf Course on April 15, 2016, which reduces the annual diversion by 232 acre-feet for ten years, expiring in 2026. In total, the City of Needles is allocated to divert 2,261 AF annually.

City of Needles Present Perfected Rights ("PPR")




PPR #s: 30, 35, 36, 38, 39, 41, 41, 43 and 49
PPR #30 Stephenson
PPR #49 Dudley
PPR #36 Colorado River Sportsman's League Inc.
PPR #38 Daniel, David B. and Faye D.
PPR #38 Andrade
PPR #38 Fairbanks, Charles
95
California
Arizona
PPR #40 Cooper
PPR #39 Reynolds
Colorado River
PPR #41 Chagnon
PPR #35 Simons and PPR#43 Needles
Needles
Present Perfected Rights Contracts in California
0 0.5 1 2 Miles
PPR #43 City of Needles
PPR boundary
Area is a part of PPR #38 but has a different contract owner
Overlapping PPRs
Background imagery is clipped to the floodplain boundary
Green shading is an artistic representation of elevation outside of the floodplain
RECLAMATION
Managing Water in the West

City of Needles Present Perfected Rights ("PPR")

Future

- A number of reservoir and water management decisional documents and agreements that govern the operation of Colorado River facilities and the management of Colorado River water are currently scheduled to expire at the end of 2026.

- The Draft EIS analyzes a broad range of reasonable alternatives for the operational elements identified in the proposed federal action. These alternatives were developed through extensive engagement with a wide range of partners and stakeholders, as well as the general public, over a period of over three years.

- Despite this extensive engagement, this Draft EIS does **not identify a Preferred Alternative** due to the current absence of a consensus-based approach to post-2026 reservoir operations among Basin entities.

City of Needles Present Perfected Rights ("PPR")

The Bureau of Reclamation's Post-2026 Draft EIS was published in the *Federal Register* today, January 16, 2026. This initiates the 45-day public comment period, which will close on March 2, 2026. Comments may be submitted via the following methods:

Email to: crbpost2026@usbr.gov
Telephone: (602) 609-6739
Mail to: Bureau of Reclamation, Attn: BCOO-1000, P.O. Box 61470, Boulder City, NV 89006

Reclamation will hold two virtual public meetings to provide information on the Draft EIS. The schedule and registration links are provided below.

Virtual meeting – **Thursday, January 29, 2026, at 1:00 – 3:00 p.m. Mountain Time** (Registration Link: https://swca.zoom.us/webinar/register/WN_0YXCatFjSFC5Y_SYgcjS5g#/registration)

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

City Manager Rick Daniels

April 25, 2023

Reclamation
2007 Interim Guidelines SEIS Project Manager
Upper Colorado Basin Region
125 South State Street, Suite 8100
Salt Lake City, Utah 84138
CRinterimops@usbr.gov

RE: Draft Supplemental Environnemental Impact Statement (SEIS)

To Whom it May Concern,

Since 1885 the City has had Present Perfected Rights ("PPR") #43 to 1,500 acre-feet ("AF") of diversion from the Colorado River ("River") which provides 950 AF of consumptive use. Set by U.S. Supreme Court decree AZ v. CA as amended in 2006 Present Perfected Water Rights (PPR's).

The highest priority rights to River water are "perfected rights" that are based on historical use of river water prior to the construction of the large Federal projects to dam and divert the river water. It is sometimes stated as "First in use, first in right" The use must be for beneficial purposes.

In 1995, the City purchased additional PPR #44 from the Santa Fe Railway Company for 1,250 AF of diversion and 273 AF of consumption. Added together, these PPR allow the City to divert up to 2,760 AF of water (1,500 AF allowed the City via its 1885 PPR diversion and 1,260 AF via the City's acquisition of Santa Fe Railway Company's 1896 PPR diversion) and consume 1,223 AF.

In addition to the PPR's above within the City limits of Needles exist nine (9) other PPR's #30, 35, 36, 38, 39, 40, 41, and 49 which provides entitlements for the landowners to equitably distribute the division of these water rights. The priority dates on this PPR range from 1893 to 1928.

On behalf of the City and the City Council, please accept this letter as a recommendation to honor the historical Present Perfected Rights set by the U.S. Supreme Court decree AZ v. CA.

Respectfully,

Janet Jernigan, Mayor
817 Third St.
Needles, CA 92363

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☒ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: Accept the work completed by WEKA, Inc. for the Phase V Water Service Lateral Replacement Project and authorize a Notice of Completion to record with the San Bernardino County Recorder's office.

Background: In preparation for the Pavement Management Program, Phase V Street Improvements, the Water Service Later Replacement project was competitively bid on July 31, 2025, and awarded to WEKA,, Inc. on October 14, 2025. Construction began in November and was substantially completed by the end of January, 2026.

The original bid awarded was $388,939 and $166,994.81 of additional work was approved by Change Order No.1 on January 27, 2026. The original bid and additional work was funded by the Water Asset Replacement Funds resulting in a total contract amount of $555,933.81 at project completion.

Fiscal Impact: N/A

Recommendation: Accept the work completed by WEKA, Inc. for the Phase V Water Service Lateral Replacement Project and authorize a Notice of Completion to record with the San Bernardino County Recorder's office.

Submitted By: Kathy Raasch, Director of Development Services/Capital Projects

City Manager Approval: Patrick J Martinez Date: 2/5/2026

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

RECORDING REQUESTED BY:

City of Needles
817 Third Street
Needles, CA 92363

AND WHEN RECORDED MAIL TO:

City of Needles
817 Third Street
Needles, CA 92363

No fee per Govt. Code § 27383

~ SPACE ABOVE FOR RECORDER'S USE ONLY ~

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

The undersigned is OWNER or AGENT OF THE OWNER of the interest or estate stated below in the property hereinafter described.

The full NAME of the OWNER is **CITY OF NEEDLES**

The ADDRESS of the OWNER is **817 THIRD STREET, NEEDLES, CA 92363**

The NATURE OF THE INTEREST or estate of the undersigned is **In FEE**

Street Address / APN (if applicable) **STREET RIGHT-OF-WAY**

The full name(s) and address(es) of all persons, if any, who hold such interest or estate with the undersigned as joint tenants or as tenants in common are:

Contractor's Name	**Contractor's Address:**
WEKA Inc	**236 W. Orange Show Rd, #114, San Bernardino, CA 92408**

The property on which said work of improvement was completed is in the City of **Needles**, County of **San Bernardino**, State of **California**, and was approved by the Needles City Council by minute action at the **02/10/2026** meeting and is DESCRIBED AS FOLLOWS:

Improvement on the property hereinafter described and COMPLETED on **02/06/2026**

Improvements described as
PHASE V WATER SERVICE LATERAL REPLACEMENT PROJECT ON THE FOLLOWING STREETS: PARKWAY STREET (Rio Vista - Lillyhill), LILLYHILL DR (Parkway - Coronado), CORONADO STREET (Lillyhill - Cortez), BALBOA STREET (Desoto - Rio Vista), CORTEZ ST (Desoto -Balboa), PERU ST (Desoto - Balboa)

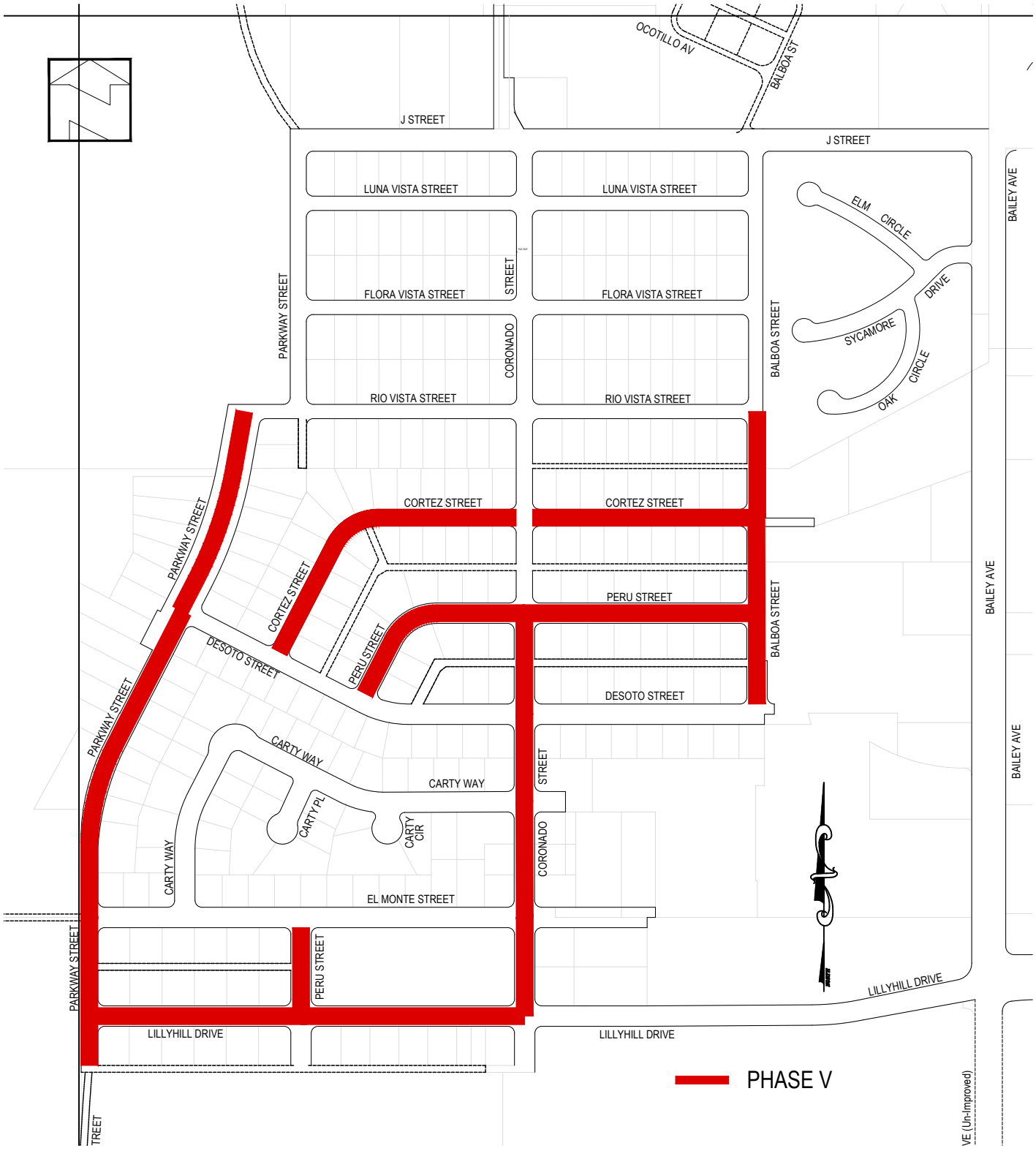
I, **Patrick J. Martinez** *(Name of below signor)* am the **City Manager** *(Owner, President, Authorized Agent, Partner, etc.)*

the declarant of the foregoing Notice of Completion. I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: **02/11/2026** Signature: _____

Patrick J. Martinez, City Manager, City of Needles

Phase V Street Improvements
EXHIBIT DRAWING



Z:\-- T ELLMORE\My DRAWINGS\NEW BASE MAP\BASE MAP 2025 - 120125.dwg, CAPITAL PROJECT EXHIBIT, 12/4/2025 1:20:54 PM, Drawn by: Tammy Ellmore

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: FEBUARY 10, 2025

Title: Warrants

Background: N/A

Fiscal Impact: See attached Warrant Registers

Environmental Impact: N/A

Recommended Action: Approve the Warrant Registers through FEBUARY 10, 2025.
*Does not include most current check payroll run.

Submitted By: Mark C. DeMay, CGFM, Director of Finance

City Manager Approval: _____ Date: 2-2-26

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

Approved: ☐ Not Approved: ☐ Tabled: ☐ Other: ☐

Agenda Item: _____

CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR JANUARY 23, 2026

		1/23/2026	FUND AMT.	YTD ACTUAL	BUDGET FY-25/26
FUND 101	GENERAL FUND	$ 17,810.33			
101.1015.412	CITY ATTORNEY	$ -		$ 29,369.60	$ 80,000.00
101.1020.413	CITY MANAGER	$ 2,076.82		$ 125,581.76	$ 239,758.00
101.1025.415	FINANCE DEPT.	$ 5,538.31		$ 569,537.46	$ 1,194,656.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	$ 1,854.62		$ 142,283.38	$ 262,348.00
101.1035.416	PLANNING /ZONING	$ 432.50		$ 121,140.95	$ 264,816.00
101.1040.417	ENGINEERING	$ 1,185.75		$ 129,639.63	$ 292,201.00
101.1060.410	COMMUNITY PROMOTIONS	$ -		$ 36,867.73	$ 106,875.00
101.1070.410	SENIOR CENTER	$ -		$ 45,324.17	$ 85,440.00
101.2010.421	SHERIFF	$ -		$ 2,117,045.08	$ 4,149,969.00
101.2020.423	ANIMAL SHELTER/CONTROL	$ 484.08		$ 155,135.68	$ 344,967.00
101.2025.424	BULDING & SAFETY	$ 2,194.11		$ 160,945.94	$ 458,902.00
101.2030.423	CODE ENFORCEMENT	$ 2,477.76		$ 238,616.73	$ 619,611.00
101.3010.431	PUBLIC WORKS	$ 9,421.37		$ 362,664.47	$ 772,393.00
101.4730.472	SANITATION	$ 411.57		$ 90,058.69	$ 175,673.00
101.5770.452.	AQUATICS	$ 479.73		$ 144,624.07	$ 322,940.00
101.5772.452	PARKS	$ 8,863.79		$ 430,498.35	$ 946,980.00
101.5773.452	JACK SMITH PARK MARINA	$ 879.22		$ 66,157.94	$ 164,115.00
101.5774.452	RECREATION	$ 3,941.24		$ 209,450.49	$ 454,046.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		$ 58,051.20	$ -	$ 10,935,690.00
FUND 102	GEN. FUND CAPITAL PROJECT		$ -	$ 225.52	$ 1,000,000.00
FUND 205	CDBG		$ -	$ 3,948.00	$ 7,900.00
FUND 206	CEMETERY		$ 3,463.46	$ 128,420.09	$ 266,055.00
FUND 208	CALTRANS GRANTS		$ -	$ -	$ -
FUND 210	SPECIAL GAS TAX		$ -	$ 71,844.00	$ 643,684.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		$ -	$ -	$ -
FUND 214	SANBAG NEW LOCAL MEAS I		$ -	$ -	$ 800,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		$ -	$ 206,091.36	$ 283,450.00
FUND 227	HAZARD MITIGATION		$ -	$ 8,200.00	$ 15,000.00
FUND 233	JACK SMITH PARK MARINA		$ -	$ -	$ -
FUND 238	STATE RECREATION GRANTS		$ -	$ -	$ -
FUND 239	CA.CONSERV RECYLING GRANT		$ -	$ -	$ 18,227.00
FUND 243	ACTIVE TRANSPORT PROGRAM		$ -	$ 69,005.68	$ 1,858,995.00
FUND 270	REDEVELOPMENT AGENCY		$ -	$ -	$ -
FUND 470	RDA CAP PROJ.LOW & MOD.		$ -	$ -	$ 56,726.00
FUND 501	NPUA		$ -	$ 963,530.07	$ 2,550,503.00
FUND 502	WATER DEPARTMENT		$ 20,877.79	$ 1,134,781.55	$ 2,376,734.00
FUND 503	WASTEWATER DEPARTMENT		$ 6,376.18	$ 623,205.23	$ 1,396,598.00
FUND 505	SANITATION		$ 109,764.74	$ 911,691.78	$ 1,827,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		$ 822.14	$ 1,050,712.67	$ 1,246,800.00
FUND 507	GOLF FUND	$ -		$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	$ -		$ 342,023.79	$ 665,673.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	$ 10,068.58		$ 474,896.76	$ 458,231.00
FUND 507	GOLF FUND TOTAL		$ 10,068.58		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		$ 3,883.86	$ 224,837.21	$ 495,827.00
FUND 509	MIS		$ -	$ 194,367.48	$ 358,200.00
FUND 510	ADMIN. FACILITY		$ 3,266.30	$ 97,703.42	$ 364,253.00
FUND 511	FLEET MANAGEMENT		$ 4,550.14	$ 143,623.68	$ 306,904.00
FUND 512	VEHICLE REPLACEMENT		$ -	$ -	$ -
FUND 520	SR DIAL A RIDE		$ -	$ 44,553.51	$ 629,992.00
FUND 522	FT MOHAVE/BULLHEAD SHUTLE		$ -	$ 14,079.40	$ 55,211.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		$ -	$ 249,579.50	$ 16,838.00
FUND 575	HOUSING		$ 6,167.45	$ 795,314.03	$ 1,107,428.00
FUND 580	ELECTRIC		$ 23,306.01	$ 5,357,760.10	$ 12,909,933.00
FUND 581	NPUA CAPITAL ELECTRIC		$ -	$ 415,768.02	$ 573,000.00
FUND 582	NPUA CAPITAL WATER		$ -	$ 996,837.51	$ 1,850,000.00
FUND 583	NPUA CAPITAL WASTEWATER		$ -	$ 18,081.96	$ -
FUND 650	IMPACT FEES NORTH NEEDLES		$ -	$ -	$ -
FUND 651	IMPACT FEES SOUTH AREAS		$ -	$ -	$ -
TOTAL	ALL FUNDS & DEPARTMENTS		**$ 250,597.85**	$ 19,716,024.44	$ 45,074,867.00

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are inc

Patrick Martinez, City Manager — 1-23-26 Date

Finance Department — 1/22/26 Date

Virginia Tasker, City Treasurer — 2-3-26 Date

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
25241*	1	DENE PFEIFFER GEISER	001874		10/14/2025	101-0000-204.03-01	1,706.64-		
							1,706.64-	*	VOIDED
25810*	4294	MOHAVE CONCIERGE PRIMARY	004160		12/09/2025	101-1025-415.31-20	225.00-		
							225.00-	*	VOIDED
26200	4227	AMAZON CAPITAL SERVICES	005466		01/23/2026	101-5772-452.61-33	365.25		
							365.25	*	365.25
26201	4194	AVA GROUP LLC	005434		01/23/2026	575-5555-485.69-58	108.00		
							108.00	*	108.00
26202	3897	BENEBLOC LLC	005475		01/23/2026	101-0000-209.03-01	213.78		
			005476		01/23/2026	502-0000-209.03-01	38.80		
			005477		01/23/2026	580-0000-209.03-01	14.00		
							266.58	*	266.58
26203	4022	BENEFIT COORDINATORS CORP	005500		01/23/2026	101-1020-413.24-10	72.16		
			005501		01/23/2026	101-1025-415.24-10	342.40		
			005502		01/23/2026	101-1030-414.24-10	88.00		
			005503		01/23/2026	101-1040-417.24-10	132.00		
			005504		01/23/2026	101-2025-424.24-10	67.20		
			005505		01/23/2026	101-2030-423.24-10	88.00		
			005506		01/23/2026	101-3010-431.24-10	279.84		
			005507		01/23/2026	101-4730-472.24-10	26.40		
			005508		01/23/2026	101-5770-452.24-10	16.80		
			005509		01/23/2026	101-5772-452.24-10	279.84		
			005510		01/23/2026	101-5773-452.24-10	44.00		
			005511		01/23/2026	101-5774-452.24-10	167.20		
			005512		01/23/2026	206-5771-452.24-10	101.76		
			005513		01/23/2026	502-4710-471.24-10	421.07		
			005514		01/23/2026	503-4720-475.24-10	128.58		
			005515		01/23/2026	506-4713-477.24-10	52.80		
			005516		01/23/2026	508-4810-478.24-10	155.20		
			005517		01/23/2026	511-3020-432.24-10	114.40		
			005518		01/23/2026	575-5555-485.24-10	121.60		
			005519		01/23/2026	575-5555-485.24-15	67.20		
			005520		01/23/2026	580-4750-473.24-10	628.75		
							3,395.20	*	3,395.20
26204	1	DENE PFEIFFER GEISER	001874		01/23/2026	101-0000-204.03-01	1,706.64		
							1,706.64	*	1,706.64
26205	1305	EMPOWER ANNUITY INS CO OF	005442		01/23/2026	101-0000-209.03-01	3,631.85		
			005443		01/23/2026	502-0000-209.03-01	435.00		
			005444		01/23/2026	580-0000-209.03-01	2,339.00		
							6,405.85	*	6,405.85
26206	4094	EMPOWER ANNUITY INS CO OF	005435		01/23/2026	101-0000-209.03-01	161.01		
			005436		01/23/2026	101-0000-209.03-01	14.40		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26206	4094	EMPOWER ANNUITY INS CO OF	005437		01/23/2026	101-0000-209.03-01	15.27		
			005438		01/23/2026	101-0000-209.03-01	120.47		
			005439		01/23/2026	503-0000-209.03-01	113.81		
			005440		01/23/2026	580-0000-209.03-01	110.60		
			005441		01/23/2026	580-0000-209.03-01	282.82		
			005576		01/23/2026	101-0000-209.03-01	100.00		
							918.38	*	918.38
26207	1296	FRONTIER	005410		01/23/2026	101-5772-452.52-10	128.01		
			005411		01/23/2026	510-4410-405.52-10	127.48		
							255.49	*	255.49
26208	4000	JARROD DELEON	005415		01/23/2026	507-5761-453.43-04	182.10		
							182.10	*	182.10
26209	2879	JENNIFER VALENZUELA	005431		01/23/2026	101-5774-452.49-01	400.00		
			005432		01/23/2026	101-5774-452.61-06	46.07		
			005433		01/23/2026	101-5774-452.65-10	36.10		
							482.17	*	482.17
26210	4310	KEMPER SPORTS MGMT HOLDIN	PI0180	026075	01/23/2026	507-5762-454.31-89	5,000.00		
							5,000.00	*	5,000.00
26211	3283	LOWE'S	005368		01/23/2026	580-4750-473.43-57	345.04		
			005369		01/23/2026	502-4710-471.60-55	812.24		
							1,157.28	*	1,157.28
26212	4294	MOHAVE CONCIERGE PRIMARY	004160		01/23/2026	101-1025-415.31-20	225.00		
							225.00	*	225.00
26213	3458	MUTUAL OF OMAHA	005521		01/23/2026	101-1020-413.24-10	98.53		
			005522		01/23/2026	101-1025-415.24-10	314.68		
			005523		01/23/2026	101-1030-414.24-10	44.33		
			005524		01/23/2026	101-1035-416.24-10	105.89		
			005525		01/23/2026	101-1040-417.24-10	73.91		
			005526		01/23/2026	101-2020-423.24-10	166.58		
			005527		01/23/2026	101-2025-424.24-10	190.28		
			005528		01/23/2026	101-2030-423.24-10	135.98		
			005529		01/23/2026	101-3010-431.24-10	271.95		
			005530		01/23/2026	101-4730-472.24-10	28.20		
			005531		01/23/2026	101-5770-452.24-10	22.93		
			005532		01/23/2026	101-5772-452.24-10	271.95		
			005533		01/23/2026	101-5773-452.24-10	38.45		
			005534		01/23/2026	101-5774-452.24-10	170.91		
			005535		01/23/2026	206-5771-452.24-10	80.59		
			005536		01/23/2026	502-4710-471.24-10	545.93		
			005537		01/23/2026	503-4720-475.24-10	105.87		
			005538		01/23/2026	506-4713-477.24-10	97.89		
			005539		01/23/2026	508-4810-478.24-10	250.68		
			005540		01/23/2026	511-3020-432.24-10	107.75		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26213	3458	MUTUAL OF OMAHA	005541		01/23/2026	575-5555-485.24-10	135.71		
			005542		01/23/2026	575-5555-485.24-15	87.84		
			005543		01/23/2026	580-4750-473.24-10	716.93		
							4,063.76	*	4,063.76
26214	1578	PURCHASE POWER	005430		01/23/2026	510-4410-405.52-20	3,127.82		
							3,127.82	*	3,127.82
26215	309	REPUBLIC SERVICES #78	PI0179	026028	01/23/2026	505-4730-472.31-87	109,764.74		
							109,764.74	*	109,764.74
26216	2589	SAN BERNARDINO COUNTY	005455		01/23/2026	101-2020-423.62-00	317.50		
			005456		01/23/2026	101-2025-424.62-00	78.80		
			005457		01/23/2026	101-2030-423.62-00	156.45		
			005458		01/23/2026	101-3010-431.62-00	2,517.72		
			005459		01/23/2026	101-5772-452.62-00	225.02		
			005460		01/23/2026	575-5555-485.62-00	117.00		
			005461		01/23/2026	502-4710-471.62-00	1,299.85		
			005462		01/23/2026	503-4720-475.62-00	95.48		
			005463		01/23/2026	507-5761-453.62-00	752.74		
			005464		01/23/2026	508-4810-478.62-00	99.50		
			005465		01/23/2026	580-4750-473.62-00	1,281.73		
							6,941.79	*	6,941.79
26217	1199	SBPEA TEAMSTERS LOCAL 193	005449		01/23/2026	101-0000-209.03-01	516.74		
			005450		01/23/2026	502-0000-209.03-01	106.13		
			005451		01/23/2026	508-0000-209.03-01	56.07		
			005452		01/23/2026	511-0000-209.03-01	40.93		
			005453		01/23/2026	580-0000-209.03-01	234.03		
			005454		01/23/2026	575-0000-209.03-01	83.96		
							1,037.86	*	1,037.86
26218	1199	SBPEA TEAMSTERS LOCAL 193	005445		01/23/2026	101-0000-209.03-01	192.97		
			005446		01/23/2026	502-0000-209.03-01	128.30		
			005447		01/23/2026	575-0000-209.03-01	44.32		
			005448		01/23/2026	580-0000-209.03-01	49.06		
							414.65	*	414.65
26219	284	SOUTHWEST GAS CORP.	005384		01/23/2026	575-5555-485.41-50	35.36		
			005385		01/23/2026	575-5555-485.41-50	70.14		
			005386		01/23/2026	510-4410-405.41-60	11.00		
			005387		01/23/2026	507-5761-453.41-50	13.19		
			005388		01/23/2026	101-3010-431.41-60	21.95		
							151.64	*	151.64
26220	3242	SPECIAL DISTRICT RISK	005544		01/23/2026	101-1020-413.24-10	1,882.91		
			005545		01/23/2026	101-1025-415.24-10	4,833.60		
			005546		01/23/2026	101-1030-414.24-10	1,693.97		
			005547		01/23/2026	101-1035-416.24-10	322.66		
			005548		01/23/2026	101-1040-417.24-10	967.99		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26220	3242	SPECIAL DISTRICT RISK	005549		01/23/2026	101-2025-424.24-10	1,832.10		
			005550		01/23/2026	101-2030-423.24-10	2,077.58		
			005551		01/23/2026	101-3010-431.24-10	6,266.64		
			005552		01/23/2026	101-4730-472.24-10	350.98		
			005553		01/23/2026	101-5770-452.24-10	434.55		
			005554		01/23/2026	101-5772-452.24-10	7,530.45		
			005555		01/23/2026	101-5773-452.24-10	788.87		
			005556		01/23/2026	101-5774-452.24-10	3,078.42		
			005557		01/23/2026	101-0000-209.03-01	12,843.84		
			005558		01/23/2026	206-5771-452.24-10	2,274.82		
			005559		01/23/2026	206-0000-209.03-01	983.54		
			005560		01/23/2026	502-4710-471.24-10	11,666.10		
			005561		01/23/2026	502-0000-209.03-01	3,178.74		
			005562		01/23/2026	503-4720-475.24-10	2,738.37		
			005563		01/23/2026	503-0000-209.03-01	1,016.28		
			005564		01/23/2026	506-4713-477.24-10	459.24		
			005565		01/23/2026	506-0000-209.03-01	195.22		
			005566		01/23/2026	507-5762-454.24-10	1,263.81		
			005567		01/23/2026	508-4810-478.24-10	2,296.23		
			005568		01/23/2026	508-0000-209.03-01	976.08		
			005569		01/23/2026	511-3020-432.24-10	2,985.10		
			005570		01/23/2026	511-0000-209.03-01	1,268.90		
			005571		01/23/2026	575-5555-485.24-10	2,159.77		
			005572		01/23/2026	575-5555-485.24-15	1,509.44		
			005573		01/23/2026	575-0000-209.03-01	1,578.64		
			005574		01/23/2026	580-4750-473.24-10	9,766.48		
			005575		01/23/2026	580-0000-209.03-01	5,256.72		
							96,478.04	*	96,478.04
26221	3014	TRI STATE FIRE & SECURITY	005374		01/23/2026	507-5762-454.72-10	2,755.29		
			005420		01/23/2026	507-5762-454.43-08	101.45		
							2,856.74	*	2,856.74
26222	475	VASQUEZ & COMPANY LLP	PI0176	026002	01/23/2026	502-4710-471.31-49	2,137.65		
			PI0177	026002	01/23/2026	503-4720-475.31-49	2,137.65		
			PI0178	026002	01/23/2026	580-4750-473.31-49	2,137.65		
							6,412.95	*	6,412.95
26223	1217	VISION SERVICE PLAN	005478		01/23/2026	101-1020-413.24-10	23.22		
			005479		01/23/2026	101-1025-415.24-10	47.63		
			005480		01/23/2026	101-1030-414.24-10	28.32		
			005481		01/23/2026	101-1035-416.24-10	3.95		
			005482		01/23/2026	101-1040-417.24-10	11.85		
			005483		01/23/2026	101-2025-424.24-10	25.73		
			005484		01/23/2026	101-2030-423.24-10	19.75		
			005485		01/23/2026	101-3010-431.24-10	63.27		
			005486		01/23/2026	101-4730-472.24-10	5.99		
			005487		01/23/2026	101-5770-452.24-10	5.45		
			005488		01/23/2026	101-5772-452.24-10	63.27		
			005489		01/23/2026	101-5773-452.24-10	7.90		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26223	1217	VISION SERVICE PLAN	005490		01/23/2026	101-5774-452.24-10	42.54		
			005491		01/23/2026	206-5771-452.24-10	22.75		
			005492		01/23/2026	502-4710-471.24-10	107.98		
			005493		01/23/2026	503-4720-475.24-10	40.14		
			005494		01/23/2026	506-4713-477.24-10	16.99		
			005495		01/23/2026	508-4810-478.24-10	50.10		
			005496		01/23/2026	511-3020-432.24-10	33.06		
			005497		01/23/2026	575-5555-485.24-10	26.69		
			005498		01/23/2026	575-5555-485.24-15	21.78		
			005499		01/23/2026	580-4750-473.24-10	143.20		
							811.56	*	811.56
						BANK/CHECK TOTAL	250,597.85		252,529.49
						ALL BANKS/CHECKS TOTAL	250,597.85		252,529.49

Agenda Item 5.

CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR JANUARY 27, 2026

		1/27/2026	FUND AMT.	YTD ACTUAL	BUDGET FY-25/26
FUND 101	GENERAL FUND	$ 437.16			
101.1015.412	CITY ATTORNEY	$ -		$ 35,169.60	$ 80,000.00
101.1020.413	CITY MANAGER	$ -		$ 126,400.15	$ 239,758.00
101.1025.415	FINANCE DEPT.	$ 829.94		$ 572,357.15	$ 1,194,656.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	$ 1,441.00		$ 143,907.63	$ 262,348.00
101.1035.416	PLANNING /ZONING	$ 1,815.92		$ 123,321.50	$ 264,816.00
101.1040.417	ENGINEERING	$ -		$ 129,920.26	$ 292,201.00
101.1060.410	COMMUNITY PROMOTIONS	$ -		$ 38,867.73	$ 106,875.00
101.1070.410	SENIOR CENTER	$ 45.95		$ 45,370.12	$ 85,440.00
101.2010.421	SHERIFF	$ -		$ 2,117,045.08	$ 4,149,969.00
101.2020.423	ANIMAL SHELTER/CONTROL	$ 728.60		$ 154,887.41	$ 344,967.00
101.2025.424	BULDING & SAFETY	$ -		$ 161,888.92	$ 458,902.00
101.2030.423	CODE ENFORCEMENT	$ 167.65		$ 248,926.93	$ 619,611.00
101.3010.431	PUBLIC WORKS	$ 687.16		$ 364,995.78	$ 772,393.00
101.4730.472	SANITATION	$ -		$ 90,164.11	$ 175,673.00
101.5770.452.	AQUATICS	$ 2,423.43		$ 147,159.54	$ 322,940.00
101.5772.452	PARKS	$ 1,274.10		$ 437,540.73	$ 946,980.00
101.5773.452	JACK SMITH PARK MARINA	$ 213.54		$ 66,743.05	$ 164,115.00
101.5774.452	RECREATION	$ 2,971.90		$ 213,099.04	$ 454,046.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		$ 13,036.35	$ -	$ 10,935,690.00
FUND 102	GEN. FUND CAPITAL PROJECT		$ -	$ 225.52	$ 1,000,000.00
FUND 205	CDBG		$ -	$ 3,948.00	$ 7,900.00
FUND 206	CEMETERY		$ 5,738.68	$ 134,484.35	$ 266,055.00
FUND 208	CALTRANS GRANTS		$ -	$ -	$ -
FUND 210	SPECIAL GAS TAX		$ -	$ 71,844.00	$ 643,684.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		$ -	$ -	$ -
FUND 214	SANBAG NEW LOCAL MEAS I		$ -	$ -	$ 800,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		$ -	$ 206,091.36	$ 283,450.00
FUND 227	HAZARD MITIGATION		$ -	$ 8,200.00	$ 15,000.00
FUND 233	JACK SMITH PARK MARINA		$ -	$ -	$ -
FUND 238	STATE RECREATION GRANTS		$ -	$ -	$ -
FUND 239	CA.CONSERV RECYLING GRANT		$ -	$ -	$ 18,227.00
FUND 243	ACTIVE TRANSPORT PROGRAM		$ 7.35	$ 70,132.05	$ 1,858,995.00
FUND 270	REDEVELOPMENT AGENCY		$ -	$ -	$ -
FUND 470	RDA CAP PROJ.LOW & MOD.		$ -	$ -	$ 56,726.00
FUND 501	NPUA		$ -	$ 1,011,360.62	$ 2,550,503.00
FUND 502	WATER DEPARTMENT		$ 1,788.65	$ 1,153,152.10	$ 2,376,734.00
FUND 503	WASTEWATER DEPARTMENT		$ 6,537.87	$ 632,402.15	$ 1,396,598.00
FUND 505	SANITATION		$ -	$ 903,244.15	$ 1,827,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		$ -	$ 1,051,119.69	$ 1,246,800.00
FUND 507	GOLF FUND	$ -		$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	$ 12,907.28		$ 391,228.13	$ 665,673.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	$ 1,842.62		$ 504,747.60	$ 458,231.00
FUND 507	GOLF FUND TOTAL		$ 14,749.90		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		$ 98.85	$ 226,095.30	$ 495,827.00
FUND 509	MIS		$ 269.91	$ 200,245.20	$ 358,200.00
FUND 510	ADMIN. FACILITY		$ 864.13	$ 99,876.67	$ 364,253.00
FUND 511	FLEET MANAGEMENT		$ -	$ 144,035.86	$ 306,904.00
FUND 512	VEHICLE REPLACEMENT		$ -	$ -	$ -
FUND 520	SR DIAL A RIDE		$ -	$ 44,553.51	$ 629,992.00
FUND 522	FT MOHAVE/BULLHEAD SHUTLE		$ -	$ 14,079.40	$ 55,211.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		$ -	$ 249,579.50	$ 16,838.00
FUND 575	HOUSING		$ 4,125.40	$ 800,740.02	$ 1,107,428.00
FUND 580	ELECTRIC		$ 13,078.81	$ 5,384,545.00	$ 12,909,933.00
FUND 581	NPUA CAPITAL ELECTRIC		$ -	$ 415,768.02	$ 573,000.00
FUND 582	NPUA CAPITAL WATER		$ -	$ 996,837.51	$ 1,850,000.00
FUND 583	NPUA CAPITAL WASTEWATER		$ -	$ 18,081.96	$ -
FUND 650	IMPACT FEES NORTH NEEDLES		$ -	$ -	$ -
FUND 651	IMPACT FEES SOUTH AREAS		$ -	$ -	$ -
TOTAL	ALL FUNDS & DEPARTMENTS		**$ 60,295.90**	$ 19,954,382.40	$ 45,074,867.00

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are inc

Patrick Martinez, City Manager — Date 1-30-26

Finance Department — Date 1/28/26

Virginia Tasker, City Treasurer — Date 1-3-26

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26124*	4309	TIMOTHY WALLDREN	005099		01/16/2026	575-5555-485.69-58	385.00-		
							385.00-	*	385.00-
26224	4227	AMAZON CAPITAL SERVICES	005762		01/27/2026	510-4410-405.61-01	19.23		
			005763		01/27/2026	510-4410-405.61-01	355.10		
							374.33	*	374.33
26225	1296	FRONTIER	005749		01/27/2026	502-4710-471.52-10	363.51		
			005750		01/27/2026	503-4720-475.52-10	546.93		
			005751		01/27/2026	503-4720-475.52-10	382.70		
			005752		01/27/2026	507-5761-453.52-10	143.85		
			005753		01/27/2026	510-4410-405.52-10	163.31		
			005754		01/27/2026	510-4410-405.52-10	326.08		
			005755		01/27/2026	510-4410-405.52-10	1.74		
			005756		01/27/2026	580-4750-473.52-10	417.57		
			005757		01/27/2026	580-4750-473.52-10	209.10		
			005787		01/27/2026	101-3010-431.52-10	155.12		
							2,709.91	*	2,709.91
26226	4235	JOY BENNETT	005829		01/27/2026	101-1025-415.31-40	98.45		
			005830		01/27/2026	101-1030-414.54-01	150.00		
			005831		01/27/2026	101-1035-416.55-00	13.42		
			005833		01/27/2026	101-2030-423.55-00	30.00		
			005834		01/27/2026	101-2030-423.61-04	26.65		
			005835		01/27/2026	101-2030-423.56-00	111.00		
			005836		01/27/2026	101-3010-431.31-40	142.00		
			005837		01/27/2026	101-3010-431.55-00	40.00		
			005838		01/27/2026	101-5772-452.31-40	77.00		
			005839		01/27/2026	101-5772-452.43-18	21.06		
			005840		01/27/2026	243-3010-431.31-16	7.35		
			005841		01/27/2026	502-4710-471.62-00	77.43		
			005842		01/27/2026	502-4710-471.69-22	66.15		
			005843		01/27/2026	508-4810-478.31-20	81.00		
			005844		01/27/2026	510-4410-405.52-20	1.33-		
							940.18	*	940.18
									VOIDED
26227	1786	NPUA							
26228	1786	NPUA	005623		01/27/2026	101-5772-452.41-10	59.88		
			005624		01/27/2026	101-5772-452.41-20	85.58		
			005625		01/27/2026	580-4750-473.41-11	37.20		
			005626		01/27/2026	580-4750-473.41-11	2,613.43		
			005627		01/27/2026	580-4750-473.41-11	42.97		
			005628		01/27/2026	580-4750-473.41-11	39.38		
			005629		01/27/2026	502-4710-471.41-10	54.03		
			005630		01/27/2026	502-4710-471.41-10	43.54		
			005631		01/27/2026	580-4750-473.41-11	78.34		
			005632		01/27/2026	580-4750-473.41-11	107.62		
			005633		01/27/2026	580-4750-473.41-11	81.24		
			005634		01/27/2026	580-4750-473.41-11	39.86		
			005635		01/27/2026	580-4750-473.41-11	62.64		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26228	1786	NPUA	005636		01/27/2026	503-4720-475.41-10	140.22		
			005637		01/27/2026	503-4720-475.41-20	53.43		
			005638		01/27/2026	503-4720-475.41-10	2,267.50		
			005639		01/27/2026	503-4720-475.41-20	264.59		
			005640		01/27/2026	580-4750-473.41-11	81.13		
			005641		01/27/2026	206-5771-452.41-10	45.53		
			005642		01/27/2026	206-5771-452.41-20	5,605.95		
			005643		01/27/2026	206-5771-452.41-30	87.20		
			005644		01/27/2026	101-5773-452.41-10	48.54		
			005645		01/27/2026	101-5770-452.41-10	1,526.55		
			005646		01/27/2026	101-5770-452.41-20	699.68		
			005647		01/27/2026	101-5770-452.41-30	87.20		
			005648		01/27/2026	101-5774-452.41-10	651.89		
			005649		01/27/2026	101-5774-452.41-20	250.96		
			005650		01/27/2026	101-5774-452.41-30	174.40		
			005651		01/27/2026	101-5774-452.41-10	105.38		
			005652		01/27/2026	101-5774-452.41-20	170.09		
			005738		01/27/2026	507-5761-453.41-20	55.68		
			005739		01/27/2026	507-5762-454.41-10	662.90		
			005740		01/27/2026	507-5762-454.41-20	236.81		
			005741		01/27/2026	507-5762-454.41-30	261.60		
			005742		01/27/2026	507-5762-454.41-10	385.78		
			005743		01/27/2026	507-5761-453.41-20	12,333.48		
			005744		01/27/2026	507-5761-453.41-20	86.81		
			005745		01/27/2026	507-5761-453.41-20	55.03		
			005746		01/27/2026	507-5762-454.41-10	130.53		
			005758		01/27/2026	507-5761-453.41-10	112.68		
			005759		01/27/2026	507-5761-453.41-20	119.75		
							30,047.00	*	30,047.00
26229	653	RAFTELIS FINANCIAL CONSUL	PI0181	026020	01/27/2026	503-4720-475.31-90	2,797.50		
			PI0182	026020	01/27/2026	580-4750-473.31-90	7,594.00		
							10,391.50	*	10,391.50
26230	3796	ROUTE 66 BROADBAND LLC	005657		01/27/2026	575-5555-485.52-10	165.00		
			005720		01/27/2026	101-2020-423.52-10	165.00		
			005721		01/27/2026	101-5774-452.52-10	165.00		
			005722		01/27/2026	575-5555-485.52-10	428.13		
			005723		01/27/2026	580-4750-473.52-10	200.00		
			005724		01/27/2026	509-4910-479.52-12	269.91		
			005725		01/27/2026	101-1030-414.52-10	165.00		
			005726		01/27/2026	101-5772-452.52-10	208.13		
			005727		01/27/2026	101-5772-452.52-10	165.00		
			005728		01/27/2026	507-5762-454.52-10	165.00		
			005729		01/27/2026	101-3010-431.52-10	165.00		
			005730		01/27/2026	503-4720-475.52-10	85.00		
			005731		01/27/2026	101-5773-452.52-10	165.00		
			005732		01/27/2026	101-5770-452.52-10	110.00		
			005733		01/27/2026	502-4710-471.31-90	165.00		
			005734		01/27/2026	502-4710-471.31-90	85.00		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26230	3796	ROUTE 66 BROADBAND LLC					2,871.17	*	2,871.17
26231	281	SMART & FINAL	005760		01/27/2026	101-5774-452.65-10	391.11		
			005761		01/27/2026	101-5774-452.61-06	106.80		
							497.91	*	497.91
26232	4133	WELLS FARGO (ACCT # 1013)	005695		01/27/2026	101-5772-452.43-18	405.56		
			005696		01/27/2026	101-3010-431.61-33	65.69		
			005697		01/27/2026	101-5772-452.60-40	151.89		
			005698		01/27/2026	101-3010-431.60-11	119.35		
			005699		01/27/2026	101-1025-415.69-21	63.89		
							806.38	*	806.38
26233	4130	WELLS FARGO (ACCT # 1203)	005700		01/27/2026	101-0000-204.10-00	437.16		
			005701		01/27/2026	101-5774-452.65-10	700.20		
			005702		01/27/2026	101-5774-452.61-06	93.18		
			005703		01/27/2026	101-5774-452.60-24	144.39		
			005704		01/27/2026	101-5774-452.62-00	18.50		
			005705		01/27/2026	101-1025-415.69-21	70.59		
							1,464.02	*	1,464.02
26234	4149	WELLS FARGO (ACCT # 3439)	005693		01/27/2026	575-5555-485.61-09	1,471.00		
			005694		01/27/2026	101-1025-415.69-21	25.25		
							1,496.25	*	1,496.25
26235	4134	WELLS FARGO (ACCT # 5148)	005747		01/27/2026	101-1025-415.31-90	18.99		
			005748		01/27/2026	101-1025-415.69-21	26.12		
							45.11	*	45.11
26236	4128	WELLS FARGO (ACCT # 5585)	005735		01/27/2026	580-4750-473.61-21	460.43		
			005736		01/27/2026	580-4750-473.61-01	41.98		
			005737		01/27/2026	101-1025-415.69-21	58.02		
							560.43	*	560.43
26237	4132	WELLS FARGO (ACCT # 5775)	005686		01/27/2026	502-4710-471.31-90	19.99		
			005687		01/27/2026	101-1025-415.69-21	40.42		
							60.41	*	60.41
26238	4127	WELLS FARGO (ACCT # 6046)	005679		01/27/2026	580-4750-473.56-00	650.00		
			005680		01/27/2026	580-4750-473.61-21	158.74		
			005681		01/27/2026	502-4710-471.31-40	328.70		
			005682		01/27/2026	101-5772-452.55-00	100.00		
			005683		01/27/2026	580-4750-473.61-01	163.18		
			005684		01/27/2026	502-4710-471.61-04	585.30		
			005685		01/27/2026	101-1025-415.69-21	69.41		
							2,055.33	*	2,055.33
26239	4131	WELLS FARGO (ACCT # 6047)	005690		01/27/2026	101-2020-423.43-42	339.48		
			005691		01/27/2026	101-2020-423.31-40	224.12		
			005692		01/27/2026	101-1025-415.69-21	55.85		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26239	4131	WELLS FARGO (ACCT # 6047)					619.45	*	619.45
26240	4116	WELLS FARGO (ACCT# 0806)	005712		01/27/2026	575-5555-485.72-17	190.73		
			005713		01/27/2026	575-5555-485.43-02	895.90		
			005714		01/27/2026	575-5555-485.61-04	37.93		
			005715		01/27/2026	575-5555-485.41-30	15.05		
			005716		01/27/2026	575-5555-485.60-28	36.41		
			005717		01/27/2026	575-5555-485.61-29	51.24		
			005718		01/27/2026	101-1025-415.69-21	63.25		
			005719		01/27/2026	575-5555-485.43-02	45.01-		
							1,245.50	*	1,245.50
26241	4115	WELLS FARGO (ACCT# 3866)	005706		01/27/2026	575-5555-485.31-90	28.05		
			005707		01/27/2026	575-5555-485.61-01	248.98		
			005708		01/27/2026	575-5555-485.61-09	19.99		
			005709		01/27/2026	575-5555-485.31-40	995.00		
			005710		01/27/2026	101-1025-415.69-21	54.99		
			005711		01/27/2026	575-5555-485.61-01	28.00-		
							1,319.01	*	1,319.01
26242	4225	WELLS FARGO (ACCT# 5154)	005764		01/27/2026	101-1030-414.31-40	250.00		
			005765		01/27/2026	101-1030-414.54-01	876.00		
			005766		01/27/2026	101-1025-415.61-01	17.85		
			005767		01/27/2026	508-4810-478.61-01	17.85		
			005768		01/27/2026	101-1070-410.43-01	45.95		
			005769		01/27/2026	101-1025-415.69-21	101.95		
							1,309.60	*	1,309.60
26243	4226	WELLS FARGO (ACCT# 5741)	005688		01/27/2026	101-1035-416.31-90	1,802.50		
			005689		01/27/2026	101-1025-415.69-21	64.91		
							1,867.41	*	1,867.41
						BANK/CHECK TOTAL	60,295.90		60,295.90
						ALL BANKS/CHECKS TOTAL	60,295.90		60,295.90

CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR JANUARY 29, 2026

		1/29/2026	FUND AMT.	YTD ACTUAL	BUDGET FY-25/26
FUND 101	GENERAL FUND	$ (129.00)			
101.1015.412	CITY ATTORNEY	$ -		$ 35,169.60	$ 80,000.00
101.1020.413	CITY MANAGER	$ -		$ 126,400.15	$ 239,758.00
101.1025.415	FINANCE DEPT.	$ -		$ 572,920.36	$ 1,194,656.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	$ 3,069.95		$ 150,856.38	$ 262,348.00
101.1035.416	PLANNING /ZONING	$ -		$ 118,987.79	$ 264,816.00
101.1040.417	ENGINEERING	$ 4,500.00		$ 134,636.04	$ 292,201.00
101.1060.410	COMMUNITY PROMOTIONS	$ -		$ 38,867.73	$ 106,875.00
101.1070.410	SENIOR CENTER	$ -		$ 45,370.12	$ 85,440.00
101.2010.421	SHERIFF	$ -		$ 2,117,045.08	$ 4,149,969.00
101.2020.423	ANIMAL SHELTER/CONTROL	$ -		$ 154,887.41	$ 344,967.00
101.2025.424	BULDING & SAFETY	$ -		$ 161,945.68	$ 458,902.00
101.2030.423	CODE ENFORCEMENT	$ -		$ 249,460.02	$ 619,611.00
101.3010.431	PUBLIC WORKS	$ -		$ 375,494.13	$ 772,393.00
101.4730.472	SANITATION	$ -		$ 90,164.11	$ 175,673.00
101.5770.452.	AQUATICS	$ -		$ 151,333.59	$ 322,940.00
101.5772.452	PARKS	$ -		$ 447,908.65	$ 946,980.00
101.5773.452	JACK SMITH PARK MARINA	$ -		$ 66,743.05	$ 164,115.00
101.5774.452	RECREATION	$ -		$ 213,586.63	$ 454,046.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		$ 7,440.95	$ -	$ 10,935,690.00
FUND 102	GEN. FUND CAPITAL PROJECT		$ -	$ 225.52	$ 1,000,000.00
FUND 205	CDBG		$ -	$ 3,948.00	$ 7,900.00
FUND 206	CEMETERY		$ -	$ 134,523.94	$ 266,055.00
FUND 208	CALTRANS GRANTS		$ -	$ -	$ -
FUND 210	SPECIAL GAS TAX		$ -	$ 71,844.00	$ 643,684.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		$ -	$ -	$ -
FUND 214	SANBAG NEW LOCAL MEAS I		$ -	$ -	$ 800,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		$ -	$ 219,291.36	$ 283,450.00
FUND 227	HAZARD MITIGATION		$ -	$ 8,200.00	$ 15,000.00
FUND 233	JACK SMITH PARK MARINA		$ -	$ -	$ -
FUND 238	STATE RECREATION GRANTS		$ -	$ -	$ -
FUND 239	CA.CONSERV RECYLING GRANT		$ -	$ -	$ 18,227.00
FUND 243	ACTIVE TRANSPORT PROGRAM		$ -	$ 70,132.05	$ 1,858,995.00
FUND 270	REDEVELOPMENT AGENCY		$ -	$ -	$ -
FUND 470	RDA CAP PROJ.LOW & MOD.		$ -	$ -	$ 56,726.00
FUND 501	NPUA		$ -	$ 1,011,360.62	$ 2,550,503.00
FUND 502	WATER DEPARTMENT		$ -	$ 1,154,184.62	$ 2,376,734.00
FUND 503	WASTEWATER DEPARTMENT		$ -	$ 642,076.46	$ 1,396,598.00
FUND 505	SANITATION		$ -	$ 903,244.15	$ 1,827,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		$ -	$ 1,051,590.82	$ 1,246,800.00
FUND 507	GOLF FUND	$ -		$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	$ -		$ 392,229.61	$ 665,673.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	$ 5,000.00		$ 511,644.52	$ 458,231.00
FUND 507	GOLF FUND TOTAL		$ 5,000.00		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		$ -	$ 226,295.32	$ 495,827.00
FUND 509	MIS		$ -	$ 204,845.20	$ 358,200.00
FUND 510	ADMIN. FACILITY		$ -	$ 102,475.66	$ 364,253.00
FUND 511	FLEET MANAGEMENT		$ -	$ 145,773.83	$ 306,904.00
FUND 512	VEHICLE REPLACEMENT		$ -	$ -	$ -
FUND 520	SR DIAL A RIDE		$ -	$ 45,553.51	$ 629,992.00
FUND 522	FT MOHAVE/BULLHEAD SHUTLE		$ -	$ 14,079.40	$ 55,211.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		$ -	$ 249,579.50	$ 16,838.00
FUND 575	HOUSING		$ -	$ 802,642.29	$ 1,107,428.00
FUND 580	ELECTRIC		$ 3,950.00	$ 5,409,697.11	$ 12,909,933.00
FUND 581	NPUA CAPITAL ELECTRIC		$ -	$ 415,768.02	$ 573,000.00
FUND 582	NPUA CAPITAL WATER		$ 314,336.53	$ 1,311,174.04	$ 1,850,000.00
FUND 583	NPUA CAPITAL WASTEWATER		$ -	$ 18,081.96	$ -
FUND 650	IMPACT FEES NORTH NEEDLES		$ -	$ -	$ -
FUND 651	IMPACT FEES SOUTH AREAS		$ -	$ -	$ -
TOTAL	ALL FUNDS & DEPARTMENTS		**$ 330,727.48**	$ 20,372,238.03	$ 45,074,867.00

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are inc

Patrick Martinez, City Manager — Date: 2-2-26

Finance Department — Date: 1/30/26

Virginia Tasker, City Treasurer — Date: 2-3-26

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
24161*	1	HCD REGISTRATION/TITLING	008885		05/20/2025	101-0000-204.03-01	129.00- 129.00-	*	VOIDED
26244	4314	GABRIEL PECINA	005932		01/29/2026	580-4750-473.31-90	3,950.00 3,950.00	*	3,950.00
26245	4310	KEMPER SPORTS MGMT HOLDIN	PI0184	026075	01/29/2026	507-5762-454.31-89	5,000.00 5,000.00	*	5,000.00
26246	4032	MINAGAR & ASSOCIATES	PI0183	026022	01/29/2026	101-1040-417.31-16	4,500.00 4,500.00	*	4,500.00
26247	4300	WEKA INC.	PI0185	026067	01/29/2026	582-4710-471.72-17	314,336.53 314,336.53	*	314,336.53
26248	3828	3D-NETWORKS LLC	005933		01/29/2026	101-1030-414.61-09	3,069.95 3,069.95	*	3,069.95
						BANK/CHECK TOTAL	330,727.48		330,856.48
						ALL BANKS/CHECKS TOTAL	330,727.48		330,856.48

Agenda Item 5.

CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR FEBUARY 10, 2026

		2/10/2026	FUND AMT.	YTD ACTUAL	BUDGET FY-25/26
FUND 101	GENERAL FUND	$ 36.85			
101.1015.412	CITY ATTORNEY	$ 5,800.00		$ 35,169.60	$ 80,000.00
101.1020.413	CITY MANAGER	$ -		$ 126,400.15	$ 239,758.00
101.1025.415	FINANCE DEPT.	$ 863.88		$ 572,920.36	$ 1,194,656.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	$ 6,524.80		$ 150,856.38	$ 262,348.00
101.1035.416	PLANNING /ZONING	$ 35.80		$ 118,987.79	$ 264,816.00
101.1040.417	ENGINEERING	$ 215.78		$ 134,636.04	$ 292,201.00
101.1060.410	COMMUNITY PROMOTIONS	$ 2,000.00		$ 38,867.73	$ 106,875.00
101.1070.410	SENIOR CENTER	$ 33.07		$ 45,370.87	$ 85,440.00
101.2010.421	SHERIFF	$ -		$ 2,117,045.08	$ 4,149,969.00
101.2020.423	ANIMAL SHELTER/CONTROL	$ -		$ 154,887.41	$ 344,967.00
101.2025.424	BULDING & SAFETY	$ 56.76		$ 161,945.68	$ 458,902.00
101.2030.423	CODE ENFORCEMENT	$ 8,629.92		$ 249,460.02	$ 619,611.00
101.3010.431	PUBLIC WORKS	$ 11,353.82		$ 375,494.13	$ 772,393.00
101.4730.472	SANITATION	$ -		$ 90,164.11	$ 175,673.00
101.5770.452.	AQUATICS	$ 5,562.68		$ 151,333.59	$ 322,940.00
101.5772.452	PARKS	$ 15,203.38		$ 447,908.65	$ 946,980.00
101.5773.452	JACK SMITH PARK MARINA	$ -		$ 66,743.05	$ 164,115.00
101.5774.452	RECREATION	$ 616.92		$ 213,586.63	$ 454,046.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		$ 56,933.66	$ 5,251,777.27	$ 10,935,690.00
FUND 102	GEN. FUND CAPITAL PROJECT		$ -	$ 225.52	$ 1,000,000.00
FUND 205	CDBG		$ -	$ 3,948.00	$ 7,900.00
FUND 206	CEMETERY		$ 39.59	$ 134,523.94	$ 266,055.00
FUND 208	CALTRANS GRANTS		$ -	$ -	$ -
FUND 210	SPECIAL GAS TAX		$ -	$ 71,844.00	$ 643,684.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		$ -	$ -	$ -
FUND 214	SANBAG NEW LOCAL MEAS I		$ -	$ -	$ 800,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		$ 13,200.00	$ 219,291.36	$ 283,450.00
FUND 227	HAZARD MITIGATION		$ -	$ 8,200.00	$ 15,000.00
FUND 233	JACK SMITH PARK MARINA		$ -	$ -	$ -
FUND 238	STATE RECREATION GRANTS		$ -	$ -	$ -
FUND 239	CA.CONSERV RECYLING GRANT		$ -	$ -	$ 18,227.00
FUND 243	ACTIVE TRANSPORT PROGRAM		$ -	$ 70,132.05	$ 1,858,995.00
FUND 270	REDEVELOPMENT AGENCY		$ -	$ -	$ -
FUND 470	RDA CAP PROJ.LOW & MOD.		$ -	$ -	$ 56,726.00
FUND 501	NPUA		$ 1,614.48	$ 1,011,360.62	$ 2,550,503.00
FUND 502	WATER DEPARTMENT		$ 18,368.34	$ 1,154,184.62	$ 2,376,734.00
FUND 503	WASTEWATER DEPARTMENT		$ 12,050.06	$ 642,076.46	$ 1,396,598.00
FUND 505	SANITATION		$ 3,775.09	$ 903,244.15	$ 1,827,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		$ 471.13	$ 1,051,590.82	$ 1,246,800.00
FUND 507	GOLF FUND	$ -		$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	$ 1,121.19		$ 392,229.61	$ 665,673.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	$ 2,027.12		$ 511,644.52	$ 458,231.00
FUND 507	GOLF FUND TOTAL		$ 3,148.31	$ 903,874.13	
FUND 508	CUST.SVC/UT BUSINESS OFFICE		$ 309.08	$ 226,295.32	$ 495,827.00
FUND 509	MIS		$ 10,207.81	$ 204,845.20	$ 358,200.00
FUND 510	ADMIN. FACILITY		$ 3,908.11	$ 102,475.66	$ 364,253.00
FUND 511	FLEET MANAGEMENT		$ 1,949.94	$ 145,773.83	$ 306,904.00
FUND 512	VEHICLE REPLACEMENT		$ -	$ -	$ -
FUND 520	SR DIAL A RIDE		$ 1,000.00	$ 45,553.51	$ 629,992.00
FUND 522	FT MOHAVE/BULLHEAD SHUTLE		$ -	$ 14,079.40	$ 55,211.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		$ -	$ 249,579.50	$ 16,838.00
FUND 575	HOUSING		$ 2,235.32	$ 802,642.29	$ 1,107,428.00
FUND 580	ELECTRIC		$ 32,618.92	$ 5,409,697.11	$ 12,909,933.00
FUND 581	NPUA CAPITAL ELECTRIC		$ -	$ 415,768.02	$ 573,000.00
FUND 582	NPUA CAPITAL WATER		$ -	$ 1,311,174.04	$ 1,850,000.00
FUND 583	NPUA CAPITAL WASTEWATER		$ -	$ 18,081.96	$ -
FUND 650	IMPACT FEES NORTH NEEDLES		$ -	$ -	$ -
FUND 651	IMPACT FEES SOUTH AREAS		$ -	$ -	$ -
TOTAL	ALL FUNDS & DEPARTMENTS		**$ 161,829.84**	$ 20,372,238.78	$ 45,074,867.00

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are in

Patrick Martinez, City Manager — Date

Mark DeMyer — Finance Department — 1/20/26 — Date

Virginia Tasker, City Treasurer — 2-3-26 — Date

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26249	2345	A-B COMMUNICATIONS	005471		02/10/2026	510-4410-405.30-25	258.21		
							258.21	*	258.21
26250	1	AFGHAN, MAHAMMAD	UT		02/10/2026	501-0000-211.00-00	68.90		
							68.90	*	68.90
26251	1	AFGHAN, MOSAKALIM	UT		02/10/2026	501-0000-211.00-00	116.20		
							116.20	*	116.20
26252	1924	AHA MACAV POWER SERVICE	005467		02/10/2026	580-4750-473.61-21	980.00		
							980.00	*	980.00
26253	4227	AMAZON CAPITAL SERVICES	005849		02/10/2026	101-2030-423.61-02	413.46		
							413.46	*	413.46
26254	3457	ARIZONA RUBBER CO.	005770		02/10/2026	511-3020-432.43-57	287.69		
							287.69	*	287.69
26255	1	AUSTIN, SANDRA	UT		02/10/2026	501-0000-211.00-00	40.90		
							40.90	*	40.90
26256	3750	AUTO ZONE	005771		02/10/2026	511-3021-432.43-26	11.37		
			005772		02/10/2026	511-3021-432.43-26	24.80		
			005773		02/10/2026	511-3021-432.43-27	11.37		
			005774		02/10/2026	511-3021-432.43-26	22.75		
			005775		02/10/2026	511-3021-432.43-26	23.12		
							93.41	*	93.41
26257	1	BARAK, BASHIR AHMAD	UT		02/10/2026	501-0000-211.00-00	98.86		
							98.86	*	98.86
26258	1	BOBIER, JAMIE	UT		02/10/2026	501-0000-211.00-00	29.17		
							29.17	*	29.17
26259	3392	BUG EMERGENCY INC.	005412		02/10/2026	507-5762-454.43-08	72.00		
			005776		02/10/2026	503-4720-475.43-02	52.00		
							124.00	*	124.00
26260	4305	BUILDERS FIRSTSOURSE,INC	005863		02/10/2026	580-4750-473.43-02	3,737.12		
							3,737.12	*	3,737.12
26261	709	CALLAWAY	005778		02/10/2026	507-5762-454.44-10	527.86		
							527.86	*	527.86
26262	3064	CHICAGO TITLE COMPANY	005850		02/10/2026	520-4740-462.72-12	1,000.00		
							1,000.00	*	1,000.00
26263	4138	CLUB CADDIE	005777		02/10/2026	507-5762-454.61-09	571.45		
							571.45	*	571.45

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26264	2320	COUNTY OF SAN BERNARDINO	005577		02/10/2026	505-4730-472.74-40	3,775.09		
							3,775.09	*	3,775.09
26265	3716	COUNTY OF SAN BERNARDINO	005473		02/10/2026	101-5770-452.57-01	1,317.00		
							1,317.00	*	1,317.00
26266	440	DECO FOODSERVICE INCORP.	005469		02/10/2026	101-5774-452.65-10	115.40		
			005784		02/10/2026	507-5762-454.61-06	106.90		
			005785		02/10/2026	502-4710-471.61-21	234.24		
			005786		02/10/2026	580-4750-473.61-21	234.24		
							690.78	*	690.78
26267	3580	DIAMOND PURE WATER	005468		02/10/2026	503-4720-475.43-02	5.00		
			005470		02/10/2026	101-5774-452.61-01	5.00		
			005474		02/10/2026	510-4410-405.61-01	36.00		
			005780		02/10/2026	503-4720-475.43-02	12.00		
			005781		02/10/2026	511-3020-432.43-29	6.00		
			005782		02/10/2026	101-5774-452.60-24	12.00		
			005783		02/10/2026	511-3020-432.43-29	17.00		
							93.00	*	93.00
26268	3793	FEDERAL LICENSING INC	005928		02/10/2026	510-4410-405.61-01	119.00		
							119.00	*	119.00
26269	91	FERGUSON WATERWORKS	005852		02/10/2026	502-4710-471.60-55	1,560.98		
							1,560.98	*	1,560.98
26270	4219	FLOCK GROUP INC.	005851		02/10/2026	225-2010-421.61-21	13,200.00		
							13,200.00	*	13,200.00
26271	3451	GREENS ELECTRIC, LLC	005853		02/10/2026	580-4750-473.60-55	1.31		
			005854		02/10/2026	580-4750-473.60-55	636.23		
			005855		02/10/2026	580-4750-473.60-55	227.36		
			005856		02/10/2026	580-4750-473.60-55	532.06		
			005857		02/10/2026	580-4750-473.60-55	24.83		
							1,421.79	*	1,421.79
26272	2612	HARDWARE EXPRESS	005413		02/10/2026	101-1070-410.43-04	32.32		
			005414		02/10/2026	507-5762-454.61-06	58.20		
			005582		02/10/2026	101-5774-452.43-18	8.93		
			005583		02/10/2026	101-5770-452.43-02	41.50		
			005584		02/10/2026	101-5770-452.43-02	30.13		
			005585		02/10/2026	101-3010-431.61-33	23.69		
			005586		02/10/2026	101-3010-431.61-33	8.17		
			005587		02/10/2026	101-3010-431.60-11	18.31		
			005588		02/10/2026	101-3010-431.60-11	30.30		
			005589		02/10/2026	101-5772-452.61-12	14.00		
			005590		02/10/2026	101-5772-452.61-12	7.16		
			005591		02/10/2026	101-5772-452.43-04	18.31		
			005592		02/10/2026	101-5772-452.60-40	24.78		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26272	2612	HARDWARE EXPRESS	005593		02/10/2026	502-4710-471.60-55	56.00		
			005594		02/10/2026	503-4720-475.60-55	21.54		
			005788		02/10/2026	580-4750-473.43-02	117.40		
			005789		02/10/2026	580-4750-473.43-13	17.23		
			005790		02/10/2026	511-3021-432.43-26	5.81		
			005791		02/10/2026	580-4750-473.43-02	426.73		
			005792		02/10/2026	101-3010-431.60-11	55.12		
			005793		02/10/2026	511-3021-432.43-26	1.43		
			005794		02/10/2026	101-3010-431.60-12	17.23		
			005795		02/10/2026	101-3010-431.60-12	34.18		
			005796		02/10/2026	101-5772-452.43-39	8.18		
			005797		02/10/2026	206-5771-452.61-12	39.59		
			005798		02/10/2026	507-5762-454.61-06	40.87		
			005799		02/10/2026	101-5772-452.43-39	208.67		
			005864		02/10/2026	101-1070-410.43-01	.75		
			005865		02/10/2026	101-5770-452.43-02	62.03		
			005866		02/10/2026	101-5774-452.43-18	6.46		
							1,435.02	*	1,435.02
26273	2612	HARDWARE EXPRESS	005578		02/10/2026	575-5555-485.43-02	4.41		
			005579		02/10/2026	575-5555-485.43-02	92.98		
			005580		02/10/2026	575-5555-485.43-02	53.61		
			005581		02/10/2026	575-5555-485.43-02	9.66		
							160.66	*	160.66
26274	1	HERSCHLER, SHANNON	UT		02/10/2026	501-0000-211.00-00	132.53		
							132.53	*	132.53
26275	3357	HOTSY SOUTHWEST	005800		02/10/2026	511-3021-432.43-26	677.62		
							677.62	*	677.62
26276	4000	JARROD DELEON	005929		02/10/2026	507-5762-454.55-00	391.96		
							391.96	*	391.96
26277	4313	KEVIN SEBOURN	005595		02/10/2026	101-5772-452.31-90	775.00		
			005596		02/10/2026	101-3010-431.31-90	775.00		
			005801		02/10/2026	101-5772-452.31-90	662.50		
			005802		02/10/2026	101-3010-431.31-90	662.50		
							2,875.00	*	2,875.00
26278	61	KNORR SYSTEMS, INT'L	005804		02/10/2026	101-5770-452.60-32	4,112.02		
							4,112.02	*	4,112.02
26279	1	KOOKEN, CATHY	UT		02/10/2026	501-0000-211.00-00	20.61		
							20.61	*	20.61
26280	85	LEAGUE OF CALIFORNIA CITI	005779		02/10/2026	101-1030-414.56-01	3,803.00		
							3,803.00	*	3,803.00
26281	125	MCCORMICK CONSTRUCTION CO	005805		02/10/2026	101-3010-431.60-11	3,353.57		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26281	125	MCCORMICK CONSTRUCTION CO					3,353.57	*	3,353.57
26282	1	MESSMER, THOMAS	UT		02/10/2026	501-0000-211.00-00	581.92		
							581.92	*	581.92
26283	940	MULTIMEDIA	005803		02/10/2026	507-5762-454.53-00	229.00		
							229.00	*	229.00
26284	3638	MY ALARMTEK	005597		02/10/2026	510-4410-405.43-01	85.00		
			005845		02/10/2026	101-3010-431.43-40	149.97		
			005846		02/10/2026	503-4720-475.43-40	149.97		
			005847		02/10/2026	507-5761-453.43-40	149.97		
			005848		02/10/2026	510-4410-405.43-40	149.97		
							684.88	*	684.88
26285	178	NAPA PARTS,TIRES & SERVIC	005825		02/10/2026	507-5761-453.43-04	21.53		
			005826		02/10/2026	511-3021-432.43-26	16.15		
			005827		02/10/2026	511-3020-432.43-57	43.09		
			005828		02/10/2026	101-0000-204.11-00	36.85		
							117.62	*	117.62
26286	194	NEEDLES CHAMBER OF COMMER	005653		02/10/2026	101-1060-410.54-06	2,000.00		
							2,000.00	*	2,000.00
26287	218	NEWS WEST PUBLISHING CO.	005416		02/10/2026	101-1030-414.53-00	2,646.00		
			005472		02/10/2026	575-5555-485.53-00	172.39		
							2,818.39	*	2,818.39
26288	1786	NPUA							VOIDED
26289	1786	NPUA	005598		02/10/2026	502-4710-471.41-10	838.11		
			005599		02/10/2026	502-4710-471.41-10	89.85		
			005600		02/10/2026	502-4710-471.41-10	6,610.80		
			005601		02/10/2026	503-4720-475.41-10	65.93		
			005602		02/10/2026	503-4720-475.41-20	48.86		
			005603		02/10/2026	503-4720-475.41-10	37.20		
			005604		02/10/2026	503-4720-475.41-20	226.59		
			005605		02/10/2026	503-4720-475.41-10	37.29		
			005606		02/10/2026	101-5772-452.41-20	49.41		
			005607		02/10/2026	101-5772-452.41-10	37.20		
			005608		02/10/2026	101-5772-452.41-10	552.00		
			005609		02/10/2026	101-5772-452.41-10	48.86		
			005610		02/10/2026	101-5772-452.41-10	225.36		
			005611		02/10/2026	101-5772-452.41-10	41.27		
			005612		02/10/2026	101-5772-452.41-20	1,412.36		
			005613		02/10/2026	101-5772-452.41-30	87.20		
			005614		02/10/2026	101-5772-452.41-10	532.02		
			005615		02/10/2026	101-5772-452.41-20	48.86		
			005616		02/10/2026	101-5772-452.41-10	233.34		
			005617		02/10/2026	101-5772-452.41-10	223.30		
			005618		02/10/2026	101-5772-452.41-20	235.55		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26289	1786	NPUA	005619		02/10/2026	101-5772-452.41-30	87.20		
			005620		02/10/2026	101-5772-452.41-20	48.86		
			005621		02/10/2026	101-5772-452.41-10	57.79		
			005622		02/10/2026	101-5772-452.41-10	75.63		
			005806		02/10/2026	101-5772-452.41-10	1,115.92		
			005807		02/10/2026	101-3010-431.41-10	147.63		
			005808		02/10/2026	101-3010-431.41-20	129.48		
			005809		02/10/2026	101-3010-431.41-30	436.00		
			005810		02/10/2026	101-5772-452.41-10	52.04		
			005811		02/10/2026	101-5772-452.41-20	233.37		
			005812		02/10/2026	101-5772-452.41-10	46.94		
			005813		02/10/2026	101-5772-452.41-20	228.95		
			005814		02/10/2026	101-5772-452.41-10	43.63		
			005815		02/10/2026	101-5772-452.41-20	1,254.61		
			005816		02/10/2026	101-5772-452.41-20	1,148.02		
			005817		02/10/2026	101-5772-452.41-10	63.28		
			005818		02/10/2026	101-5772-452.41-20	1,285.31		
			005819		02/10/2026	101-5772-452.41-20	748.15		
			005820		02/10/2026	101-5772-452.41-10	81.64		
			005821		02/10/2026	101-5772-452.41-20	1,689.34		
			005822		02/10/2026	101-5772-452.41-10	409.89		
			005823		02/10/2026	580-4750-473.41-11	64.73		
			005824		02/10/2026	580-4750-473.41-11	1,143.29		
							22,273.06	*	22,273.06
26290	3324	OFFICE EXPRESS	005832		02/10/2026	101-5774-452.60-24	295.52		
							295.52	*	295.52
26291	239	PHILLIPS EXCAVATING INC.	005417		02/10/2026	502-4710-471.31-90	402.99		
			005654		02/10/2026	580-4750-473.43-02	8,461.50		
			005858		02/10/2026	101-3010-431.31-90	4,800.00		
							13,664.49	*	13,664.49
26292	15	QUILL LLC	005655		02/10/2026	510-4410-405.61-01	138.24		
			005656		02/10/2026	510-4410-405.61-01	545.03		
							683.27	*	683.27
26293	2861	REINKE A/C CORP.	005859		02/10/2026	575-5555-485.43-02	1,093.81		
			005860		02/10/2026	575-5555-485.43-02	127.50		
			005861		02/10/2026	575-5555-485.43-02	127.50		
			005862		02/10/2026	575-5555-485.43-02	532.50		
							1,881.31	*	1,881.31
26294	2068	RICOH USA, INC.	005658		02/10/2026	510-4410-405.70-02	246.64		
							246.64	*	246.64
26295	4058	S-NET COMMUNICATIONS INC.	005874		02/10/2026	510-4410-405.52-10	1,696.89		
							1,696.89	*	1,696.89
26296	1	SANTANGELO, JASON	UT		02/10/2026	501-0000-211.00-00	200.00		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26296	1	SANTANGELO, JASON					200.00	*	200.00
26297	2951	SIMON FAMILY ENTERPRISES	005927		02/10/2026	503-4720-475.31-90	7,500.00		
							7,500.00	*	7,500.00
26298	4001	SIMPLOT TURF & HORTICULTU	005871		02/10/2026	507-5761-453.61-08	818.90		
			005872		02/10/2026	507-5761-453.43-04	15.34-		
							803.56	*	803.56
26299	3344	SLOVAK BARON EMPEY MURPHY	005659		02/10/2026	101-2030-423.31-50	627.80		
			005660		02/10/2026	101-2030-423.31-50	759.05		
			005661		02/10/2026	101-2030-423.31-50	310.78		
			005662		02/10/2026	101-2030-423.31-50	3,167.40		
			005663		02/10/2026	101-2030-423.31-50	2,734.60		
			005664		02/10/2026	101-2030-423.31-50	497.20		
			005665		02/10/2026	101-1025-415.31-50	112.95		
			005666		02/10/2026	101-1025-415.31-50	158.20		
			005667		02/10/2026	101-1015-412.31-50	5,800.00		
			005668		02/10/2026	101-1025-415.31-50	29.52		
			005669		02/10/2026	502-4710-471.31-50	1,933.33		
			005670		02/10/2026	503-4720-475.31-50	1,933.34		
			005671		02/10/2026	580-4750-473.31-50	1,933.33		
			005672		02/10/2026	502-4710-471.31-50	5,443.60		
							25,441.10	*	25,441.10
26300	4121	SMART DOCUMENT SOLUTION	005873		02/10/2026	101-5774-452.74-20	140.49		
							140.49	*	140.49
26301	4298	SOLUTIONS-II,INC.	005875		02/10/2026	509-4910-479.43-05	4,600.00		
							4,600.00	*	4,600.00
26302	481	STAPLES	005867		02/10/2026	101-1025-415.61-01	63.21		
			005868		02/10/2026	510-4410-405.61-01	67.69		
			005869		02/10/2026	510-4410-405.61-01	272.23		
			005870		02/10/2026	510-4410-405.61-01	242.85		
							645.98	*	645.98
26303	1	STUCKER, HEATHER	UT		02/10/2026	501-0000-211.00-00	103.03		
							103.03	*	103.03
26304	2435	T & R ELECTRIC SUPPLY COM	005881		02/10/2026	580-4750-473.60-55	13,627.86		
							13,627.86	*	13,627.86
26305	4008	THE PRINTER GUYS LLC	005419		02/10/2026	508-4810-478.61-02	99.00		
			005877		02/10/2026	506-4713-477.61-01	134.99		
			005885		02/10/2026	101-1040-417.61-02	215.78		
			005886		02/10/2026	101-1035-416.61-02	35.80		
			005887		02/10/2026	101-2025-424.61-02	35.80		
			005888		02/10/2026	101-2030-423.61-02	35.80		
			005889		02/10/2026	101-1030-414.61-02	35.80		

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26305	4008	THE PRINTER GUYS LLC	005931		02/10/2026	508-4810-478.61-02	169.00		
							761.97	*	761.97
26306	1	TNT	UT		02/10/2026	501-0000-211.00-00	122.20		
							122.20	*	122.20
26307	3266	TRI STATE TOOL REPAIR	005883		02/10/2026	101-5772-452.43-04	7.34		
			005884		02/10/2026	101-5772-452.43-04	156.22		
							163.56	*	163.56
26308	772	TRI-STATE ACE HARDWARE	005418		02/10/2026	507-5761-453.63-00	119.71		
			005882		02/10/2026	510-4410-405.43-01	50.36		
			005890		02/10/2026	101-3010-431.60-12	111.91		
							281.98	*	281.98
26309	2819	TRI-STATE HOSE & FITTINGS	005878		02/10/2026	507-5761-453.43-04	26.42		
			005879		02/10/2026	511-3021-432.43-37	389.23		
			005880		02/10/2026	511-3021-432.43-26	412.51		
							828.16	*	828.16
26310	3272	ULINE	005911		02/10/2026	101-5772-452.61-06	551.38		
			005912		02/10/2026	506-4713-477.61-01	336.14		
							887.52	*	887.52
26311	3825	ULTRA PEST CONTROL, LLC	005913		02/10/2026	101-1030-414.61-31	40.00		
							40.00	*	40.00
26312	3830	UNIFIRST CORPORATION	005421		02/10/2026	508-4810-478.61-04	10.06		
			005891		02/10/2026	507-5762-454.43-08	28.88		
			005892		02/10/2026	101-5774-452.61-06	11.04		
			005893		02/10/2026	101-5772-452.61-04	15.87		
			005894		02/10/2026	101-3010-431.61-04	157.02		
			005895		02/10/2026	101-5772-452.61-04	15.87		
			005896		02/10/2026	101-5772-452.61-04	15.87		
			005897		02/10/2026	101-5772-452.61-04	15.87		
			005898		02/10/2026	101-3010-431.61-04	157.02		
			005899		02/10/2026	580-4750-473.61-04	158.59		
			005900		02/10/2026	503-4720-475.61-04	27.98		
			005901		02/10/2026	502-4710-471.61-04	50.58		
			005902		02/10/2026	101-3010-431.61-04	160.96		
			005903		02/10/2026	503-4720-475.61-04	27.98		
			005904		02/10/2026	503-4720-475.61-04	27.98		
			005905		02/10/2026	508-4810-478.61-04	10.06		
			005906		02/10/2026	502-4710-471.61-04	50.58		
			005907		02/10/2026	580-4750-473.61-04	158.59		
			005908		02/10/2026	101-5774-452.61-06	11.04		
			005909		02/10/2026	101-5774-452.61-06	11.04		
							1,122.88	*	1,122.88
26313	3128	UPS FREIGHT	005910		02/10/2026	580-4750-473.52-20	10.76		

Agenda Item 5.

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)		CHECK TOTAL
26313	3128	UPS FREIGHT					10.76	*	10.76
26314	761	USABLUEBOOK	005930		02/10/2026	502-4710-471.60-55	81.68		
							81.68	*	81.68
26315	1	VARGAS, EMERALD	UT		02/10/2026	501-0000-211.00-00	100.16		
							100.16	*	100.16
26316	1917	VIRGINIA TASKER	005914		02/10/2026	101-1025-415.31-90	500.00		
							500.00	*	500.00
26317	3528	WESTERN ENVIRONMENTAL TES	005422		02/10/2026	502-4710-471.59-75	256.40		
			005423		02/10/2026	502-4710-471.59-75	549.60		
			005916		02/10/2026	503-4720-475.59-75	1,064.00		
			005917		02/10/2026	503-4720-475.59-75	406.20		
			005918		02/10/2026	503-4720-475.59-75	406.20		
							2,682.40	*	2,682.40
26318	4284	ZONAR SYSTEMS	005919		02/10/2026	502-4710-471.31-90	209.60		
			005920		02/10/2026	580-4750-473.31-90	125.76		
			005921		02/10/2026	101-3010-431.31-90	125.76		
			005922		02/10/2026	508-4810-478.31-90	20.96		
			005923		02/10/2026	101-2030-423.31-90	83.83		
			005924		02/10/2026	101-2025-424.31-90	20.96		
			005925		02/10/2026	575-5555-485.31-90	20.96		
			005926		02/10/2026	101-5772-452.31-90	104.80		
							712.63	*	712.63
26319	3828	3D-NETWORKS LLC	005673		02/10/2026	509-4910-479.31-53	400.00		
			005674		02/10/2026	509-4910-479.31-53	425.00		
			005675		02/10/2026	509-4910-479.31-53	775.00		
			005676		02/10/2026	509-4910-479.31-90	1,965.99		
			005677		02/10/2026	509-4910-479.31-90	1,992.20		
			005678		02/10/2026	509-4910-479.31-53	49.62		
			005876		02/10/2026	101-5772-452.31-90	204.26		
							5,812.07	*	5,812.07
						BANK/CHECK TOTAL	161,829.84		161,829.84
						ALL BANKS/CHECKS TOTAL	161,829.84		161,829.84

Agenda Item 5.

MINUTES

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY
HOUSING AUTHORITY CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA
COUNCIL CHAMBERES, 1111 BAILEY AVE, NEEDLES

TUESDAY, JANUARY 27, 2026 - COUNCIL EXECUTIVE SESSION – NONE - CITY COUNCIL MEETING – 6:00 PM

CALL TO ORDER - Mayor Jernigan called the meeting to order at 6:00 pm
ROLL CALL
PRESENT
Council Member Larry Ford
Council Member McCorkle
Vice Mayor Ellen Campbell
Mayor Janet Jernigan
Council Member JoAnne Pogue
Council Member Henry Longbrake
Council Member Tona Belt
ABSENT
None

Also present were City Manager Patrick Martinez, Deputy City Attorney Lena Wade, City Clerk Candace Clark, Utilities Manager Rainie Torrance, Director of Development Services/Capital Projects Kathy Raasch, City Planner Irene Romero, Finance Director Mark DeMay, and Housing Manager Angelica Deermer.

PLEDGE OF ALLEGIANCE - led by Mayor Jernigan
INVOCATION - given by Vice Mayor Campbell

APPROVAL OF AGENDA
Council Member Pogue made a motion, seconded by Council Member Ford, to approve the agenda.

Motion carried by the following roll call vote:

Ayes: Council Member Ford, McCorkle, Vice Mayor Campbell, Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

CONFLICT OF INTEREST – None
CORRESPONDENCE – None
INTRODUCTIONS - Mayor Jernigan acknowledged former Council Member Tim Terral in attendance.

CITY ATTORNEY – Parliamentary Procedures given by Deputy City Attorney Lena Wade.

PUBLIC APPEARANCE

Lane Stromberg introduced himself and announced a subdivision project he is working on near San Clemente and Clary Drive.

PUBLIC HEARING

1. Adopt Resolution 2026-1 of the City Council of the City of Needles Approving a Conditional Use Permit Amendment to City Council Resolution 2017-114 for a Medical Marijuana Cultivation Facility Located at 204 Bazoobuth Street (APN 0186-154-13), Including Modification of Perimeter Wall Materials and Relocation of Parking and Trash Enclosure to Adjacent Parcels (APNS 0186-154-05 And 0186-154-01). **ITEM CONTINUED TO FEBRUARY 10, 2026.**

NPUA/COUNCIL CONSENT CALENDAR

City Manager Martinez pulled item 2 from the NPUA/Council Consent Calendar.

Member/Vice Mayor Campbell made a motion, seconded by Member/Council Member Belt, to approve item 3 on the NPUA/Council Consent Calendar.

Motion carried by the following roll call vote:

Ayes: Members/Council Member Ford, McCorkle, Campbell, Mayor Jernigan, Members/Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None

Abstain: None

3. Authorized the City Manager to execute the First Amendment to the California River Contractors Forbearance Agreement for 2024 – 2026 Conservation Agreement under the Lower Colorado Conservation and Efficiency Program.

PULLED ITEM:

2. Approve Change Order No.1 to the Public Works Agreement with WEKA, Inc. for the Phase V Water Service Lateral Replacement Project resulting in an increase to the contract in the amount of $166,994.81 for a total contract amount of $555,933.81 and authorize staff to execute said Change Order.

City Manager Martinez gave staff report.
Council had no questions and there was no public comment

Member/Vice Mayor Campbell made a motion, seconded by Member/Council Member McCorkle, to approve Change Order No.1 to the Public Works Agreement with WEKA, Inc. for the Phase V Water Service Lateral Replacement Project resulting in an increase to the contract in the amount of $166,994.81 for a total contract amount of $555,933.81 and authorize staff to execute said Change Order.

Motion carried by the following roll call vote:

Ayes: Members/Council Member Ford, McCorkle, Campbell, Mayor Jernigan, Members/Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

END OF NPUA CONSENT CALENDAR

REGULAR NPUA / COUNCIL ITEMS

4. Accept and file the FY 24 NPUA Financial Statements Audit

Finance Director DeMay gave staff report.
Roger Martinez from Vasquez gave power point presentation
Council asked questions and minimal discussion ensued.
Mayor Jernigan opened public comment at 6:22pm
Public Comment – none
Mayor Jernigan closed public comment at 6:22pm

Member/Vice Mayor Campbell made a motion, seconded by Member/Council Member Pogue, to accept and file the FY 24 NPUA Financial Statements Audit.

Motion carried by the following roll call vote:

Ayes: Members/Council Member Ford, McCorkle, Campbell, Mayor Jernigan, Members/Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

HACN/COUNCIL CONSENT CALENDAR

City Manager Martinez pulled items 5 and 7. Council Member Pogue pulled item 6.

5. Accept the work by Golden West Fence for the Needles Housing Authority (NHA) Primary Fencing Project and Authorize Staff to Issue the Notice of Completion.

City Manager Martinez gave staff report.
Council had no questions
No Public comment

Member/Vice Mayor Campbell made a motion, seconded by Member/Council Member Pogue, to accept the work by Golden West Fence for the Needles Housing Authority (NHA) Primary Fencing Project and Authorize Staff to Issue the Notice of Completion.

Motion carried by the following roll call vote:

Ayes: Members/Council Member Ford, McCorkle, Campbell, Mayor Jernigan, Members/Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None

Abstain: None

6. Waive the formal bid requirement for collection services and approve the proposal and agreement with Sequoia Concepts, Inc., dba Sequoia Financial Services to provide third-party collection services for delinquent Housing Authority accounts receivable. Authorize the Executive Director to execute the agreement and make minor administrative modifications as needed, provided such changes do not affect the agreement's intended purpose.

City Manager Martinez gave staff report.
Council asked questions and discussion ensued.
Mayor Jernigan opened Public Comment at 6:36pm
Public Comment - None
Mayor Jernigan closed Public Comment at 6:36pm

Member/Council Member McCorkle made a motion, seconded by Member/Council Member Ford, to waive the formal bid requirement for collection services and approve the proposal and agreement with Sequoia Concepts, Inc., dba Sequoia Financial Services to provide third-party collection services for delinquent Housing Authority accounts receivable. Authorize the Executive Director to execute the agreement and make minor administrative modifications as needed, provided such changes do not affect the agreement's intended purpose.

Motion carried by the following roll call vote:

Ayes: Members/Council Member Ford, McCorkle, Campbell, Mayor Jernigan, Members/Council Members Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

7. Housing Commission Update

Housing Manager Deermer gave update on the Housing Authority.
Council asked questions and discussion ensued.
No Public Comment

COUNCIL CONSENT CALENDAR

Vice Mayor Campbell made a motion, seconded by Council Member McCorkle, to approve items 8 – 12 on the Consent Calendar.

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

8. Approved the Warrants Register through January 27, 2026
9. Approved the Minutes of January 13, 2026
10. Accepted and filed the December 2025 Treasurer's Report
11. Adopted Resolution 2026-03 of the City Council, City of Needles, prioritizing and approving the dollar amount of Needles eligible projects for the Community Development Block Grant Funding in fiscal year 2026-2027.
12. Authorized the Mayor to sign the Informed Consent from Best Best and Krieger (BBK)

END OF COUNCIL CONSENT CALENDAR

REGULAR COUNCIL ITEMS

13. Visitor Center Operating Hours

City Manager Martinez gave staff report.
Council asked questions and considerable discussion ensued.
Carrie Brazaski from the Visitor Center presented information on visitor traffic data and answered questions.
Mayor Jernigan opened Public Comment at 7:07pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:07pm

Visitor center will remain open as they are, from 8am – 1pm and will monitor customer traffic patterns. A further assessment will be done when they come back in front of Council in April.

14. Authorize the City of Needles to host the Route 66 Centennial Celebration on November 7, 2026, and approve an event budget in an amount not-to-exceed $7,500, funded from General Fund Reserves.

City Manager Martinez gave staff report.
Council asked questions and minimal discussion ensued.
Mayor Jernigan opened Public Comment at 7:11pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:11pm

Council Member Ford made a motion, seconded by Council Member Pogue, to authorize the City of Needles to host the Route 66 Centennial Celebration on November 7, 2026, and approve an event budget in an amount not-to-exceed $7,500, funded from General Fund Reserves.

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

15. Adopt Resolution 2026-04 of the City Council, City of Needles, Approving a Third Amendment to the Use Permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

City Manager Martinez gave staff report.
Council had no questions.
Mayor Jernigan opened Public Comment at 7:13pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:13pm

Vice Mayor Campbell made a motion, seconded by Council Member Ford, to adopt Resolution 2026-04 of the City Council, City of Needles, Approving a Third Amendment to the Use Permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

16. Authorize the City cosponsor the Run for the Wall with an approximate amount of $2,500 for services.

City Manager Martinez gave staff report.
Council had no questions.
Mayor Jernigan opened Public Comment at 7:15pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:15pm

Council Member Pogue made a motion, seconded by Council Member McCorkle, to authorize the City cosponsor the Run for the Wall with an approximate amount of $2,500 for services.

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

17. Authorize Mayor Jernigan's travel reimbursement and continued participation in the Mohave County Economic Development and Tourism meetings.

City Manager Martinez gave staff report.
Council had no questions.
Mayor Jernigan opened Public Comment at 7:17pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:17pm

Council Member Ford made a motion, seconded by Council Member Pogue, to authorize Mayor Jer
reimbursement and continued participation in the Mohave County Economic Development and Tour

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

18. Authorize those interested to attend the 2026 City / County Conference scheduled for early May 2026, in Lake Arrowhead

City Manager Martinez gave staff report.
Mayor Jernigan and Vice Mayor Campbell volunteered to attend
Council discussion ensued.
Mayor Jernigan opened Public Comment at 7:19pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:19pm

Council Member Belt made a motion, seconded by Council Member Pogue, to authorize Mayor Jernigan and Vice Mayor Campbell to attend the 2026 City / County Conference scheduled for early May 2026, in Lake Arrowhead

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

19. Authorize those interested to attend the League of California Cities (LCC) City Leaders Summit in Sacramento April 22-24, 2026.

City Manager Martinez gave staff report.
Mayor Jernigan and Vice Mayor Campbell volunteered to attend
Council discussion ensued.
Mayor Jernigan opened Public Comment at 7:22pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:22pm

Council Member Belt made a motion, seconded by Council Member Ford, to authorize Mayor Jernigan and Vice Mayor Campbell to attend the League of California Cities (LCC) City Leaders Summit in Sacramento April 22-24, 2026.

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt, Longbrake
Noes: None
Absent: None
Abstain: None

20. Authorize those interested to attend the ICSC Event at the Las Vegas Convention Center on May 18-20, 2026.

City Manager Martinez gave staff report.
Vice Mayor Campbell and Council Member McCorkle volunteered to attend
Council discussion ensued.
Mayor Jernigan opened Public Comment at 7:26pm
Public Comment - None
Mayor Jernigan closed Public Comment at 7:26pm

Vice Mayor Campbell made a motion, seconded by Council Member Belt, to authorize Vice Mayor Campbell and Council Member McCorkle to attend the ICSC Event at the Las Vegas Convention Center on May 18-20, 2026.

Motion carried by the following roll call vote:

Ayes: Council Members Ford, McCorkle, Campbell, Pogue, Belt
Noes: Council Member Longbrake
Absent: None
Abstain: None

CITY ATTORNEY REPORT – given by Deputy City Attorney Lena Wade
CITY CLERK REPORT – given by City Clerk Candace Clark
CITY MANAGER REPORT – for the weeks of January 9, and 16, 2026, given by City Manager Patrick Martinez

COUNCIL REQUESTS

Council Member Ford

- Thanked staff for being so helpful in Council matters.

Council Member McCorkle

- Thanked staff for being so helpful in Council matters.

Vice Mayor Campbell

- Thanked staff for being so helpful in Council matters.
- Reported on training received at the recent Mayor and Council Academy she attended in Sacramento.

Council Member Pogue

- Reported that the Red Dog is open and encouraged residents to support local business.

Council Member Belt

- Nothing

Council Member Longbrake

- Thanked staff for installing light at the small dog park
- Expressed concern over reporting data at the visitor center
- Asked about Terracom cold patching and urged staff oversight on making sure they repave properly
- Urged council members to seek resident feedback
- Resident complained about D street and Downey apartments leaving trash bins on street
- Resident stated her streetlight is too bright

Mayor Jernigan

- Reported on her attendance at the recent SBCTA meeting
- Encouraged residents to support Red Dog and other local businesses
- Reported on upcoming events – Red Dog hosting a beer garden inside during the November 7 Centennial Celebration; River Cruises will be at the Art in the Park Car Show

ADJOURNMENT – Mayor Jernigan adjourned the meeting at 7:50 PM

_____ _____

Mayor Janet Jernigan City Clerk Candace Clark

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: Award the Base Bid and Additive Alternate to Rainy Day Roofing, Inc. for the Administration Building Façade Awning Project

Background: Due to the visible deterioration and rotting condition of the existing awning on the City Hall administration building, staff consulted a designer and engineer to evaluate the awning and provide recommendations for repair. A conceptual plan to remove and rebuild the awning was prepared which was accepted by the Building & Safety Division and converted to a complete set of engineered plans and construction documents for public bid.

This project was advertised for bids on December 23, 2025, and bids were opened on January 20, 2026. Two (2) bids were **received** for this project as listed below:

- Rainy Day Roofing, Inc. $ 192,102.00
- Shipley Construction $ 287,123.00

A bid evaluation has been completed and Rainy Day Roofing, Inc. was found to be the successful lowest responsive and responsible bidder.

Staff is requesting approval of a construction contract with Rainy Day Roofing, Inc. in the amount of $192,102, approximately $8,700 for lattice replacement and miscellaneous project-related expenses, and a 10% contingency of $19,210.20, for a total project cost of $220,012.20.

Fiscal Impact: $100,000 Budgeted in the FY 2026 budget, and $120,012.20 apportionment from fund 510, Admin Facility, Property Capital.

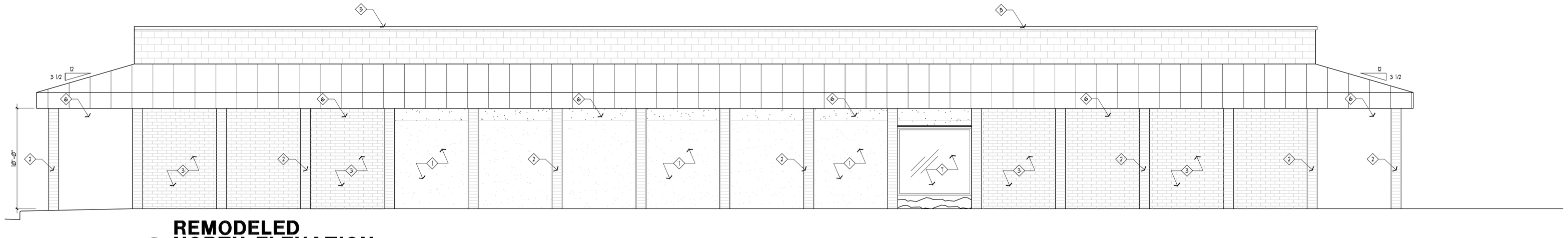
Recommended Action: Award the Base Bid and Additive Alternate to Rainy Day Roofing, Inc. for the Administration Building Façade Awning Project in the amount of $192,102, approve approximately $8,700 for lattice replacement and miscellaneous project-related expenses, and authorize a 10% contingency of $19,210.20 for a total project cost of $220,012.20 and authorize staff to execute a Public Works Agreement with Rainy Day Roofing, Inc. and issue the Notice of Award and proceed with the Notice to Proceed

Submitted By: Kathy Raasch, Director of Development Services/Capital Projects

City Manager Approval: Patrick J Martinez Date: 2/6/2026

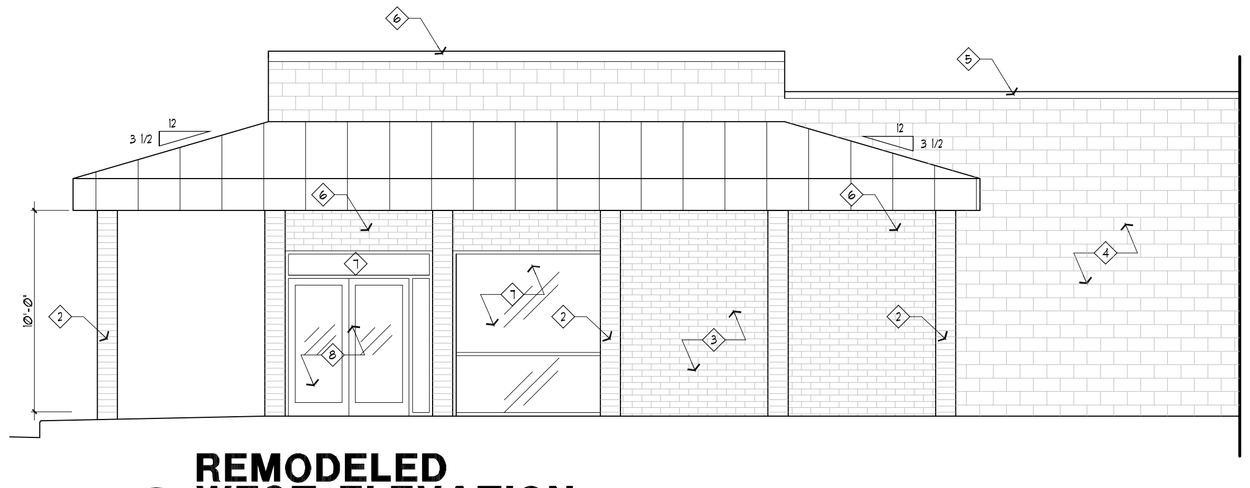
Other Department Approval (when required): Mark C. DeMay, CGFM Date: 02/06/2026

City of Needles					
Bid Results for Project Administration Building Facade Awning Project (AF2501)					
Issued on 12/23/2025					
Bid Due on January 20, 2026 3:30 PM (PST)					
Exported on 02/04/2026					
Item No.	**Description**	**Unit of Measure**	**Quantity**	**Rainy Day Roofing**	**Shipley Construction**
1	MOBILIZATION	LS	1	$18,937.00	$20,000.00
2	DEMOLITION & HAUL AWAY	LS	1	$36,775.00	$35,000.00
3	BUILDING PERMIT	LS	1	$2,135.00	$2,135.00
4	ENCROACHMENT PERMIT	EA	1	$588.00	$588.00
5	AWNING FACADE IMPROVEMENTS	LS	1	$129,367.00	$207,400.00
			Subtotal	**$187,802.00**	**$265,123.00**
6	ELECTRICAL LIGHTING PER PLAN	LS	1	$4,300.00	$22,000.00
			Subtotal	**$4,300.00**	**$22,000.00**
			Total	**$192,102.00**	**$287,123.00**



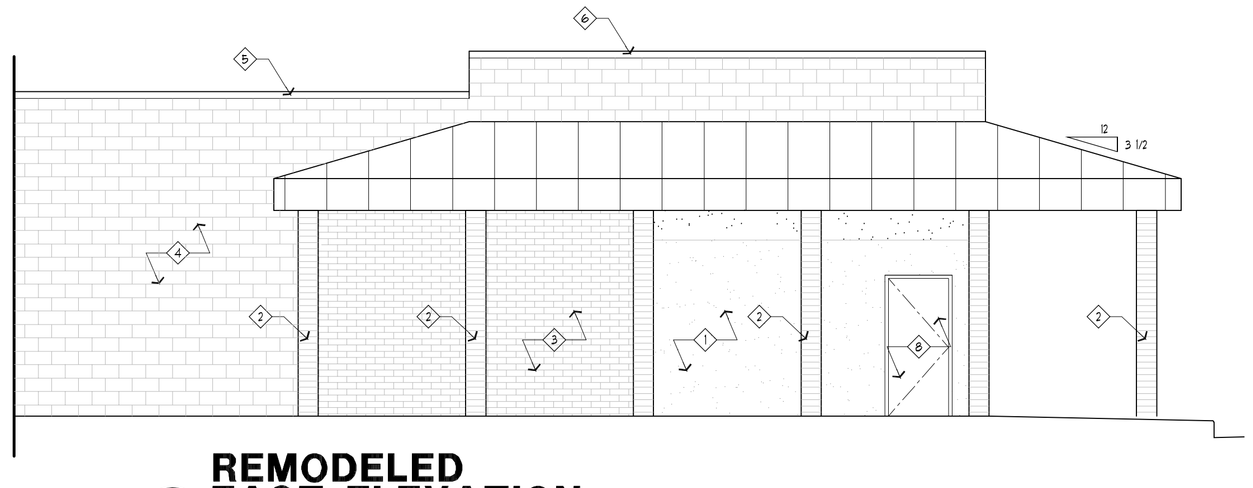
REMODELED NORTH ELEVATION

3/16"=1'-0"



REMODELED WEST ELEVATION

3/16"=1'-0"



REMODELED EAST ELEVATION

3/16"=1'-0"

MATERIAL SCHEDULE (EXISTING)

SYMBOL	MATERIAL	MATERIAL
1	EXISTING STUCCO WALLS, TO BE PAINTED	COLOR AS PER OWNER
2	EXISTING 12X12 CONCRETE CMU. COLUMNS TO BE PAINTED	COLOR AS PER OWNER
3	EXISTING 4X8X16 CONCRETE CMU. WALL TO BE PAINTED	COLOR AS PER OWNER
4	8X8X16 CONCRETE CMU. WALL TO BE PAINTED	COLOR AS PER OWNER
5	EXISTING CAP FLASHING, PAINTED	COLOR AS PER OWNER
6	CAP FLASHING, PRIME AND PAINT	COLOR AS PER OWNER
7	WINDOW TO REMAIN	
8	DOOR TO REMAIN	
9	CRAFTSMAN SNAP-ON BATTEN ROOF SYSTEM	COLOR AS PER OWNER
10		
11		

NOTE: VERIFY ALL FINAL COLOR SELECTIONS W/ OWNER.

INTEGRA
CAD Design & Drafting Services

PROJECT TITLE:
CITY ADMINISTRATIVE OFFICES
UTILITY SERVICES
COVERED CANOPY REMODEL

PROJECT LOCATION:
817 THIRD ST
NEEDLES, CA

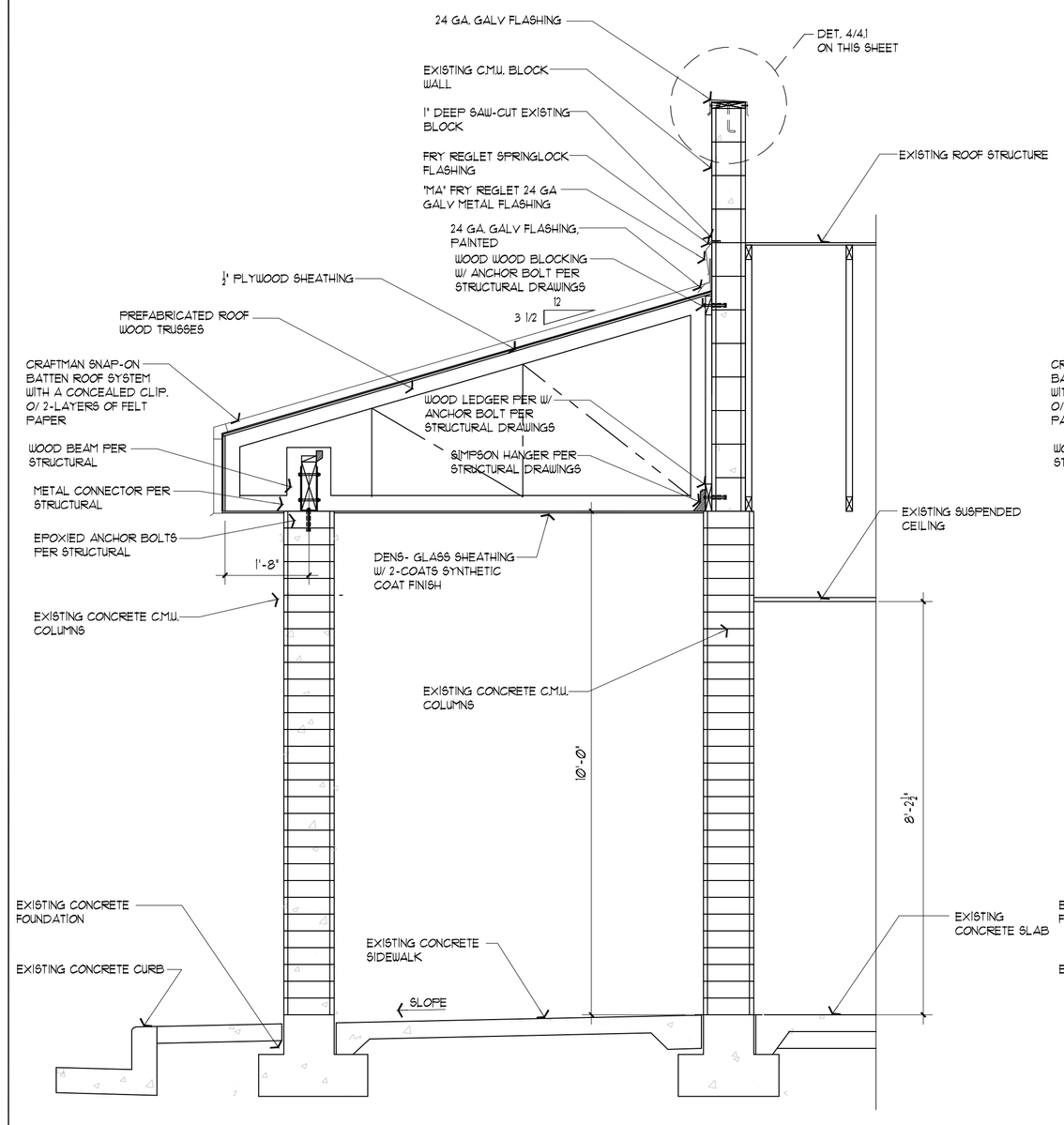
date: 4/12/25

drawn by: R.G.

revised:

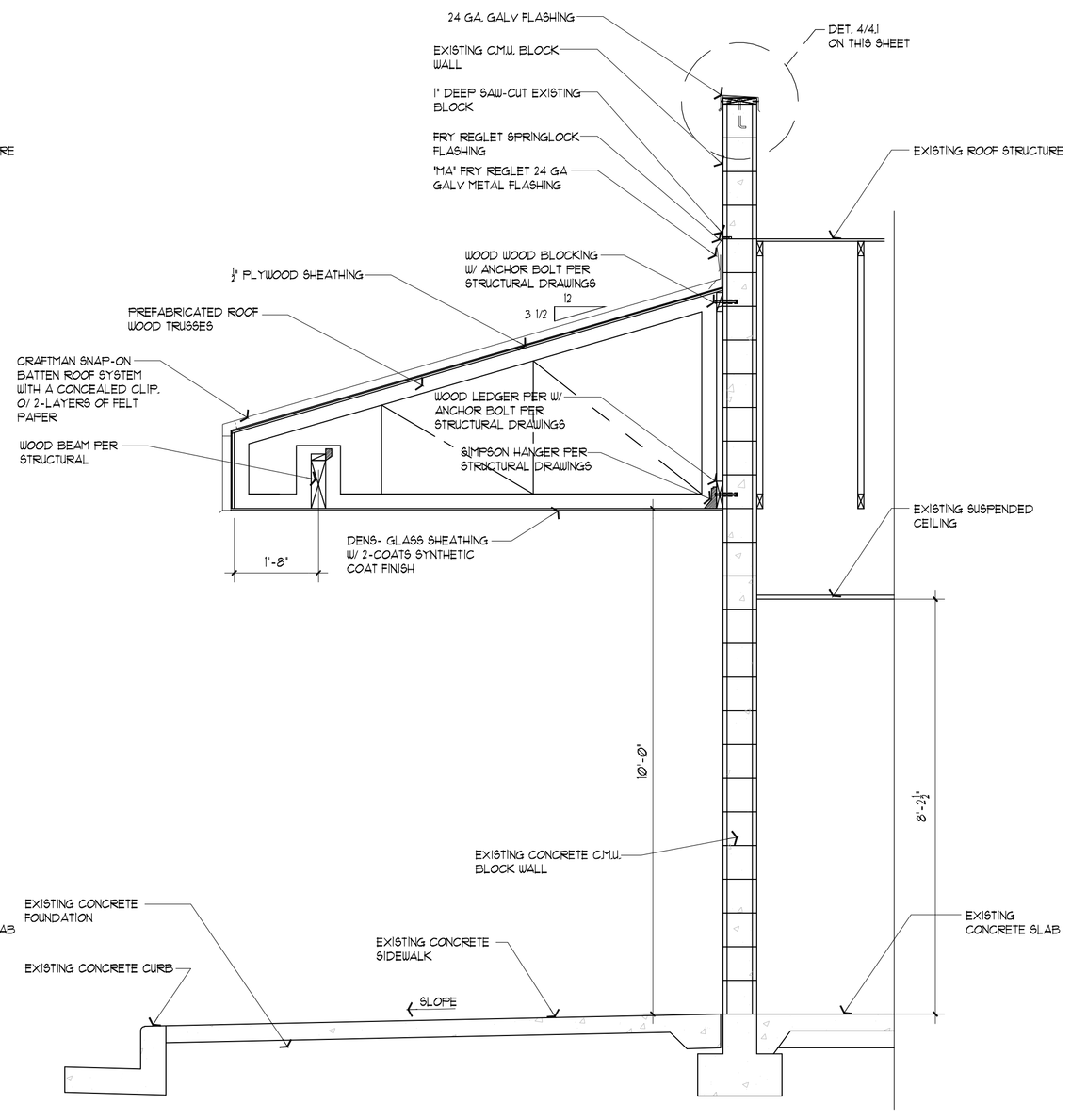
sheet title:
REMODELED EXTERIOR ELEVATIONS

sheet no:
A3.1



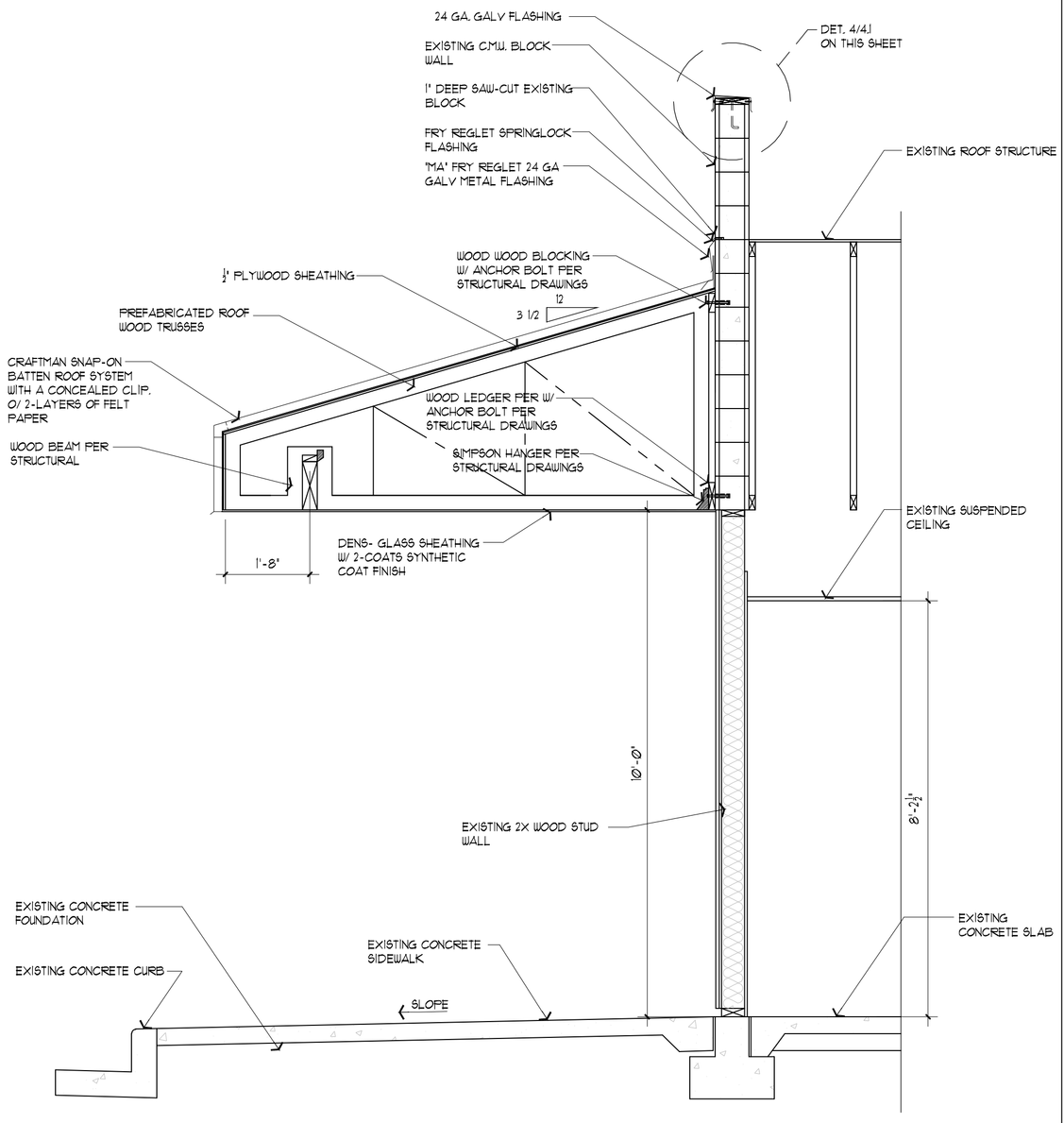
1 WALL SECTION

1/2"=1'-0"



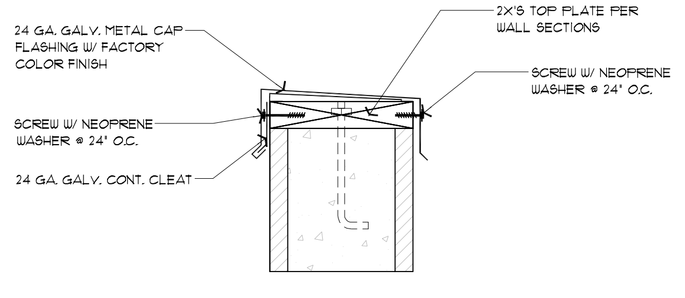
2 WALL SECTION

1/2"=1'-0"



3 WALL SECTION

1/2"=1'-0"



4 CAP FLASHING

1/2"=1'-0"

TRUSS NOTE:
THE CONTRACTOR SHALL VERIFY THE EXISTING WALL CONDITIONS AFTER THE MARQUEE HAS DEMOLISHED, SPECIFICALLY AT BEARING POINT LOCATIONS, TO VERIFY THE TRUSS DESIGN PRIOR BUILDING THE TRUSSES.

PROJECT TITLE:
CITY ADMINISTRATIVE OFFICES
UTILITY SERVICES
COVERED CANOPY REMODEL

PROJECT LOCATION:
817 THIRD ST
NEEDLES, CA

date: 4/12/25

drawn by: R.G.

revised:

sheet title:
REMODEL BUILDING SECTIONS

sheet no:
A4.1

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: Ballot Measures for the November 3, 2026, General Municipal Election

Background: The suggested last day to include a measure(s) on the ballot is July 1 therefore a Resolution will be placed on the City Council June 9, 2026 agenda for Calling the Election, Consolidating with the County and placing measure(s) on the ballot.

In the past the Council has submitted ballot measures to the voters on such matters as the Cannabis Tax Collection Methodology and the applicability of the Transient Occupancy Tax to short term rentals (less than 30 days). Recent discussions for possible ballot measures include adjusting the Council and Mayor stipends, and a general obligation bond for road repairs.

Ballot measures can only be considered by the voters at a General Election at which Councilors are being elected.

Fiscal Impact: Unknown at this time

Recommendation: Provide staff direction to agendize an action item for the June 9, 2026 meeting.

Submitted By: Candace Clark, CPMC, CMC, City Clerk

City Manager Approval: Patrick J Martinez **Date:** 2/5/2026

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

City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ Regular ☐ Special

Meeting Date: February 10, 2026

Title: City Council Ordinance 679-AC Amending Chapter 12, Entitled *Short-Term Residential Rentals*, in the Needles Municipal Code

Background: In 2022, the City of Needles adopted Ordinance No. 649-AC, establishing a comprehensive regulatory framework for short-term residential rentals. The ordinance created a permitting program, operational standards, occupancy and parking limits, enforcement mechanisms, and hosting platform responsibilities to balance tourism activity with neighborhood livability, public safety, and quality-of-life concerns.

While the City's ordinance requires short-term rental operators to obtain permits and comply with local regulations, staff has experienced limitations in verifying compliance for listings advertised through third-party platforms. This has affected the City's ability to efficiently distinguish permitted versus unpermitted rentals and ensure equitable enforcement of Transient Occupancy Tax requirements.

In 2025, the California Legislature enacted Senate Bill 346, known as the *Short-Term Rental Facilitator Act of 2025*. The Act authorizes local agencies to adopt implementing ordinances requiring short-term rental facilitators and hosting platforms to provide limited identifying information for listed properties and to display City-issued permit and tax registration numbers within listings. Adoption of these provisions is discretionary and must be enacted by ordinance. SB 346 is not operative within a local jurisdiction unless adopted by ordinance; Ordinance No. 679-AC constitutes the City of Needles' formal election to implement the Act pursuant to Government Code section 50990 et seq. The information authorized to be collected is limited to that expressly permitted by state law and is used solely for enforcement and tax administration purposes.

Ordinance No. 679-AC amends Chapter 12 of the Needles Municipal Code to implement SB 346 locally. The ordinance does not expand where short-term rentals are allowed, modify operational standards, or change permit fees or tax rates. Instead, it strengthens the City's existing short-term rental program by providing additional compliance and enforcement tools authorized under state law. The reporting and display requirements authorized by SB 346 are intended primarily to support the City's administration and enforcement of Transient Occupancy Tax and ensure equitable tax compliance among all short-term rental operators.

Fiscal Impact: No fiscal impact is anticipated. Implementation will be managed within existing staff resources and is expected to improve the City's ability to verify compliance and administer Transient Occupancy Tax collections.

Recommendation: Approve Ordinance No. 679-AC amending Chapter 12, entitled *Short-Term Residential Rentals*, in the Needles Municipal Code.

Submitted By: Patrick Martinez, City Manager

City Manager Approval: Patrick J Martinez **Date:** 2/5/2026

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

ORDINANCE NUMBER 679-AC

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, AMENDING CHAPTER 12, "SHORT-TERM RESIDENTIAL RENTALS," OF THE NEEDLES MUNICIPAL CODE TO IMPLEMENT SENATE BILL 346

WHEREAS, the City of Needles, located along the Colorado River, is a regional tourism and recreation destination; and

WHEREAS, short-term residential rentals contribute to the local tourism economy while requiring appropriate regulation to protect neighborhood livability, public safety, and quality of life; and

WHEREAS, in 2022, the City Council adopted Ordinance No. 649-AC, establishing a comprehensive regulatory framework for short-term residential rentals, including permitting requirements, operational standards, occupancy and parking limits, enforcement mechanisms, and Transient Occupancy Tax ("TOT") compliance; and

WHEREAS, while Ordinance No. 649-AC requires short-term residential rental operators to obtain permits and comply with local regulations, the City has experienced limitations in efficiently verifying compliance for listings advertised and facilitated through third-party hosting platforms; and

WHEREAS, in 2025, the California Legislature enacted Senate Bill 346, known as the *Short-Term Rental Facilitator Act of 2025*, codified at Government Code section 50990 et seq., which authorizes local agencies to adopt ordinances requiring short-term rental facilitators and hosting platforms to provide limited identifying information for listed properties and to display City-issued permit and tax registration numbers; and

WHEREAS, Senate Bill 346 is not operative within a local jurisdiction unless adopted by ordinance, and adoption of such implementing provisions is discretionary; and

WHEREAS, Ordinance No. 679-AC constitutes the City of Needles' formal election to implement Senate Bill 346 in order to strengthen enforcement of the City's existing short-term residential rental regulations and improve administration and equitable compliance with the City's Transient Occupancy Tax; and

WHEREAS, the reporting and display requirements authorized by Senate Bill 346 are intended primarily to support the City's administration and enforcement of Transient Occupancy Tax obligations and are not intended to expand land-use entitlements, modify operational standards, or alter permit fees or tax rates; and

WHEREAS, the information authorized to be collected pursuant to this Ordinance is expressly limited to that permitted by state law and is used solely for tax administration and enforcement purposes; and

WHEREAS, notice of the public hearing on this Ordinance was duly published and provided as required by law.

NOW, THEREFORE, the City Council of the City of Needles does ordain as follows:

SECTION 1. Incorporation of Recitals The foregoing recitals are true and correct and are incorporated herein by this reference as the factual basis and legislative findings supporting adoption of this Ordinance.

SECTION 2. CEQA Pursuant to California Environmental Quality Act (CEQA) Guidelines sections 15060(c)(2) and 15060(c)(3), adoption of this Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment and therefore is not subject to CEQA, as it does not constitute a "project" as defined in CEQA Guidelines section 15378.

SECTION 3. Findings The City Council hereby finds and determines that facts do exist to approve an amendment to the Needles Municipal Code, as further described in Section 4 below.

SECTION 4. The City Council hereby finds and determines that adoption of this Ordinance is necessary and appropriate to implement state law, enhance compliance with existing short-term residential rental regulations, and support effective and equitable administration of the City's Transient Occupancy Tax.

SECTION 5. The City Council hereby amends Chapter 12 of the Needles Municipal Code, entitled *"Short-Term Residential Rentals,"* originally adopted by Ordinance No. 649-AC, to add and revise provisions implementing Senate Bill 346 (Government Code section 50990 et seq.), as set forth in **Exhibit "A"** attached hereto and incorporated herein by this reference.

This Ordinance does not repeal or replace Ordinance No. 649-AC but rather supplements and amends it solely to the extent necessary to implement Senate Bill 346.

SECTION 6. Effective Date This action shall become final and effective thirty (30) days after this decision by the City Council as provided by the Needles Code.

SECTION 7. Severability If any section or provision of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section or provision thereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

SECTION 8. Certification The City Clerk shall certify to the adoption of this Ordinance.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California, held on the 10th day of February 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Janet Jernigan, Mayor

ATTEST: _____
Candace Clark, City Clerk

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 24th day of February 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Janet Jernigan, Mayor

ATTEST: _____
Candace Clark, City Clerk

Approved as to form: _____
Lena Wade, Deputy City Attorney

12-68.3.020 Applicability

The standards and permit procedures of this Chapter apply to any short-term rental or short-term residential rental unit offered, advertised, or operated within the City, where allowed by the City's Zoning Ordinance, as may be amended from time to time, or as a legal nonconforming residential use located within a non-residential zoning district. 'Short-term' means thirty (30) days or less.

12-68.3.030 Definitions

The definitions in this section are intended to apply to this Chapter only. Any term which is not specifically defined herein shall have the definition as provided elsewhere within the Municipal Code.

a. "Booking Transaction" shall mean any reservation, booking, or payment service provided by a person that facilitates a transaction between a prospective Short-Term Residential Rental Unit Renter and a Short-Term Residential Rental Unit Owner for the occupancy of a short-term rental or Short-Term Residential Rental Unit.

b. "Hotel" has the same meaning as set forth in California Government Code section 50991(a), and means a commercially operated hotel, motel, bed and breakfast inn, or similar transient lodging establishment, when all or part of the transient occupancy is or would be subject to tax under Section 7280 of the Revenue and Taxation Code. For purposes of this chapter, a "hotel" shall not include a short-term rental facilitator as defined in subdivision (n).

c. "Inspections-Initial" shall mean any inspection incident to the review of an application for an initial short-term rental or short-term residential rental unit permit. The City shall inspect the subject property to determine maximum occupancy and parking capacity for the property, and to verify compliance with the standards of this Chapter and of other applicable Municipal Code provisions.

d. "Inspections-Renewal" shall mean the reinspection, upon the application for renewal of a short-term rental or short-term residential unit permit, whereby the subject property shall be inspected to ensure continued compliance with the standards of this Chapter and of other applicable Municipal Code provisions. Notwithstanding anything to the contrary, an applicant seeking renewal of a short-term rental or short-term residential rental unit permit shall comply with all applicable standards of this Chapter at the time of renewal.

e. "Local agency" has the same meaning as set forth in California Government Code section 50991(b) and means a city, county, or city and county.

f. "Marketplace" or "Hosting Platform" has the same meaning as set forth in California Government Code section 50991(c) and means a physical or electronic place, including, but not limited to, a store, booth, internet website, catalog, television or radio broadcast, or a dedicated sales software application, where a **short-term rental facilitator** facilitates the occupancy of a short-term rental for delivery in this state regardless of whether the short-term rental or marketplace has a physical presence in this state.

g. "Ordinance" has the same meaning as set forth in California Government Code section 50991(d) and refers to an ordinance of a local agency imposing a Transient Occupancy Tax.

h. "Potentially Affected Property Owner" shall mean the owner of property that is located within the applicable distance from the short-term rental or short-term residential rental unit as set forth in the City's Land Use laws, as may be amended from time to time.

i. "Purchaser" has the same meaning as set forth in California Government Code section 50991(e) and means a person who is required to pay the Transient Occupancy Tax and who uses a short-term rental facilitator to facilitate the occupation of a short-term rental within the jurisdiction of the local agency imposing the Transient Occupancy Tax.

j. "Responsible Department" shall mean the department or subdivision thereof designated by the City Manager to implement this Chapter.

k. "Short-Term Residential Rental Unit Owner" shall mean the owner of a property, as shown by the most recent recorded deed or other instrument on file with the County Recorder that transfers, grants, or conveys total or partial ownership of a parcel, with a single-family dwelling unit that is being used as a short-term rental or short-term residential rental unit; any individual or organization working on behalf of such property owner; or any individual or organization that has the legal right to rent out, or allow the occupancy of, a single-family residential dwelling unit as a short-term rental or short-term residential rental unit.

l. "Short-Term Residential Rental Unit Renter" shall mean an individual who enters into an agreement or is authorized by the short-term residential rental unit owner, regardless of whether or not compensation is provided, the use of property as a short-term rental or short-term residential rental unit. Such renter is not considered a tenant or a person who hires a dwelling unit under Civil Code § 1940.

m. “Short-term rental” or “Short-Term Residential Rental Unit” means the occupancy of a home, house, room in a home or house, campsite, or other lodging that is not a hotel for a period of thirty (30) consecutive days or less, as regulated by this Chapter, regardless of whether the occupancy is facilitated by a short-term rental facilitator.

n. “Short-term rental facilitator” has the same meaning as set forth in California Government Code section 50991(g) and means a person or entity that facilitates for consideration, regardless of whether it is deducted as fees from the transaction, the occupancy of a short-term rental that is not owned by the person facilitating the rental, through a marketplace operated by the person or a related person or entity, and that does both of the following:

1. Directly or indirectly, through one or more related persons, engages in any of the following:

   A. Transmits or otherwise communicates the offer or acceptance between the purchaser and the operator.

   B. Owns or operates the infrastructure, electronic or physical, or technology that brings purchasers and operators together.

   C. Provides a virtual currency that purchasers are allowed or required to use to facilitate the occupancy of a short-term rental from the operator.

   D. Software development or research and development activities related to any of the activities described in paragraph (2), if such activities are directly related to facilitating short-term rentals.

2. Directly or indirectly, through one or more related persons, engages in any of the following activities with respect to facilitating short-term rentals:

   A. Payment processing services.

   B. Listing homes, houses, or rooms in homes or houses, campsites, or other lodgings that are not a hotel or motel, and that are not owned by that person or a related person, for rental on a short-term basis.

   C. Setting prices.

   D. Branding short-term rentals as those of the short-term rental facilitator.

   E. Taking orders or reservations.

o. “Transient Occupancy Tax” has the same meaning as set forth in California Government Code section 50991(h) and means a tax imposed by a local agency on the privilege of occupying a short-term rental as specified and defined by the local agency in its ordinance.

12-68.3.040 Permit Required

a. A permitted structure for purposes of short-term residential use includes but is not limited to a single-family dwelling unit, a condominium, apartment, and duplex. A short-term residential unit owner may use a permitted structure as a short-term rental or short-term residential rental unit only if such owner has a current valid short-term residential unit permit and business license and complies with the requirements of this Chapter and other applicable provisions of the Municipal Code and other laws. A separate permit shall be required for each dwelling unit used as a short-term residential rental unit when there is more than one legal single-family dwelling unit or a duplex on the parcel. An accessory dwelling unit, primary dwelling unit, guesthouse, casita, or other residential accessory structure may be permitted as a short-term rental or short-term residential rental unit when at least one of the dwelling units (primary dwelling, accessory dwelling unit, or caretaker dwelling) is occupied by the property owner or an authorized agent designated in writing in the permit application. This owner-occupancy requirement shall not apply to a parcel two acres or greater. A maximum of two legal dwelling units per parcel of land may be approved for separate individual short-term rental or short-term residential

rental unit permits. An individual unit, such as an apartment or condominium, located within a multi-family residential project, is not eligible for a short-term rental or short-term residential rental unit permit.

b. Short-term residential unit renters are subject to the Transient Occupancy Tax (TOT) as set forth in Article 20-III of this Code, as may be amended from time to time.

c. A short-term rental or short-term residential rental unit permit is transferable to the new owner of the rental unit in question, provided that the new owner informs the City of its desire to assume the responsibilities of holding the short-term rental or short-term residential rental unit permit in question within 30 days of taking title to the property. Within 30 days of taking title to the property, the new owner is also responsible to provide the City with the information necessary to satisfy the requirements of section 12-68.3.050(a)(1) through (7) herein, so that the City may be assured that the new owner understands its duties and responsibilities as the owner of a short-term rental or short-term residential rental unit.

d. The annual permit fee is $568.00 and may be amended from time to time.

12-68.3.050 Application Process

a. Application. An application for a short-term rental or short-term residential rental unit permit shall be submitted to the City on a pre-approved form. The required content of the form may be revised from time to time, but at a minimum shall require the following:

1. Property owner name and contact information.

2. Applicant name and contact information, if different from the property owner

3. Address and Assessor's parcel number for the property containing the single-family dwelling unit, accessory dwelling unit or other permitted structure to be used as a short-term rental or short-term residential rental unit.

4. (4) Total square footage of the single-family dwelling unit, accessory dwelling unit or other permitted structure to be used as a short-term rental or short-term residential rental unit.

5. (5) The name of the managing agency, agent, or property manager, if different from the property owner, and a telephone number at which that party may be immediately reached on a 24-hour basis. The managing agency, agent, property manager and/or the property owner will be contacted about such issues as Code violations.

6. (6) Acknowledgment that the permittee understands and agrees to operate the short-term rental or short-term residential rental unit in compliance with the regulations and requirements set forth in this Chapter.

7. (7) Acknowledgment of restrictions in the vicinity of the short-term rental or short-term residential rental unit regarding such things as parking and access to the river and boat launches and alternate parking and/or routes that may be used by the renter.

b. Notification Requirements.

1. The City shall provide notice of the application to all potentially affected property owners when any of the following applies:

A. The application is submitted as a result of the issuance of a notice of violation due to the advertising of a dwelling unit for short-term residential rental use or use of a property as a short-term rental or short-term residential rental unit without a short-term residential rental unit permit.

B. During the processing of the application, the City is made aware of circumstances that would lead it to reasonably believe that the property has been used in violation of this Chapter, including but not limited to that the property was used as a short-term rental or short-term residential rental unit without a short-term residential rental unit permit.

C. Notice of application will be provided to neighboring property owners of properties that are located within 300 feet of the applicant's property.

2. If there are additional costs to the City in providing notice to all potentially affected property owners, the cost of the permit application shall be changed to allow the City to recover those costs.

shall provide that comments may be submitted to the City up to 20 calendar days after the date of said notice.

3. The City shall notify the applicant if the application is approved or denied at the applicant's mailing address as shown on the most recent application or otherwise filed with the City. Within ten calendar days of the issuance or renewal of a short-term residential rental permit, the City shall send notice to all potentially affected property owners informing them that a permit was issued. This notice shall contain, at a minimum, the following information:

   A. The name of the managing agency, agent, property manager, or owner of the unit, and a telephone number at which that party may be immediately reached on a 24-hour basis;

   B. The phone number of the City's 24/7 short-term rental complaint line

   C. The maximum number of occupants allowed in the unit;

   D. The maximum number of vehicles allowed to be parked on the property.

c. Operation During Application Process. Notwithstanding section 12-68.3.040, while a new application for a short-term rental or short-term residential rental unit permit is pending, a dwelling may be used as a short-term rental or short-term residential rental unit for up to thirty (30) days provided that the unit has passed a physical inspection by the City and otherwise complies with the requirements of sections 12-68.3.060 and 12-68.3.070 and any applicable requirements set forth in City's Building Code, as may be amended from time to time, and other law.

d. Application Denial. An application for a short-term rental or short-term residential rental unit permit or renewal of a permit under this Chapter shall be denied by the City upon one or more of the following grounds:

   1. The application is incomplete, or the applicant has otherwise failed to comply with the requirements of this Chapter.

   2. The applicant or permittee provided material information that was knowingly incorrect or provided material information that the applicant should have reasonably known was incorrect, in the application for a permit under this Chapter.

   3. The short-term rental, short-term residential rental unit or property is not in compliance with the standards of this Chapter or other applicable Municipal Code provisions and has failed to pass the initial or renewal inspection.

e. Applicant Appeals. An applicant may appeal the denial or conditional acceptance of an application for a short-term residential rental permit. Such appeal must be in writing and submitted to the City within ten days of the date of the notice provided pursuant to section 12-68.3.050(b)(3). When the tenth day is not a City business day, the time frame is extended to the second consecutive City business day following the tenth day. The appeal shall follow the procedure set forth in section 12-68.3.090(c).

f. Affected Property Owners' Appeals. Potentially affected property owners may appeal the granting of a new short-term rental or short-term residential rental unit permit. All such appeals must be submitted to the City within ten days of the date of the notice provided pursuant to section 12-68.3.050(b)(3). When the tenth day is not a City business day, the time frame is extended to the second consecutive City business day following the tenth day. The ground for such appeal is limited to the claim that past use of the property as a short-term rental or short-term residential rental unit has not complied with one or more requirements of sections 12-68.3.060(b) through (d), or section 12-68.3.070, or that, based on competent evidence, any prospective use for such purpose will likely not comply with one or more of such requirements. Such appeal shall be heard in the same manner as specified in section 12-68.3.090(c). The applicant shall be provided notice of the hearing. If the potentially affected property owner prevails in the appeal, then the applicant's application shall be deemed to be denied and such decision shall be the final decision of the City. No further appeal shall be available at the administrative level.

g. Permit Renewal. The short-term rental or short-term residential rental unit permit shall be renewed annually from application date of first submittal. Permit renewal shall be approved if the current conditions of operation and other standards in this Chapter have been met, the subject property passes the renewal inspection, and the applicable renewal fee is $568.00 and may be amended from time to time. Renewal payments submitted after permit expiration are subject to a $50 administrative fee and may be amended from ti

Continued use of a short-term rental or short-term residential rental unit is prohibited following permit expiration until renewal payment, including any administrative/delinquent fee, has been received by the City. Failure to submit renewal payment within 45 days of permit expiration, including any administrative/delinquent fee, shall result in immediate suspension of the short-term rental or short-term residential rental unit permit. The short-term rental or short-term residential rental unit owner shall be required to submit a new application, pay the applicable permit application fee, and be subject to the application process in Subdivision (a) above.

12-68.3.060 Occupancy Standards

a. Compliance with Uniform Codes and Other Laws. At the time of issuance of a short-term rental or short-term residential rental unit permit and thereafter, the short-term rental or short-term residential rental unit shall be in compliance with the California Fire Code, California Building Code, the National Fire Protection Association Standards or regulations, and any other applicable uniform codes, as adopted by the City, and other applicable laws and codes.

b. Occupancy Limits. Occupancy limits per room for all short-term rental or short-term residential rental units shall be determined as follows:

    1. In order for a room to be considered habitable space for overnight sleeping purposes, it must be a minimum of 70 square feet. A 70 square foot room may sleep up to two (2) people. Each sleeping room occupied by more than one person shall contain not less than 50 square feet of floor area for each additional person.

    2. Kitchens, bathrooms, toilet rooms, halls, closets, storage or utility spaces, and similar areas are not considered habitable rooms for sleeping purposes, thus the square footage represented by these rooms shall not be used in the calculation for determining the maximum number of occupants.

c. Maximum Occupancy Limits. Maximum occupancy limits per short-term residential rental unit shall be determined as follows:

    1. Notwithstanding the allowances per subdivision (b) above, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed six persons if the rental unit is smaller than 800 square feet.

    2. Notwithstanding the allowances per subdivision (b) above, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed eight persons if the rental unit is smaller than 1,200 square feet.

    3. Notwithstanding the allowances per subdivision (b) above, on parcels smaller than one-quarter acre, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed ten persons.

    4. Notwithstanding the allowances per subdivision (b) above, on parcels smaller than one-half acre, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed 12 persons.

    5. Notwithstanding the allowances per subdivision (b) above, on parcels one-half acre to one acre, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed 15 persons.

    6. Notwithstanding the allowances per subdivision (b) above, on parcels greater than one acre, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed 20 persons.

    7. Notwithstanding the allowances per subdivisions (b) and (c)(1) through (6) above, the maximum occupancy of a short-term rental or short-term residential rental unit shall not exceed the occupancies supported by the on-site parking spaces as required by subdivision (d) below.

d. Parking. All vehicles of short-term rental or short-term residential rental unit renters must be parked on the short-term rental or short-term residential rental unit property or adjacent thereto. No vehicle of renters shall be parked on neighboring properties or within the transportation right-of-way, or in any manner that would create an obstruction. Parking shall be provided on site at a ratio of not less than one parking space for every four renters. Short-term residential rental properties with occupancy limits of two renters shall be limited to two

vehicles. Parking spaces may include garage, carport, street parking, and driveway spaces, and may allow for tandem parking. On-site parking areas shall be kept free from any obstructions which would prevent use for vehicle parking. Only the approved parking areas/spaces pursuant to the short-term rental or short-term residential rental unit permit shall be used for vehicle parking. Pursuant to section 12-68.3.080(a)(2), violations of the parking requirements of this Chapter may result in vehicles being towed without notice. Short-term residential rental unit renters shall abide by Article V of Chapter 13 of the Municipal Code, as may be amended from time to time, which includes but is not limited to Section 13-44.1 which prohibits parking and/or leaving standing for more than twelve (12) hours any boat, bus, camper, motor home, fifth wheel travel trailer, house car, travel trailer, construction equipment trailers, or any other recreational vehicle on any street, alley, or highway or any other public place.

12-68.3.070 Conditions Of Operation

The following are minimal requirements for short-term rental or short-term residential rental units. These are in addition to any other applicable requirements of this Chapter, other applicable provisions of the Municipal Code, or other law.

a. Prohibited Uses of Property. A short-term rental or short-term residential rental unit may not be used for any transient occupancy other than the purposes described in the definition of short-term rental or short-term residential rental unit set forth in section 12-68.3.030(m), and in conformity with the requirements of this Chapter. A short-term rental or short-term residential rental unit shall not be used for any commercial activity, which includes but is not limited to weddings, wedding receptions, corporate retreats, business meetings or conferences, filming photography shoots, a fraternity party, or any other similar gathering, unless regulated under an approved City-issued permit.

b. Record Keeping. The property owner or property manager shall maintain records sufficient to prove compliance with this Chapter and other applicable laws. These records shall be maintained so that they can be readily provided to the City and provided in such a manner that establishes that the property owner or property manager is routinely maintaining such records. Any records or documents required to be maintained pursuant to this Chapter shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City, its auditor, or a designated representative thereof.

c. Registration. The short-term residential rental unit owner, as defined in section 12-68.3.030(k), shall administer registration prior to allowing occupancy of the rental unit. The registration shall include review of the short-term rental or short-term residential rental unit regulations with at least one adult renter of the rental unit. At the time of such registration, the renter shall be provided a complete written or digital copy of the rental unit rules and regulations, as well as disclosure of the penalties associated with violations. The registration material shall advise the renter of the occupancy and vehicle/parking limitations, responsibility to avoid nuisance behavior, and that the use of the rental unit for commercial activity, which includes, but is not limited to weddings, wedding receptions, corporate retreats, business meetings or conferences, fraternity parties, or any other similar gatherings shall be prohibited unless authorized by a City-issued permit. The registration material shall contain a space for an acknowledgement to be signed by the renter as having read, understood and agreed to all provisions. Registration materials shall be preserved for the term of the short-term rental or short-term residential rental unit permit, and shall be provided to the City, when requested, to confirm compliance with the short-term rental or short-term residential rental unit permit conditions of operation and regulations set forth in this Chapter. If the owner fails to provide adequate directions to the unit or fails to confirm acknowledgement and understanding of the rental unit rules and regulations, the conditions of operation of the short-term rental or short-term residential rental unit permit may be amended by the City to require in-person registration.

d. Advertising.

   1. Advertising that promotes a short-term rental or short-term residential rental unit for a use that is not permitted or could not be permitted by this code or other law, is prohibited.

   2. All advertising, including real-estate magazines, fliers, newspapers, television or radio commercials, internet pages, or coupons, that promote the use of a short-term rental or short-term residential rental unit prior to approval of a short-term residential rental unit permit pursuant to section 12-68.3.040(a), shall be prohibited. All advertisements featuring a permitted short-term rental or short-term residential rental unit shall specify the maximum permitted number of occupants and vehicles for the rental unit.

e. Posted Notices Within Unit. The City-issued short-term rental or short-term residential rental unit permit shall be posted inside the unit on or adjacent to the front door, along with an exit/emergency evacuati

addition, each short-term rental or short-term residential rental unit shall have a clearly visible and legible notice posted in a prominent location within the unit, containing the following information:

1. The address of the short-term rental or short-term residential rental unit.
2. The name of the managing agency, agent, property manager, or owner of the unit, and a telephone number at which that party may be immediately reached on a 24-hour basis.
3. The maximum number of occupants permitted to stay overnight in the unit.
4. The maximum number of vehicles allowed to be parked on the property.
5. Notification of the arrangements that the owner has made to allow the renter to properly store and dispose of trash or refuse in accordance with the requirements of this Chapter.
6. Notification that failure to comply with the requirements of this Chapter, including parking and occupancy standards, as well as public and private nuisance standards, is a violation of the Municipal Code, and that such violation may result in enforcement actions to address the violation. These may include actions to abate the nonconformity, the institution of criminal, civil, or administrative actions, or, under certain circumstances, the calling of law enforcement for the removal of guests and their vehicles from the property to the extent authorized by law. The notification shall state in a prominent format that users of the unit are prohibited from disturbing the peace of the surrounding neighborhood and that doing so is a violation of this Chapter and the rental agreement.
7. Location of utility service connections, including how to access service connections and instructions necessary to disconnect the short-term rental or short-term residential rental unit from utility services in the event of an emergency.
8. Phone numbers of local emergency medical and law enforcement services.
9. Property boundary map for the purpose of deterring trespassing on other privately owned properties and identification of the approved parking area(s).

f. Call Response.

1. The short-term residential rental unit owner or agent shall be personally available by telephone on a 24-hour basis and maintain the ability to be physically present at the property within sixty (60) minutes in order to respond and remedy calls or complaints regarding the condition or operation of the unit or the behavior of persons on the property in violation of this Chapter or other law.
2. On a 24-hour basis, within one hour of receiving a call or a complaint, the short-term residential rental unit owner must confirm whether or not the complaint is valid. If the complaint is valid the short-term residential rental unit owner shall immediately take corrective action within the lawful authority of the owner to abate the violation, or to cause the nuisance behavior that disturbs the peace of the neighboring properties to stop, for the entire duration of the occupancy of the person causing or allowing such violation or nuisance behavior. Such corrective action may necessarily include, under certain circumstances, the contacting of law enforcement, City officials, or other appropriate officials for the removal of guests and their vehicles from the property to the extent authorized by law.
3. Calls or complaints about physical conditions or circumstances that constitute an immediate threat to the public health and safety shall obligate the owner to immediately contact the appropriate law enforcement, fire, or other authority.
4. Each owner shall keep a written record of the times and type of complaints received, what response was undertaken by the owner, and when such complaints were resolved. This written record shall be made available to the City upon request and shall be retained by the owner for the term of the short-term rental or short-term residential rental unit permit.

g. Responsibilities of Owner to Prevent Nuisance Behavior and Maintain Neighborhood Peace and Quiet. The owner shall take all lawful action necessary to ensure that renters and occupants abide by the terms of this Chapter and other applicable provisions of the Municipal Code and law. The owner must inform renters and occupants that they are not to violate any noise standards, parking standards, or otherwise create a public or private nuisance.

h. Loud and Disturbing Noise.

1. It is unlawful for any owner, renter, occupant, or guest located at a short-term rental or short-term residential rental unit to make, cause to be made, or allow to be made, either willfully or through failure to exercise control, any loud, excessive, impulsive, or intrusive noise that disturbs the peace or quiet or that causes discomfort or annoyance to any reasonable person of normal sensitivities in the area. Such types of noises or actions causing noises include, but are not limited to, yelling, shouting, hooting, whistling, singing, playing a musical instrument, emitting or transmitting any loud music or noise from any mechanical or electrical sound making or sound amplifying device, and the habitual barking, howling, or crowing of animals.

2. The standard for enforcement of this subdivision is the "reasonable person" standard. The inquiry is whether the noise would disturb the peace or quiet or cause discomfort or annoyance to a reasonable person under the same or similar circumstances.

3. Factors that may be considered in determining whether a violation of this Subdivision has been committed include, but are not limited to, the following:

A. The level of noise;
B. The level and intensity of the background (ambient) noise, if any;
C. The proximity of the noise to the residential unit in question;
D. The time of day or night the noise occurs;
E. The duration of the noise;
F. Whether the noise is constant, recurrent, or intermittent; and
G. Whether the noise is produced by a mechanical or electronic device.

i. Safety.

1. Illegal fireworks are prohibited in the City.

2. The interior and exterior of the short-term rental or short-term residential rental unit shall be kept free of hazardous conditions at all times.

3. Spas/hot tubs shall be covered and locked when not in use.

j. Sanitation.

1. Every short-term rental or short-term residential rental unit shall be cleaned after each occupancy change in order to make the unit sanitary.

2. If linens are provided for use by renters, said linens will be exchanged for clean linens after each occupancy.

3. The exterior of the short-term rental or short-term residential rental unit shall be maintained and kept free of debris.

4. Spas/hot tubs shall be maintained and cleaned as frequently as needed to preserve sanitary conditions.

k. Trash/Refuse. Trash shall be deposited in approved trash collection containers on the short-term rental or short-term residential rental unit property. Trash containers shall be kept closed when not in use, never be permitted to overflow, and kept in a clean condition without excessive build-up of encrusted wastes in or on the container.

1. Short-term residential rental unit owners shall procure trash collection service and trash collection containers from the City-approved refuse collection hauler when said service is available. A sufficient number of containers based on occupancy levels of the rental unit shall be procured.

2. Trash shall be removed from the premises after each occupancy unless routine commercial trash collection is provided to the premises.

l. Animals.

1. Control of Animals. No person owning or having control of any animal shall permit such animal to stray or run at large upon any unenclosed area on or off the short-term rental or short-term reside

unit property. No person may lawfully bring his or her dog off a short-term residential rental property unless the dog is restrained by a leash and the person is competent to restrain the dog, or the dog is properly restrained and enclosed in a vehicle, cage, or similar enclosure.

2. Noise. It shall be unlawful for any person owning or having control of any animal to be allowed to create excessive noise in violation of Subdivision (h) of this section.

12-68.3.080 Enforcement

a. General.

1. Owners and renters of short-term rentals or short-term residential rental units shall comply with the requirements of this Chapter and all other applicable sections of the Municipal Code and other law. A marketplace or hosting platform shall comply with the requirements of section 12-68.3.110 and all other applicable sections of the Municipal Code and other law.

2. In addition to any enforcement action and remedy authorized by this Chapter, a violation of any requirement of this Chapter may result in remedial action by appropriate members of City staff or any enforcement officer as defined in Chapter 2A of the Municipal Code without notice if providing notice is not reasonable considering the need for immediate remedial action, and/or if prior notice to the property owner or the renters, either verbal or written, has not resulted in appropriate remedial action by the property owner. If the violation consists of a violation of any of the parking requirements of this Chapter, then the remedy may include the towing of the vehicle or vehicles causing the violation of the parking requirement. Remedial actions taken under this Section, other than any criminal citations, are subject to appeal pursuant to Chapter 2A of the Municipal Code or other applicable provision, but no request for appeal shall stay the remedial actions taken pursuant to this Section.

3. In addition to any enforcement action and remedy authorized by this Chapter, a violation of any requirement of this Chapter may be subject to the enforcement and remedy provisions of Chapter 2A of the Municipal Code and any other applicable enforcement and remedy provisions of the Municipal Code or provided under the law.

b. Transient Occupancy Tax–Failure to Pay. Failure by the owner, or when applicable, a marketplace or hosting platform to collect and remit to the Tax Collector the Transient Occupancy Tax may result in the Tax Collector pursuing any remedy against the owner, marketplace, or hosting platform, including imposing and collecting said tax from the owner, marketplace, or hosting platform, authorized under the City's Transient Occupancy Tax (Article 20-III), as set forth in the Municipal Code as may be amended from time to time or other applicable law. Notwithstanding the duty imposed by section 12-68.3.110(a), the use of a marketplace or hosting platform to facilitate the rental of a short-term residential rental unit shall not relieve an owner of liability for violations of this Subdivision.

c. Administrative Subpoena. The City may issue and serve an administrative subpoena as necessary to obtain specific information identified in section 12-68.3.110 regarding short-term rental or short-term residential rental unit listings located in the City. Any subpoena issued pursuant to this Subdivision shall not require the production of information sooner than 30 days from the date of service. A person that has been served with an administrative subpoena may seek judicial review during that 30-day period.

12-68.3.090 Suspension Of Permit

a. Suspension of Permit. A short-term rental or short-term residential rental unit permit may be suspended for the following reasons:

1. Substandard Building or Property or Unsafe Building or Structure. Any violation of the requirements of the City's Building Code, as may be amended from time to time, that results in the issuance of a notice of defect or notice and order to repair. Notice of such suspension shall be provided pursuant to the requirements of the City's Building Code, as may be amended from time to time.

2. General Violations. Any failure to comply with, or respond to, any notice of violation or other notice from the City requiring compliance with one or more requirements of this Chapter or other applicable provision of the Municipal Code or other law. Property owners shall be informed of such suspension in a written notice mailed using both certified mail with return receipt and first class service. In addition, although not required, the notice may also be posted on the property and/or mailed to any additional individuals or companies listed on the permit application.

b. Use of Property During Suspension and Stays.

1. When a short-term rental or short-term residential rental unit permit is suspended, the property or properties affected by the suspension shall not be used as a short-term residential rental until such time as the suspension is stayed or lifted.

2. Permits suspended pursuant to section 12-68.3.090(a)(1) will remain suspended until such time as the Building Official or his or her designee confirms that all violations have been corrected or the City's designee has ruled in favor of the appellant.

3. Permits suspended for general violations, i.e., those under section 12-68.3.090(a)(2), will remain suspended until such time as the violations are abated, or the property owner can reasonably demonstrate substantive changes in the property management practices that would mitigate or correct these violations, or a City's designee has ruled in favor of the appellant. If an appeal hearing for a general violation cannot be scheduled within 14 calendar days after an appeal was filed or if the hearing is scheduled but, through no fault of the appellant, not held within 30 days after the appeal was filed, the suspension must be stayed through the date a ruling on the appeal is issued.

c. Appeals of Suspensions. An appeal must be filed no later than ten days of the date the notice of suspension is issued. When the tenth day is not a City business day, the time frame is extended to the second consecutive City business day following the tenth day.

1. The suspension of a permit pursuant to section 12-68.3.090(a)(1) may be appealed for a hearing before the City's hearing official. The format and process of the appeal shall be as set forth in Municipal Code section 2A et seq. The decision of the hearing official shall be final and no further appeal within the City shall be available.

2. The suspension of a permit for a general violation may be appealed to a City-designated hearing officer. The decision by the hearing officer shall be final and no further appeal within the City shall be available. The hearing procedure shall include the following:

A. At least ten days written notice of the hearing shall be given to the permit holder prior to the hearing date. The hearing date may be postponed or continued by stipulation of the parties. If the permit holder does not respond or appear, no further hearing procedure shall be required.

B. Witnesses shall swear or affirm to tell the truth. The oath or affirmation shall be taken by the hearing officer. The City shall present its case first, with oral testimony and documentary evidence or other evidence. The City shall have the right of cross-examination. The permit holder shall have the right to be represented and shall have the right of cross-examination. The permit holder may present his or her response after the City has presented its case. Both parties may thereafter present argument.

C. No determination or order shall be based solely on hearsay evidence. The hearing officer shall make his or her determination within five working days of the end of the hearing, unless a party requests a greater period of time. The determination shall be in writing, and shall state the findings upon which the determination is made. The decision by the hearing officer shall be final and no further appeal within the City shall be available.

3. The failure to appeal a suspension in a timely manner shall render the action to suspend final and no further appeal within the City shall be available.

12-68.3.100 Revocation Of Permit

a. Revocation of Permit. A short-term rental or short-term residential rental unit permit may be revoked for the following reasons:

1. The severity of a violation of a requirement of the City's Building Code, as may be amended from time to time, necessitated the immediate vacation of the property.

2. The conditions or actions that resulted in the suspension of the permit have not been abated or addressed by a demonstrable change in the business practices associated with the short-term rental or short-term residential rental unit, within 60 days of the suspension being upheld on appeal or otherwise deemed final.

3. The condition or the business practice that resulted in the suspension of the permit re-occurs within 12 months of the date the suspension was upheld on appeal or otherwise deemed final.

4. A permit is suspended two times in a consecutive 24-month period, where said suspensions are either upheld on appeal or otherwise deemed final.

5. The permit was obtained through fraud or deceit.

6. The permit was issued in error.

b. Appeals of Revocation of Permit. The revocation of a permit pursuant to this Chapter may be appealed for a hearing before the City's hearing official. The format and process of the appeal shall be as required by Municipal Code section 2A et seq. A decision by the hearing official may be appealed to the Planning Commission. The decision of the Planning Commission shall be final and no further appeal within the City shall be available.

c. New Application After Revocation of Permit. A property owner of a short-term rental or short-term residential rental unit permit who has been issued a revocation pursuant to 12-68.3.100 above, shall not be permitted to submit another application for a permit within 12 months after a revocation is made final.

d. Suspensions or Revocations of Permits for Multiple Properties. If is determined that the conditions or the business or management practices cause violations of this Chapter to occur on multiple properties of the same owner, the short-term rental or short-term residential rental unit permits for all of those properties may be suspended and/or revoked at the same time. In such circumstance all affected parties must be provided notice and the opportunity to appeal the suspension and/or revocation of the permit for every affected property.

12-68.3.110 Hosting Platform/ Short-Term Rental Facilitator Requirement

a. For purposes of this Chapter a marketplace or hosting platform shall be responsible for collecting all applicable Transient Occupancy Tax required by the City's Taxation Code, as may be amended from time to time, and remitting the same to the City. The marketplace or hosting platform shall be considered an agent of the short-term residential rental owner for purposes of Transient Occupancy Tax collections and remittance, as set forth in the City's Taxation Code, as may be amended from time to time, if the marketplace or hosting platform collects payment for the rental. If a marketplace or hosting platform does not collect payment for rentals, the short-term residential rental unit owner is solely responsible for the collection of all applicable Transient Occupancy Taxes.

b. In addition to the requirements of subdivision (a), and consistent with Government Code §50993(a)–(b), a marketplace, hosting platform or short-term rental facilitator shall, upon request by the City, disclose the following information in a commonly used electronic format and in the form and manner prescribed by the City:

1. The physical address of each short-term rental or short-term residential rental unit, including the full nine-digit ZIP Code, for every listing located within the jurisdiction of the City.

2. If the information provided under paragraph (1) is not sufficient for the City to identify a specific short-term rental or short-term residential rental unit, the City may additionally require any of the following, consistent with Government Code §50993(b):

A. The Assessor’s Parcel Number (APN) for each short-term rental or short-term residential rental unit;

B. The URL or unique listing identifier associated with each specific short-term residential rental listing;

C. Information exclusively related to the identification of any accessory dwelling unit, guest house, or single unit of a timeshare or multifamily housing project located at the provided address or APN.

3. The names of the persons responsible for each such listing, the length of stay for each stay, and the price paid for each stay, to the extent already required by this Chapter.

c. A marketplace or hosting platform, operating exclusively on the internet, which operates in compliance with Subdivisions (a) and (b) above, shall be presumed to be in compliance with this Chapter, except that the

marketplace or hosting platform remains responsible for compliance with the administrative subpoena provisions of this Chapter.

d. Short-term rental facilitators shall submit required data no more frequently than every three months within any 12-month period, unless the City requires monthly Transient Occupancy Tax remittance, in which case monthly reporting may be required.

e. Display of City-Issued Permit Number and Transient Occupancy Tax Certification. In accordance with Government Code §50994, every hosting platform or short-term rental facilitator shall ensure that each listing for a short-term rental or short-term residential rental unit located within the City prominently displays:

    1. The City-issued short-term rental or short-term residential rental unit permit number associated with the unit; and

    2. Any Transient Occupancy Tax registration or certification number issued by the City for that unit.

For purposes of this subdivision, “prominently displays” means that the permit number and tax certification number must appear in a clear and readily identifiable location on the listing page such that a reasonable user can determine, prior to booking, that the unit holds a valid City-issued permit and is properly registered for Transient Occupancy Tax purposes. A marketplace or hosting platform shall not publish or maintain a listing for any short-term rental or short-term residential rental unit that does not include the permit and certification numbers required by this subdivision.

f. Failure of a short-term rental facilitator to comply with reporting requirements shall be punishable by administrative fines consistent with Government Code §53069.4.

g. Audit Authority for Transient Occupancy. Consistent with Government Code §50995, if a marketplace, hosting platform or short-term rental facilitator is responsible under this Chapter or under a collection agreement with the City for collecting or remitting Transient Occupancy Tax on behalf of a short-term residential rental unit owner, the City may conduct an audit or otherwise examine the records of the hosting platform or facilitator that document the receipt, collection, or remittance of Transient Occupancy Tax. Any audit or examination conducted pursuant to this subdivision shall be limited to records necessary to verify compliance with the City’s Transient Occupancy Tax requirements. All costs associated with such audit or examination shall be borne by the City unless otherwise permitted by law.

h. The provisions of this Section shall be interpreted in accordance with otherwise applicable state and federal laws and will not apply if determined by the City to be in violation of, or preempted by, any such laws. (Ord. 649-AC)

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

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

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 23, 2026

1. **Needles Selected to Host NIAA 2A State Softball & Baseball Tournaments**
   This week, Needles Unified School District announced that the Nevada Interscholastic Activities Association (NIAA) 2A State Softball and Baseball Tournaments will be hosted in Needles. This regional event is expected to bring teams, families, and visitors to the community, supporting local businesses and advancing the City Council's goal of promoting sports tourism. The City extends its appreciation to Needles Unified School District for investing in improvements to the local softball fields in preparation for tournament play, including regrading and replacing the infield dirt. These upgrades help ensure the facilities are tournament-ready and support long-term recreational use for local youth and visiting athletes.

2. **Run for the Wall (RFTW) Needles – May 13, 2026**
   The annual Run for the Wall (RFTW) procession—honoring Veterans and raising awareness for POW/MIA accountability—will stop in Needles on **May 13, 2026**. RFTW is an organized cross-country motorcycle ride that begins in Ontario, California, and concludes at the Vietnam Veterans Memorial Wall in Washington, D.C. Last year, more than 300 motorcyclists were welcomed at El Garces in Downtown Needles, and this year is expected to draw another strong turnout. The event continues to be supported by community members, city officials, and local organizations, and more details will be shared as the event approaches. More information is available at the official Run for the Wall website.

3. **Route 66 Bike Week – April 20–26, 2026**
   The City is pleased to share that **Route 66 Bike Week** will take place **April 20–26, 2026**, celebrating the historic Mother Road through a weeklong ride experience and motorcycle culture. The event highlights the spirit of the open road and will feature a scenic ride from **Needles to Seligman**, encouraging participants to explore Route 66 communities and support local businesses along the way. This event supports City Council goals related to tourism

promotion, community pride, and economic activity. Refer to the attached flier for more information or click on this link.

4. **Phase V Street Paving Improvements – Construction Begins Next Week**
   The City Council recently awarded the Phase V Street Paving Improvements Project to Vance Corporation, with construction scheduled to mobilize next week. Phase V includes paving improvements on Parkway Street, Lillyhill Drive, Coronado Street, Cortez Street, Peru Street, and Balboa Street, improving neighborhood streets. The $1.37 million project is funded through FY 2026 Measure I funds and Cannabis Tax Revenues and is part of the City's 15-year Pavement Management Plan, reflecting continued reinvestment in local infrastructure through the City's "Tax Dollars at Work" program. A ribbon cutting will be scheduled in February to recognize this important infrastructure milestone and the City's ongoing commitment to roadway safety and reliability.

5. **Water Main and Manifold Improvements Project – Construction Update**
   The City's Water Main and Manifold Improvements Project continues to make significant progress. This week, the contractor is nearing completion of the replacement of the 6-inch water distribution main on River Road near Park Drive and Monterey Street, marking an important milestone in improving system performance. Next week, construction will advance to upgrades of the manifold at the golf course maintenance yard. These improvements will increase system capacity, enhance reliability, and strengthen long-term water service delivery. This project reflects the City's continued investment in critical infrastructure, public health protection, and the long-term sustainability of essential services.

6. **19th Hole Bar & Grill Remodel Project – Progress Update**
   Work associated with the 19th Hole Bar & Grill kitchen remodel at the City-owned facility at River's Edge Golf Course is moving forward, with ADA-related improvements currently underway. These upgrades are part of the broader $500,039 project to modernize the kitchen and related facilities and bring the building into compliance with current accessibility, health, and building standards. The improvements will support continued restaurant operations while enhancing safety, functionality, and long-term use of this important golf course amenity. This project aligns with City Council goals to improve public facilities, support local economic activity, and enhance community amenities that contribute to quality of life.

7. **Guardrail Repair – "D" Street / Lillyhill**
   This week, the City completed repairs to the damaged guardrail adjacent to the "D" Street Bridge to improve roadway safety and reduce risk to motorists (refer to the attached image for a glimpse). City staff collaborated with San Bernardino County Flood Control and Caltrans to confirm infrastructure ownership and ensure the repair was completed appropriately and in a timely manner. The City extends its appreciation to Phillips Construction for their efforts and responsiveness in supporting this repair. This project supports City Council goals related to public safety, infrastructure maintenance, and enhancing overall quality of life.

8. **Well #12 at River's Edge Golf Course – Service Restoration**
   River's Edge Golf Course staff responded to a motor failure at Well #12 on January 13, 2026, which temporarily took the well out of service. Staff immediately coordinated with contractors to assess damage and secure replacement equipment. While repairs were being arranged, the City's Public Works Department assisted with supplemental watering to help maintain turf conditions and minimize impacts to course operations. This week, contractors installed a new motor, restoring the well to full operation. The City appreciates the coordinated efforts between Golf Course staff, Public Works, and contractors that ensured a timely repair and helped protect this important recreational asset.

9. **Needles Pride Program – First Community Cleanup Day Success**
   This past weekend, the City successfully hosted its first Needles Pride Program Community Cleanup Day at Duke Watkins Park. This cleanup effort supported park readiness and strengthened neighborhood pride ahead of the upcoming sports and visitor season. More than a dozen volunteers assisted with litter removal and general beautification throughout the park area, improving overall site conditions and presentation. The event resulted in the collection of **1 ton of trash**, including tires, litter, and dead vegetation, and helped reinforce community stewardship and civic pride. The City will schedule another cleanup next month. Be on the lookout for the next opportunity to participate.

10. **Needles Elks Junior Golf League – Program Begins Tomorrow**
    The City is pleased to share that the Needles Elks Lodge #1608 Junior Golf League begins tomorrow, January 24, 2026, at River's Edge Golf Course. This no-cost youth program serves students in 6th through 9th grade and provides an opportunity to learn golf fundamentals while gaining playing experience on River's Edge, Los Lagos, and Huukan Golf Courses. The league will run through March 2026 and conclude with a hosted luncheon for participating students and their immediate families. The City extends its sincere appreciation to the Needles Elks and River's Edge Golf Course for their leadership and continued investment in local youth opportunities.

11. **Home Run Derby Fundraiser – Needles Little League**
    The Needles Little League will host its Home Run Derby Fundraiser tomorrow, Saturday, January 24 at 12:00 p.m., at Ed Parry Field. This family-friendly event will raise funds for the Little League Shade Structure Project, helping improve comfort for families and players during the season. The derby will feature a structured format with participant awards, a snack bar, and live music by DJ Loke. This week, Public Works supported event readiness by preparing the fields and grounds, repairing a leak at the Little League snack shack, and repainting the affected area (refer to attached image). The City encourages the community to come out and support this fundraiser, which aligns with City Council goals to promote youth recreation, strengthen community partnerships, and enhance community amenities that improve quality of life. For additional information, please contact Josh Raley at 760-220-7886.

12. **County Mobile Dental Clinic Returning to Needles – CRMC**
    The City is pleased to share that the San Bernardino County Department of Public Health will return with its Mobile Dental Clinic at the Colorado River Medical Center (Parking Lot), 1401 Bailey Ave. on **February 17–20**. The clinic will provide essential services for low-income California residents, including screenings, exams with dental x-rays, cleanings, fluoride varnish, fillings, and limited root canal treatments/extractions for Medi-Cal recipients and uninsured residents. Appointments are strongly recommended and can be scheduled by calling 1 (800) 722-4777 (press 5). Additional information is available on the County Department of Public Health website at this link.

13. **Needles Animal Shelter – Donation Needs**
    The City's Animal Shelter is currently accepting donations to support daily operations and animal care. Requested items include dry large breed dog food, canned wet dog food, dry adult cat food, canned wet cat food, bleach, and 13-gallon trash bags. Donations may be dropped off during business hours, **Monday through Friday from 8:00 a.m. to 2:00 p.m**. For questions, please contact the Animal Shelter at 760-326-4952.

14. **Congratulations Michael Willis – Journeyman Lineman Certification**
    The City proudly congratulates Michael Willis on earning his Journeyman Lineman Certification and being promoted from Apprentice to Lineman. This key professional milestone strengthens the City's ability to deliver safe and reliable electrical services to the community. Michael's successful completion of the power line training program—recognized throughout the United States and several foreign countries as a high-quality program—reflects the dedication and skill required to advance in this critical field. His continued professional growth highlights the City's investment in workforce development and our commitment to maintaining a high standard of public service.

15. **U.S. Fish & Wildlife Prescribed Burn Operations – Lake Havasu Refuge**
    On **January 20, 2026**, the U.S. Fish & Wildlife Service reported that a prescribed burn conducted earlier in the week on federal lands near the Lake Havasu National Wildlife Refuge expanded beyond its original scope due to stronger-than-forecast winds. The burn was initially planned for approximately 1,800 acres; however, shifting wind conditions caused embers and burning debris to scatter into surrounding vegetation and marsh areas south of Topock Marsh, contributing to fire growth exceeding 4,000 acres. U.S. Fish & Wildlife stated that 86 fire personnel were assigned to support containment operations and prevent the fire's boundaries from expanding further. Additional resources included mutual aid from regional fire agencies in Mohave Valley, Bullhead City, Golden Valley, Northern Arizona, and Buckskin, along with support from the Bureau of Land Management and U.S. Fish & Wildlife personnel. No structures were reported to be threatened.

16. **Community Events Calendar Now Live**
    The City's new website now features a **Community Events Calendar**—a single source for community events, civic meetings, and community programs. Local organizations are invited to submit or update events through the City Clerk's Office to keep the calendar current and inclusive. Contact **Candace Clark at cclark@cityofneedles.com** to participate. Residents can subscribe and sync the calendar to mobile devices for real-time updates, making it easier to stay informed and engaged.

17. **Needles Sunday Farmers Market at Santa Fe Park**
    The Needles Sunday Farmers Market continues each week at Santa Fe Park, providing residents and visitors with an opportunity to shop local and support small businesses. Hosted by Tumbleweed Markets Inc., the market features a rotating mix of vendors offering fresh produce, baked goods, coffee, handmade items, flowers, and other local goods. The market is held every Sunday through **March 31, 2026** from **8:00 a.m. to 12:00 p.m.** at Santa Fe Park. The market is also welcoming new vendors, further expanding opportunities for local entrepreneurs and artisans. This effort supports the City Council's goal of promoting community engagement while strengthening local economic activity. Additional vendor information is available by contacting Market Manager Patrick Lauterio at (760) 848-8289 or needlesfarmers@gmail.com.

3. ROUTE 66 BIKE WEEK SELIGMAN



5. WATER IMPROVEMENTS



6. 19TH HOLE REMODEL



7. GUARDRAILE REPAIR





8. WELL #12 RIVER'S EDGE GOLF COURSE



8. WELL #12 RIVER'S EDGE GOLF COURSE



9. NEEDLES PRIDE



9. NEEDLES PRIDE



10. ELKS JUNIOR GOLF LEAGUE





NEEDLES ELKS LODGE #1608
JUNIOR GOLF LEAGUE

Needles Elks Lodge #1608 in association with River Edge, Los Lagos and Huukan Golf Courses is proud to present a Junior Golf League for students in 6th grade thru 9th grade.

This is an opportunity for students to learn about golf and get time on three beautiful courses in our local area.

There is no cost to the students for the league!

The students will play at each course three times between January and March and on the final day of the league, the Elks will host a luncheon for the students and their immediate families at the Lodge located at 10000 Lillyhill Drive Needles Ca. 92363.

The League will start on January 24, 2026, at the Rivers Edge Golf Course at noon PST. All Arizona courses start at 1PM Arizona time and Rivers Edge are at noon PST.

1/31/26 Los Lagos
2/21/26 Rivers Edge
3/14/26 Huukan
2/7/26/26 Huukan
2/28/26 Huukan
3/21/26 Rivers Edge
2/14/26 Los Lagos
3/7/26 Los Lagos

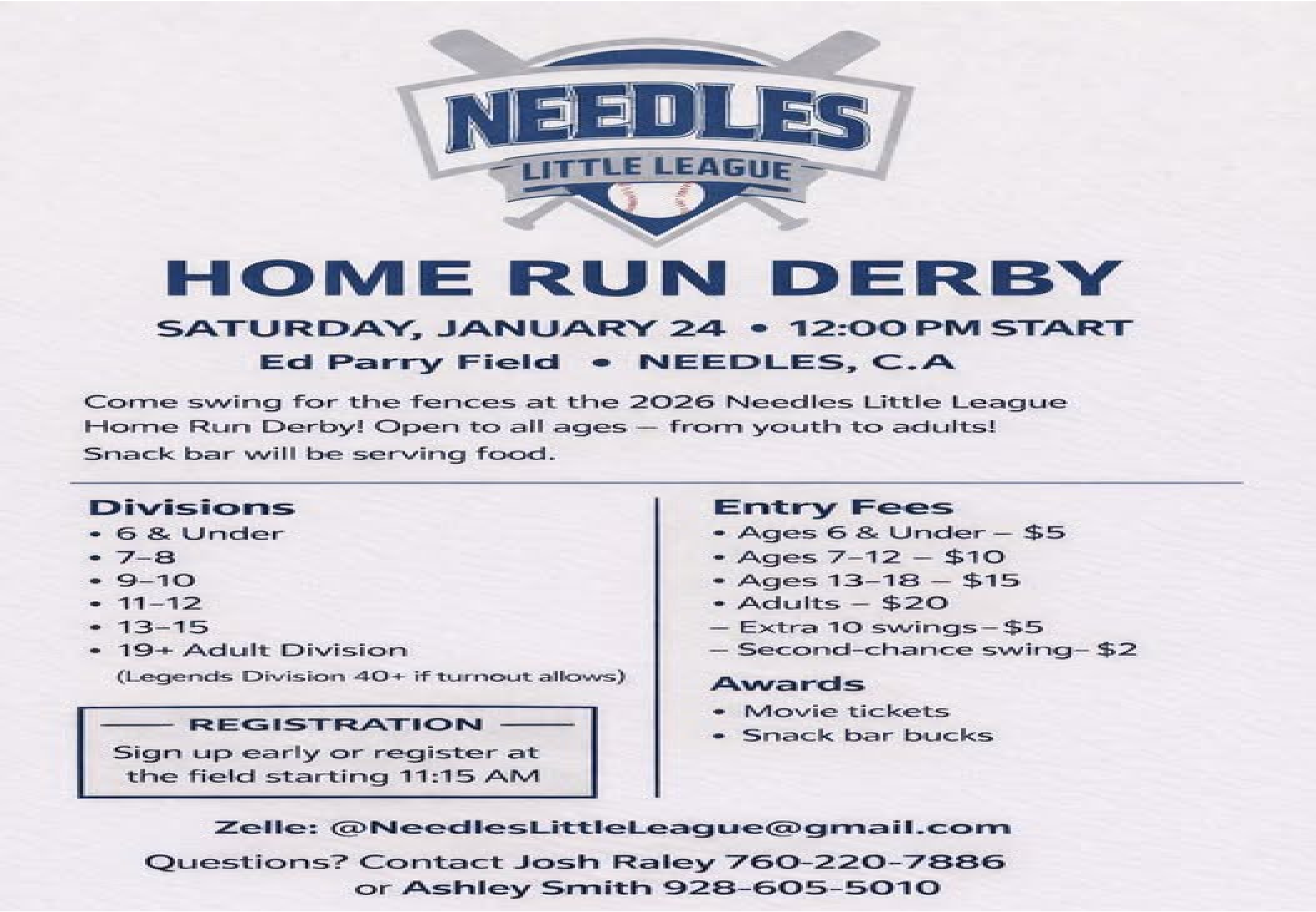
Locations are subject to change based on availability of the golf course.

TO SIGN UP PLEASE TEXT THE FOLLOWING INFORMATION TO 917-797-1205

Student Name
School Attending
Guardian(s) Name
Grade
Contact Number:
Age

For further information you may contact the League Coordinator:
Brian Dooley at 917-882-9711

11. HOME RUN DERBY



11. HOME RUN DERBY





12. ON-THE-GO DENTAL SERVICES RETURN



SAN BERNARDINO COUNTY | Public Health

Appointments are strongly recommended



Dental Services

Mobile Dental Clinic On-The-Go

No insurance? We can help!

Who Can Benefit?

Open to low-income California residents

Services Provided

- **Basic dental screenings, and assessments**
- **Preventative care and oral health education**
- **Comprehensive exam with dental x-rays for diagnosis and treatment planning**
- **Cleanings**
- **Application of topical fluoride varnish**
- **Fillings**
- **Limited root canal treatments and extractions**

Where?

Colorado River Medical Center
(Parking Lot)
1401 Bailey Ave., Needles

When?

- **Tuesday, Feb. 17, noon-3:30 p.m.**
- **Wednesday, Feb. 18, 9 a.m.-3:30 p.m.**
- **Thursday, Feb.19, 9 a.m.-3:30 p.m.**
- **Friday, Feb. 20, 9 a.m.-noon**

To apply for Medi-Cal, scan the QR code or visit the link:

bit.ly/SBCMedi-Cal

1 (800) 722-4777
To make an appointment, press 5

dph.sbcounty.gov

13. ANIMAL SHELTER DONATIONS



15. PRESCRIBED BURN TOPOCK



City of Needles
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(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

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Vice Mayor Ellen Campbell
Councilmember Tona Belt
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Councilmember JoAnne Pogue
Councilmember Henry Longbrake
Councilmember Larry Ford

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 30, 2026

1. **Phase V Street Paving Improvements – Groundbreaking Ceremony**
   The City of Needles invites residents to attend a community groundbreaking ceremony for the Phase V Street Improvements Project on **Tuesday, February 10, 2026, at 9:00 a.m.** at the intersection of Rio Vista and Balboa. Construction on this $1.37 million project is underway, and work is scheduled to be completed by the end of February. This week, crews completed mobilization, job setup, potholing, and utility adjustments to prepare the streets for paving operations. The project was designed by TKE Engineering Inc. and awarded to Vance Corporation, with funding provided through City tax dollars generated by the local cannabis industry. Phase V will deliver roadway improvements on Parkway Street, Lillyhill Drive, Coronado Street, Peru Street, Cortez Street, and Balboa Street, improving safety and driving conditions in several neighborhoods. This investment reflects the City's continued commitment to reinvesting local revenues into essential infrastructure through its long-term pavement management efforts. Community members are encouraged to attend the ceremony and join the City in recognizing this important milestone and the continued progress being made to improve neighborhood streets.

2. **Route 66 Centennial Utility Box Art Project**
   At the recent City Council meeting, the Council authorized a public art project to celebrate the Route 66 Centennial through the painting of select electrical utility boxes in Needles. This initiative reflects the City's commitment to beautification and enhancing the visitor experience along our historic Route 66 corridor. Transforming everyday infrastructure into vibrant works of art helps tell the story of Needles while creating a more welcoming and visually engaging environment for residents and travelers alike. Over the next two weekends, residents may see artists on-site preparing the boxes, including sanding, surface preparation, and painting as work moves forward. The project targets high-visibility locations to create immediate visual impact and showcase Needles' creativity and sense of place during this milestone celebration. We appreciate the community's support and patience as this exciting project begins to take shape and adds new color and character to our city.

3. **Winter Care Outreach Event Leads to Housing Support for Local Veteran**
   The City of Needles is pleased to report on the success of the Winter Care Outreach Event held on **January 28, 2026,** in partnership with the San Bernardino County Probation Department, Community Action Partnership of San Bernardino County (CAPS), Pacific Clinics and the Needles Set-Free Church. Approximately 90 local residents attended and received services including jackets, clothing, food boxes, hygiene resources, and access to showers. Pacific Clinics' Clubhouse Program also participated, providing additional outreach and support. Needles Mayor Janet Jernigan attended the event to show the City's continued commitment to supporting vulnerable members of the community. Most notably, as a direct result of the outreach efforts, the Housing Authority was able to assist a homeless veteran with securing housing through the HUD-VASH program. This outcome highlights the importance of coordinated community partnerships in delivering meaningful assistance to those in need.

4. **Transit Equity Day – Free Ride Day**
   Transit Equity Day will be observed countywide on **Wednesday, February 4**, with free rides offered all day on Needles Area Transit (NAT) deviated fixed route and Needles Dial-a-Ride (DAR) specialized transportation services. This initiative, in partnership with the San Bernardino County Transportation Authority, promotes equitable access to transportation and encourages residents to use public transit for work, school, medical appointments, and daily needs. Providing fare-free service helps reduce transportation barriers and highlights the importance of reliable mobility options for all community members. This effort supports the City Council's goals of enhancing quality of life, improving accessibility, and strengthening regional partnerships that expand essential services for Needles residents.

5. **Needles Cactus Commuter Program Expands Transportation Access**
   Victor Valley Transit Authority (VVTA) will launch a new mileage reimbursement program on **February 9** to assist low-income Needles residents with transportation to essential appointments in the High Desert. Known as the *Needles Cactus Commuter*, the program will provide mileage reimbursement for trips to medical and court appointments, helping remove transportation barriers for residents who need to travel outside the community. Eligible participants must reside in the Needles area, meet federal low-income guidelines, and may receive reimbursement for up to 1,100 miles per month. The program will be administered directly by VVTA. This partnership expands access to critical services while supporting some of our community's most vulnerable residents. Staff will assist in promoting the program locally to help ensure eligible residents are aware of this new transportation resource. For more information, residents can contact VVTA at 760-995-3561 or visit https://vvta.org/ncc/.

6. **Needles Center Scholarship 5K Sponsorship Opportunities**
   Sponsorship opportunities are now available for the Palo Verde College Foundation's Needles Center Scholarship 5K Color Walk/Run taking place on **Saturday, March 21, 2026**. This annual community event raises scholarship funds exclusively for students attending the Palo Verde College Needles Center, directly supporting local residents pursuing higher education and career training. A variety of corporate and individual sponsorship levels are available, giving

businesses and community members the opportunity to support student success while receiving event recognition. Proceeds from sponsorships remain local and help expand educational pathways for Needles students. Those interested in becoming a sponsor can contribute directly through the Foundation's secure giving page. Supporting this effort aligns with the Council's goals of strengthening workforce development and investing in the long-term success of the community.

7. **4th Annual Resource & Job Fair**
   The 4th Annual Resource & Job Fair will be held on **March 18, 2026,** from **10:00 a.m. to 1:00 p.m.** at the **El Garces Historic Train Depot**. This event brings together San Bernardino County agencies, employers, and community partners to connect residents with job opportunities and essential services. Attendees can receive employment support, career guidance, and direct access to hiring organizations, and those seeking employment are encouraged to bring a résumé. The Assessor-Recorder-County Clerk Mobile Unit will be onsite providing certificate copies, notary services, fictitious business name filings, and property information. The Law Offices of the Public Defender will also assist individuals interested in beginning the record-clearing process. This event continues to be a valuable opportunity for residents to access services locally and strengthen connections to employment and support resources. **Residents are encouraged to RSVP today by using this registration link.**

8. **Pacific Clinics Clubhouse Program Activities**
   Pacific Clinics' Clubhouse Program in Needles continues to provide a safe, welcoming environment that promotes wellness, resiliency, and recovery for adults living with mental health conditions. The program offers peer support, skill-building opportunities, wellness activities, and assistance connecting members with local resources to support their recovery journey. Membership is open to adults over 18 with lived experience related to mental health, and there is no cost or insurance requirement to participate. Their next distribution will be held on February 11, 2026, at 2:00 p.m. at 1600 Bailey Street. Refer to the attached for their upcoming February activity calendar, which includes support groups, social events, wellness activities, crafts, and community outings designed to encourage engagement and build connections. These programs play an important role in supporting mental health and overall well-being within the community. For more information about the Clubhouse Program or to become a member, residents may contact Sonia Vicario at **626-753-8725** or visit their location at **1060 E. Broadway Street, Needles**.

9. **Community Events Calendar Now Live**
   The City's new website now features a **Community Events Calendar**—a single source for community events, civic meetings, and community programs. Local organizations are invited to submit or update events through the City Clerk's Office to keep the calendar current and inclusive. Contact **Candace Clark at cclark@cityofneedles.com** to participate. Residents can subscribe and sync the calendar to mobile devices for real-time updates, making it easier to stay informed and engaged.

10. **Rivers Edge Golf Course Valentine's Day Golf Clinic**
    Rivers Edge Golf Course will host a Short Game Golf Clinic led by Golf Professional JJ DeLeon on February 14, 2026, from 9:00 a.m. to 10:00 a.m. The clinic is designed for golfers of all skill levels and ages, providing an opportunity to improve short game fundamentals in a fun and supportive setting. With Valentine's Day falling on the same day, the clinic offers a unique activity for couples to enjoy together. Participation is limited to the first 12 registrants, with a cost of $25 per person. Residents interested in participating can register by calling Rivers Edge Golf Course at **(760) 326-3931** or by emailing **jjdeleon@golfneedlesca.com**. Residents are also encouraged to review the attached flyers for additional upcoming tournaments at Rivers Edge Golf Course, including the **Wilson Birthday Bash Tournament on February 21** and the **"Teeing Off on Route 66" Golf Tournament on March 7**, both expected to draw regional participation and support local recreation and tourism.

11. **Needles Elks Lodge – Wine, Cheese & Chocolate Pairing Event**
    The Needles Elks Lodge #1608 will host its second annual Wine, Cheese, and Chocolate Pairing Event **next weekend** on **February 7, 2026, from 2:00 p.m. to 5:00 p.m.** at the Elks Lodge, 1000 Lilyhill Drive. This community event is open to both members and non-members and serves as a fundraiser supporting local youth scholarships. Tickets are $25 per person, and residents are encouraged to purchase tickets in advance. Those interested in attending can reserve tickets by contacting Sharon Dooley at (917) 797-1205. Please refer to the attached flyer for additional event details.

12. **Farmers Market Gains Exposure with New J Street Sign**
    A new temporary sign has been installed along J Street to increase visibility and awareness of the Needles Sunday Farmers Market at Santa Fe Park. The signage is designed to attract both residents and visitors and encourage greater participation in this growing community event. Hosted by Tumbleweed Markets Inc., the market offers a rotating mix of vendors featuring fresh produce, baked goods, coffee, handmade items, flowers, and other locally crafted goods. The market is held every Sunday through **March 31, 2026,** from **8:00 a.m. to 12:00 p.m.** at Santa Fe Park. The event continues to welcome new vendors, expanding opportunities for local entrepreneurs and artisans. This effort supports the City Council's goal of strengthening community engagement while promoting local economic activity. Additional vendor information is available by contacting Market Manager Patrick Lauterio at (760) 848-8289 or needlesfarmers@gmail.com.

1. PHASE V GROUNDBREAKING



2. ROUTE 66 ELECTRICAL BOXES



Hwy 95 and San Clemente



G Street and W Broadway



J Street and W Broadway

2. ROUTE 66 ELECTRICAL BOXES



Needles Hwy and W Broadway



N K Street and River Road



Needles Hwy and N K Street

2. ROUTE 66 ELECTRICAL BOXES



[Pashard Street and West Broadway]



[2511 Needles Hwy]

3. HOMELESS OUTREACH EVENT

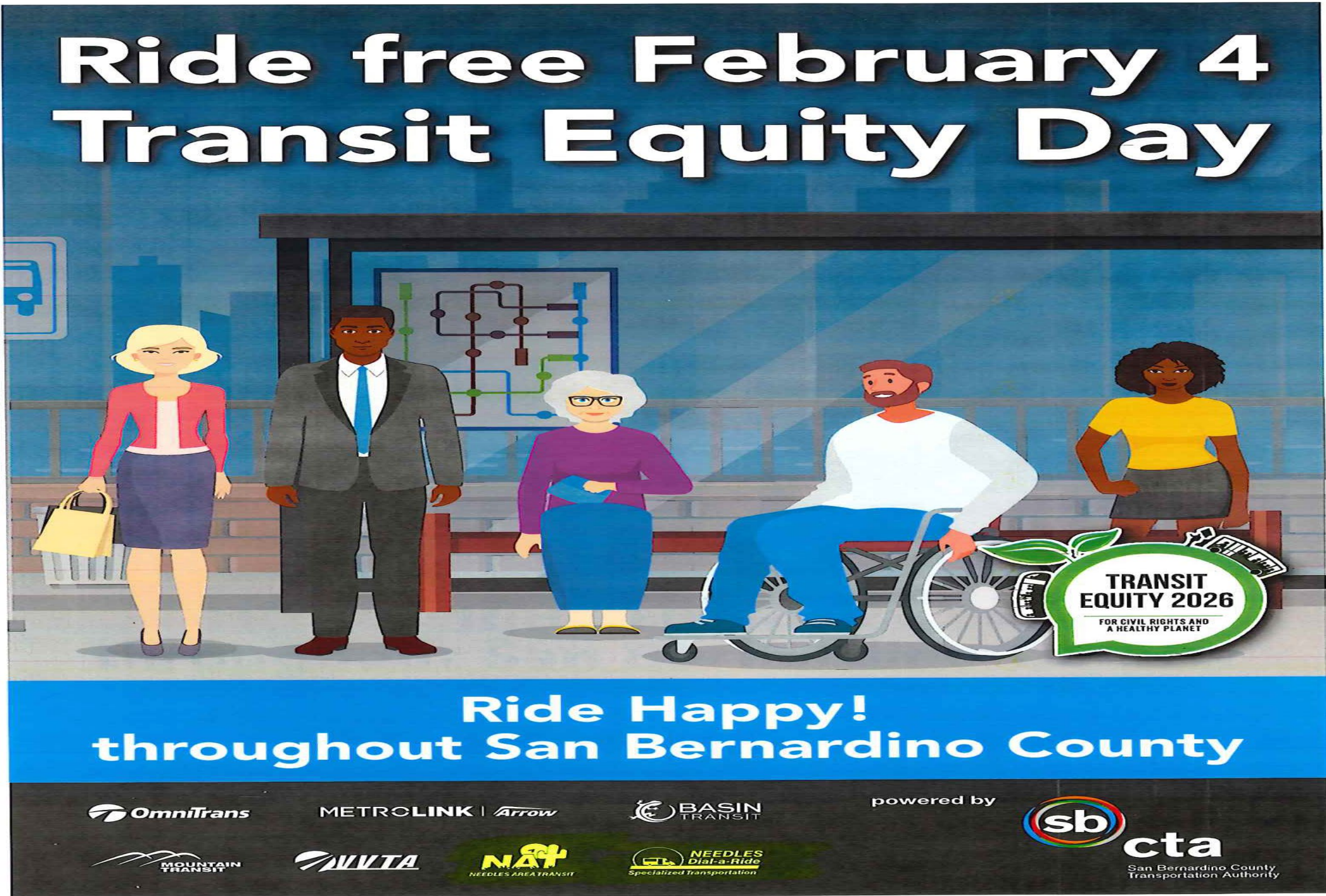


3. HOMELESS OUTREACH EVENT





4. TRANSIT EQUITY DAY



5. VICTORVILLE TRANSPORTATION



5. VICTORVILLE TRANSPORTATION

English

Routes ADA / Paratransit Micro-Link Flexible Transit More

Needles Cactus Commuter

Helping Needles Residents Get to Critical Medical and Court Appointments in the Victor Valley.



Long trips should not stand between you and the care you need or the obligations you must meet. The Needles Cactus Commuter (NCC) Program was created to help eligible low-income Needles residents travel to the Victor Valley area for important medical appointments and court-mandated appearances through a mileage reimbursement program.

Whether you drive yourself or ask a trusted friend or loved one to take you, the program may reimburse you for the miles traveled. Participants may be eligible to receive reimbursement for up to 1,100 miles per month.



Many Needles residents face significant challenges when trying to access medical specialists, dialysis, oncology services, or court appearances in Victorville. The long distance, limited transportation options, and financial strain of repeated trips can make these essential appointments difficult to keep. The Needles Cactus Commuter Program was designed specifically to remove these barriers and provide practical support for those who need it most.

This program operates on a mileage reimbursement model and focuses only on essential trip purposes. At this time, reimbursement is limited to travel for medical appointments in the Victor Valley area and court appearances at the San Bernardino County Courthouse in Victorville.

To qualify, participants must live in the Needles area and have household income at or below Federal Poverty Guidelines, with a proposed program income ceiling of $32,150. Participation is based on both income eligibility and approved trip types.

Participants are required to track and report their mileage each month and provide proof of their trip. Reports must be submitted by the 10th of each month in order to be processed. Incomplete reports cannot be reimbursed. Reimbursements are distributed monthly, and participants must choose to receive their funds either by Direct Deposit or through a FinTwist card.

The Needles Cactus Commuter Program is a Partnership between

VVTA

sbcta
San Bernardino County Transportation Authority

CITY OF NEEDLES CALIFORNIA

If you believe you may qualify or would like more information about how to apply, please contact us.

Email: NCC@VVTA.ORG
Phone: 760-995-3561

Contact Us

17150 Smoke Tree Street
Hesperia, CA 92345

Complaint/Comment Form Rider Survey

(760) 948-3030 Routes and Scheduling

(760) 244-4000 ADA Direct Access & Micro-Link

(760) 948-4021 Hesperia Main Line

(760) 948-4021 ext. 401 Barstow Main Line

info@vvta.org
Due to security issues, emails originating from gmail accounts will not be seen by intended recipients

6. PALO VERDE COLLEGE 5K DONATIONS

PALO VERDE COLLEGE
FOUNDATION
WHERE KNOWLEDGE TAKES ROOT AND OPPORTUNITY GROWS

NEEDLES CENTER
SCHOLARSHIP
5K COLOR RUN & WALK



SATURDAY, MARCH 21, 2026

STARTS AT PALO VERDE COLLEGE AT 9AM; CHECK-IN AT 7:30 AM

For more information call (760) 326-5033
or visit www.paloverde.edu

725 W. Broadway, Needles, CA 92363

REGISTRATION

$25 PER PERSON, INCLUDES TSHIRT & MEAL

Age Categories:
- 12 years & Under
- 13 - 17 years
- 18 - 49 years
- 50 years & above

Scan code or follow link to get started
https://bit.ly/Ndls5k

Must Register Before March 14

6. PALO VERDE COLLEGE 5K DONATIONS

NEEDLES CENTER SCHOLARSHIP 5K COLOR WALK/RUN

Sponsorship Opportunities • Saturday, March 21, 2026

Since 1986, the Palo Verde College Foundation has partnered with generous businesses and community members to help students reach their educational goals. All proceeds from this event fund scholarships exclusively for Needles Center students.

Corporate Sponsorships (Included in Public Advertising)

LOOT – $1,000+	10 runners/walkers 8 T-shirts Individual banner Pirate promotions 10 Pirate totes
AHOY – $500–$999	8 runners/walkers 6 T-shirts Individual banner Pirate promotions 8 Pirate totes
BUCCANEER – $250–$499	6 runners/walkers 4 T-shirts Group banner listing Pirate promotions 6 Pirate totes
JOLLY ROGER – $100–$249	4 runners/walkers 2 T-shirts Group banner listing Pirate promotions 4 Pirate totes

Individual Sponsorships

MATEY 1 – Up to $49	1 runner • 1 T-shirt • Name on banner • Pirate bag
MATEY 2 – $50–$74	2 runners • 2 T-shirts • Name on banner • Pirate bag
MATEY 3 – $75–$99	3 runners • 3 T-shirts • Name on banner • 2 Pirate bags

Donations are tax deductible through the Palo Verde College Foundation (501c3). To sponsor: Donate online via the Foundation portal or mail checks to Palo Verde College Needles Center, 725 W. Broadway St., Needles, CA 92363. Include 'PVC Foundation Needles Scholarships' in the memo.

7. 4th ANNUAL RESOURCE FAIR

SAN BERNARDINO COUNTY
DAWN ROWE
THIRD DISTRICT SUPERVISOR

RESOURCE & JOB FAIR

JOSIE GONZALES
ASSESSOR-RECORDER-COUNTY CLERK

CITY OF NEEDLES

PUBLIC DEFENDER

SAN BERNARDINO COUNTY



March 18, 2026 @ 10 am - 1 pm

Resource Connections

Your next stop for resources and employment services. Meet community partners and employers, access valuable support, and take the next step toward your career goals. Those seeking employment are encouraged to bring their resume.

LOCATION:
El Garces Historic Train Depot
950 Front Street
Needles, CA 92363

Assessor-Recorder-County Clerk Mobile Unit:
Birth/Death/Marriage Certificate, Copies, Notary Public Filings, Ficticious Business Name, Statements, and Assessor Property Information (SB County ONLY)

REGISTER NOW!
HDHE326.eventbrite.com

Record Clearing Services
Meet with Law offices of the Public Defender. Get assistance with starting the record clearing process.

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.

(800) 451-JOBS (5627)
Workforce.SBCounty.gov

3. PACIFIC CLINICS



Pacific Clinics

Clubhouse Program

Promoting wellness, resiliency and recovery in a safe environment with a friendly atmosphere

We help our members to develop skills that promote overall health and well-being. Through education, peer support and personalized guidance, we empower members to take control of their health and achieve meaningful recovery. Our goal is to support members in living full, satisfying lives as they progress on their recovery journey. We build a path to improve mental health and wellness.

Become a member

Must be over 18 years of age and provide verification or a reasonable indicator of past or present lived experience with a mental health condition. Members must be able to care for themselves and benefit from the program.

There is no cost to be a member and no insurance is required.

Member Benefits

- Learn self-care and positive coping skills
- Wi-Fi/computers access
- Assistance finding local resources
- Achieve wellness and reach recovery goals
- Support groups
- Access to engaging peer-led and support groups
- Group activities
- Crafts, games and celebrations

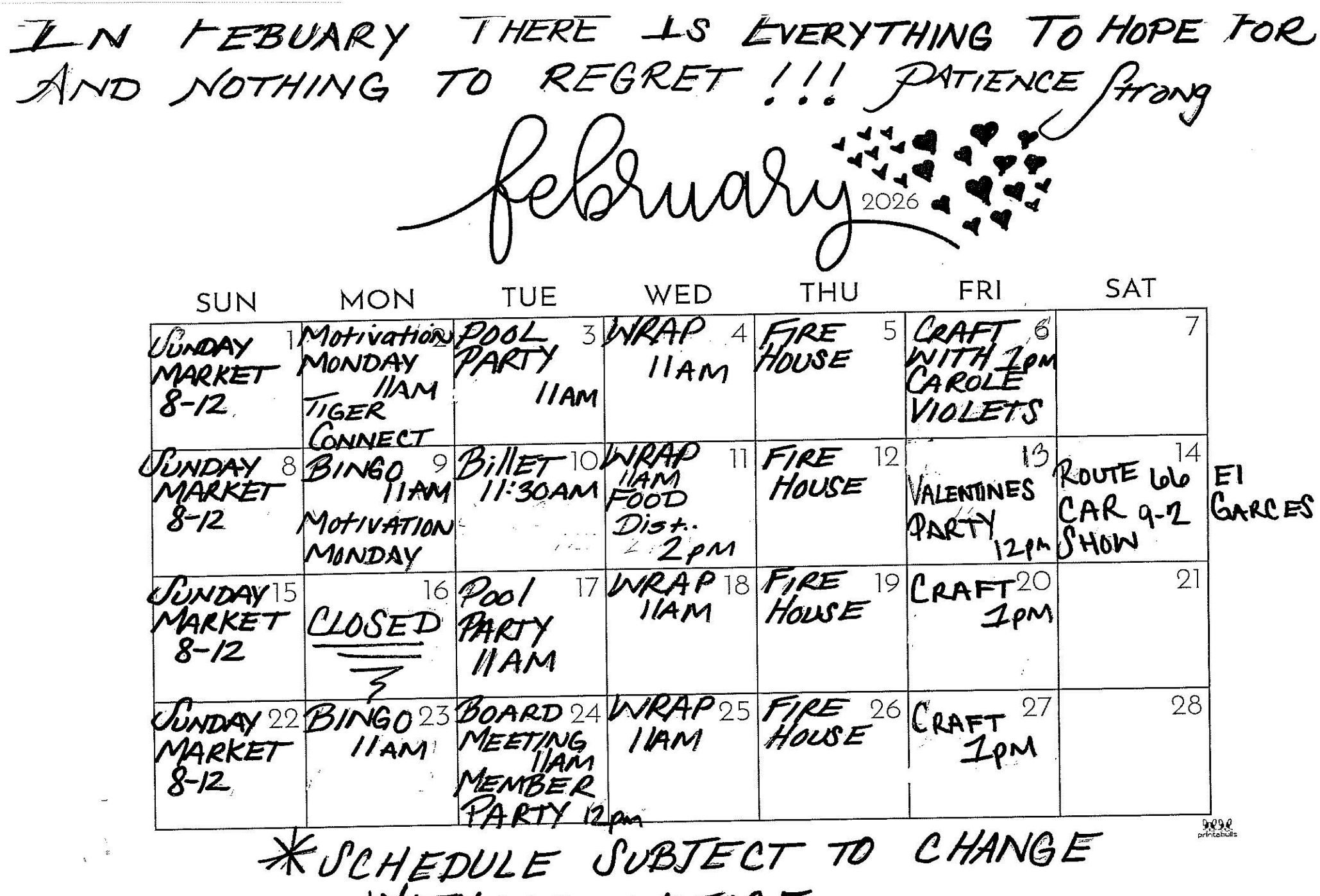
Contact Info

1060 E. Broadway Street
Needles, CA 92363
626.753.8725
Sonia.Vicario@PacificClinics.org

@PacificClinics

8. PACIFIC CLINICS

IN FEBUARY THERE IS EVERYTHING TO HOPE FOR AND NOTHING TO REGRET !!! PATIENCE Strong



*SCHEDULE SUBJECT TO CHANGE WITHOUT NOTICE

10. RIVERS EDGE GOLF COURSE





10. RIVERS EDGE GOLF COURSE

Get Your Clubs Ready

River Valley Air Conditioning

ROUTE US 66 1926 2026 CENTENNIAL

Billet Health™



River's Edge Golf Course

"Teeing Off on Route 66"

Golf Tournament

March 7, 2026

We are proud to be powered by

River Valley Air Conditioning, Our 'Mother Road' Title Sponsor.

Their commitment to our community since 1955 has kept us Cool and Breezy!

Our **Main Street of American, Co-Sponsor Billet Health**

Riding shotgun with us this year.

Get the Details Call: Needles Chamber of Commerce 760.326.2050

RIVERS EDGE GOLF COURSE PRESENTS

River Valley Air Conditioning (866)296-RVAC (7822)

Billet Health™



TEEING OFF ON ROUTE 66
GOLF TOURNAMENT

SAT MAR 7 2026

PRICE PER PERSON: $75

PRICE PER TEAM: $225

3-PERSON SCRAMBLE

SHOTGUN START AT 8:00AM (CA)

PAYOUTS AND PRIZES AT 1:30 PM

BENEFITTING NEEDLES CHAMBER OF COMMERCE

DEADLINE TO SIGN UP MARCH 5, 2026

CONTACT US AT: +1 (760) 326 - 3931

WWW.GOLFNEEDLESCA.COM

Made with PosterMyWall.com

11. NEEDLES ELKS LODGE EVENT



NEEDLES LODGE#1608

1000 LILYHILL DRIVE

NEEDLES CA 92363

IS PROUD TO PRESENT
ITS SECOND ANNUAL

WINE CHEESE AND CHOCOLATE PAIRING

OPENED TO ALL

Proceeds to Fund Scholarships

FEBRUARY 7, 2026 2-5 PM

TICKETS $25.00

at the Bar or

TO RESERVE YOUR TICKET

Sharon Dooley @ 917-797-1205

12. NEEDLES SUNDAY MARKET

