



(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 OF THE CITY OF NEEDLES  
CITY OF NEEDLES, CALIFORNIA  
**TUESDAY, JUNE 13, 2023**  
COUNCIL EXECUTIVE SESSION – **5:00 P.M.**  
CITY COUNCIL MEETING – **6:00 P.M.**  
CITY COUNCIL CHAMBERS  
1111 BAILEY AVENUE, NEEDLES

**THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS IN WRITING PRIOR TO NOON ON THE DAY OF THE MEETING BY EMAILING [djones@cityofneedles.com](mailto:djones@cityofneedles.com)**

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

**If asked, enter the following: Meeting ID: 212 269 097#**

**OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 212 269 097#**

**The meetings are being recorded**

CALL TO ORDER

ROLL CALL

Vice Mayor Merritt has requested an excused absence.

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

**RECESS THE CITY COUNCIL MEETING AND CONVENE A JOINT CITY COUNCIL / NPUA / HOUSING AUTHORITY (HACN) MEETING**

### **RECESS TO EXECUTIVE SESSION**

- a) NPUA / COUNCIL: Conference with Legal Counsel Regarding Potential Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4) One Potential Case
- b) COUNCIL: Public Employee Performance Evaluation Pursuant to Government Code Section 54957. Title: City Manager
- c) COUNCIL: Conference with real property negotiator pursuant to Government Code Section 54956.8: Agency negotiator City Manager Rick Daniels or his designee. Negotiating Parties are the City of Needles as the potential seller and Armen Matevosian as the potential buyer of a portion of the property described as approximately 4-acres vacant parcel, located on the north side of San Clemente and west of East Broadway, APN 0185-234-26. Under negotiations are the price and terms
- d) COUNCIL: Conference with Legal Counsel – Existing Litigation (Gov't Code Section 54956.9(d)(1)) In re: City of Needles v. Janine Anne Gershon, et al. California Superior Court- County of San Bernardino (Case No. CIVSB2218469)

## **EXECUTIVE SESSION – Report by City Attorney**

ROLL CALL (Previously Taken)

INVOCATION

PLEDGE OF ALLEGIANCE

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 City Council / NPUA / HACN 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 / NPUA / HACN from taking action on a specific item until it appears on the agenda.

## **INTERVIEWS**

- 1) Interviews and possible appointment of members to the Needles Housing Commission (ACT)

## **PRESENTATION**

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

- 2) NPUA: Presentation to accept and file the NPUA audit report for fiscal year ending June 30, 2022 completed by Burger & Comer, P.C. (ACT)
- 3) Presentation of Certificates to the NHS Girls' Softball Team in recognition for their outstanding performance winning the 2023 State Championship in Reno, Nevada against Battle Mountain High School (INF)
- 4) Presentation to the council for the City of Needles receiving the 2023 Comprehensive Plan Award of Excellence from the American Planning Association, California Chapter, Inland Empire Section for the General Plan and Transportation Update (INF)

## **PUBLIC HEARING**

- 5) NPUA / COUNCIL / HACN: Public hearing noticed to consider all evidence and testimony for or against approval of the City of Needles, NPUA and HACN budgets for Fiscal Year ending June 30, 2024
  - Staff Report
  - Council Questions of Staff
  - Mayor to open the public hearing
  - Public Comment
  - Mayor to close the public hearing
  - Council Discussion / Deliberation
  - COUNCIL: Resolution No. 2023-38 adopting the proposed budget for Fiscal Year 2023-2024 (ACT)
  - NPUA: Resolution No. 06-13-2023-NPUA adopting the proposed budget for Fiscal Year 2023-2024 (ACT)



- HACN: Resolution No. 2023-4-HACN adopting the proposed budget for Fiscal Year 2023-2024 (ACT)

COUNCIL:

- 6) Approve the Twenty Seventh Amendment to Contract No. 99-376 with the County of San Bernardino in the total amount of \$3,619,032 providing for law enforcement services by amending Schedule A for the 2023-2024 fiscal year and authorize the Mayor to sign same (ACT)  
Provide direction regarding the sheriff's department request for an additional deputy at an additional cost of \$353,731 (ACT)
- 7) Provide direction regarding the Marketing Strategy Proposed Budget (ACT)

**NPUA / 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 NPUA / Council may pull an item from the Consent Calendar for discussion.

**Recommended Action:** Approve Items 8 through 11 on the Consent Calendar by affirmative roll call vote. (ACT)

- 8) Accept the California Energy Commission Power Disclosure Annual Report for the year ending December 31, 2022
- 9) Authorize Laron Mechanical to complete the wastewater motive pump repair at a cost not to exceed \$26,810 utilizing wastewater asset replacement funds
- 10) Waive the reading and adopt Resolution 2023-37 adopting the 2023 Needles Public Utility Authority Wildfire Mitigation Plan Version 4.0
- 11) Authorize the city manager to execute the XiO Cloud SCADA System for the Lillyhill and "L" Street Boosters dated May 16, 2023 for a monthly subscription of \$430 and an annual technical support of \$3,000 to be funded by the water department annual operating budget and \$18,851 for hardware to be funded by grant funds from the State Water Resources Control Board and Colorado River Basin Regional Water Quality Control Board's Supplemental Environmental Project (SEP)

**HACN / COUNCIL**

- 12) HACN / COUNCIL: Waive the reading and adopt Resolution 2023-3-HACN authorizing write off previous tenants debts (ACT)  
AND  
Provide direction regarding preparing a policy and procedures for write-offs policy (ACT)

**ADJOURN THE JOINT COUNCIL / NPUA / HACN BOARD OF COMMISSIONERS MEETING AND RECONVENE THE CITY COUNCIL MEETING**  
CALL TO ORDER (Roll Call previously taken)

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS (A three-minute time limit per person has been established.)

**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 13 through 20 on the Consent Calendar by affirmative roll call vote. (ACT)

- 13) Approve the warrants register through June 13, 2023
- 14) Approve the minutes of May 23, 2023
- 15) Waive the reading and adopt Resolution No. 2023-39 approving a lease extension with Tri-State Alano Club for the building located at 801 Third Street through July 1, 2024
- 16) Waive the reading and adopt Resolution No. 2023-36 adopting a list of projects for Fiscal Year 2023-2024 funded by SB1: The Road Repair and Accountability Act of 2017
- 17) Waive the reading and adopt Resolution No. 2023-35 adopting the Measure I Five-Year Capital Improvement Plan for Fiscal Years 2024 through 2028
- 18) Waive the reading and adopt Resolution No. 2023-33 approving an Agreement between the City of Needles and the Needles Unified School District for a Sheriff's Service Specialist for the 2023-2024 school year
- 19) Waive the reading and adopt Resolution No. 2023-34 approving the Zero-Emission Bus Rollout Plan for the City of Needles / Needles Area Transit
- 20) Accept Change Order No. 1 with Final Touch Construction & Design, Inc. for a Not To Exceed amount of \$6,250 to install additional flooring as part of the Tenant Improvements/Office Space 2023 Project to be funded by the electric department operations

## **End of Consent**

## **Regular Items**

- 21) Consider cancelling the second regular City Council/NPUA/HACN meetings on July 25, August 22 and September 26 (ACT)
- 22) Authorize those interested in attending the League of California Cities 2023 Annual Conference and Expo scheduled for September 20 – 22, 2023 at the SAFE Credit Union Convention Center in Sacramento and designate a voting delegate and alternate(s) (ACT)

CITY ATTORNEYS REPORT

CITY CLERK REPORT

CITY MANAGERS REPORT

## **COUNCIL REQUESTS**

Councilmember Campbell  
Councilmember McCorkle  
Councilmember Pogue  
Councilmember Belt  
Councilmember 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 June 9, 2023

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 145. 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 9th day of June 2023

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Dale Jones, CMC, City Clerk



# City of Needles, California

## Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Needles Housing Commission Interviews

**Background:** The City Council adopted Ordinance No. 660 creating the Needles Housing Commission. The Housing Commission shall consist of five (5) members who shall be qualified electors of the City. There are currently 3 vacancies.

A notice of vacancy was published in the Needles Desert Star and at this time two applications have been received. Any other interested party may come to the council meeting to express their interest.

Deana Tucker  
Robert (Bob) Smith Jr.  
Chris Mauer

**Fiscal Impact:** None

**Recommendation:**

Appoint \_\_\_\_\_ At Large with a term to expire December 31, 2027  
Appoint \_\_\_\_\_ At Large with a term to expire December 31, 2026  
Appoint \_\_\_\_\_ At Large with a term to expire December 31, 2025

**Submitted By:** City Clerk

**City Management Review:** Pat J. Myer, BRRD **Date:** 6/19/2023

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

Agenda Item: 1

CITY OF NEEDLES  
City Clerk's Office  
817 Third Street  
Needles, Ca 92363

**BOARD, COMMISSION AND/OR COMMITTEE APPLICATION**

Applicant Name: Deana M. Tucker

Address: \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_ Cell Same

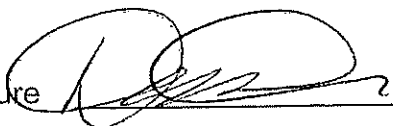
Home Phone Number: Same Email: \_\_\_\_\_

Position(s) applied for: Housing Authority

Special comments and/or interests: Aside from working in the housing industry I also was self employed in the past 5 yrs working as buying, Rehabing & Remodeling, Renting some properties and flipping others. I am aware of the both sides of this industry, As a worker and employer. I enjoy what I do.

Background and qualifications: I have been working in property management for 20 years. Getting my start here in Needles at Mesa Grande in 1996. I worked in the industry for 15 years at Garden Villas in Anaheim. In that 15 yrs I handled a number of situations. Fires and working with Insurance claims and Rehab. Worked with Code enforcement to maintain the property according to city Regulations & conditions. Worked with Anaheim Housing, Section 8 and Tax Credits Apts. I am aware of the importance of accounting for property integrity.  
You must be a registered voter in the City of Needles to qualify for appointment.

Signature



Date

5/8/23

(Please return to the above address)

20V ✓ 6-7-23

CITY OF NEEDLES  
City Clerk's Office  
817 Third Street  
Needles, Ca 92363

**BOARD, COMMISSION AND/OR COMMITTEE APPLICATION**

Applicant Name: Robert (Bob) B. Smith, Jr.

Address: \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_ Cell \_\_\_\_\_

Home Phone Number: SAA Email robert.smith@needlesca.gov

Position(s) applied for: HOUSING AUTHORITY

Special comments and/or interests: Enjoy the desert: camping/hunting/fishing

Born and raised in Needles - graduate of Needles High School. Active in the schools  
and community. My wife and I have raised our three sons in Needles and they are  
graduates of the Needles USD.

Background and qualifications: Born and raised in Needles - graduate of Needles High  
School. I'm an avid supporter of the Needles School District, community, and the  
community sporting clubs/activities. I have built an apartment complex, home, and  
supervise in the management and repairs of various properties. I manage our solar  
project at our property. I am a past member of the Board of Trustees at Needles USD.

You must be a registered voter in the City of Needles to qualify for appointment.

Signature Robert B. Smith Date June 8, 2023

(Please return to the above address)

6/a ROV ✓

CITY OF NEEDLES  
City Clerk's Office  
817 Third Street  
Needles, Ca 92363

BOARD, COMMISSION AND/OR COMMITTEE APPLICATION

Applicant Name: CHRIS Anthony MAUER

Address: \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_ Cell \_\_\_\_\_

Home Phone Number: \_\_\_\_\_ Email \_\_\_\_\_

Position(s) applied for: Housing Authority

Special comments and/or interests: \_\_\_\_\_

Took foreman to the  
New Challenge the City is  
Taking on!

Background and qualifications: Managing Hardware Express.

I have been w/ this company for 5-6 years.  
I have knowledge w/ different aspects of construction  
and repair.

Prior to Hardware Express, I have managed (Kitchen)  
Several restaurants in the area  
(Jack) of all trades

You must be a registered voter in the City of Needles to qualify for appointment.

Signature [Signature]

Date 6-8-23

(Please return to the above address)

Wola Rorr



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☒ NPUA ☐ SARDA ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Presentation by Burger & Comer, P.C. of the NPUA audit report for the fiscal year ended June 30, 2022

**Background:** The fiscal year 2021/22 NPUA audit report has been completed by Burger & Comer, P.C. The audit report will be presented via teleconference by Dave Burger who is the engagement partner.

Attached are the 2022 Audit Results Presentation materials, and audit report for the fiscal year ended June 30, 2022.

**Fiscal Impact:** None.

**Recommendation:** Accept and file the NPUA fiscal year ended June 30, 2022 audit report completed by Burger & Comer, P.C.

**Submitted By:** Barbara DiLeo, Sr. Accountant

**City Management Review:** R. ac

**Date:** 6/6/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 2



Presentation of 2022 Audit Results  
Needles Public Utility Authority



BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

**To the Members of the Commission of the  
Needles Public Utility Authority**

We are pleased to present this report related to our audit of the financial statements of Needles Public Utility Authority (NPUA) as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for NPUA'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 Members of the Commission 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 continue to be of service to NPUA.

**BURGER & COMER, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

## Scope of the Engagement

# Financial Statement Audit of Needles Public Utility Authority (NPUA), a component unit of the City of Needles

in accordance with  
*Government Auditing Standards*

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

- Scope of Engagement
- Summary of Audit Results
- Communication to those Charged with Governance

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

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NPUA 2022 Audit Results

Significant Changes

Significant Adjustments

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

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## UNMODIFIED OPINION

- Audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*
- The financial statements fairly present, in all material respects, NPUA's:
  - Financial position
  - Results of operations
  - Changes in net position
  - Cash flows
- Burger & Comer, P.C. assisted in the preparation and word processing of the financial statements; NPUA management reviews, approves, and accepts responsibility for those financial statements

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

## Report on Internal Controls and Compliance in accordance with *Government Auditing Standards*

- Material weakness and significant deficiencies – none noted
- Noncompliance material to financial statements – none noted

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

## Significant Audit Areas

<b>Assets</b>	<b>Liabilities</b>	<b>Expenses</b>
Cash and receivables	▪ Accounts payable and accrued expenses	Electric power purchased Personnel costs
Capital and intangible assets	▪ Purchase obligation and bonds payable	Interest expense
There were no significant adjustments.	There were no significant adjustments.	There were no significant adjustments.

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS



## Significant Adjustments

- The only significant adjustments were related to the pension liability and the OPEB (Other Post Employment Benefits) liability. The figures are the result of an actuarial valuation, which is recorded by the City of Needles, with a portion allocated to NPUA

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

**Required Communications to Those Charged with Governance  
under Statement on Auditing Standards No. 114**

BURGER & COMER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

## Elements of Required Communications

- Management has primary responsibility for the accounting principles used, including their consistency, application, clarity and completeness.
- No significant accounting pronouncements were adopted during the year ended June 30, 2022
- We are not aware of any consultations by management with other accountants about accounting or auditing matters.
- We did not encounter any difficulties with management while performing our audit procedures that require the attention of the Utility Board.
- We encountered no disagreements with management on financial accounting and reporting matters as it relates to the current year financial statements.
- NPUA's significant accounting policies are appropriate, and that management has applied its policies consistently with prior period in all material respects.
- No significant or unusual transactions or accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus were identified.
- No significant deficiencies or material weaknesses were identified.
- No irregularities, fraud or illegal acts or that would cause a material misstatement of the financial statements, came to our attention as a result of our audit procedures.
- All audit adjustments that we proposed were recorded.



**NEEDLES PUBLIC UTILITY AUTHORITY  
(A Component Unit of the City of Needles)**

**Audited Financial Statements**

**As of and for the Year Ended June 30, 2022**

**(With Independent Auditor's Report Thereon)**

**NEEDLES PUBLIC UTILITY AUTHORITY**

**Financial Statements June 30, 2022**

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**Independent Auditor's Report**

Members of the Commission of the  
Needles Public Utility Authority

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Needles Public Utility Authority (the Authority), a component unit of the City of Needles, California, as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2022, and the changes in its 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Needles Public Utility 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.

***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 Needles Public Utility 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.

### ***Auditors' Responsibility 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Needles Public Utility 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 Needles Public Utility 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 8 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 auditing standards generally accepted in the United States of America, 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 an opinion on the financial statements that collectively comprise the Needles Public Utility Authority's basic financial statements. The accompanying combining schedules of net position, revenues, expenses and changes in net position and cash flows, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of net position, revenues, expenses and changes in net position and cash flows are 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 March 24, 2023 on our consideration of the Needles Public Utility Authority'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 Needles Public Utility Authority'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 the Needles Public Utility Authority's internal control over financial reporting and compliance.

*Brynn A. Comm, P.C.*

Saipan, MP  
March 24, 2023



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**NEEDLES PUBLIC UTILITY AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As Management of the Needles Public Utility Authority (the Authority), we offer readers of the Authority's Financial Statements this narrative overview and analysis of the Authority's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the Authority's Financial Statements, which follow this section.

**Financial Highlights**

- The total net position increased \$705 thousand in 2022.
- Operating revenues increased \$3,193 thousand in 2022.
- Operating expenses (excluding depreciation) increased \$5,485 thousand in 2022.

**Overview of the Financial Statements**

This annual report includes the management's discussion and analysis report, the independent auditors' report, the Authority's basic financial statements, and the supplementary schedules. The financial statements also include notes that explain in more detail some of the information in the financial statements.

**Required Financial Statements**

The Authority's financial statements report information using accounting methods like those used by private sector companies. These statements offer both short-term and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and provides information about the nature and amount of investments in resources (assets), and the obligations to creditors (liabilities). It also provides the basis for evaluation of the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All the revenues and expenses for the year are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This Statement measures the success of the Authority's operations over the past two years and can be used to determine whether the Authority has successfully recovered its costs, through its fees and other charges, profitability, and creditworthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities, and provides answers to such questions as sources of cash coming in, what expenditures cash was used for, and the change in the cash balance during the reporting periods.

**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 Revenues, Expenses and Changes in Net Position will help answer this question. These two statements report the net assets of the Authority, and changes in them.

One can think of these changes as indicators of whether the financial health is improving or deteriorating. However, one should also consider other factors, such as changes in the economy, population growth, and if there is any new governmental legislation.

We begin our analysis with a summary of the Authority's Statement of Net Position.

June 30, 2022

**Condensed Statement of Net Position  
(000's)**

	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Assets</b>				
Current and other assets	\$ 18,087	\$ 17,402	\$ 685	3.94%
Capital assets	<u>19,041</u>	<u>19,433</u>	<u>(392)</u>	-2.02%
Total assets	<u>37,128</u>	<u>36,835</u>	<u>293</u>	0.80%
 Deferred outflows of resources	<u>510</u>	<u>370</u>	<u>140</u>	37.84%
 <b>Liabilities</b>				
Long-term debt	20,462	21,495	(1,033)	-4.81%
Other liabilities	<u>4,766</u>	<u>4,854</u>	<u>(88)</u>	-1.81%
Total liabilities	<u>25,228</u>	<u>26,349</u>	<u>(1,121)</u>	-4.25%
 Deferred inflows of resources	<u>963</u>	<u>113</u>	<u>850</u>	752.21%
 <b>Net Position</b>				
Net investment in capital and intangible assets	-	-	-	0.00%
Restricted for debt service	9,879	10,865	(986)	-9.08%
Unrestricted (deficit)	<u>1,568</u>	<u>(123)</u>	<u>1,691</u>	-1374.80%
Total net position	\$ <u>11,447</u>	\$ <u>10,742</u>	\$ <u>705</u>	6.56%

**Condensed Statement of Revenues, Expenses, and Changes in Net Position  
(000's)**

	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Revenues</b>				
Operating revenues	\$ 17,346	\$ 14,153	\$ 3,193	22.56%
Nonoperating revenues	<u>12</u>	<u>552</u>	<u>(540)</u>	-97.83%
Total revenues	<u>17,358</u>	<u>14,705</u>	<u>2,653</u>	18.04%
 <b>Expenses</b>				
Depreciation	1,352	1,257	95	7.56%
Other operating expenses	14,537	9,052	5,485	60.59%
Nonoperating expenses	<u>1,336</u>	<u>1,342</u>	<u>(6)</u>	-0.45%
Total expenses	<u>17,225</u>	<u>11,651</u>	<u>5,574</u>	47.84%
 Income before operating transfers	132	3,054	(2,922)	-95.68%
 Capital contributions	1,328	3,707	(2,379)	-64.18%
 Transfers	<u>(755)</u>	<u>(1,847)</u>	<u>1,092</u>	-59.12%
 Changes in net position	705	4,914	(4,209)	-85.65%
Prior period adj-amort water rights	-	1,065	(1,065)	-100.00%
Net position at beginning of year	<u>10,742</u>	<u>4,763</u>	<u>5,979</u>	125.53%
Net position at end of year	\$ <u>11,447</u>	\$ <u>10,742</u>	\$ <u>705</u>	6.56%

The \$705 thousand increase in total net position in 2022, versus an increase of \$5,979 thousand in 2021, reflects the combination of increase in operating revenues and expenses and decrease in transfers. The higher operating revenues in 2022 were due to increased consumption and usage from FY 2022.

While the Statements of Net Position show the changes in financial position, the Statements of Revenues, Expenses and Changes in Net Position provide answers as to the nature of and source of these changes.

### Capital Assets (in 000's)

	<u>2022</u>	<u>2021</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
<b>Costs</b>				
Land	\$ 3,199	\$ 3,199	\$ -	0.00%
Utility plant	41,489	41,207	282	0.68%
Construction in progress	742	167	575	344.31%
Total costs	45,430	44,573	857	
<b>Accumulated depreciation</b>	<u>26,389</u>	<u>25,141</u>	<u>1,248</u>	4.96%
Net capital assets	\$ <u>19,041</u>	\$ <u>19,432</u>	\$ <u>(391)</u>	-2.01%

The Authority's Capital Plan for the ensuing 10 years includes various capital and deferred maintenance projects, which include, but are not limited to the following:

#### *ELECTRIC DEPARTMENT*

- Cure Farms substation.
- Electric circuit reliability program.
- Advanced Metering Infrastructure (AMI) project.
- Wire trailer
- Mohave Line rehabilitation
- Park Moabi Line Upgrade
- Street light LED phase out program
- Double bucket truck
- South Hwy 95 Substation (cemetery site)
- Eagle Pass to Cemetery site Line Upgrade
- 230kv line

#### *WATER DEPARTMENT*

- Well No. 11 Treatment
- 1.5 MG of reservoir capacity
- Water services replacement – third year street paving
- Water services replacement – fourth year street paving
- Water services replacement – fifth year street paving
- Replace deteriorating pipe in Monterey & Arizona Avenues
- Replace deteriorating pipe in Chesney's subdivision
- Replace deteriorating pipe in Coronado Street area
- Replace deteriorating pipe in Chestnut Street area
- Replace deteriorating pipe in Casa Linda Street area
- Replace deteriorating pipe in River Road area
- L Street booster

- Main replacement and upgrade pipe size on Lilly Hill + Booster
- AMI meters
- Backup generator at well site 15
- Golf course maintenance yard main distribution manifold
- Jet Vac / Trailer
- Main replacement at Verde Shores
- Extension into North Needles

#### *WASTEWATER DEPARTMENT*

- Railroad crossing at Bazoobuth
- Plant grit separator
- Upsize deficient sewer lines on T Street to Front Street
- Upsize deficient sewer lines on 15 blocks of Front Street
- Jet Vac trailer
- Mini excavator & tilt trailer
- Upsize effluent pump
- North Needles sewer line extension
- Manhole rehab program (ongoing)
- Manhole replacement and upsize project

#### **Long Term Debt**

Total indebtedness (all liabilities) outstanding at June 30, 2022, and 2021 amounted to \$25.2 million and \$26.3 million, respectively. The decrease in total liabilities was due to payments of debt and lower OPEB and pension-related liabilities. More detailed information about the Authority's long-term liabilities is presented in Note 6 of the financial statements.

#### **Economic Factors and Power Rates**

The Authority's cost for electricity is dependent upon the open market prices. Since 2008 the Authority has been purchasing its power from Western Area Power Administration (WAPA), and energy costs decreased substantially because of this contract, from their peak in 2006 and 2007. In January 2014, the City, on behalf of the Authority, entered into Amendment No. 5 to Contract No. 00-DSR-11223 among United States Department of Energy Western Area Power Administration Desert Southwest Service Region ("WAPA"), Parker-Davis Project, SLCA Integrated Projects, Boulder Canyon Project and Yuma County Water Users' Association and Wellton-Mohawk Irrigation and Drainage District and Eastern Arizona Preference Pooling Association and City of Needles, California for Aggregated Energy Services ("AES") (through WAPA) that accommodates aggregation of all member resources (hydroelectric and thermal electric) subject to transmission arrangements. There is an opportunity for Needles to receive excess Wellton-Mohawk Irrigation and Drainage District Federal Energy Services ("FES") hydro at a pre-negotiated cost, based on the FES rate (exchanges cannot be made at a rate greater than the FES rate). Those hydro deliveries will be deemed "specified" resources and will not be subject to Cap and Trade penalties.

AES (through WAPA) accommodates aggregation of all member resources (hydroelectric and thermal electric) subject to transmission arrangements. There is an opportunity for Needles to receive excess Wellton – Mohawk Irrigation and Drainage District Federal Energy Services (“FES”) hydro at a pre-negotiated cost, based on the FES rate (exchanges cannot be made at a rate greater than the FES Rate). Those hydro deliveries will be deemed “specified” resources and will not be subject to Cap and Trade penalties.

### **Implementation of New Accounting Pronouncements**

During the fiscal year ended June 30, 2022, the Authority considered but was not required to implement various Statements issued by the Governmental Accounting Standards Board (GASB), including Statements through GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

The effective dates of many of the Statements were delayed with the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

The Authority has not yet evaluated whether the recent Statements will have a material impact on the Authority’s financial statements.

### **Contacting the Authority's Financial Manager**

This financial report is designed to provide our customers and creditors with a generalized overview of the Authority's finances, and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report, or if additional financial information is needed, please contact the Needles Public Utility Authority, Director of Finance, 817 Third Street, Needles, California 92363.

**NEEDLES PUBLIC UTILITY AUTHORITY**  
(A Component Unit of the City of Needles)

Statement of Net Position  
June 30, 2022

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 9,879,534
Receivables, net	3,215,298
Due from City of Needles	792,655
Materials and supplies inventory	<u>763,724</u>
Total current assets	<u>14,651,211</u>

Noncurrent assets:

Right of use assets	125,124
Prepayment of purchase obligation	871,110
Capital assets, net of accumulated depreciation	19,040,920
Intangible assets, net of accumulated amortization	<u>2,439,190</u>
Total noncurrent assets	<u>22,476,344</u>
Total assets	<u>37,127,555</u>

Deferred outflows of resources:

Deferred outflows related to pensions	472,352
Deferred outflows related to OPEB	<u>38,098</u>
Total deferred outflows of resources	<u>510,450</u>

**LIABILITIES AND NET POSITION**

Current liabilities:

Lease liabilities	126,274
Accounts payable and other current liabilities	170,324
Due to the City of Needles	28,745
Compensated absences	268,713
Customer deposits	2,447,428
Accrued interest payable	174,970
Current portion of bonds and notes payable	<u>1,074,236</u>
Total current liabilities	<u>4,290,690</u>

Noncurrent liabilities:

Net pension liability	969,701
Net OPEB liability	580,486
Bonds and notes payable, net of current portion	<u>19,387,495</u>
Total noncurrent liabilities	<u>20,937,682</u>
Total liabilities	<u>25,228,372</u>

Deferred inflows of resources:

Deferred inflows related to pensions	<u>962,544</u>
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Net position:

Restricted for debt service	9,879,534
Unrestricted	<u>1,567,555</u>
Total net position	<u>\$ 11,447,089</u>

See accompanying notes to financial statements.

**NEEDLES PUBLIC UTILITY AUTHORITY**

(A Component Unit of the City of Needles)

## Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2022

Operating revenues:	
Sales of electricity	\$ 11,078,124
Sales of water	3,604,199
Charges for wastewater system use	1,929,708
Other revenues	<u>733,993</u>
Total operating revenues	<u>17,346,024</u>
Operating expenses:	
Operations and maintenance	7,410,868
Electric power purchased	6,406,613
Depreciation and amortization	1,351,882
City franchise fee	<u>720,454</u>
Total operating expenses	<u>15,889,817</u>
Operating income	1,456,207
Nonoperating revenues (expenses):	
Interest expense	(1,335,945)
Interest and investment revenue	<u>11,941</u>
Net nonoperating expense	<u>(1,324,004)</u>
Income before contributions and transfers	132,203
Capital contributions	1,328,236
Operating transfers:	
Transfers to City of Needles	<u>(755,505)</u>
Change in net position	704,934
Net position at beginning of year	<u>10,742,155</u>
Net position at end of year	\$ <u><u>11,447,089</u></u>

See accompanying notes to financial statements.

**NEEDLES PUBLIC UTILITY AUTHORITY**

(A Component Unit of the City of Needles)

## Statement of Cash Flows

Year ended June 30, 2022

Cash flows from operating activities:	
Receipts from customers	\$ 15,933,222
Payments to City of Needles:	
Suppliers and other costs	(11,467,891)
Employee compensation and related costs	<u>(2,709,706)</u>
Net cash provided by operating activities	<u>1,755,625</u>
Cash flows from capital and related financing activities:	
Capital contributions	1,328,235
Purchases of capital assets	(940,688)
Principal paid on capital debt	(1,032,878)
Interest paid on capital debt	(1,351,927)
Net transfers for asset replacement reserves	<u>(755,505)</u>
Net cash used in capital and related financing activities	<u>(2,752,763)</u>
Cash flows from investing activities	
Interest and investment income collected	<u>11,941</u>
Net cash provided by investing activities	<u>11,941</u>
Change in cash and cash equivalents	(985,197)
Cash and cash equivalents at beginning of year	<u>10,864,731</u>
Cash and cash equivalents at end of year	\$ <u><u>9,879,534</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	1,456,207
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,351,882
Changes in operating assets and liabilities:	
Receivables	(1,280,417)
Due from City of Needles	(222,525)
Materials and supplies inventory	(59,883)
Deferred outflows of resources	(140,921)
Accounts payable and other current liabilities	38,940
Due to the City of Needles	28,745
Compensated absences	15,063
Customer deposits	(132,385)
Net pension liability	(390,151)
Net OPEB liability	241,756
Deferred inflows of resources	<u>849,314</u>
Net cash provided by operating activities	\$ <u><u>1,755,624</u></u>

See accompanying notes to financial statements.



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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Needles Public Utility Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Authority are described below:

**Reporting Entity**

The Authority was formed by a Joint Powers Agreement, entered into on June 6, 1997, between the City of Needles, California (City) and the Redevelopment Agency of the City of Needles (Agency). Pursuant to the provisions of ABX126, the Agency was dissolved effective February 1, 2012. The City currently serves as the successor agency to the former redevelopment agency that is responsible for revenue collection, maintaining the bond reserves, disposing of excess property and fulfilling the remaining obligations of the dissolved Agency.

The Authority was formed for the purpose of acquiring and operating the City's water, sewer and electrical enterprises. The Authority is governed by a Commission, the members of which are also members of the City Council. The Authority has no employees; its day-to-day activities and operations are performed by City employees under a management agreement with the City. The Authority is a component unit of the City.

**Basis of Accounting and Measurement Focus**

The Authority is considered to be an enterprise fund, which is a proprietary fund type. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Authority uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Authority's financial statements are presented in accordance with the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Statement No. 63 established standards for external financial reporting for all state and local governmental entities. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Basis of Accounting and Measurement Focus (continued)**

- Net investment in capital and intangible assets – This component of net position consists of capital and intangible assets, including restricted capital and intangible assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those capital assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – This category consists of that component of net position that does not meet the definition of restricted or net investment in capital assets.

**Implementation of New Accounting Pronouncements**

During the year ended June 30, 2022, the Authority considered the following Governmental Accounting Standards Board (GASB) statements:

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. GASB Statement No. 87 has been implemented. Management does not believe that the implementation of this statement will have a material effect on the Authority's financial statements.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Implementation of New Accounting Pronouncements, continued**

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. This Statement was to be effective for the fiscal year ended June 30, 2020 but was delayed for one year with the issuance of GASB Statement No. 95 as discussed below. The implementation of this statement did not have a material effect on the Authority's financial statements.

GASB Statement No. 90, *Majority Equity Interest, an Amendment of GASB Statements No. 16 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. This Statement was to be effective for the fiscal year ended June 30, 2020 but was delayed for one year with the issuance of GASB Statement No. 95 as discussed below. The implementation of this statement did not have a material effect on the Authority's financial statements.

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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Implementation of New Accounting Pronouncements, continued**

In May 2019, GASB issued Statement No. 91 *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosure. GASB Statement No. 91 will be effective for the fiscal year ending June 30, 2023.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements.

This Statement addresses a variety of topics and includes specific provisions about leases; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other than postemployment benefit (OPEB) plan; applicability of Statement No. 73 and 84 to postemployment benefits, measurements of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. GASB Statement No. 92 is effective for the fiscal year ending June 30, 2022. Management does not believe that the implementation of this statement had a material effect on the Authority's financial statements.

In April 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*. The primary objective of the Statement is to address the accounting and financial reporting implications of the replacement of IBOR. GASB Statement No. 93 is effective for the fiscal year ending June 30, 2022. Management does not believe that the implementation of this statement had a material effect on the Authority's financial statements.

In March 2020, GASB issued Statement No. 94, *Public-private and Public-public Partnership Arrangements (PPPs)*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). GASB Statement No. 94 will be effective for the fiscal year ending June 30, 2023.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Implementation of New Accounting Pronouncements, continued**

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- *Statement No. 87, Leases*
- *Implementation Guide No. 2019-3, Leases*.

In May 2020, GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements* (SBITAs). This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 will be effective for fiscal years beginning after June 15, 2022.

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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Implementation of New Accounting Pronouncements, continued**

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 is effective for fiscal years beginning after June 15, 2021. Management does not believe the implementation of this statement had a material impact on the Authority's financial statements.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replaces instances of comprehensive annual financial report and its acronym. This statement is effective for fiscal years ending after December 15, 2021. Management does not believe the implementation of this statement had a material impact on the Authority's financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Implementation of New Accounting Pronouncements, continued**

In October 2021, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

In October 2021, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The Authority is currently evaluating whether or not the above listed new GASB pronouncements with effective dates after the year ended June 30, 2022 will have a significant impact on its financial statements

**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 City's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's 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. The City allocates about 41.57% of the net pension liability and pension-related transactions to the Authority based on its share in the pension contribution for the year ended June 30, 2022.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position**

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, money market accounts and deposits with the Local Agency Investment Fund (LAIF), and also certificates of deposit and U.S. Treasury bills with maturities of less than 90 days when purchased. It also includes money market accounts in deposits held by the bond trustee that are not restricted.

Inventories

Inventories are recorded at average cost, which approximates net realizable value. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expense at the time individual inventory items are consumed rather than when purchased.

Capital Assets

Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and with an estimated useful life in excess of one year.

Capital assets of the Authority are recorded at either their historical cost or at an allocation of the utility plant purchase price, based on appraisal values at January 1, 1997. Donated assets are valued at their estimated fair value on the date donated. Depreciation for all exhaustible capital assets is charged as an expense against operations.

The provision for depreciation is computed using the straight-line method over estimated useful lives of the assets as follows:

Buildings	20 - 40 years
Improvements	20 - 40 years
Plant	15 - 30 years
Equipment	3 -10 years

Net interest costs during construction periods were capitalized for assets acquired by the issuance of long-term debt through the year ended June 30, 2020, but with the implementation of GASB Statement No. 89 during the year ended June 30, 2022 are charged to expense. Major additions and betterments are capitalized while expenditures for maintenance and repairs that do not add value to the assets and materially extend asset lives are charged to operations as incurred.



**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position**

Deposits

Customer deposits represent deposits held by the Authority as collateral in the event of non-payment for service rendered.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement Nos. 63 and 65, the Authority recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

**Revenues and Expenses**

Revenue Recognition

Charges for electricity, water and sewer use are recorded as billed to customers on a monthly cycle billing basis. At the end of each month, unbilled revenues are accrued for each cycle based on the most recent cycle billings.

Operating and Non-Operating Revenues and Expenses

Revenues and expenses are distinguished between operating and nonoperating items. The Authority defines operating revenues to be exchange transactions where a product or service is furnished and a charge collected therefrom, while operating expenses are all of the costs incurred in delivering those products or services including depreciation on capital assets. Nonoperating revenues and expenses are generally non-exchange transactions and those transactions that are capital and non-capital related financing activities or investing activities.

Compensated Absences

As discussed in Note 11, the Authority has a management agreement with the City concerning employees and their compensation.

All earned vacation, holiday, compensatory time off, and a portion of accumulated sick leave of the City's employees payable upon termination or retirement are accrued. The liability is accrued for a portion of the sick leave balances of all employees who are currently eligible to receive a payment for sick leave upon termination, as well as for those expected to become eligible. As of June 30, 2022, the total estimated liability for all compensated absences, including sick leave, was \$268,713.

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**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

Amortization

Canal construction cost sharing is amortized using the straight-line method over 40 years. Effective July 1, 2004, the Authority discontinued amortizing its Water Rights intangible asset, as this asset has an indeterminate life and has value. Water Rights are tested annually for impairment under GASB 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. If it is determined that the asset has been impaired, the book value will be adjusted to reflect the reduced fair value of the rights. Accumulated amortization on Water Rights amounted to \$490,688 prior to July 1, 2004.

**NOTE 2                      CASH AND INVESTMENTS**

The indenture for the 2016 Revenue Refunding Bonds (Note 6) requires the establishment of special funds to be held and administered by trustees and by the Authority. As of and for the year ended June 30, 2022, investments and cash held by trustees and by the Authority in these funds and accounts are as follows:

Custodian:	
Local Agency Investment Fund	\$ 2,969,794
Bank	<u>6,909,740</u>
	\$ <u>9,879,534</u>
Special funds balances:	
Operating funds	\$ 5,609,846
Electric asset replacement reserve	2,869,716
Utility rate stabilization fund	699,972
PCA balances	<u>700,000</u>
	\$ <u>9,879,534</u>

The Authority, periodically during the year, maintained bank balances in excess of federally insured limits.

Statutes authorize the Authority 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 of the State of California. Investments are stated at fair value.

**NOTE 2 CASH AND INVESTMENTS, continued**

**Investment in State Investment Pool**

The Authority is a voluntary participant in LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2022, the total fair value of LAIF, including accrued interest was approximately \$232 billion. The fair value of the Authority's investment in the pool is \$2,969,794 as of June 30, 2022. LAIF's and the Authority's exposure to risk (credit, market, or legal) is not currently available.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Authority's investment in LAIF as of June 30, 2022 is reported at the Agency's pro-rata share of the amortized cost provided by LAIF for the entire LAIF portfolio. This valuation amount which approximates fair value, is not categorized under the fair value hierarchy.

**NOTE 3 ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2022 consist of the following:

	<u>Electric</u>	<u>Water</u>	<u>AAC</u>	<u>Wastewater</u>	<u>Total</u>
Accounts receivable	\$2,772,367	479,153	19,749	339,154	3,610,423
Allowance for doubtful accounts	<u>(251,788)</u>	<u>(53,598)</u>	<u>-</u>	<u>(89,739)</u>	<u>(395,125)</u>
Net receivables	<u>\$2,520,579</u>	<u>425,555</u>	<u>19,749</u>	<u>249,415</u>	<u>3,215,298</u>

**NOTE 4 CAPITAL ASSETS**

Changes in capital assets for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Deductions</u>	<u>Ending Balance</u>
Nondepreciable assets:				
Land	\$ 3,199,100	-	( - )	3,199,100
Construction in progress	<u>167,403</u>	<u>575,004</u>	<u>-</u>	<u>742,407</u>
	3,366,503	575,004	( - )	3,941,507
Depreciable assets:				
Utility plant	41,206,965	282,035	-	41,489,000
Accumulated depreciation	<u>(25,140,714)</u>	<u>(1,248,873)</u>	<u>-</u>	<u>(26,389,587)</u>
	<u>16,066,251</u>	<u>(966,838)</u>	<u>-</u>	<u>15,099,413</u>
Capital assets, net	\$ <u>19,432,754</u>	<u>(391,834)</u>	<u>-</u>	<u>19,040,920</u>

**NOTE 5 INTANGIBLE ASSETS**

Changes in the intangible assets for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Deductions</u>	<u>Ending Balance</u>
Cost:				
Water rights	\$ 2,662,807	-	-	2,662,807
Canal construction cost sharing	<u>728,366</u>	<u>-</u>	<u>-</u>	<u>728,366</u>
	3,391,173	-	-	3,391,173
Accumulated amortization:				
Water rights	(1,622,379)	-	1,131,692	(490,687)
Canal construction cost sharing	<u>(443,086)</u>	<u>(18,209)</u>	<u>-</u>	<u>(461,296)</u>
	<u>(2,065,465)</u>	<u>(18,209)</u>	<u>1,131,692</u>	<u>(951,983)</u>
Capital assets, net	\$ <u>1,325,708</u>	<u>(18,209)</u>	<u>1,113,612</u>	<u>2,439,190</u>

**NOTE 6 LONG-TERM DEBT**

Long-term debt consists of the following:

- 2016 Revenue Refunding Bonds, interest at 3.86% payable each February 1st and August 1st – principal redemptions in varying annual amounts that are due through February 2031.
- Purchase Obligation due to the City, \$685,300 payable 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.

**NOTE 6 LONG-TERM DEBT, continued**

Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Revenue Bonds	\$ 11,872,583	-	(993,600)	10,878,983	1,032,323
Purchase Obligation	<u>9,622,026</u>	<u>-</u>	<u>(39,277)</u>	<u>9,582,749</u>	<u>41,914</u>
	\$ <u>21,494,609</u>	<u>-</u>	<u>(1,032,877)</u>	<u>20,461,732</u>	<u>1,074,237</u>

Annual maturities of long-term debt are as follows:

<u>Year Ending June 30</u>	<u>Revenue Refunding Bonds</u>	<u>Purchase Obligation</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,032,323	41,914	1,053,448	2,127,685
2024	1,072,556	44,728	1,010,401	2,127,685
2025	1,114,355	47,731	965,598	2,127,684
2026	1,157,784	50,936	918,964	2,127,684
2027	1,202,907	54,356	870,423	2,127,686
2028-2032	5,299,058	331,676	3,565,307	9,196,041
2033-2037	-	459,008	2,967,492	3,426,500
2038-2042	-	635,225	2,791,275	3,426,500
2043-2047	-	879,093	2,547,407	3,426,500
2048-2052	-	1,216,583	2,209,917	3,426,500
2053-2057	-	1,683,638	1,742,862	3,426,500
2058-2062	-	2,329,999	1,096,501	3,426,500
2063-2065	<u>-</u>	<u>1,807,862</u>	<u>248,013</u>	<u>2,055,875</u>
Total	\$ <u>10,878,983</u>	<u>9,582,749</u>	<u>21,987,608</u>	<u>42,449,340</u>

The varying long-term debt installment payments are to be made from various Authority revenues (all as defined in the applicable agreements) which are irrevocably pledged to such payments, as follows: net independent utility revenues for the 2016 Revenue Refunding Bonds; and, surplus revenues for the Purchase Obligation.

If an event of default shall have occurred and be continuing and if requested by the bond owner of a majority in aggregate principal amount of outstanding bonds, the Trustee shall exercise one or more of such available remedies as the Trustee as directed by the bond owner. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of the Indenture shall be applied by the Trustee in order upon presentation of the bonds.

During the years ended June 30, 2013, 2012 and 2010, the Authority made additional payments amounting to \$350,000, \$400,000, and \$250,000, respectively, on the Purchase Obligation (shown in the noncurrent assets in the Statements of Net Position).

**NOTE 6 LONG-TERM DEBT, continued**

Any future payments less than \$685,300 (annual debt service stated in the Purchase Obligation) will decrease the amount of the prepaid balance. The Authority reduced the annual payments to \$666,432 in 2019 which resulted in the reduction of the prepayment balance by \$18,868 in 2020. There was no reduction of the annual payment for the year ended June 20, 2022 and therefore no decrease in the prepaid balance.

Upon payment in full of all indebtedness of the Authority, title to the water, sewer, and electrical enterprises (Enterprises) shall automatically revert to the City.

**NOTE 7 Leases**

NPUA leased five vehicles from a car rental company in 2022. The interest rates on the leases are disclosed on the table below. The interest rates vary from 2.62% to 5.80%. The lease terms are five years.

Describe	Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Current Year Additional Outflows	Balance 30-Jun-22
Vehicle 23JSN6	Jul-21	5 years	\$485	2.73%	\$22,896	-	\$17,636
Vehicle 23MS7Z	Jul-21	5 years	\$465	2.82%	\$22,325	-	\$17,385
Vehicle 23JSN5	Jul-21	5 years	\$490	2.72%	\$23,118	-	\$17,806
Vehicle 23MS7J	Jul-21	5 years	\$724	2.62%	\$36,206	-	\$28,371
Vehicle 254JCC	Jun-22	5 years	\$880	5.80%	<u>\$45,735</u>	-	<u>\$45,076</u>
Total Lease Agreements					<u>\$150,280</u>		<u>\$126,274</u>

Annual requirements to amortize the lease and related interest are as follows:

Year Ending 30-Jun	Principal	Interest
2022	\$ 24,006	\$ 2,764
2023	\$ 32,111	\$ 4,303
2024	\$ 33,255	\$ 3,160
2025	\$ 34,445	\$ 1,970
2026	\$ 17,059	\$ 894
2027	<u>\$ 9,404</u>	<u>\$ 275</u>
	<u>\$ 150,280</u>	<u>\$ 13,366</u>

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**NOTE 8                      RETIREMENT PLAN**

**General Information about the Pension Plans**

***Plan Description***

All qualified permanent and probationary employees are eligible to participate in the City of Needles' Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by CalPERS. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Classic participants (defined as eligible participants prior to January 1, 2013) are required to contribute 8% of their annual covered salary. New participants (defined as eligible employees brought into CalPERS membership for the first time on or after January 1, 2013) contribute at least half the normal cost rate as determined by CalPERS. The City contributes the remaining amounts necessary to fund the benefits for its employees, using the actuarial basis adopted by the CalPERS Board of Administration.

***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. Classic 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.

With the implementation of GASB Statement No. 68, the City allocates about 41.57% of the City's net pension liability and pension-related transactions to the Authority based on its share in the pension contribution for the year ended June 30, 2022.

Amounts allocated in fiscal year 2021-22 were as follows:

Net pension liability	\$ 969,701
Deferred outflows of resources	472,352
Deferred inflows of resources	962,544
Pension expense	333,779

Please refer to the City's audited financial statements for the fiscal year ended June 30, 2022 for more information about the City's retirement plan required note disclosures and supplementary information in accordance with GASB Statement No. 68.

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**NOTE 9**                      **OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

***Plan Description***

In addition to providing pension benefits, the City provides certain health care benefits for retired employees. Classified and unclassified 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. Classified employees hired after July 1, 2007 and 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 and Funding Policy***

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 postemployment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The City pays for the postemployment 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.

***Net OPEB Liability***

The Authority’s net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

With the implementation of GASB Statement No. 75, the City allocates about 37.37% of the City’s net OPEB liability and related transactions to the Authority based on its share in the contribution for the year ended June 30, 2022. Amounts allocated in fiscal year 2021-22 were as follows:

Net OPEB liability	\$ 580,486
Deferred outflows of resources	38,098
OPEB expense	226,219

Please refer to the City’s audited financial statements for the fiscal year ended June 30, 2022 for more information about the City’s OPEB plan required note disclosures and supplementary information in accordance with GASB Statement No. 75.



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**NOTE 10                      ASSET REPLACEMENT FUNDS**

The Authority transfers certain amounts to the City to fund future replacement of existing property and equipment and other capital expenditure requirements of the Authority. For the year ended June 30, 2022, the Authority transferred \$678,552 to the City for deposit to the asset replacement funds.

At June 30, 2022, the following asset replacement funds are under the control and custody of the City and are recorded in the City's accounting records as restricted funds (less usage):

Water	\$	1,307,911
Wastewater		280,985
Electric		<u>1,354,824</u>
	\$	<u>2,943,720</u>

**NOTE 11                      COMMITMENTS AND CONTINGENCIES**

The Authority is considered a transmission and generation dependent electric utility, and, therefore, completely dependent on others for supply and transmission of energy to the City's electric system.

The Authority receives a hydroelectric allotment from the Parker-Davis Dam. The Authority's rate structure is designed to allocate the hydroelectric allotment equally among all customers, giving 395 KWH per customer per month in winter months and 740 KWH per customer per month in summer months. The actual cost of power is analyzed every month and if a Power Cost Adjustment (PCA) is required, it is to be put into effect the following month. If the PCA has gone down, then a credit is to be calculated by KWH per bill. The new rate structure is put into place every October.

In 2008, the Authority partnered with the United States Department of Energy Western Area Power Administration (WAPA) for management of energy costs. This partnership was effective April 1, 2008 and has allowed the Authority greater flexibility in the power purchase market. Through WAPA the Authority is able to procure long term power supply contracts, and limit risks in the spot market.

**NOTE 12                      RELATED PARTY TRANSACTIONS**

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.

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**NOTE 12**                      **RELATED PARTY TRANSACTIONS, continued**

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 the Authority’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 the 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, 2022 amounted to \$14,128,998. This amount includes payment of Fair Share Allocation (FSA) and purchases of electric power and capital assets.

In exchange for the City providing rights of way and rights of access to all real property owned by the City and necessary for the Authority to operate the Enterprises, the City collected an annual franchise fee from the Authority. The amount of the franchise fee was determined by the City, the payment of which is subordinate to the Authority’s annual debt service. In August 2010, the Authority’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 the Authority and established a utility user tax of up to 2.5% to be applied to electric, water and sewer charges. In FY 17 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 tax amounted to \$1,054,119 for the year ended June 30, 2022.

In connection with the City’s 1997 sale of the Enterprises to the Authority, the Authority’s remaining unpaid purchase obligation to the City is payable annually, each February 1, through 2065. Payments are payable solely from Surplus Revenues (as defined). Purchase obligation payments amounted to \$685,300 for the year ended June 30, 2022, which included interest amounting to \$646,023. The unpaid purchase obligation is included in the bonds and note payable account in the Statement of Net Position.

**NOTE 13**                      **RISK MANAGEMENT**

The Authority is subject to various risks in the normal course of operations. The Authority, as a component unit of the City, protects itself against such risks by the City’s participation in the California Joint Powers Insurance Authority (CJPIA), a joint power agency (risk-sharing pool) that provides an independently managed, self-insurance program for member cities.

**NOTE 13                      RISK MANAGEMENT, continued**

The City contributes its pro rata share of anticipated losses to a pool administered by CJPIA. Should actual losses among participants exceed anticipated losses, the City will be assessed its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess.

The Authority's allocated share of the City's contributions to CJPIA is included in the operations and maintenance expenses paid to the City under the management agreement discussed in Note 11.

**NOTE 14                      SUBSEQUENT EVENTS**

The Authority has evaluated events subsequent to June 30, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 24, 2023, the date on which the financial statements were available to be issued.

**NEEDLES PUBLIC UTILITY AUTHORITY**  
(A Component Unit of the City of Needles)  
Combining Schedule of Net Position  
June 30, 2022

	<u>WATER</u>				
			All American Canal	Wastewater	Total
<b>ASSETS</b>	<u>Electric</u>	<u>Water</u>			
Current assets:					
Cash and cash equivalents	\$ 8,308,778	897,575	-	673,181	9,879,534
Receivables, net	2,520,579	425,555	19,749	249,415	3,215,298
Due from City of Needles	286,177	199,439	150,076	156,963	792,655
Due from other funds	573,011	-	195,718	-	768,729
Materials and supplies inventory	705,741	24,868	-	33,115	763,724
Total current assets	<u>12,394,286</u>	<u>1,547,437</u>	<u>365,543</u>	<u>1,112,674</u>	<u>15,419,940</u>
Noncurrent assets:					
Right of use assets	90,550	17,401	-	17,173	125,124
Prepayment of purchase obligation	409,422	191,644	-	270,044	871,110
Capital assets, net of accumulated depreciation	10,540,991	3,982,359	-	4,517,570	19,040,920
Intangible assets, net of accumulated amortization	-	2,172,119	-	267,071	2,439,190
Total noncurrent assets	<u>11,040,963</u>	<u>6,363,523</u>	<u>-</u>	<u>5,071,858</u>	<u>22,476,344</u>
Total assets	<u>23,435,249</u>	<u>7,910,960</u>	<u>365,543</u>	<u>6,184,532</u>	<u>37,896,284</u>
Deferred outflows of resources:					
Deferred outflows related to pensions	283,411	127,535	9,447	51,959	472,352
Deferred outflows related to OPEB	22,859	10,286	762	4,191	38,098
Total deferred outflows of resources	<u>306,270</u>	<u>137,821</u>	<u>10,209</u>	<u>56,150</u>	<u>510,450</u>
<b>LIABILITIES AND NET POSITION</b>					
Current liabilities:					
Lease liabilities	91,253	17,385	-	17,636	126,274
Accounts payable and other current liabilities	122,633	20,098	7,154	20,439	170,324
Due to the City of Needles	28,745	-	-	-	28,745
Due to other funds	-	554,839	-	213,890	768,729
Compensated absences	176,535	57,296	2,539	32,343	268,713
Customer deposits	2,383,978	63,450	-	-	2,447,428
Accrued interest payable	82,236	38,493	-	54,241	174,970
Current portion of bonds and notes payable	504,891	236,332	-	333,013	1,074,236
Total current liabilities	<u>3,390,271</u>	<u>987,893</u>	<u>9,693</u>	<u>671,562</u>	<u>5,059,419</u>
Noncurrent liabilities:					
Net pension liability	581,821	261,819	19,394	106,667	969,701
Net OPEB liability	348,292	156,731	11,610	63,853	580,486
Bonds and notes payable, net of current portion	9,112,123	4,265,249	-	6,010,123	19,387,495
Total noncurrent liabilities	<u>10,042,236</u>	<u>4,683,799</u>	<u>31,004</u>	<u>6,180,643</u>	<u>20,937,682</u>
Total liabilities	<u>13,432,507</u>	<u>5,671,692</u>	<u>40,697</u>	<u>6,852,205</u>	<u>25,997,101</u>
Deferred inflows of resources:					
Deferred inflows related to pension	577,526	259,887	19,251	105,880	962,544
Net position:					
Restricted for debt service	8,308,778	897,575	-	673,181	9,879,534
Unrestricted	1,422,708	1,219,627	315,804	( 1,390,584)	1,567,555
Total net position	<u>\$ 9,731,486</u>	<u>2,117,202</u>	<u>315,804</u>	<u>( 717,403)</u>	<u>11,447,089</u>

See independent auditor's report.

**NEEDLES PUBLIC UTILITY AUTHORITY**  
(A Component Unit of the City of Needles)

Combining Schedule of Revenues, Expenses and Changes in Net Position  
Year ended June 30, 2022

		Water			
		All American			
	<u>Electric</u>	<u>Water</u>	<u>Canal</u>	<u>Wastewater</u>	<u>Total</u>
Operating revenues:					
Sales of electricity	\$ 11,078,124	-	-	-	11,078,124
Sales of water	-	2,628,699	975,500	-	3,604,199
Charges for wastewater system use	-	-	-	1,929,708	1,929,708
Other revenues	671,779	62,214	-	-	733,993
Total operating revenues	<u>11,749,903</u>	<u>2,690,913</u>	<u>975,500</u>	<u>1,929,708</u>	<u>17,346,024</u>
Operating expenses:					
Electric power purchased	6,406,613	-	-	-	6,406,613
Salaries and benefits	1,363,372	982,354	66,850	312,193	2,724,769
Depreciation and amortization	543,905	358,619	18,209	431,149	1,351,882
City franchise fee	489,514	145,017	-	85,923	720,454
Supplies	659,352	92,909	1,722	21,797	775,780
Administrative and management	533,257	312,130	14,184	167,678	1,027,249
Power and utilities	51,803	164,604	27	133,459	349,893
Contractual services	114,295	144,763	813,982	433,149	1,506,189
Maintenance and operations	92,058	13,799	-	34,953	140,810
Insurance	257,343	25,831	-	32,639	315,813
Conservation/solar rebates	94,104	870	-	-	94,974
Miscellaneous	321,751	61,041	1,894	90,705	475,391
Total operating expenses	<u>10,927,367</u>	<u>2,301,937</u>	<u>916,868</u>	<u>1,743,645</u>	<u>15,889,817</u>
Operating income	<u>822,536</u>	<u>388,976</u>	<u>58,632</u>	<u>186,063</u>	<u>1,456,207</u>
Nonoperating revenues (expenses);					
Interest expense	(627,894)	(293,908)	-	(414,143)	(1,335,945)
Interest and investment revenue	5,612	2,627	-	3,702	11,941
Net nonoperating expense	<u>(622,282)</u>	<u>(291,281)</u>	<u>-</u>	<u>(410,441)</u>	<u>(1,324,004)</u>
Income before contributions and transfers	<u>200,254</u>	<u>97,695</u>	<u>58,632</u>	<u>(224,378)</u>	<u>132,203</u>
Capital contributions	187,198	807,416	-	333,622	1,328,236
Operating transfers					
Transfers to City of Needles	<u>(507,540)</u>	<u>(160,888)</u>	<u>-</u>	<u>(87,077)</u>	<u>(755,505)</u>
Change in net position	<u>(120,088)</u>	<u>744,223</u>	<u>58,632</u>	<u>22,167</u>	<u>704,934</u>
Net position at beginning of year	<u>9,851,574</u>	<u>1,372,979</u>	<u>257,172</u>	<u>(739,570)</u>	<u>10,742,155</u>
Net position at end of year	<u>\$ 9,731,486</u>	<u>2,117,202</u>	<u>315,804</u>	<u>(717,403)</u>	<u>11,447,089</u>

See independent auditor's report.

**NEEDLES PUBLIC UTILITY AUTHORITY**  
(A Component Unit of the City of Needles)

Combining Schedule of Cash Flows  
Year ended June 30, 2022

	WATER				
			All American Canal		
	Electric	Water		Wastewater	Total
Cash flows from operating activities:					
Receipts from customers	\$ 10,446,901	2,641,139	965,625	1,879,557	15,933,222
Payments to City of Needles:					
Suppliers and other costs	( 8,328,510)	( 1,173,711)	( 880,775)	( 1,084,895)	( 11,467,891)
Employee compensation and related costs	( 1,352,240)	( 981,663)	( 66,641)	( 309,162)	( 2,709,706)
Net cash provided by operating activities	<u>766,151</u>	<u>485,765</u>	<u>18,209</u>	<u>485,500</u>	<u>1,755,625</u>
Cash flows from capital and related financing activities:					
Capital contributions	187,198	807,414	-	333,623	1,328,235
Purchases of capital assets	( 95,858)	( 735,919)	( 18,209)	( 90,702)	( 940,688)
Principal paid on capital debt	( 485,452)	( 227,233)	-	( 320,193)	( 1,032,878)
Interest paid on capital debt	( 635,406)	( 297,424)	-	( 419,097)	( 1,351,927)
Net transfers for asset replacement reserves	( 507,540)	( 160,888)	-	( 87,077)	( 755,505)
Net cash used in capital and related financing activities	<u>( 1,537,058)</u>	<u>( 614,050)</u>	<u>( 18,209)</u>	<u>( 583,446)</u>	<u>( 2,752,763)</u>
Cash flows from investing activities:					
Interest and investment income collected	<u>5,612</u>	<u>2,627</u>	<u>-</u>	<u>3,702</u>	<u>11,941</u>
Net cash provided by investing activities	<u>5,612</u>	<u>2,627</u>	<u>-</u>	<u>3,702</u>	<u>11,941</u>
Change in cash and cash equivalents	( 765,295)	( 125,658)	-	( 94,244)	( 985,197)
Cash and cash equivalents at beginning of year	<u>9,074,073</u>	<u>1,023,233</u>	<u>-</u>	<u>767,425</u>	<u>10,864,731</u>
Cash and cash equivalents at end of year	<u>\$ 8,308,778</u>	<u>897,575</u>	<u>-</u>	<u>673,181</u>	<u>9,879,534</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	822,536	388,976	58,632	186,063	1,456,207
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	543,905	358,619	18,209	431,149	1,351,882
Changes in operating assets and liabilities:					
Receivables	( 1,170,617)	( 49,774)	( 9,875)	( 50,151)	( 1,280,417)
Due from City of Needles	283,953	( 199,439)	( 150,076)	( 156,963)	( 222,525)
Due from other funds	75,693	-	88,274	-	163,967
Materials and supplies inventory	( 60,847)	3	-	961	( 59,883)
Deferred outflows of resources	( 84,553)	( 38,048)	( 2,818)	( 15,502)	( 140,921)
Accounts payable and other current liabilities	28,037	4,595	1,636	4,672	38,940
Due to the City of Needles	28,745	-	-	-	28,745
Due to other funds	-	( 169,106)	-	5,139	( 163,967)
Compensated absences	11,132	691	209	3,031	15,063
Customer deposits	( 132,385)	-	-	-	( 132,385)
Net pension liability	( 234,090)	( 105,341)	( 7,803)	( 42,917)	( 390,151)
Net OPEB liability	145,054	65,274	4,835	26,593	241,756
Deferred inflows of resources	<u>509,588</u>	<u>229,315</u>	<u>16,986</u>	<u>93,425</u>	<u>849,314</u>
Net cash provided by operating activities	<u>\$ 766,151</u>	<u>485,765</u>	<u>18,209</u>	<u>485,500</u>	<u>1,755,625</u>

See independent auditor's report.

**Report of Independent Auditors 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***

**Members of the Commission of the Needles Public Utility Authority**

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, the financial statements of Needles Public Utility Authority (the Authority), a component unit of the City of Needles, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 24, 2023.

**Internal Control Over Financial Reporting**

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

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority'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 determination of financial statement amounts. 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*.

## **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bryce # Comm, P.C.*

March 24, 2023  
Saipan, MP







# County of



# Riverside

## RIVERSIDE COUNTY BOARD OF SUPERVISORS

### Presents This CERTIFICATE OF RECOGNITION

to

*City of Needles*

**Comprehensive Plan- Small Jurisdiction Award  
American Planning Association**

To congratulate and recognize The City of Needles for the significant impact in promoting sustainable development, improving urban infrastructure, and enhancing the quality of life for communities across the region. We are proud to honor you with this certificate of appreciation and express our gratitude for your leadership, vision, and service. Congratulations!

May 11<sup>th</sup>, 2023

Dr. Yxstian Gutierrez, 5<sup>th</sup> District Supervisor



City of Needles, California  
Request for City Council Action

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☒ CITY COUNCIL ☒ NPUA ☐ SARDA ☒ HACN ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** City of Needles, NPUA, & Housing Authority of the City of Needles proposed budgets for FY 2024 Public Hearing and approval of Resolutions 2023-38, 06-13-2023-NPUA, and 2023-4-HACN adopting the Proposed Budgets for the fiscal year ending 06/30/24

**Background:** A Budget Workshop was held for Council at their meeting on May 23, 2023. Discussion drafts were presented of the City of Needles budgets for FY 2024.

Since that budget workshop, a few changes have been made to the budget. Golf revenue was increased \$47,897 and Golf expenses were increased \$9,213 which decreased the Transfer from General Fund by \$38,684. In addition, Gas/SB1 taxes are reduced by \$9,692 due to new projections received.

The Options list also has some changes. The request for an additional MCW1 for Parks was removed. This will be revisited after all the park improvements are complete. Also added to the Options list is \$50,000 for a marketing position or consultant and \$353,721 for the addition of 1 Deputy Sheriff.

The updated General Fund budget projects a cash reserve balance at June 30, 2024 of \$1,163,967, which meets our reserve goal of 10% of General Fund operating expenditures per our Fiscal Stability Policy.

Also attached is the Authorized Position List which includes all the positions that are on the departmental budgets presented to Council/NPUA/HACN board at their last meeting, and the financial policies.

The NPUA budgets are included and were recommended for approval by the Board of Public Utilities on May 16, 2023.

# 5





**City of Needles, California  
Request for City Council Action**

A Public Hearing is being held today for open discussion and any additional questions regarding these budgets.

**Critical Timeline:** As per City Charter Section 1102, the budget shall be adopted on or before June 30 of each year.

**Fiscal Impact:** Budget summaries for all departments are attached, along with the Capital Improvements plans and financial policies.

**Recommended Action:**

**Public hearing and approval of Resolutions 2023-38, 06-13-2023-NPUA, and 2023-4-HACN adopting the Proposed Budgets for the fiscal year ending 06/30/24**

**Submitted By:** Barbara DiLeo, Finance

**City Management Review:** Rick

**Date:** 6/7/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 5



RESOLUTION NO. 2023-38

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF NEEDLES, CALIFORNIA ADOPTING  
THE PROPOSED BUDGET FOR FISCAL YEAR  
2023 – 2024

WHEREAS the Proposed Budget for the operations of the City of Needles, California for fiscal year 2023-24 has been prepared and submitted to the City Council,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California does hereby approve and adopt the 2023 – 2024 fiscal year budget for the operation of the City of Needles as submitted,

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13th day of June 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Attorney





RESOLUTION NO. 06-13-2023-NPUA

A RESOLUTION OF THE NEEDLES PUBLIC UTILITY  
AUTHORITY OF THE CITY OF NEEDLES, CALIFORNIA ADOPTING  
THE PROPOSED BUDGET FOR FISCAL YEAR  
2023 – 2024

WHEREAS the Proposed Budget for the operations of the NPUA for fiscal year 2023-24 has been prepared and submitted to the Needles Public Utility Authority,

WHEREAS the Board of Public Utilities approved the budget on May 16, 2023,

NOW, THEREFORE, BE IT RESOLVED that the Needles Public Utility Authority Board of Directors of the City of Needles, California does hereby approve and adopt the 2023 – 2024 fiscal year budget for the operation of the Needles Public Utility Authority as submitted,

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Needles Public Utility Authority of the City of Needles, California, held on the 13th day of June 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Attorney



RESOLUTION NO. 2023-4-HACN

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF NEEDLES,  
CALIFORNIA ADOPTING  
THE PROPOSED BUDGET FOR FISCAL YEAR  
2023 – 2024

WHEREAS the Proposed Budget for the operations of the Housing Authority of the City of Needles, California for fiscal year 2023-24 has been prepared and submitted to the Board of Commissioners of the Housing Authority of the City of Needles,

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Needles, California does hereby approve and adopt the 2023 – 2024 fiscal year budget for the operation of the Housing Authority of the City of Needles as submitted,

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Housing Authority of the City of Needles, California, held on the 13th day of June 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Attorney



CITY OF NEEDLES										DRAFT	
General Fund Summary											
FY 2023 / 2024											
		2023		2024						Comments	
		Revised Budget		Requested Budget		Percent Change					

Base Level Comparison - GENERAL FUND		FY 24	DRAFT	
			Revenues	Operating Expenses
Base level from mid-year approved budget FY 23		11,657,452	10,380,433	
<u>Revenue Increases / (Decreases)</u>				
Property Tax		130,000		9.5% projected increase from last year
Documentary transfer tax		(7,000)		FY 23 under-realized; adjust
Sales & Use taxes		(25,000)		FY 23 under-realized; adjust
1/2 Cent Public Safety		10,000		13% projected increase from last year
Transient Occupancy tax		160,000		17% increase projected from increase in travel and hotel rooms
Dispensary business tax		(300,000)		FY 23 under-realized; adjust
Cultivation business tax		(100,000)		FY 23 under-realized; adjust
Utility users tax		12,000		Increased due to COLA increase to base rates
Business license fees		7,000		Anticipated increase due to enforcement
Planning		6,500		Increase in site plan development review revenues
Building & Safety		35,000		Increase in plan check and bldg permit fees
Engineering		(3,500)		Decrease in Transportation permits
Code Enforcement		26,000		Increase in Cannabis compliance and abatement
Interest Earnings		(9,000)		Overestimated in FY 23
Property Rentals		51,000		New lease with Sheriff's office at Chamber
Transfer from Gas Tax		(14,283)		New projections
Transfer from RDA		(41,447)		FY 23 had land sale
Needles Utility Purch Pmt		(18,714)		Lower pymt due to pro-payment
General Gov't Services		25,200		Increase in Fair Share Allocation
Aquatics		100		Increase in pass sales
Jack Smith Park		15,500		Increase in launch passes
Recreation		3,500		Increase in property rentals and concessions
		(37,144)		
<u>Departments</u>				
City Attorney			5,000	Lower legal fees in FY 23
City Manager			11,084	Employee allocation changes
Finance			90,891	Employee allocation changes plus Pay & Class increases and pay increases per contract & associated p/r costs
Finance			20,000	Increase in legal fees for ongoing matters
Finance			16,000	Increase in audit fees; \$10K Cannabis, \$6K City
Finance			6,100	Increase in payroll and bank fees
Finance			4,600	Increase in allocable internal service costs
Finance			3,400	Increase in professional services

Base Level Comparison - GENERAL FUND		FY 24	
			<b>DRAFT</b>
	Revenues	Operating Expenses	
Mayor / Council / Clerk		31,318	Employee allocation changes plus Pay & Class increases and pay increases per contract & associated p/r costs
Mayor / Council / Clerk		8,677	Increase in memberships, subscriptions and insurance costs
Mayor / Council / Clerk		(12,000)	Higher amount of travel in FY 23
Planning / Zoning		23,454	Pay & Class increases and pay increases per contract & associated p/r costs
Planning / Zoning		2,203	Increase in allocable internal service costs and insurance
Planning / Zoning		1,900	Increase in supplies and advertising
Engineering		73,535	Pay increases per contract & associated p/r costs plus Project Manager partial year in FY 23
Engineering		2,578	Increase in allocable internal service costs and insurance
Engineering		1,945	Increase in training and travel
Community Promotions		12,980	Increase due to full year pymt for Visitor's Center
Community Promotions		11,300	Increase in economic development consulting from FY 23
Community Promotions		(12,600)	Decrease in economic development grants
Senior Center		1,800	Increases in utilities and insurance
Senior Center		945	Pay increases per contract & associated p/r costs
Police (Sheriff contract)		165,338	Increase in contract for base level continuation
Police (Sheriff contract)		(1,095)	Decrease in PERS unfunded liability & vehicle fuel
Animal Shelter / Control		21,802	Pay & Class increases and pay increases per contract & associated p/r costs
Animal Shelter / Control		4,130	Increase in maint, supplies and fuel
Animal Shelter / Control		2,171	Increase in spay/neuter, vet, and insurance
Building & Safety		(57,296)	Pay increases per contract & associated p/r costs less amount allocated for Building Inspector position removed
Building & Safety		(64,000)	Reduction in consulting services
Code Enforcement		55,000	Additional legal cost
Code Enforcement		46,903	Pay & Class increases and pay increases per contract & associated p/r costs
Code Enforcement		6,000	Increase in abatement costs

Base Level Comparison - GENERAL FUND		FY 24	
			<b>DRAFT</b>
		Revenues	Operating Expenses
	Public Works		53,395
	Public Works		9,323
	Public Works		2,928
	Public Works		(96,446)
	Sanitation		8,297
	Sanitation		2,570
	Aquatics		42,649
	Aquatics		2,480
	Aquatics		1,967
	Parks / Buildings / Grounds		42,649
	Parks / Buildings / Grounds		31,607
	Parks / Buildings / Grounds		11,500
	Parks / Buildings / Grounds		8,250
	Parks / Buildings / Grounds		4,001
	Jack Smith Park Marina		5,443
	Jack Smith Park Marina		880
	Recreation		9,201
	Recreation		2,312
	Recreation		(71,947)
	Transfers to Golf		(131,534)
	Transfers to Other		(74,522)
	FY 23 draft budget v.3	11,620,308	10,729,499
	Increase / (decrease) from mid-year	(37,144)	349,066



## LAW ENFORCEMENT SERVICES CONTRACT

Level of Service	Proposed		
	FY 2022-2023 Cost	FY 2023-24 Cost	Increase (Decrease)
.31 - Lieutenant	115,843	124,712	8,869
1.35 - Sergeant	423,967	455,966	31,999
1.00 - Detective/Corporal	264,833	284,730	19,897
8.42 - Deputy Sheriff Tier 2	1,856,972	1,993,898	136,926
.90 - Sheriff's Service Specialist	78,998	78,850	(148)
.50 - Office Specialist	40,436	40,463	27
4.00 - Marked Unit	73,384	77,261	3,877
1.0 - Unmarked Unit	7,429	7,968	539
.90 - Pickup Truck	7,281	7,622	341
1.0 - Citizen Patrol Truck	6,369	6,357	(12)
Dispatch Services	163,951	175,671	11,720
11.90 - HTs (Amortization, Access & Maintenance)	16,767	16,624	(143)
10.00 - Taser Replacement (Amortized over 5-years)	3,360	3,360	0
Administrative Support	20,973	13,929	(7,044)
Office Automation	45,572	33,276	(12,296)
Services & Supplies	16,956	To be billed qtrly	(16,956)
Vehicle Insurance	37,062	8,247	(28,815)
Personal Liability & Bonding	101,900	216,224	114,324
Workers Comp Experience Modification	11,837	19,347	7,510
Law Enforcement Experience Modification	60,504		(60,504)
County Administrative Cost	95,785	54,527	(41,258)
	<u>3,450,179</u>	<u>3,619,032</u>	<u>168,853</u>

<b>CITY OF NEEDLES</b>						
<b>SHERIFF DEPARTMENT EXPENSE</b>						
<b>AS COMPARED TO GENERAL FUND REVENUES</b>						
<b>FY 19 to FY 24</b>						
	<b>FY 19</b>	<b>FY 20</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 24</b>
<b>SHERIFF</b>					<i>BUDGET</i>	<i>PROJECTED- ROLLOVER</i>
Contract	\$ 2,425,933	\$ 2,568,054	\$ 2,734,700	\$ 3,022,241	\$ 3,357,196	\$ 3,522,534
Other expenses	\$ 76,227	\$ 46,404	\$ 75,270	\$ 180,794	\$ 237,595	\$ 236,500
<i>TOTAL</i>	<i>\$ 2,502,160</i>	<i>\$ 2,614,458</i>	<i>\$ 2,809,970</i>	<i>\$ 3,203,035</i>	<i>\$ 3,594,791</i>	<i>\$ 3,759,034</i>
\$ amount increase from prior year		\$ 112,298	\$ 195,512	\$ 393,065	\$ 391,756	\$ 164,243
% increase from prior year		4.49%	7.48%	13.99%	12.23%	17.36%
General Fund						
Revenue**	\$ 5,149,558	\$ 5,920,438	\$ 6,715,527	\$ 6,892,701	\$ 6,757,452	\$ 7,120,308
Sheriff total %	49%	44%	42%	46%	53%	53%
** Cannabis revenues have been deducted in order to normalize the annual ratio and make the variables comparable.						

CAPITAL IMPROVEMENT PLAN			DRAFT
FY 2024 - FY 2029			
	(in priority order as identified by dept. managers)	Cost Estimate	Funding Source
<b>ANIMAL SHELTER</b>			
1.	Kennel area upgrades	3,000	donations
2.	Build additional storage	5,000-10,000	donations
3.	Shelter building add restrooms	20,000	?
<b>AQUATICS</b>			
1.	Re-plaster main pool	150,000	?
2.	Seam dismantle and repair on slide	50,000	?
Either/or 3.	Replace microprocessor for automatic main pool filter (new system)	20,000	?
Either/or 4.	Install valves & gauges for manual filter operation	10,000	?
5.	Concrete under slide area	5,000-10,000	?
<b>JACK SMITH PARK MARINA</b>			
1.	Bollards / cable along south side of River Rd. (Dike Rd.)	110,000	?
2.	Improvements to restrooms on no. side of parking lot	20,000	?
<b>PARKS / BUILDINGS / GROUNDS</b>			
* 1.	Duke Watkins Park improvements	3,965,400	CA Dept. of Parks & Recreation
* 2.	Jack Smith Park improvements	196,287	CA Dept. of Parks & Rec./CalRecycle
* 3.	Marina Park, First Beach improvements	2,179,702	CalTrans
* 4.	Bleacher shade structures for Nikki Bunch and Ed Perry	150,000	NUSD
5.	Bleachers for Duke Watkins	20,000	?
6.	Mower	30,000	?
7.	Fleet - Lease 2 pickups	100,000	?
8.	200 tons of rock to landscape grounds near pool/park	6,500	?
9.	New parking lot behind Nikki Bunch / Franz fields (28k sf)	105,000	?
10.	River walk design	5,000	?
11.	Aquatics Center improvements	7,400,000	?
<b>PUBLIC WORKS</b>			
1.	New asphalt truck	250,000	?
2.	New dump truck	75,000	?
3.	Shade structures for equipment	150,000	?
4.	North K Railroad underpass flood prevention	200,000	?
5.	Fourth Year Paving Replacement - FY 24	2,966,776	?
6.	City yard rehab. / asphalt repave	180,000	?
General Fund Total (estimate)		18,382,665	

CAPITAL IMPROVEMENT PLAN			DRAFT
FY 2024 - FY 2029			
	(in priority order as identified by dept. managers)	Cost Estimate	Funding Source
<b>CEMETERY</b>			
1.	New mower	25,000	General Fund Budgeted
2.	Solar shade cover at maintenance yard	100,000	?
3.	New irrigation system within Cemetery & future site	400,000	?
4.	Automated cemetery records (incl. cost of data input)	10,000	?
5.	Pioneer Cemetery security & hillside stabilization	125,000	?
6.	Install new well on grounds for irrigation	850,000	?
7.	Use of reclaimed water (in lieu of new well)	1,200,000	?
	Cemetery Total (estimate)	2,710,000	
<b>GOLF COURSE MAINTENANCE</b>			
* 1.	Golf Irrigation System	715,538	Bureau of Reclamation grant
2.	Approach mower	15,000	?
3.	Pro Gator (topdress, etc.)	15,000	?
4.	Greens mower	15,000	?
5.	Tractor with backhoe	27,500	?
6.	Pave Golf Maintenance yard	122,800	?
7.	Level & pave cart path	50,000	
	Golf Total (estimate)	245,300	
	Grand Total	21,337,965	
* Pending funding			

OPTIONS LIST:		DRAFT	
FY 24			
GENERAL FUND	48,078	ANIMAL CONTROL - Change current part time Animal Control Officer to full time	
	28,000	PARKS - Lease of 2 pickup trucks	
	20,318	RECREATION - Replace garage doors at dance studio	
	50,000	MARKETING - Position or consultant	
	353,721	POLICE - Add 1 Deputy Sheriff	
	500,117	Total for GENERAL FUND	

## LAW ENFORCEMENT SERVICES CONTRACT

Level of Service	Proposed	With 1 add'l Deputy Sheriff	Options List
	FY 2023-24 Cost	FY 2023-24 Cost	Increase (Decrease)
.31 - Lieutenant	124,712	139,407	14,695
1.35 - Sergeant	455,966	509,705	53,739
1.00 - Detective/Corporal	284,730	284,730	0
8.42 - Deputy Sheriff Tier 2	1,993,898	2,256,752	262,854
.90 - Sheriff's Service Specialist	78,850	78,850	0
.50 - Office Specialist	40,463	40,463	0
4.00 - Marked Unit	77,261	77,261	0
1.0 - Unmarked Unit	7,968	7,968	0
.90 - Pickup Truck	7,622	7,622	0
1.0 - Citizen Patrol Truck	6,357	6,357	0
Dispatch Services	175,671	196,371	20,700
11.90 - HTs (Amortization, Access & Maintenance)	16,624	18,021	1,397
10.00 - Taser Replacement (Amortized over 5-years)	3,360	3,696	336
Administrative Support	13,929	13,929	0
Office Automation	33,276	33,276	0
Services & Supplies	To be billed qtrly	To be billed qtrly	
Vehicle Insurance	8,247	8,247	0
Personal Liability & Bonding	216,224	216,224	0
Workers Comp Experience Modification	19,347	19,347	0
Law Enforcement Experience Modification			0
County Administrative Cost	54,527	54,527	0
	<u>3,619,032</u>	<u>3,972,753</u>	<u>353,721</u>

v.2-051523

[illegible]

		CITY OF NEEDLES				
		Special Revenue Funds				
		FY 2023 / 2024				
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v.1-050223

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**CITY OF NEEDLES**  
**FINANCE DEPARTMENT**  
**817 THIRD STREET**  
**NEEDLES, CA 92363**

**Question:** What is an **INTERNAL SERVICE FUND**?

**Explanation:** There are certain activities that effect the entire City, but are charged to an Internal Service Fund.

The Internal Service Funds are as follows:

<u>NAME OF FUND:</u>	<u>PURPOSE OF FUND:</u>
<i>Utility Business Office</i>	The operation of billing and collecting utility payments, banking, and General Fund and Golf Course cash deposits.
<i>Management Info. Systems</i>	Computer operations and maintenance, WIFI, website, cloud and network services.
<i>Central Purchasing</i>	Purchasing of general supplies for City Hall and all City and NPUA departments.
<i>Fleet Maintenance</i>	Maintaining all City-owned and NPUA-owned vehicles, trucks, and heavy equipment.
<i>Vehicle Replacement Fund</i>	Based on the existing fleet of vehicles, a "savings account" is increased each year to use for future replacement of vehicles. It is based on an average life of six years per vehicle.

As expenditures occur, they are charged to the appropriate Internal Service Fund.

A monthly allocation is made to all departments of the City and NPUA to cover the expenses of each Internal Service Fund. This allocation is based on the particular department's percentage of usage of that fund.

		CITY OF NEEDLES					DRAFT
		Internal Service Funds					
		FY 2023 / 2024					











Base Level Comparison		FY 2024	
		Revenues	Operating Expenses
<b><u>WATER</u></b>			
Base level from mid-year approved budget FY 23		2,912,242	1,989,949
<u>Increases</u>			
	Increase in rates - 5% COLA to base	144,058	
	Add Sr Water Operator position		121,643
	Pay increases per contract, & associated p/r costs		51,597
	Increase in professional/consulting services and insurance		29,351
	Increase in allocable internal service costs		13,840
	Increase in reservoir repairs & maint		5,000
<u>Decreases</u>			
	Decrease in legal fees (RBV)		(50,000)
FY 24 draft budget v. 1		3,056,300	2,161,380
Increase / (decrease)		144,058	171,431
<b><u>WASTEWATER</u></b>			
Base level from mid-year approved budget FY 23		2,129,342	1,300,945
<u>Increases</u>			
	Increase in rates - 5% COLA to base	39,000	
	Pay increases per contract, & associated p/r costs		31,425
	Increase in professional/consulting services and insurance		20,524
	Electric utility increase		15,000
	Increase in repair costs		7,713
	Increase in allocable internal service costs		5,221
<u>Decreases</u>			
	Decrease in legal fees (RBV)		(68,000)
FY 24 draft budget v. 1		2,168,342	1,312,828
Increase / (decrease)		39,000	11,883
<b><u>ELECTRIC</u></b>			
Base level from mid-year approved budget FY 23		14,268,000	12,410,209
<u>Increases</u>			
	Increase in rates - 5% COLA to base	200,000	
	Pay increases per contract, & associated p/r costs		187,951
	Increase in allocable internal service costs		66,088
	Increase in professional/consulting services and insurance		51,269
	Vehicle replacement contribution reinstated		20,000
	Increase in repairs		6,544
<u>Decreases</u>			
FY 24 draft budget v. 1		14,468,000	12,742,061
Increase / (decrease)		200,000	331,852









CAPITAL IMPROVEMENT PLAN - NPUA				
FY 2024 - FY 2029				
			Cost Estimate	Funding Source
(in priority order as identified by dept. managers)				
<b>WATER DEPT.</b>				
1.	Well No. 11 Treatment		7,449,918	State Water Resources Control Board
2.	L Street and Lilly Hill Booster Station		3,492,554	State Water Resources Control Board
3.	Replace Deteriorating Pipe in Monterey & Arizona Avenues		546,770	State Water Resources Control Board
4.	Replace Deteriorating Pipe in River Road		639,860	State Water Resources Control Board
5.	Backup generator at well site 15 for power outage		312,000	State Water Resources Control Board
6.	Golf course maintenance yard main distribution manifold		1,079,133	State Water Resources Control Board
7.	AMI-automated metering infrastructure		1,203,097	BOR / Coronavirus Local Fiscal Recovery Funds / Asset replacement
8.	Jet Vac / Trailer		150,000	Asset replacement funds
9.	Construct 1.5 Million Gallon Water Reservoir		2,380,000	State Water Resources Control Board
10.	Main replacement in the Vista Street area & new services		1,300,000	Asset replacement funds
11.	Replace Deteriorating Pipe in Chestnut Street		195,165	Asset replacement funds
12.	Replace Deteriorating Pipe in Chesney's Subdivision (Housing)		416,637	Asset replacement funds
13.	Replace Deteriorating Pipe in Coronado Street area		1,381,668	Asset replacement funds
14.	Replace Deteriorating Pipe in Casa Linda Street area		530,589	Asset replacement funds
15.	Main replacement at Verde Shores under the pond and Chesney development (Fire line into Verde Shores)		400,000	Asset replacement funds
16.	Fire hydrant replacements		15,000	Asset replacement funds
17.	Extension into North Needles		8,400,000	DIF / Privately funded
	Water Department Total (estimate)		29,892,391	
<b>WASTEWATER DEPT.</b>				
1.	Railroad crossing at Bazoobuth lift station		170,000	Asset replacement funds
2.	Upsize effluent pump		20,000	Asset replacement funds
3.	Mini excavator & tilt trailer		120,000	Asset replacement funds
4.	Jet Vac / Trailer		150,000	Asset replacement funds
5.	Plant grit separator		300,000	Asset replacement funds
6.	Upsize deficient sewer lines on 15 blocks of Front St.		1,484,724	Asset replacement funds
7.	Upsize deficient sewer lines from T St. to Front St.		885,145	Asset replacement funds
8.	North Needles sewer line extension (engineering only)		72,000	Privately funded
9.	Manhole rehab program (ongoing)		150,000	Asset replacement funds
10.	North Needles sewer line extension		3,500,000	DIF / Privately funded
11.	Manhole replacement and upsize project		1,660,920	Asset replacement funds
	Wastewater Department Total (estimate)		8,512,789	
<b>ELECTRIC DEPT.</b>				
1.	AMI-automated metering infrastructure		2,200,000	Asset replacement funds
2.	Electric circuit reliability program (pole replacement)		800,000	Asset replacement funds
3.	Construction of South Hwy 95 Substation (cemetery site)		3,200,000	Developer funded
4.	Upgrade power lines feeding Park Moabi		3,000,000	Developer funded
5.	Wire trailer		30,000	Asset replacement funds
6.	Mohave line rehabilitation		4,500,000	Developer funded
7.	Eagle Pass to Cemetery site		2,000,000	Developer funded
8.	Cure Farms substation (behind Needles Town Center)		1,100,000	Developer funded
9.	230kv line		30,000,000	Developer funded
10.	Street light LED phase out program		30,000	Asset replacement funds
11.	Double bucket truck		360,000	Asset replacement / Vehicle replacement
	Electric Department Total (estimate)		47,220,000	

CITY OF NEEDLES				FY 24
Listing of Authorized Positions by Department				
		Department Name		Job Title
S/P/T	P/T	F/T		
		1	City Manager	City Manager
		0		Secretary to City Manager
		1		Community Services Manager
		1	City Clerk	City Clerk
		1		Assistant City Clerk
		1	Finance	Director of Finance
		1		Senior Accountant
		1		Human Resource Specialist
		0		Finance Assistant
		1		Senior Account Clerk
		0		Account Clerk III
		1		Account Clerk I
	1			Project Finance Clerk
			Planning	
		1		Assistant City Manager
		0		Director of Development Services
		0		City Planner
		0		Associate Planner
		1	Engineering	Projects Manager
		1		Engineering Tech II
		1	Building & Safety	Building Official
		0		Building Inspector
		1		Building Permit Technician
0				File Clerk
		1	Code Enforcement	Senior Code Enforcement Officer
		2		Code Enforcement Officer
		1	Public Works	Director of Public Works
		1		Equipment Operator IV
		0		Equipment Operator I
		0		MCW II
		4		MCW I





CITY OF NEEDLES			FY 24	
Listing of Authorized Positions by Department				



# **CITY OF NEEDLES**

## **CASH MANAGEMENT POLICY AND PROCEDURES**

### **SCOPE**

This policy applies to all funds of the City of Needles.

### **OBJECTIVE**

The purpose of cash management policy is to ensure adequate cash is available to pay the bills as they come due and invest the temporarily idle cash in accordance with the Investment Policy.

### **PROCEDURES**

- Finance reviews the daily cash flow needs of the City.
- Finance will ensure that there are adequate funds in the checking account(s) to meet the daily needs.
- Cash inflows include, but are not limited to, funds from fees, taxes, grants, investment income, and investment maturities.
- Cash outflows include, but are not limited to, payment of accounts payable invoices, payroll, payment of other obligations of the City, and investments of idle funds.
- In anticipating and planning of cash flows special attention should be paid to non-recurring large payments for capital projects and debt obligations.
- All investments of funds are governed by the Investment Policy.

The improper handling of City funds is subject to disciplinary action up to and including dismissal.

In addition to the policies above, a new policy for cash handling positions was adopted in FY 21 for a background check to be completed on any new hires that will have cash handling duties.

## **City of Needles**

### **COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES OVERVIEW**

#### *Binding City Policy*

#### **Policy**

The City of Needles is accountable to the community for the use of public dollars. Municipal resources will be used wisely to ensure adequate funding for the services, public facilities and infrastructure necessary to meet the community's present and future needs. Financial management policies serve as the blueprint to achieve the fiscal stability required to meet the City's goals and objectives.

#### **City Goals and Objectives**

The City's goals and objectives provide the foundation for the City's financial management policies. The City Council recently adopted goals for 2015. One of its top priority goals is the City's fiscal stability. This policy implements that goal. These policies will be developed, implemented and maintained to ensure that the City is financially able to meet its immediate and long-term service objectives.

In addition, the City as an institution has multiple partners, including community members, taxpayers, businesses, employees, affiliated agencies, and other government agencies. As a major institutional, economic and service force in the region, it is important that the City promotes strong relationships with its partners by adopting clear and comprehensive financial policies.

#### **Financial Policy Objectives**

The objectives for comprehensive financial management policies are to:

1. Guide the Mayor and City Council and City management policy decisions that have significant fiscal impact.
2. Support planning for long-term needs.
3. Maintain and protect City assets and infrastructure.
4. Set forth operating principles that minimize the financial risk in providing City services.
5. Optimize the efficiency and effectiveness of services to reduce costs and improve service quality.
6. Employ balanced and fair revenue policies that provide adequate funding for desired programs.
7. Maintain financial stability and sufficient financial capacity for present and future needs by implementing operating capital and reserve goals.
8. Promote sound financial management by providing accurate and timely information on the City's financial condition.
9. Maintain and enhance the City's credit ratings and prevent default on any municipal financial obligations.
10. Ensure the legal use of financial resources through an effective system of internal controls.
11. Promote cooperation and coordination within the City, with other governments and with the private sector in the financing and delivery of services.

## **Affiliated Agencies**

A number of agencies have been created through voter, City Council action, intergovernmental agreements, and state laws. These agencies are affiliated with the City and should be managed with the same financial standards as City agencies. To protect the City's fiscal status and avoid an adverse effect on the City, affiliated agencies will be accountable for financial compliance and reporting standards as described in the City's financial management policies. The City may audit financial records or performance data to ensure funds are spent in accordance with Mayor and City Council directions and policies. Affiliated agencies include, but are not limited to, agencies created by voter or City Council action, agencies with leadership appointed by the Mayor and City Council and agencies that receive funds from the City. Affiliated Agencies also include the Needles Public Utilities Authority with which the City has a management agreement to conduct operations of the utilities Joint Powers Authority.

## **Responsibility**

The City Manager will issue, oversee and administer the City's comprehensive financial management policies. The City Manager will engage competent financial personnel to assist in the planning, implementation, and monitoring of the City's finances. The City Manager will review, develop and implement these policies. The City Manager will develop and implement guidelines and procedures consistent with these policies. The City Manager will oversee the process to review and update these policies every two years and will issue definitions. City directors and managers will ensure that their organizations comply with these policies and procedures, and will issue department specific procedures, as needed, that are consistent with these policies.

## **BUDGET**

### *Binding City Policy*

#### **Policy**

The City will develop and implement a budget process that will:

- Make prudent use of public resources.
- Include financial forecast information to ensure that the City is planning adequately for current and future needs.
- Involve community members, elected officials, employees and other key stakeholders.
- Provide performance measurement data to assist in assessing program effectiveness.
- Comply with State of California Local Budget Law.

The City Manager will develop and present a proposed City budget to the Mayor and City Council for consideration and adoption. The City Manager's proposed budget will identify major financial and service issues, identify funding requirements and sources of funds, provide supplemental information on programs and service areas, include budget and performance details for all City organizations and relate recommendations to the City's vision and goals.

The City Manager will issue guidelines and rules for the preparation and review of the department budget requests to the City Council, including a proposed annual budget process and calendar. The proposed process and calendar will support community participation and Council deliberations. These will be published in the finance section of the City website.

#### **Budget Monitoring**

The City Manager will maintain a system for financial monitoring and control of the City's budget during the fiscal year. This system will provide the Mayor and City Council with information on revenue, expenditures and performance at both the department and fund level. The system will include provisions for amending the budget during the year in order to comply with State of California budgetary statutes and to address unanticipated needs or emergencies. The City Manager will coordinate the process for budget adjustments requiring Council approval.

The City Manager will periodically publish General Fund financial status reports on the revenues and expenditures to date, and the estimated year-end balance. At least two times a year, the City Manager will review all City financial operations, report to the Mayor and City Council on financial results and recommend financial management actions necessary to meet the adopted budget's financial planning goals.

For the mid-year budget monitoring process, General Fund discretionary revenue that exceeds budgeted beginning balance (adjusted) will be added to the General Fund contingency, except for funds allocated to infrastructure maintenance or replacement. Funds that had been reserved to pay for General Fund encumbrances but are not needed for this purpose will also be added to the General Fund

contingency. These funds will be included as a resource in the annual budget process for the upcoming fiscal year.

## **Review of Council Actions**

The City Manager will review ordinances and significant administrative decisions submitted for Mayor and City Council actions. The objective of these reviews will be to ensure compliance with the City's budget direction and to identify financial and service issues for the Council. The City Manager will establish and issue procedures and forms to submit fiscal impact statements for proposed Mayor and City Council actions.

## **Operating Policies**

1. **Balanced Budget.** In each fund, resources shall be equal to or exceed requirements. Each City fund budget must identify ongoing resources that at least match expected ongoing requirements. One-time cash transfers and non-recurring ending balances may either be applied to reserves or used to fund one-time expenditures; they will not be used to fund ongoing programs, except as provided in section 2 below.
2. **One-time Funds.** One-time funds are General Fund resources designed to be used for projects and purchases that are usually non-recurring or ongoing, and can be accomplished within the fiscal year. One-time funds will not be programmed for ongoing operations such as wage increases or permanent personnel positions. Examples of one-time revenues include, but are not limited to sales of municipal assets, legal settlements, sales of city-owned land/real estate, and auction revenues.
3. **General Discretionary Revenues.** Unless otherwise stated explicitly by the Mayor and City Council, the City will not dedicate discretionary revenues for specific purposes in the General Fund. This will preserve the ability of the Mayor and City Council to determine the best use of available revenues to meet changing service requirements.
4. **Surplus Revenue and Fund Balances.** From time to time additional revenue (grants or surplus beginning fund balances) will be available to departments or funds. The City will budget only the amount of revenue that is needed to fund projected expenditures within the fiscal year. Anticipated resources not needed to fund fiscal year spending or unforeseen contingencies shall be budgeted as an unappropriated balance or reserves. The City will not increase accruals and non-cash enhancements to revenues as a means to influence fund balances at year-end.
5. **Efficiency and Effectiveness.** The City will optimize the efficiency and effectiveness of its services to reduce costs and improve service quality. The City will coordinate its service delivery with other applicable public and private service providers.
6. **Self-supporting/Full Cost Recovery Basis.** City operations will be run on a self-supporting basis where doing so will increase efficiency in service delivery or recover the cost of providing the service by a user fee or charge.
7. **Contingencies.** The City, when possible, will budget a contingency account for each operating fund adequate to address reasonable but unforeseen requirements within the fiscal year.

## **Current Appropriation Level**

The City Manager will calculate a Cost Allocation amount for each General Fund department each year. The calculation will be for the following fiscal year and will be completed and distributed to all General Fund departments in time for the departments to use their allocation to prepare their budget requests for the coming fiscal year.

The calculation will be based on the prior year's ongoing funding level from discretionary money in the General Fund and General Fund overhead, where applicable. Adjustments will be made to include any inflation factors, changes due to Mayor and City Council-adopted policy, Mayor and City Council-approved contracts and Mayor and City Council-adopted ordinances directing the City Manager to revise a department's Cost Allocation.

## **Fund Management**

Creation of new funds or elimination of existing funds shall be done by the City Council. A review and report by the City Manager will be required prior to Council action. The City Manager will conduct an annual review to assess if each fund is needed.

Each fund in the City will have a statement of purpose, adopted by the City Council that contains several required elements; internal service funds have additional required elements.

## **Funds That Receive General Fund Support**

For funds that receive General Fund support in addition to fees and charges or other dedicated revenues, a rationale for the General Fund support will be included, along with a means for determining the level of that support or conditions under which the support should be eliminated.

## **Enterprise Funds**

For enterprise funds, the required level of debt service coverage for the fund and a description of the relationship between operating and construction funds will be included.

## **Responsibility**

The City Manager will coordinate the overall preparation and administration of the City's budget. As an independent assessment of the quality of the City's budget presentation, the City will annually seek to prepare the Budget in compliance with the criteria included in distinguished budget presentation from the Government Finance Officers Association.



## **FINANCIAL PLANNING**

### *Binding City Policy*

#### **Policy**

The City of Needles will prepare long-range financial plans to guide the Mayor and City Council in adopting the City budget and to assist Council in ensuring the delivery of needed services through all types of economic cycles. The financial plans will help the Mayor and City Council and community evaluate the impact of financial needs of all programs within the regional and local economic conditions. The plans will also assist in coordinating funding needs among enterprise, special revenue and General Fund functions and needs.

Financial planning and budgeting will be based on the following principles:

- Revenue estimates will be prepared on a conservative basis to minimize the possibility that economic fluctuations could jeopardize ongoing service delivery during the fiscal year.
- Expenditure estimates will anticipate needs that are reasonably predictable.
- Operating capital of 60 days based on annual revenue.
- Reserves, including contingency funds, equal to no less than 10% of annual revenues.
- Forecasts will rely on a City set of basic economic assumptions that will be established, updated and distributed by the City Manager. The forecasts will also identify other assumptions used in their preparation and associated risks. Examples of risks can include rates, legislation and legal rulings that affect City liability, pension obligations, health benefit plans, as well as regional economic trends that affect City revenues. The City will constantly test both its financial planning methodology and use of planning tools in order to provide timely and accurate information that is widely disseminated throughout the City.

#### **Financial Plans and Forecasts**

- The City Manager will prepare an annual City financial assessment report. This report will include a comprehensive overview of the City's financial condition.
- Five-year financial plans will be prepared annually for the General Fund, General Fund department, major enterprise funds, special revenue funds and internal service funds. Plans will be based on current service levels and funding sources, as well as anticipated changes to service levels and funding. If appropriate, the plans will identify additional resources needed to continue current service levels or identified service adjustments.
- General Fund departments will forecast and monitor their own revenues and expenditures. The City Manager will assist departments in developing appropriate systems, will retain fiscal oversight responsibility for the General Fund and will publish regular General Fund status reports on revenues and expenditures.
- Enterprise and special revenue fund forecasts will identify any impact on rates. The forecasts will discuss how standards for debt service coverage and operating reserves are established and maintained. Departments that manage enterprise, special revenue and internal service funds will prepare and coordinate with the

City Manager on the presentation of regular status reports on revenues and expenditures.

## **Capital Plans**

- Each department that has major capital assets will develop and maintain five-year capital improvement plans.
- The City will annually prepare a Citywide five-year Capital Improvement Plan that includes prioritized department needs for capital replacement, additions and major maintenance. The plan will include estimated project costs and operating costs and will identify funding sources.
- The City will annually adopt a Capital Improvement List that will include estimated resources and capital expenditures based on the first year of the current Capital Improvement Plan.
- The City will adopt a Capital Financing Policy that will limit the amount of General Fund revenues to 5% of annual revenues to be allocated towards debt service.

## **Operation and Maintenance**

- The City will preserve its current physical assets and plan in an orderly manner for future capital investments, including the operating and maintenance costs associated with new or additional capital improvements or major equipment.
- The City will identify and include full costs of future maintenance needs and operating costs of new capital improvements and equipment prior to funding as part of the Capital Budget.
- In general, all assets will be maintained at a level that protects capital investment and minimizes future maintenance and replacement costs. A high priority should be placed on maintenance where deferring maintenance will result in greater costs to restore or replace neglected facilities.
- Each department with major capital assets will maintain accurate information on the condition and lifespan of its major assets to assist in long-term planning. Each department with major capital assets will develop replacement cost data for major assets to assist in City asset management and investment decisions.
- Maintenance and operations of major capital assets should be given priority over acquisition of new assets, unless an analysis indicates a net benefit or the funding source to acquire or develop a new asset cannot be used for operations and maintenance.
- Factors that reduce operating and maintenance costs, such as upgrades, remodels and/or technological advances, will be considered when reviewing operation and maintenance requests. Priority may be given to projects that do not require operation and maintenance adjustments or that reduce those costs.
- The budget will provide sufficient funding for adequate operations, maintenance, scheduled replacement and enhancements of capital assets and equipment. Whenever departments identify that there is a significant discrepancy between the need to maintain or modernize City infrastructure or facilities and the funds available for such improvements, the Department Director along with City Manager will present a strategy for meeting these needs to the Council.
- Departments will identify operating and maintenance costs at the time a capital project or asset is planned or requested.

## **Responsibility**

The City Manager will coordinate the presentation of the City's financial plans; department directors will prepare department plans. The City Manager will develop and issue the list of departments and funds required to submit financial and capital improvement plans, define the required elements for the plans and determine the membership of the Asset Managers Group.

## **REVENUE**

### *Binding City Policy*

#### **Policy**

The City will maximize and diversify its revenue base to raise sufficient revenue to support essential City services and to maintain services during periods of declining economic activity. City services providing private benefits should be paid for by fees and charges as much as possible to maximize flexibility in the use of City general revenue sources to meet the cost for services of broader public benefit. The City's overall revenue structure will be designed to recapture some of the financial benefits resulting from City economic and community development investments. Revenue collection efforts that produce positive net income for City service delivery will be the highest budget priority.

Departments that primarily or exclusively operate with non-General Fund revenue will minimize reliance on General Fund support for discrete programs that are not supported with fees.

#### **Cost Recovery**

Charges for services that benefit specific users should recover full costs, including all direct costs, General Fund overhead, loss of interest and depreciation on capital plant and equipment. Department overhead rates and General Fund overhead allocations will be established annually by the City Manager.

The City may subsidize the services funded primarily by user fees based on other City objectives such as remaining competitive within the region. However, all such services will be presumed to be 100 percent cost reimbursable unless the City Manager makes a specific exception.

#### **Additional Resources**

The City will use and obtain resources according to the following principles:

1. The City will use as efficiently as possible the resources that it already collects.
2. The City will collect as efficiently as possible the resources to which it is already entitled.
3. The City will seek new resources, consistent with its financial policies and City goals.
4. The City will strive to keep a total revenue mix that encourages growth and keeps Needles competitive in the Tri-State Region.
5. The City will enforce its authority to collect revenue due the City, including litigation if necessary.

#### **Grants**

The City will avoid using grants to meet ongoing service delivery needs. Prior to a grant application submittal, or acceptance if an application is not required, all grants will be reviewed by the City Manager to ensure compliance with state, federal and City regulations. The City will budget expenditures for grant-funded programs only after receipt of the grant award or letter of commitment and only for the amount of the grant award to be expended within the fiscal year.

## **Unfunded Mandates**

The City will oppose state or federal actions that mandate expenditures that the Mayor and City Council considers unnecessary and are unfunded. The City will pursue intergovernmental funding to support the incremental cost of such mandates.

## **Department-generated Revenues**

City services that benefit a specific user and whose quantity, quality, and/or number of units may be specified should be paid for by fees and charges. All department charging fees are required to complete fee studies based upon cost-of-service principles. These studies are to be updated at a minimum of every two years and provided to Mayor and City Council and the City Manager in the requested budget submission. During intervening years fees will be adjusted by the CPI for the previous 12 months. Departments that provide utility services will update their fee studies in their annual rate adjustments.

The fee studies and structures will take into account:

- The degree to which a service provides a general benefit in addition to the private benefit provided to a specific business, property or individual.
- The economic impact of new or expanded fees, especially in comparison with other governments within the Needles Valley.
- The true or comprehensive cost of providing a service, including the cost of fee collection and administration.
- The impact of imposing or increasing fees on economically at-risk populations and on businesses.
- The overall achievement of City goals.

All fee revenues are dedicated to the department that generates them.

## **Revenue Projections, Surpluses and Shortfalls**

- Revenue Projections. Departments shall conservatively estimate department-generated revenue.
- Revenue Surpluses. Departments shall retain all excess department-generated revenue. Surpluses above the budgeted revenue estimate will be used to reduce any General Fund subsidy available to the department for appropriation through the budget monitoring process. Any additional appropriations will be used for activities that support the function or program generating the additional fees.
- Revenue Shortfalls. Overall department revenue shortfall requiring additional discretionary General Fund resources will result in a department current appropriation level reduction. The reduction shall be equal to discretionary resources above budget amounts and will be made in the following fiscal year and only for that fiscal year. In the event of a current fiscal year projected total revenue shortfall, the department is required to document other offsetting revenues or reduce its budget within the regular budget monitoring process. Additional General Fund discretionary appropriation will not be

transferred to cover revenue shortfalls without Mayor and City Council authorization.

### **Responsibilities**

The City Manager will oversee compliance of this policy with the participation of all revenue-producing departments and will issue roles and responsibilities for the departments.

## **Fiscal Stability Objectives**

The budget document allocates City resources such as personnel, materials, and equipment in tangible ways to achieve the general goals of the community. It is prudent, therefore, for the City to have in place adopted fiscal policies to guide the city administration and City Council through the budget decision-making process. These policies are:

### **Operational Efficiencies**

- ✓ To implement internal operating efficiencies wherever possible.
- ✓ To utilize private contractors when the same or higher level of service can be obtained at lower total cost.
- ✓ To staff each department according to adopted service levels, and to utilize consultants and temporary help instead of hiring staff for special projects or peak workload periods.
- ✓ To develop agreements with the other public agencies including the school district to combine certain operations and provide program assistance where appropriate.
- ✓ To enter into joint operating arrangements with other agencies so as to provide services more cost effectively.

### **Voter Approved Revenues**

- ✓ To utilize revenues derived from the Utility Users Tax (UUT), Transient Occupancy Tax (TOT), and marijuana business tax to fund programs and services important to the community.
- ✓ To establish the appropriate rates and assessments to best manage and operate the City's enterprise operations and capital maintenance needs.

### **Reserves**

- ✓ To set a goal equal to 10% of the General Fund operating expenses in a reserve account by annually committing the funds necessary to achieve this objective.

### **Infrastructure**

- ✓ To provide sufficient routine maintenance each year to avoid a deferred maintenance backlog.

### **Employee Development**

- ✓ To attract and retain competent employees by providing a professional work environment, safe working conditions, adequate training opportunities, and competitive salaries as finances may allow.

## **Economic Development**

- ✓ To aggressively pursue new developments and businesses that add to the City's economic base, particularly those that generate sales tax and property tax revenue.
- ✓ To promote a mix of businesses that contributes to a balanced community.
- ✓ To develop programs to enhance and retain existing business.
- ✓ To charge the Successor Agency to the Redevelopment Agency its fair share of the cost of City support services.

## **New Services**

- ✓ To add new services only when a need has been identified and a sustainable funding source developed for at least 5 years.
- ✓ To allocate CDBG funds and other discretionary grants to programs with the greatest benefit to the community.
- ✓ To require agreements for specific services and monitor effectiveness on an ongoing basis.

## **Construction of New Facilities**

- ✓ To plan for new facilities only if construction and maintenance costs will not adversely impact the operating budget.

## **Fiscal Management**

- ✓ To generate additional revenue by marketing City services to other agencies on a contract basis. And, to charge the true cost to provide those services so as to benefit both the City and other agencies.
- ✓ To maximize revenues by utilizing grants from other agencies for primarily capital projects to the fullest extent possible.
- ✓ To charge fees for services that reflect the true cost of providing such services and to review fee schedules on a regular basis.
- ✓ To fully account for the cost of enterprise operations to avoid any subsidy by the General Fund, and to charge Enterprise Funds their fair share of the cost of City support services.
- ✓ To maintain accurate accounting records to keep the City Manager and City Council informed of the financial condition of the City at all times.
- ✓ To file a quarterly report of investments that adhere to both state law and City policy, and which follow reasonable and prudent guidelines for investment of the City's idle cash.
- ✓ To prepare and maintain a rolling 5-Year financial forecast for all major funds including: General Fund, Enterprise and Special Funds, and Recreation.



# CITY OF NEEDLES

## FIXED ASSETS INVENTORY POLICY AND PROCEDURES

### SCOPE

This policy applies to all funds of the City of Needles.

### OBJECTIVE

The purpose of this policy is to establish a set of standard policies and procedures required to implement an effective fixed asset system. The fixed asset system shall be maintained in accordance with generally accepted accounting principles and in compliance with governmental auditing practices. The Finance Department is tasked with the responsibility and authority for developing, maintaining, and administering the City's fixed asset policies and procedures as stated herein.

### DEFINITION

Fixed Assets are defined as tangible property having a value greater than or equal to five thousand dollars.

### FIXED ASSET CLASSIFICATIONS

In addition to the consideration given up to acquire a fixed asset, ancillary costs associated with preparing the property for its intended use shall be capitalized.

*Land:* This account includes the cost of land itself and the cost of preparing land for its intended uses. Examples of ancillary costs include title search costs, attorneys' fees, liens assumed, taxes assumed, grading costs, and land improvements with an indefinite life.

*Buildings:* This account includes the cost of construction, purchase or improvement of buildings and attorneys' fees, architects' fees, and inspection and building permits. All costs incurred starting with excavation to completion of the building are considered part of the building costs.

*Improvements (Other Than Buildings):* This account is used for permanent (non-detachable) improvements that add value to land (i.e., fences, retaining walls, etc.).

*Equipment:* This account includes office equipment, machinery, furniture and fixtures, furnishings, and similar fixed assets. The cost of such assets includes the purchase price, freight charges, installation costs, and setup costs.

*Construction in Progress:* This account is used for capturing amounts expended on uncompleted buildings, pipelines, or other capital construction projects. When the project is complete, the cumulative costs are then transferred to the appropriate fixed asset accounts.

*Infrastructure:* Infrastructure is defined, for purposes of financial reporting, as any fixed asset that is immovable and of value only to the City. Examples include roads, sidewalks, bridges, and streetlights.

#### TAGGING

The supply of bar coded asset tags shall be maintained by the Finance Department. Items shipped directly to the departments shall be tagged with the cooperation of the departments.

The receiving departments shall have the responsibility of recording the asset tag number, location, person responsible, manufacturer, model and serial number and submitting this information to Finance.

#### PHYSICAL INVENTORY

The objectives of a physical inventory are to ensure that the fixed assets recorded in the system physically exist; to detect whether unrecorded or improperly recorded transactions have occurred, and to identify any excess, defective, or obsolete assets on hand.

A complete physical inventory of all the City's fixed assets shall be conducted at least once every 3 years. More frequent inventories may be performed of assets that are susceptible to errors or other irregularities, such as annual parts and materials inventories that are conducted by the utility departments.

#### TRANSFERS AND DISPOSITIONS

Transfers are defined as any movement of an asset (including vehicles) by virtue of change in location, either by department, building, floor, or room. All items sold, traded-in, scrapped, abandoned or in any way removed from service during the current fiscal year are classified as disposals.

Property shall not be transferred, turned-in or disposed of without prior approval of the proper Department Manager and the City Manager. The operating departments shall be responsible to initiate transfer/disposition processing. The form "Fixed Asset Disposal/Transfer Form" shall be completed by the operating department and submitted to Finance according to the guidelines established for surplus property.

#### RESPONSIBILITIES OF THE FINANCE DEPARTMENT

The Finance Department has the responsibility of ensuring that the fixed asset policies and procedures as stated within these regulations are following generally accepted accounting principles and audit dictates. The Senior Accountant is

tasked with maintaining the City's fixed asset records, tables, programs, and documentation. The Senior Accountant must work in close cooperation with each of the departments in order to be informed of all additions, transfers, and disposals of any assets which are included in the fixed asset system.

#### RESPONSIBILITIES OF OPERATING DEPARTMENTS

The operating departments shall be held accountable for the property issued to or purchased by their respective departments. In addition, each of the operating departments shall be responsible for maintaining accurate information of their fixed assets in the fixed asset system.

Each of the departments must designate a department steward for the property in their department. This individual may or may not use the assets daily. This person will become the contact person for that department's fixed assets; for questions regarding availability, condition, and usage of the assets, as well as the contact during the physical inventory process. The steward must ensure that departmental fixed assets are kept up-to-date in the fixed asset system and notify Finance of any corrections that need to be made.

At the end of each fiscal year, the Senior Accountant will provide the current listing of fixed assets to the department stewards. It is required that an inventory of the listed property be conducted by the department steward, and any discrepancies be resolved. The department steward will sign the listing verifying the property on hand in their department. This process should be completed, and the listing signed with noted changes and returned to the Senior Accountant within 10 business days.

## CITY OF NEEDLES

SUBJECT: MOTOR FLEET

PURPOSE: To establish guidelines for the acquisition and use of City vehicles

**General Policy:** The City of Needles and Affiliated Agencies has an inventory of a variety of cars, vans, buses, heavy duty trucks, mini pick-ups, and specialized rolling stock such as a boom-truck and street sweepers. It is the City's policy to keep the vehicles clean and in good repair, not only for the safety and comfort of the employees and other passengers, but also so their appearance reflects well on the City. At all times, City owned vehicles should be operated in accordance with the vehicle code.

Fleet maintenance and the budget are the responsibility of the Fleet Department manager under the general direction of the City Manager. The motor fleet operates as an internal service fund. Beginning in FY 21, the City has entered in a master lease agreement with Enterprise for vehicle replacement for the Electric, Water, Wastewater, Utility Business Office, Code Enforcement and Public Works departments.

**Provisions** (the following may still apply for other departments that are still not part of the master lease agreement):

### A. Replacement Schedule

1. A replacement schedule will be developed and updated annually using the following guidelines.
  - a. City pool cars, will be considered for replacement every six years or 70,000 miles, whichever comes first.
  - b. Mini trucks, motorcycles, heavy duty vehicles, such as water storage trucks and dump trucks, and specialized rolling stock will be considered for replacement every seven to ten years.
2. The mileage and repair experience for each vehicle is reviewed each year and taken into account when the replacement schedule is updated.

### B. Purchasing

1. The City will purchase a common make of vehicle (i.e., General Motors Co., Ford Motor Co., etc.) whenever possible because of the greater variety in the companies' product lines and the large number of dealers for customer support. The availability of parts, and the standardized shop equipment and tools necessary for maintenance and repairs will increase efficiency and reduce vehicle downtime.
2. Needles vendors will be given the opportunity to submit bids for vehicle purchases. Staff will take into local vendor preference, account sales tax return, and maintenance support to the City when analyzing the bids' purchasing value.

3. When appropriate, staff will include state and county cooperative purchasing programs in their analysis of best purchasing value.
4. Priority will be given to vehicles with better fuel efficiency and low emissions in accordance with Air Quality Management District regulations.

C. Vehicle Identification

1. City vehicles will be painted white.
2. All City vehicles will have an approved City logo.
3. Every City vehicle will be assigned an identification number.

D. Funding

1. The City's policy is to acquire vehicles by outright purchase whenever possible. A lease purchase may be appropriate in some instances, especially for new vehicles to the inventory, if there are insufficient funds for outright purchase.
2. Certain departments have the use of specific vehicles. These departments will pay into the Motor Fleet Fund an amount equal to the cost of maintaining and operating those vehicles. Funds collected for replacement versus those for operating and maintaining will be accounted for separately. Programs with special purpose vehicles which will not be replaced will not pay into the replacement fund for them. An example of a special purpose vehicle is one obtained through a grant for a specific program.

E. Assignment of Vehicles

1. The City Manager designates positions and functions to which pool cars are assigned. To the maximum extent, vehicles shall be assigned to department pools rather than individuals through written authorization from the City Manager, which will include provisions and restrictions of vehicle use. Other vehicles, such as heavy duty pick-up trucks are assigned for use during the work shift by department managers.
2. A department head may revoke the assignment of a department pool vehicle at any time.
3. City owned vehicles shall be parked at the City yard facility overnight and on weekends when not in use for conducting City Business.
4. Individual 24-hour assignments shall be made by the City Manager only when one or more of the following conditions apply:
  - Assignee oversees operations on a 24 hour basis and/or multiple locations

- Assignee is subject to frequent emergency call-outs
- Assignee has contractual requirements for 24-hour use of City vehicles

5. **Under no circumstances are City owned vehicles to be used for personal business.**

F. Maintenance

1. All city vehicles, except those assigned to a specific employee on a 24-hour basis and pool cars, i.e., those available for use by many employees during the work day, will be parked at the City Yard except when in use.
2. The employee using a City vehicle is responsible for putting fuel in it. Vehicles should not be returned with less than one-half tank of fuel.
3. All City owned vehicles are maintained by the Fleet Maintenance Department's Motor Fleet staff. Employees using other City vehicles must arrange with garage employees for maintenance and repair. They are encouraged to use the car wash, frequently enough to keep the vehicles looking neat and clean.
4. Preventative maintenance will be performed according to the manufacturer's maintenance schedule. The maintenance is correlated with mileage and shall be programmed into the City's fleet maintenance system so the vehicle user and garage mechanics are alerted when it is time for maintenance to be performed.
5. City mechanics perform repairs and maintenance on City vehicles except:
  - a. When, because of workloads, the job cannot be done in a timely manner;
  - b. When the job requires expensive or specialized equipment;
  - c. When City staff does not have the necessary skills; or
  - d. When the repair involves a hazardous substance (e.g., freon) or equipment.

G. Tax Impacts/Reporting

1. Some employees are assigned to City vehicles on a 24-hour basis but are generally allowed to use them only for City-related work purposes. Any authorized use of the vehicle for other than work purposes, such as the commute between home and the work site, is a taxable benefit to the employee at a rate of \$1.50/day each way. The Finance Department will provide information to each employee who is affected regarding how to calculate the tax due, and it will distribute the form to be completed and returned to the Internal Revenue Service. Employees using a City vehicle for commute in excess of 15 miles will be charged the then current IRS mileage reimbursement rate for the excess mileage on the City vehicle.

#### H. Disposing of Vehicles

1. When, according to the replacement schedule, a vehicle is to be removed from the City's inventory, the motor fleet supervisor will consult with the director of the department to which the vehicle is assigned. A decision will be made taking into account mileage, maintenance, history, and utility. Likewise, other vehicles being considered for removal from the inventory will jointly be considered by the Public Works Director and the director of the affected department.
2. Disposal of vehicles shall be the responsibility of the Fleet Maintenance Manager who will coordinate the bidding, auction, private sale, or trade-in in accordance with the City's Purchasing Rules and Regulations.

#### I. Reporting of Accidents and Damage

1. Any accident or damage to a City vehicle shall be reported immediately to the supervisor. A report shall be filed on City prescribed forms.

## CITY OF NEEDLES

SUBJECT: PETTY CASH FUNDS

PURPOSE: To establish a policy for the request, approval, and use of petty cash funds

**General Policy:** The City has established several petty cash funds and operating drawers to provide reimbursements to employees who incur expenses while on City business or when purchasing minor items for the City. Under no circumstances are these funds and drawers to be used for anything but City or Utility purposes. Expenses for overnight travel or conference registration fees shall not be reimbursed through petty cash. Petty cash funds have also been established at various City facilities and shall be utilized by the departments and divisions located at these facilities.

### **Provisions:**

#### A. Petty Cash Funds

The following table presents the established funds, the authorized amounts, reimbursement limits, and assigned custodians.

<b><u>Location</u></b>	<b><u>Authorized Amount</u></b>	<b><u>Reimbursement Limit</u></b>	<b><u>Assigned Custodian</u></b>
City Hall	\$2,200	\$100	Finance Department
Rec. Center	\$ 500	\$ 25	Recreation Manager
Aquatics	\$ 100	\$ 25	Recreation Manager

Cash drawers are maintained where there is cash business being conducted.

Operating cash drawers are as follows:

Rec. Center	\$150
Jack Smith Park	\$400
Aquatics	\$ 50
Animal Shelter	\$ 60
Golf Course	\$200

Utility Office (3 drawers):

Drawer #1	\$200
Drawer #2	\$200
Drawer #3	\$200

#### B. Cash Limit

Employees may request reimbursement for expenses incurred or to purchase minor items for the City up to an established reimbursement limit of \$100. These petty cash reimbursement limits may be waived, however, on approval by the City Manager due to time urgency where no other payment method is available.



## Petty Cash Reimbursement:

1. Requests for reimbursement for petty cash expenditures shall be submitted to the custodian. An approved petty cash voucher will be completed by the Finance Department when funds are disbursed.
2. The party receiving the funds shall sign the voucher in the space provided as evidence of the reimbursement. The custodian shall date and initial the voucher as further evidence that the monies were properly dispersed.
3. Employees are encouraged to accumulate their out-of-pocket expenditures and submit a demand for reimbursement through normal warrant processing. When the exact amount of out-of-pocket expenditures is known in advance, a demand or a request for an advanced check shall be used.

### D. Replenishment of Petty Cash Fund

When the petty cash fund is substantially depleted, a demand is to be prepared and submitted to the City Manager for replenishment. All petty cash vouchers and receipts equaling the amount requested are to be attached to the demand.

An accounts payable warrant shall be issued to the custodian who will then cash the warrant and place the proceeds in the petty cash fund. At all times, the total petty cash on hand plus the amount of signed receipts or petty cash vouchers at any one time must equal the total amount of petty cash authorized.

### E. Security

Petty cash funds represent City assets in the form of currency and coin. To guard against the misappropriation of such funds, strict security shall be enforced. All petty cash shall be maintained under lock with access limited to the fund custodian and/or a specified designee. It is the department manager's responsibility to ensure that appropriate security measures are enforced.

### F. Audit of Petty Cash Funds

All petty cash funds will be audited annually by a representative from the Finance Department, and on an unannounced date at the location of the fund or drawer. The money will be counted and reconciled to the amount recorded on the General Ledger and be reported to the auditors as part of the annual cash summary.



## City of Needles, California Request for Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Approve the Twenty Seventh Amendment to Contract No. 99-376 with the County of San Bernardino providing for law enforcement services by amending Schedule A for the 2023-2024 fiscal year

**Background:** Each year, the City Council must approve an amendment to the contract with the County to provide for a level of law enforcement services. The attached Amendment and Schedule A reflects an amount of \$3,619,032, a \$168,853 increase over current year to maintain law enforcement services status quo. For purposes of budgeting, this amount has been included in the 2023-2024 fiscal year budget. As noted on Schedule A, personnel costs are subject to change by Board of Supervisors' action and any changes will be billed to the city on a quarterly basis. Additionally, a new unknown cost has been added this year whereby the City will be billed quarterly for "services and supplies".

Captain Tarangle has requested to add one additional deputy to the city's contract. The Sheriff has provided a second proposed Schedule A increasing costs by an additional \$353,721 to cover the position for a total of \$3,972,753 (total contract increase over current of \$522,574). As Council will note, this increase will include not only the additional deputy but an increase in the positions of lieutenant, sergeant, dispatch services, HT, and taser replacement.

Staff is seeking Council direction as to the level of law enforcement services for next fiscal year.

**Fiscal Impact:** To maintain status quo, general fund costs of \$3,522,416. Not included are overtime costs, vehicle fuel and maintenance, and services and supplies which are billed quarterly.

COPS funding of \$96,616 to cover the costs of the sheriff's service specialist which is shared 50/50 with the School District and the citizen patrol truck expenses.

**Recommendation:** Approve the Twenty Seventh Amendment to Contract No. 99-376 with the County of San Bernardino in the total amount of \$3,619,032 providing for law enforcement services by amending Schedule A for the 2023-2024 fiscal year and authorize the Mayor to sign same.

Provide direction as to additional services

**Submitted By:** Rick Daniels, City Manager

**City Management Review:** Rick

**Date:** 6/5/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 6

## LAW ENFORCEMENT SERVICES CONTRACT

Level of Service	Proposed		
	FY 2022-2023 Cost	FY 2023-24 Cost	Increase (Decrease)
.31 - Lieutenant	115,843	124,712	8,869
1.35 - Sergeant	423,967	455,966	31,999
1.00 - Detective/Corporal	264,833	284,730	19,897
8.42 - Deputy Sheriff Tier 2	1,856,972	1,993,898	136,926
.90 - Sheriff's Service Specialist	78,998	78,850	(148)
.50 - Office Specialist	40,436	40,463	27
4.00 - Marked Unit	73,384	77,261	3,877
1.0 - Unmarked Unit	7,429	7,968	539
.90 - Pickup Truck	7,281	7,622	341
1.0 - Citizen Patrol Truck	6,369	6,357	(12)
Dispatch Services	163,951	175,671	11,720
11.90 - HTs (Amortization, Access & Maintenance)	16,767	16,624	(143)
10.00 - Taser Replacement (Amortized over 5-years)	3,360	3,360	0
Administrative Support	20,973	13,929	(7,044)
Office Automation	45,572	33,276	(12,296)
Services & Supplies	16,956	To be billed qtrly	(16,956)
Vehicle Insurance	37,062	8,247	(28,815)
Personal Liability & Bonding	101,900	216,224	114,324
Workers Comp Experience Modification	11,837	19,347	7,510
Law Enforcement Experience Modification	60,504		(60,504)
County Administrative Cost	95,785	54,527	(41,258)
	<u>3,450,179</u>	<u>3,619,032</u>	<u>168,853</u>



**Contract Number**

**94-376 A-27**

**SAP Number**

**N/A**

## **Sheriff/Coroner/Public Administrator**

<b>Department Contract Representative</b>	Kelly Welty, Chief Deputy Director of Sheriff's Administration
<b>Telephone Number</b>	(909) 387-0640
<b>Contractor</b>	City of Needles
<b>Contractor Representative</b>	Janet Jernigan, Mayor
<b>Telephone Number</b>	(909) 799-2800
<b>Contract Term</b>	07/01/2023 through 06/30/2024
<b>Original Contract Amount</b>	\$3,619,032
<b>Amendment Amount</b>	-----
<b>Total Contract Amount</b>	\$3,619,032
<b>Cost Center</b>	4414351000

**IT IS HEREBY AGREED AS FOLLOWS:**

### **AMENDMENT No. 27**

Effective July 1, 2023, Contract No. 94-376 to provide law enforcement service to the City of Needles is hereby amended by replacing Schedule A referred to in Section II. CONSIDERATION, with the Schedule A attached hereto and incorporated by reference.

Except as amended, all other terms and conditions of this contract remain as stated therein.

[With the exception of signatures, this page is intentionally left blank].

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors  
San Bernardino County

By \_\_\_\_\_  
Deputy

City of Needles

(Print or type name of corporation, company, contractor, etc.)

By ►

(Authorized signature - sign in blue ink)

Name Janet Jernigan

(Print or type name of person signing contract)

Title Mayor

(Print or Type)

Dated: \_\_\_\_\_

Address 817 Third Street

Needles, CA 92363-2933

**FOR COUNTY USE ONLY**

Approved as to Legal Form

►

Richard D. Luczak, Deputy County Counsel

Date \_\_\_\_\_

Reviewed for Contract Compliance

►

Date \_\_\_\_\_

Reviewed/Approved by Department

►

Kelly Welty, Chief Deputy Director of Sheriff's  
Administration

Date \_\_\_\_\_

**SCHEDULE A**  
**Law Enforcement Services Contract**  
**City of Needles**  
**2023-24**

**ROLLOVER**

<b><u>LEVEL OF SERVICE</u></b>		<b>FY 2023-24</b>	
			<b><u>COST</u></b>
0.31	- Lieutenant	\$	124,712 <sup>1</sup>
1.35	- Sergeant	\$	455,966 <sup>1</sup>
1.00	- Detective/Corporal	\$	284,730 <sup>1</sup>
8.42	- Deputy Sheriff Tier 2	\$	1,993,898 <sup>1</sup>
0.90	- Sheriff's Service Specialist	\$	78,850 <sup>1</sup>
0.50	- Office Specialist	\$	40,463 <sup>1</sup>
4.00	- Marked Unit	\$	77,261 <sup>2</sup>
1.00	- Unmarked Unit	\$	7,968 <sup>2</sup>
0.90	- Pickup truck	\$	7,622 <sup>2</sup>
1.00	- Citizen Patrol Truck	\$	6,357 <sup>3</sup>
	Dispatch Services	\$	175,671 <sup>1</sup>
11.90	- HTs (Amortization, Access & Maintenance)	\$	16,624
10.00	- Taser Replacement (Amortized over 5-years)	\$	3,360
	Administrative Support	\$	13,929
	Office Automation	\$	33,276
	Vehicle Insurance	\$	8,247
	Personnel Liability & Bonding	\$	216,224
	Workers' Comp Experience Modification	\$	19,347
	County Administrative Cost	\$	54,527
		<b>Cost for FY2023-24</b>	<b>\$ 3,619,032 <sup>1, 3, 4</sup></b>

**Monthly Payment Schedule**

1 <sup>st</sup> payment due July 15, 2023:	\$301,586
2 <sup>nd</sup> through 12 <sup>th</sup> payments due the 5 <sup>th</sup> of each month:	\$301,586

<sup>1</sup> Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.

<sup>2</sup> Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.

<sup>3</sup> No replacement cost is included for grant funded or donated vehicles.

<sup>4</sup> Services and supplies will be billed to the City on a quarterly invoice.

**SCHEDULE A**  
**Law Enforcement Services Contract**  
**City of Needles**  
**2023-24**

Additional Costs Billed Quarterly:

The City will be billed on a quarterly basis for the following items:

- Increase to salaries and benefits resulting from Board of Supervisors-approved changes to Memorandums of Understanding with the County's various employee organizations.
- Actual overtime cost.
- Actual on-call cost (on call pay for safety employees for 2023-24 is \$195 per week).
- Actual cost of vehicle fuel, repair and maintenance, including the cost of collision repair.
- Actual costs of services and supplies.

**LEVEL OF SERVICE SUMMARY**

**SAFETY:**

Lieutenant	-	0.31
Sergeant	-	1.35
Detective/Corporal	-	1.00
Deputy Sheriff	-	8.42
		<u>11.08</u>

**GENERAL:**

Sheriff's Service Specialist	-	0.90
Office Specialist	-	0.50
Dispatchers	-	1.40
		<u>2.80</u>

**VEHICLES:**

Marked Patrol Units	-	4.00
Safety Unmarked Units	-	1.00
Pickup Trucks	-	0.90
Citizen Patrol	-	1.00
Donated Vehicles-Ins Only	-	3.00 *
		<u>9.90</u>

**DONATED VEHICLES LIST:**

Command Post Trailer	-	1 *
Polaris UTV	-	1 *
Message Board Trailer	-	1 *
		<u>3 *</u>

\* (Included for insurance costs only)



SCHEDULE A  
LAW ENFORCEMENT SERVICES CONTRACT  
CITY OF NEEDLES  
FY 2023-24

# Proposed - Not Final

**CHANGE: ADD 1 Deputy Sheriff**

<u>LEVEL OF SERVICE</u>		<u>FY 2023-24 COST</u>	
0.35	- Lieutenant	\$	139,407 <sup>1</sup>
1.50	- Sergeant	\$	509,705 <sup>1</sup>
1.00	- Detective/Corporal	\$	284,730 <sup>1</sup>
9.53	- Deputy Sheriff Tier 2	\$	2,256,752 <sup>1</sup>
0.90	- Sheriff's Service Specialist	\$	78,850 <sup>1</sup>
0.50	- Office Specialist	\$	40,463 <sup>1</sup>
4.00	- Marked Unit	\$	77,261 <sup>2</sup>
1.00	- Unmarked Unit	\$	7,968 <sup>2</sup>
0.90	- Pickup truck	\$	7,622 <sup>2</sup>
1.00	- Citizen Patrol Truck	\$	6,357 <sup>3</sup>
	Dispatch Services	\$	196,371 <sup>1</sup>
12.90	- HTs (Amortization, Access & Maintenance)	\$	18,021
11.00	- Taser Replacement (Amortized over 5-years)	\$	3,696
	Administrative Support	\$	13,929
	Office Automation	\$	33,276
	Vehicle Insurance	\$	8,247
	Personnel Liability & Bonding	\$	216,224
	Workers' Comp Experience Modification	\$	19,347
	County Administrative Cost	\$	54,527
<b>Estimated Cost for FY2023-24</b>		<b>\$</b>	<b>3,972,753 <sup>1</sup></b>

**Monthly Payment Schedule**

1 <sup>st</sup> payment due July 15, 2023:	\$331,071
2 <sup>nd</sup> through 12 <sup>th</sup> payments due the 5 <sup>th</sup> of each month:	\$331,062

<sup>1</sup> Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.

<sup>2</sup> Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.

<sup>3</sup> No replacement cost is included for grant funded or donated vehicles.

<sup>4</sup> Services and supplies will be billed to the City on a quarterly invoice.



SCHEDULE A  
LAW ENFORCEMENT SERVICES CONTRACT  
CITY OF NEEDLES  
FY 2023-24

Proposed - Not Final

LEVEL OF SERVICE SUMMARY

**SAFETY:**

Lieutenant	-	0.35
Sergeant	-	1.50
Detective/Corporal	-	1.00
Deputy Sheriff	-	9.53
		<hr/>
		12.39

**GENERAL:**

Sheriff's Service Specialist	-	0.90
Office Specialist	-	0.50
Dispatchers	-	1.56
		<hr/>
		2.96

**VEHICLES:**

Marked Patrol Units	-	4.00
Safety Unmarked Units	-	1.00
Pickup Trucks	-	0.90
Citizen Patrol	-	1.00
Donated Vehicles-Ins Only	-	3.00 *
		<hr/>
		9.90

**DONATED VEHICLES LIST:**

Command Post Trailer	-	1 *
Polaris UTV	-	1 *
Message Board Trailer	-	1 *
		<hr/>
		3 *

\* (Included for insurance costs only)



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Marketing Strategy Proposed Budget

**Background:** On April 22, 2023, the City Council accepted Development Management Group, Inc.'s Economic Investment Marketing and Branding Strategic Plan (2022-2025). The Plan provides a framework, action-oriented steps and effectiveness evaluation criteria with the goal of generating additional economic investment into the City of Needles.

Four (4) core areas were identified to attract additional economic investment:

1. Residential Development (Single Family, Multi-Family Housing and Custom/In-Fill)
  - a. The City has adopted policies to attract homebuilders to our community:
    - i. General Plan Update- Encourages "multifamily and mixed-use residential development into General Commercial areas."
    - ii. Housing Element- Comprehensive growth plan which identifies our housing needs.
    - iii. Prohousing Designation- Provides incentives to developers to be competitive in attracting funding for housing.
    - iv. Will be supplement by the funding available through the Housing Authority of the City of Needles to rehabilitate existing housing and recruit homebuilders.
  - b. The tasks and marketing program for Residential Development are attached and begin on page 23 of the Economic Investment Marketing Plan 2022-2025. A few of the tasks include:
    - i. Acquire database of all active homebuilders in Southern California, Western Arizona and Southern Nevada.
    - ii. Develop a Postcard for Direct Mail use to homebuilders (2)
    - iii. Attend Annual Homebuilders Convention (typically in January): Year 1 as "Invader", Years 2-3 as Exhibitor
2. Retail / Restaurants
  - a. The City has utilized our economic development consultant, Development Management Group, Inc. (FY 24 \$70,000) to work collaboratively with the City Council and City Staff to attract businesses to our community. DMG, Inc. has successfully recruited Dollar General, AutoZone, and the Hampton Inn Needles.
  - b. The tasks and marketing program for Retail Growth Opportunities are attached and begin on page 29 of the Economic Investment Marketing Plan 2022-2025. A few of the tasks include:
    - i. Needles must make use of trade show events that bring brokers, developers and retailers together such as ICSC-San Diego and ICSC-Las Vegas
    - ii. Targeting retail businesses with a presence in the Colorado River Region, as this means there is existing distribution and management to support operations (lists on previous pages).
    - iii. Needles must make specific outreach attempts to retailers in specific sub-categories where there is community need. This includes full-service grocery store as well as grocery retailers that target/cater to families

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utilizing government assistance (such as Mother's Nutrition now known simply as Mother's).

3. Industrial Development

- a. City desires to market opportunities, traditional industrial and/or distribution/logistics will likely be the most difficult to see success.
- b. The tasks and marketing program for Industrial Growth Opportunities are attached and begin on page 32 of the Economic Investment Marketing Plan 2022-2025. A few of the tasks include:
  - i. Get Database of all industrial brokers SoCal, Western AZ, So. Nevada)
  - ii. Membership and active participation in Society of Industrial and Office Realtors (SIOR)
  - iii. Membership and active participation in Inland Empire Economic Partnership (IEEP)

4. Hospitality and Tourism

- a. Millions of people traveling into or through the area each year, it is the goal of a tourism program to welcome those travelers for both planned and spontaneous stops in Needles.
- b. The City has selected the Chamber of Commerce to operate the Visitor Center in the Historic El Garces (FY 24 \$24,000) to run the Visitor Center office, manage operations in the tourism industry, market and advertise Needles, event coordinating and planning of community events.
- c. The tasks and marketing program for Tourism Growth Opportunities are attached and begin on page 35 of the Economic Investment Marketing Plan 2022-2025. A few of the tasks include:
  - i. TBID, a TBID is a Tourism Business Improvement District. This is formed legally by those involved in the industry (usually hotels but can also include restaurants).
  - ii. Visitors Center (Real and Virtual)
  - iii. Participation in Hotel Professional Conferences to Recruit Additional Hotels to the Region.

**Fiscal Impact:** \$50,000 General Fund Emergency Reserves

**Recommended Action:** Provide Council Direction

**Submitted By:** Patrick Martinez, Assistant City Manager

**City Management Review:** Rick

**Date:** 6/8/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 7



# CITY OF NEEDLES, CALIFORNIA



## ECONOMIC INVESTMENT MARKETING PLAN

**2022-2025**



**Presented by:**

**Development Management Group, Inc.**

**[www.dmgeconomics.com](http://www.dmgeconomics.com)**

**(760) 272-9136**

**March 22, 2022**

### **3. Acknowledgments**

An Economic Development Marketing Plan is put together as a community, for a community. The City of Needles (elected officials, residents, business community and staff) has come together to provide significant visioning as well as qualitative and quantitative information to formulate the plan that follows. The following are recognized for their contributions to the plan:

#### **Mayor & City Council for the City of Needles**

Mayor Jeff Williams  
Vice Mayor Edward Paget, MD  
Councilmember Tona Belt  
Councilmember Ellen Campbell  
Councilmember Wade Evans  
Councilmember Zachery Longacre  
Councilmember Kristen Merritt

#### **Committee Commissioners for the City of Needles**

Terry Campbell, Public Utility Commission Chair  
Linda Kidd, Planning Commission Chair

#### **Community Members and Members of the Business Community**

Kim Acosta, Best Western Colorado River Inn  
Tim Terral, Golden Valley Cable  
Susan Alexis, Wagon Wheel  
Billy Andrews, Developer/Landowner  
Kristen Baran, 19<sup>th</sup> Hole  
Palm Blake, Community Leader  
Eric Bryant, Needles Marina  
Todd Burleson, AZYP  
Michael Burger, CPA  
Lale Cilenti, Palo Verde College  
Mary Gonzales, Needles Chamber of Commerce  
Shawn Gudmundson, Community Leader  
Eileen Hartwick, Napa Auto Parts/Big O Tires  
Shatell Hazlewood, River Sisters Realty  
Jan Jernigan, Needles Downtown Business Association  
Vasu Jolly, Rio Del Sol Inn  
Joe Jones, Needles Shell, Subway & Dairy Queen  
Sharad Kadakia, Developer/Landowner/Hotel Owner-Operator  
Mathew Kaplan, Vertical Companies  
Cheryl Luell, The Healing Center  
Michael Lundin, LUKO Properties  
Dr. Mary McNeil, Superintendent of Schools Needles Unified School District  
(Ret.) Judge Patrick Morris

## 5. Marketing Slogan / Unification Vision Statement

The City of Needles (the community) holds immense pride for who they are. A marketing slogan/vision statement that speaks to both their source and sense of pride will help unify the community further as well as serve as a brand to bring additional economic investment into the local economy. There are multiple ways to look at a slogan, this plan provides three with examples of the first concept.

*Concept 1: (Celebration of "Needles" ... a logo for use with marketing that is a set of "Needles Mountains" with "Points" or Needles on them with one of the following (or some variation):*

1. **Live the Point! (main theme)**
2. Shop the Point!
3. Grow the Point!
4. Dine the Point!
5. Play the Point!
6. Business at the Point!
7. Vacation the Point!
8. Family at the Point!
9. Move to the Point!
10. Home's at the Point
11. Visit the Point!



Essentially, the use is almost endless. The medallion shown is a mock-up example.

*Concept 2: (Cannabis Lean) While 5+ years ago, the attitude regarding a double meaning slogan would be different, today, the City and community should "lean into" its cannabis-related industry growth as that is now the prominent employer and is generating the greatest amount of new economic investment. Ideas for a slogan:*

1. Come Grow with Us!
2. Grow with Us!
3. Grow in Our Oasis!

*Concept 3: (Celebration of Needles as a River/Desert/Oasis Destination)*

1. Live on the River
2. An Oasis Paradise
3. Where the Desert Meets the River
4. California's East Coast

**Personal Transportation (Percentage of Households):**

No Vehicles:	5.66%
1 Vehicle:	35.30%
2 Vehicles:	36.69%
3 Vehicles:	15.14%
4 or More Vehicles:	7.21%

**Housing:**

Housing Units (Owner-Occupied):	67.31%
Housing Units (Renter-Occupied):	32.69%

**Length of Use:**

Owner-Occupied:	13.58 Years
Renter-Occupied:	6.44 Years

**Estimated Median Value of All Owner-Occupied Housing Units:**

\$253,595

**Housing Unit Characteristics (Housing Units by Units in Structure):**

1-Unit Attached	1,859	(2.21%)
1-Unit Detached	50,454	(60.04%)
2 Units	1,729	(2.06%)
3-4 Units	2,971	(3.54%)
5-19 Units	5,711	(6.80%)
20-49 Units	1,156	(1.38%)
50+ Units	1,813	(2.16%)
Mobile Home or Trailer Units	18,031	(21.46%)
Boat/RV/Van Units	314	(.37%)

**Educational Attainment (Adults 25+ / Highest Level Attained) (Entire Population):**

Less than High School Graduate/GED:	12.66%
High School Graduate or GED:	35.10%
Some College, No Degree:	29.98%
Associate's Degree:	8.95%
Bachelor's Degree:	8.53%
Master's Degree:	3.08%
Professional/Doctorate Degree:	1.70%



**Employment:**

White Collar:	46.94%
Blue Collar:	24.55%
Service & Farming:	28.50%

**Job Types (Large Scale) Total Employment:**

Total:	49,725 (100%)
For-Profit Private Employers	36,163 (72.73%)
Non-Profit Private Employers	2,749 (5.53%)
Local Government	3,618 (7.28%)
State Government	1,006 (2.02%)
Federal Government	782 (1.57%)
Self-Employed	5,366 (10.79%)
Unpaid Family Workers	42 (.09%)

**7. Local Community (City) Demographics (City of Needles, CA)****Population: 5,353****Ethnicity:**

Needles is a community that has seen additional diversification over the last eight (8) years. In 2013, "White Alone" accounted for about 74% of the population while "Hispanic/Latino" accounted for 23%. Below are the current demographic breakdown:

White Alone:	68.47%
Black/African American Alone:	2.46%
American Indian:	11.06%
Asian Alone:	0.85%
Native Hawaiian/Pacific Islander Alone:	0.18%
Other Race:	8.86%
Hispanic or Latino:	26.35%

\*Note that ethnicities do not equal 100% as some persons are considered of more than one classification.

**Language Spoken at Home (Primary):**

English	94.47%
Asian/Pacific Islander:	0.65%
Indo-European:	0.24%
Spanish:	2.57%
Other Language:	2.07%



**Housing Unit Characteristics (Housing Units by Units in Structure):**

1-Unit Attached	125 (3.7%)
1-Unit Detached	1,572 (46.49%)
2 Units	58 (1.72%)
3-4 Units	242 (7.16%)
5-19 Units	159 (4.70%)
20-49 Units	7 (0.21%)
50+ Units	216 (6.39%)
Mobile Home or Trailer Units	967 (28.60%)
Boat/RV/Van Units	35 (1.03%)

**Educational Attainment (Adults 25+ / Highest Level Attained) (Entire Population):**

Less than High School Graduate/GED:	15.47%
High School Graduate or GED:	40.16%
Some College, No Degree:	27.38%
Associate's Degree:	4.52%
Bachelor's Degree:	7.61%
Master's Degree:	3.64%
Professional/Doctorate Degree:	1.22%

**Educational Attainment (Hispanic/Latino):**

High School Graduate or GED:	46.44%
Some College or Associates:	37.10%
Bachelor's Degree or Higher:	10.74%

**Household Income:**

Median Household Income in 2013 was \$29,852. Today, it is \$42,122 an increase of 41% in the last nine (9) years. Average Household Income has also increased from \$47,300 to \$58,448 (a 24% increase) over the same time period. Income disparity (a calculation which divides the average household income by median household income) has improved from 1.60x to 1.39x in the past nine (9) years. A contributing factor for increasing household incomes and improvement in disparity has been an increase in minimum wage in California.

<\$35,000:	43.26%
\$35,000-\$49,999:	13.86%
\$50,000-\$74,999:	18.63%
\$75,000-\$99,999:	7.92%
\$100,000-\$149,999:	9.84%
\$150,000+:	6.67%

Average Household Income:	\$58,448
Median Household Income:	\$42,122
Ratio Average to Median:	1.39x

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## **Employment**

Employment within the City of Needles robust. First, San Bernardino County has 2,181,654 residents. Employment within San Bernardino County is 992,100 with a labor force of 940,800 (5.2% unemployment rate). Needles has a population of 5,353 with 1,700 involved in the labor force. Currently 1,600 are employed for an unemployment rate of 6.7%. Currently, there are 2,804 jobs within the City of Needles (meaning employment within the City) or 1.65 jobs per person in the labor force. These figures do not include cannabis-related employment as there is a reporting lag for NAICS (North American Industrial Classification System) Codes. As of January 31, 2022, there were 509 persons actively employed in cannabis-related industries. Below is a list of industries and employment:

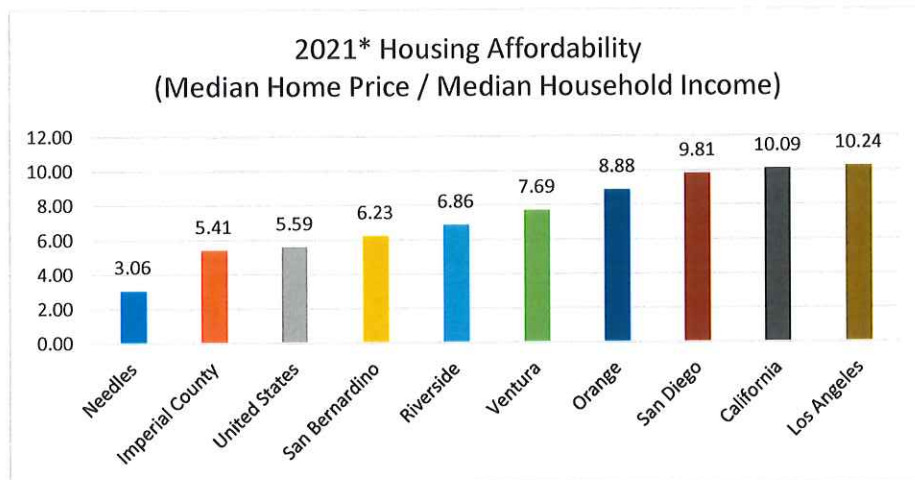
<b>Industry</b>	<b>Number of Employers</b>	<b>Total Employment</b>
Agriculture	2	4
*Agriculture (Cannabis-Related)	22	509
Utilities	2	25
Construction	12	49
Manufacturing	2	16
Retail	44	219
Transportation & Warehousing	9	60
Information	8	27
Finance & Insurance	25	32
Real Estate & Rental/Leasing	21	64
Professional, Scientific, Technical	11	40
Administrative/Support/Waste Management	4	13
Education	9	329
Health Care & Social Assistance	40	359
Arts/Entertainment/Recreation	10	40
Accommodation & Food Service	37	351
Other Services	34	131
Public Administration	48	533
Unassigned	13	3
<b>Total</b>	<b>351</b>	<b>2,804</b>
Average Employees Per: 7.99		

Note (\*) Cannabis-related employment does not show in NAICS code analysis. DMG, Inc. provides estimates based on past economic impact analysis. The total employment in cannabis-related companies is 509 as of January 31, 2022. It is estimated that there are about 35 cannabis-related businesses currently operating, within 22 different ownerships.

## 8. Residential Housing

The current housing market is currently stable and there have been a fair number of transactions in recent years. The following housing market charts are presented to provide a better understanding of the Needles housing market in recent years:

Housing Affordability: Needles has one of the most affordable housing markets in the entire Nation. Consider that in California (as a whole) the median home price is 10.09 times the median household income. In San Bernardino County, it is 6.23 times. The United States as a whole has a median home price that is 5.59 times the median household income, while Needles is significantly more affordable at only 3.06 times.



Home Sales: Needles has ranged from about 52-139 over the past five (5) years while the median home price has ranged from a low of \$66,500 to \$95,000 over the past five (5) years.

### Exhibit B

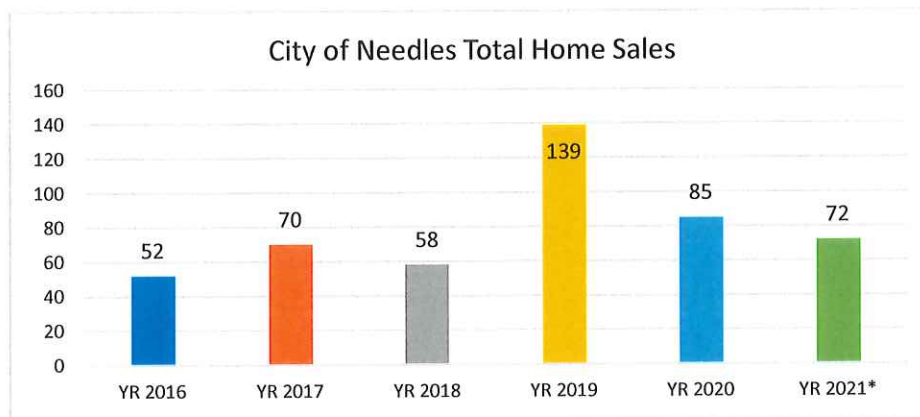


Exhibit E

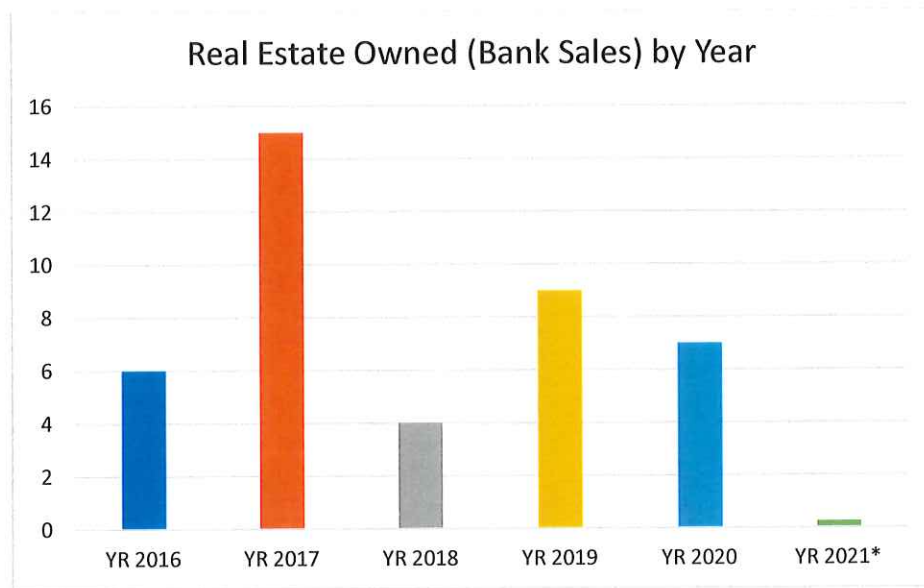


Exhibit F

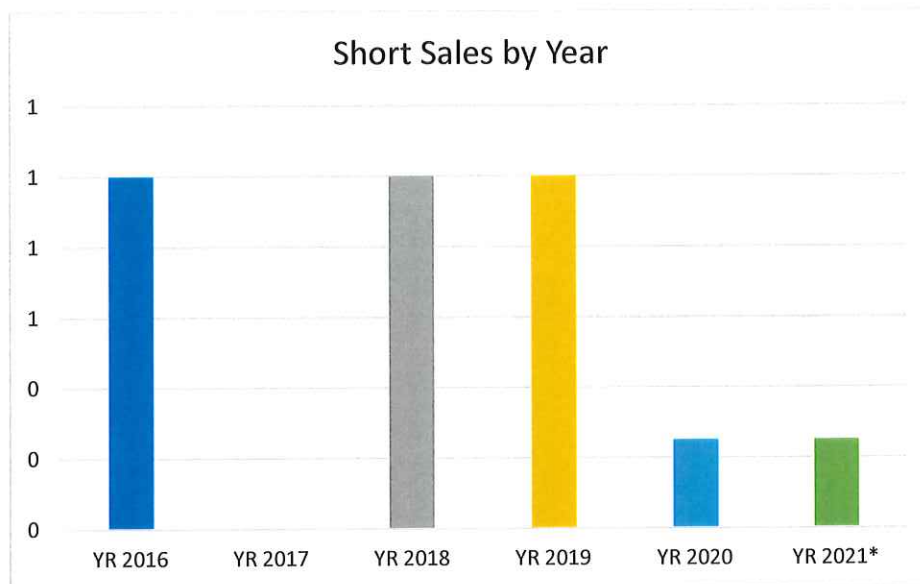


Exhibit I

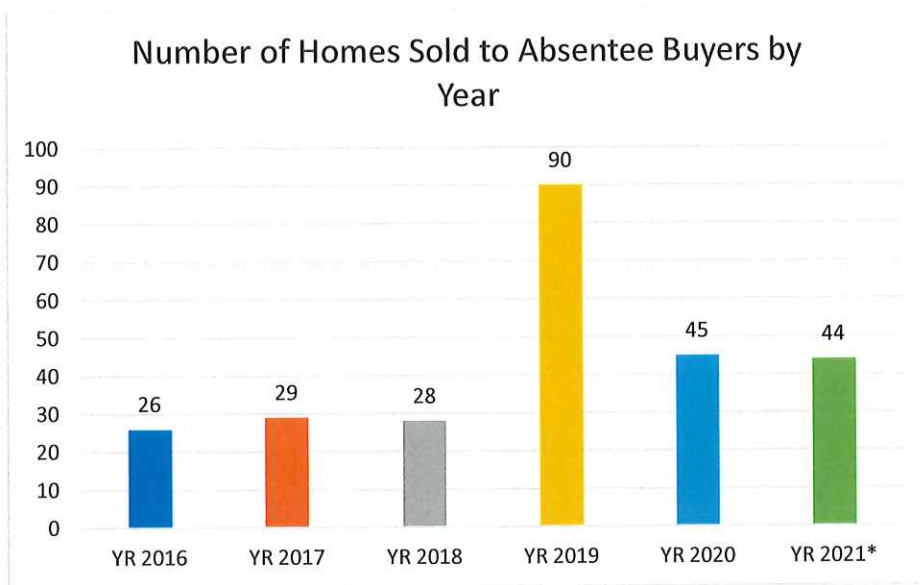
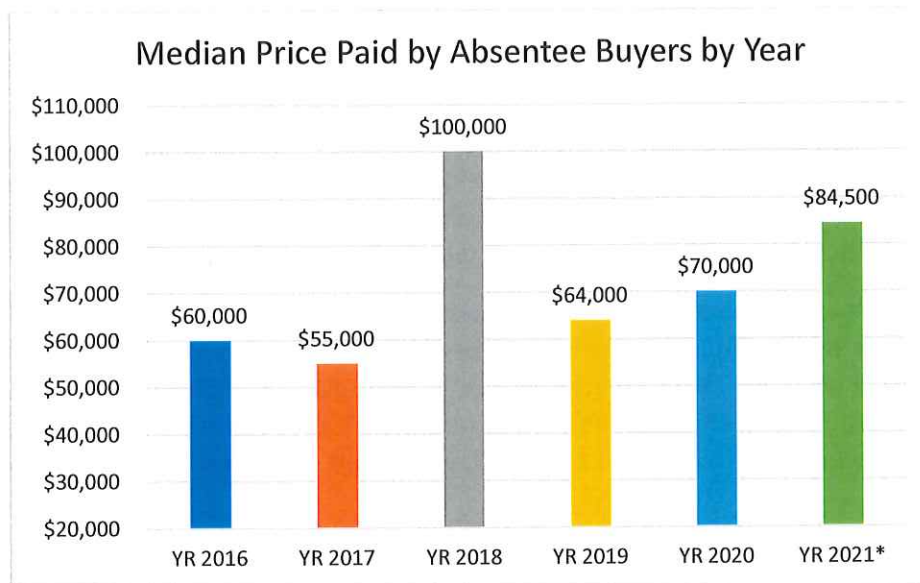


Exhibit J





**Table 1: Housing Deficit Calculations**

<b>Item</b>	<b>Number/Figure</b>
Population	5,353
Total Housing Units*	2,379
Labor Force	1,700
Total Employed	1,600
Total Currently Employed Within Jurisdiction	2,804
Job Growth Projection (2022-2025)**	1,288
Projected Total Employment	4,072
Local Ratio Units to Jobs (Current)	.85
Housing Units Needed by 2025 (Local Ratio)	3,455
Additional Units Needed by 2025	<b>1,076</b>
National Ratio Units/Jobs	.92
Housing Units Needed by 2025 (National Ratio)	3,746
Additional Units Needed by 2025 (National Ratio)	<b>1,367</b>

***Total Additional Housing Units Needed by 2025: 1,076 to 1,367***

\*Housing Units defined as fixed structures

\*\* Job Growth factors ONLY Cannabis-Related businesses (Under Construction/Approved)

#### **Current & Future Demand for Housing:**

For the first time in decades, the City of Needles is growing and there is an industry that is driving the growth. In recent years, new construction has generally been limited to custom home construction, typically along the shoreline of the Colorado River. That said, in the last three (3) years, the community has added over 500 new jobs mostly as a result of cannabis-related businesses. Currently, there are 509 persons working in 240,500 square feet of cannabis-related business space. This is about 1 person for every 473 square feet of space. There is an additional 184,337 under active construction. This will result in about 390 additional jobs. Finally, there is another 424,409 square feet of space that has been entitled and is estimated to be constructed over the next three (3) years, creating an additional 898 jobs.

The growth of this industry is creating a housing shortage in the community. Based on both local and national housing to jobs ratios, the City of Needles needs an additional 1,076 and 1,367 housing units over the next three to five years to meet current and future demand.

Before housing developers (for sale or rental) begin, they will desire to understand market affordability and costs. Below are three (3) scenarios for which to consider:

City could consider using a portion of the cannabis-tax money to assist first-time or low-moderate income homebuyers purchase older homes in community and have funds to “rehab or fix-up”. There would be owner occupancy requirement (covenant) and use funds as a silent second mortgage (no payments, no interest) but paid back at time they sell home.

Additionally, the City could consider using a portion of the cannabis-tax money to assist first-time homebuyers with new homes through a down payment assistance of up to 3% of the purchase price (\$6,000) There would be owner occupancy requirement (covenant) and use funds as a silent second mortgage (no payments, no interest) but paid back at time they sell home.

#### Housing Opportunities for Needles, CA

1. New construction rental housing (multi-family) to host those largely in cannabis-related industries.
2. New construction tract housing for those largely employed in cannabis-related industries.
3. Continued expansion of custom homes along the Colorado River
4. Retirement housing (single family) for those desiring to leave larger markets (and use their equity to fund retirement)
5. Institutional retirement housing (staged care, senior care apartments)
6. Housing for State or County Employees (like CHP, Caltrans, Sheriff or Fire) whereas State/County works with private developer to build housing (2-3 bedroom) that is used by State/County employees when rotating through Needles, CA as the community’s lack of housing is a barrier to attract professionals to provide public services.

#### Proof of Concept

Obviously, single-family new home construction is what would bring the greatest long-term growth potential and family stability to the community. This is because families are putting down “roots” and will generally become active in the community and local school system.

Needles offers one of the most affordable housing opportunities in California. That said, there has been little new housing built in recent years. Since 2016 only a handful of new homes have been built. These are generally limited to custom homes built on parcels with direct access to the Colorado River. The community has generally been ignored by homebuilders as the population was not increasing. Since 2018, this dynamic has begun to change with the welcoming of cannabis-related businesses to the community. Below are figures regarding the housing market over the last five (5) years:

#### Home Construction (Based on 1,350 Square Foot 3-Bedroom 2-Bathroom Home)

	<u>Calle Hernandez Lots</u>	<u>Stromberg Lots</u>
Sale Price	\$250,000	\$250,000
Land	\$12,000	\$4,000
Infrastructure	\$0	\$24,000
Building Fees (1,350 sq. ft)	\$8,464	\$8,464
Utility Fees (1,350 sq. ft.)	\$5,700	\$5,700
School Fees (\$4.08 psf)	\$5,508	\$5,508
Home Construction (\$125 psf)	\$168,750	\$168,750
Closing Costs (7%)	\$17,500	\$17,500
Developer Profit	\$32,078	\$16,078

# **CITY OF NEEDLES, CALIFORNIA**

## **ECONOMIC INVESTMENT MARKETING PLAN**

**2021-2024**

### **RETAIL GROWTH AND OPPORTUNITIES**



**\*Retail to Serve Local Community**

**\*Retail to Serve I-40 / I-95 Travelers**

**\*Retail to Serve Daytime Workforce**

**\*Retail to Serve Colorado River Region**



Retail Demand is a calculation of how much retail products and services are needed to support a region based on its local population, demographically adjusted. Demand is usually provided in current (2022) and future (2026) dollars to show growth potential. Demand does not adjust for visitors, highway flow-thru or other non-local demand considerations.

The overall five-year compounded annual growth rate (per Environics Analytics) is expected to be about 1.84%. Certain categories are expected to grow at a faster rate including Health and Personal Care (2.31%), Gasoline Stations (2.46%) and Food/Drinking Establishments (2.72%).

The third-party analytics does not reflect recent growth in Needles as a result of the cannabis industry. There is typically a data-lag of at least 2-3 years for most industries. The cannabis industry has not shown up in most statistical categories as County, State and Federal Government Agencies struggle to categorize it correctly.

Retail Demand in the City of Needles is approximately \$13,688 per person, which is 19.3% lower than the national average of \$16,970. Keep in mind that this figure is not necessarily the average true spend per person but also includes visitors (tourism and flow-thru) and a workforce that comes to Needles for employment.

Total Retail Demand	\$73.27 million
Motor Vehicles & Parts	\$14.03 million
Furniture & Home Furnishings	\$ 1.18 million
Electronics & Appliances	\$ .87 million
Building Materials	\$ 4.88 million
Food & Beverage	\$ 10.38 million
Health & Personal Care	\$ 4.17 million
Gasoline Stations	\$ 5.63 million
Clothing	\$ 2.40 million
Sporting Goods	\$ .91 million
General Merchandise	\$ 8.74 million
Miscellaneous	\$ 1.41 million
NonStore Retailers	\$ 11.41 million
Food Services and Drinking Places	\$ 7.26 million

#### **Regional/National Retailers with Presence in Needles, CA (Est. Population 5,353)**

America's Best Value Inn	Hampton Inn & Suites*
Auto Zone	Jack in the Box
Best Western	McDonalds
Big O Tires	Mobile
Carl's Jr	Napa Auto Parts
Chevron	Quality Inn
Circle K	Red Roof
Dairy Queen	Rite-Aid
Days Inn	Rodeway Inn
Dollar General	Shell
Domino's Pizza	Subway

\*Hampton Inn & Suites under construction as of 3/16/22

**Regional/National Retailers with Presence in Colorado River Region**

**Bullhead City (Est. Population 40,900)**

99 Only Stores	IHOP
Aarons Rent a Center	Joann's
Ace Hardware	KFC
Arby's	H&R Block
ATT Mobile	Harbor Freight
AutoZone	Home Depot
Bank of America	Little Caesars Pizza
Baskin Robbins	Lowes
Big 5 Sporting Goods	Mattress Firm
Black Bear Diner	McDonalds
Boost Mobile	O'Reilly's
Buffalo Wild Wings	Panda Express
Burger King	Papa Johns
Carl's Jr.	Planet Fitness
Chase Bank	Safeway
Chevron	Sears Hometown
Circle K	Smart & Final
Cold Stone Creamery	Smith's
Cost Cutters	Sonic
CVS	Starbucks
Del Taco	Subway
Denny's	T-Mobil
Discount Tire	Taco Bell
Dollar General	Texaco
Dollar Tree	U-Haul
Dominos Dutch Brothers	UPS
Enterprise Rent a Car	US Bank
Famous Footwear	Verizon
Great Clips	Walgreens
Goodwill Stores	Wendy's
Hobby Lobby	Walmart
Human Bean	Wienerschnitzel

### Sample LinkedIn Post to Promote Location

#### Example A Real Estate Broker-Product


 **Progressive Real Estate Partners** + Follow  
901 followers  
1w • Edited •

Lots of CRE activity happening in the High Desert region of SoCal's Inland Empire! Congrats to our ...see more



**Progressive Real Estate Partners Announces Sale of High Desert La...**  
progressiverep.com • 2 min read

#### Example B Retailer Celebrating New Store

 **AARON HARRIS** • 1st ...  
Vice President of Real Estate and Construction for Dutch Bros Coffee  
2d •

Saturday Night Update from **Dutch Bros Coffee** and our team has done it again. ...see more



#### Example C Needles, CA Celebrating Success

Congratulations to our economic development client, the City of Needles and The Green Group. Construction has started on a new Hampton Inn & Suites in Needles! Sharad Kadakia and his team are bullish on a town that has added 500+ new jobs in the last 2 years!





## 10. INDUSTRIAL

Of the four categories for which the City desires to market opportunities, traditional industrial and/or distribution/logistics will likely be the most difficult to see success. Businesses based in California are at a disadvantage as the State minimum wage is currently \$15.00 per hour. In Arizona it is \$12.80 per hour while it is \$9.50 in Nevada. By way of reference, the national minimum wage is \$7.25 per hour. That said, employers located near border states with lower minimum wage often report that they are able to attract the “best of the best” in the labor market as they often offer higher pay than employers in nearby states.

Over the past twenty-five years, logistics has been a driving force in the economic expansion of the Inland Empire. The industry has centered in Ontario, Jurupa Valley, Mira Loma and San Bernardino. In more recent years, the City of Perris has seen logistics growth. The (now) more urbanized communities within the Inland Empire are exceedingly passing new restrictive laws preventing the expansion of logistics in their city. This is because residents have complained of traffic, noise and air quality. Logistics-oriented companies are now looking north to Victorville, Hesperia, Apple Valley and Adelanto.

The City of Needles should make sure they are included in consideration for logistic companies as land is generally inexpensive and plentiful and the community is located with easy access to the Los Angeles (I-40/I-15), Las Vegas (I-95) and Midwest/Southern Markets (I-40). Additionally, as last-mile delivery expands (Federal Express, UPS, Amazon-Direct) Needles should lobby for facilities as the community is located in the center of the Colorado River Region.

1. Membership and active participation in Inland Empire Economic Partnership (IEEP)
2. Membership and active participation in Society of Industrial and Office Realtors (SIOR)
3. Direct Communication with Brokers Representing Industrial (Typically Inland Empire based brokers) Examples include:
  - a. Lee & Associates
  - b. CBRE
  - c. Colliers International
  - d. Daum Commercial
4. Research List of Developers that own Industrial Parks in Western Arizona/Southern Nevada
5. National Association of Industrial and Office Professionals
6. Direct Communication with Industrial Developers (Prologis & Hillwood)
7. Get Database of all industrial brokers SoCal, Western AZ, So. Nevada)
8. Asset Map of Needles and surrounding area that includes major interstates and highways, off-ramps, land zoned for industrial (uses which could include warehousing, transportation or fuel/switch yards). Said Map should also include current electrical and water rates as a comparative tool for development use.
9. Communication with existing Cannabis-Related Businesses to request names of suppliers or ask that they contact **suppliers** to move facilities into Needles to **support cannabis industry** (packaging, soil, chemicals, seeds, lighting, irrigation, water treatment).
10. Acquire database of **trucking, transportation and logistics** companies along with trade publications catering to that industry. As California continues to increase regulation on the industry that may call for non-diesel vehicles in California, Needles could be the “switch station” that includes a yard and facility to change from diesel vehicles that are likely to allowed in other states for the foreseeable future to alternative (non-diesel) tractors.

# **CITY OF NEEDLES, CALIFORNIA**

## **ECONOMIC INVESTMENT MARKETING PLAN**

**2021-2024**

### **TOURISM OPPORTUNITIES**



**\*Marketing Partnership (TBID)**

**\*Route 66 Tourism**

**\*River Destination**

**\*Desert (Sand Toys / 4x4 Destination)**

**\*Travelers Oasis**

**\*Support for Visiting Laborforce**

- G. Creation of Defined “Rest Areas” for Commercial Truck Traffic. This may be in conjunction with a “switch yard” as described in the Industrial section of this report. This facility would serve as a safe rest area for truckers, provide a more defined invitation to them to be in the community and likely results in additional economic activity (fuel, truck service, food service).
- H. Creation of Defined “Rest Areas” for Passenger Vehicle Travelers. This would be an “Oasis” that could include shade (trees or structure), cooling (mistifiers), picnic tables, pet relief station. This would be a “reason” to stop in Needles and may also result in additional economic activity (fuel, auto service, food service, hotel stays). A combination of the two rest areas may also decrease traffic accidents in the region as travelers may be more rested when going through the region, thereby limiting driver fatigue.
- I. Visitors Center (Real and Virtual)
- J. Geofence Advertising to travelers in the area (Geofencing allows targeted messages to people entering a defined area on social media for goods and services)
- K. Asset/Visitors Map
- L. Consider allowance for creation of a Cannabis Lounge to spark cannabis-based tourism.
- M. Consider allowing for increased signage and brand identification with cannabis-related companies thus creating a tour market (similar to winery tours)
- N. Participation in Hotel Professional Conferences to Recruit Additional Hotels to the Region. This would also include developing a database of all hotel-owning investor groups with assets in the Colorado River Region (from Laughlin to Yuma)



## City of Needles Marketing Plan: Housing (Recommended Annual Expenditure Housing Marketing: \$17,500)

Item/Event/Affiliation	Budget Amount (Annual)	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
<b>Program and Legislative Items</b>													
1 Down Payment Assistance		X	X										
2 Owner-Occupied Rehabilitation Program		X	X										
3 Real Estate & Construction Professional Halo Legislation at State of CA Level				X	X	X	X						
<b>Economic Infrastructure Items</b>													
4 City Housing Asset Map	\$2,500	X				X				X			
Inventory of Entitled Sites (TTM or PM's), Infill, Custom and Master-Planned Potential													
Shows Location of Retail/Restaurants/Schools/Places of Worship/Healthcare Other QOL													
<b>Economic Development Memberships/Professional Affiliations</b>													
5 Active Membership and Participation with Inland Empire Riverside/Baldy View Building Industry Association	\$1,000	X											
6 Active Membership Nevada Contractors Association	\$750	X				X				X			
7 Active Membership Arizona Building Association	\$750	X				X				X			
<b>Housing Development Marketing Activities</b>													
8 Monthly Linked In Post (PM/MB)		X	X	X	X	X	X	X	X	X	X	X	X
9 Monthly Linked In (Paid Promotion)	TBD	X	X	X	X	X	X	X	X	X	X	X	X
10 National Association of Home Builders (2/8-2/10/22 Orlando, FL)	\$5,000			X				X					
11 Acquire Database / Design Send Updated Mailing List of Housing Developers or 2 Postcard Mailings Per Year	\$3,500			X				X					
12 Email Database for Quarterly Messages	\$3,500	X	X	X	X	X	X	X	X	X	X	X	X
13 Annual Virtual Event for Real Estate Professionals based in Needles/Colorado River Region	TBD		X				X				X		



Exhibit D

City of Needles Marketing Plan: Tourism (Recommended Annual Tourism Expenditure \$12,500 (Not Including TBID Formation and Direct Marketing from TBID Funding)

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## City of Needles, California Request for Council Action

☒ CITY COUNCIL/NPUA ☐ Board of Public Utilities ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** California Energy Commission Calendar Year (CY) 2022 Power Source Annual Reporting

**Background:** The Power Source Annual Reporting was established to provide "accurate, reliable, and simple-to-understand information on the sources of energy that are used to provide electric services" to California consumers.

Signed by Governor Brown in September 2016, AB 1110 (Ting, Chapter 656, Statutes of 2016), requires that retail suppliers of electricity additionally disclose to consumers the greenhouse gas emissions intensity of the supplier's electric service products. This modification to the program will improve transparency for consumers and strengthen the Power Source Disclosure and the Power Content program's relevance to California's climate change activities.

The City of Needles CY 2021 Power Source Disclosure Report. Total retail sales in CY 2021 were 79,161 (MWh) of which 37.2% was supplied by the Parker-Davis Project and the remaining 62.8% was supplied unspecific power.

Enclosed is the 2022 Power Source Disclosure Reporting. Total retail sales in CY 2022 were 80,950 (MWh) of which 36.4 % was supplied by the Parker-Davis Project and the remaining 63.6% was supplied by nuclear, and unspecified power sources. The Board of Public Utilities approved the recommended action on June 6, 2023.

**Fiscal Impact:** None

**Recommended Action:** **Move** to accept the annual report to the California Energy Commission Power Disclosure Annual Report for the year ending December 31, 2022

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:** R. Torrance

**Date:** 6/6/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 8

## 2022 POWER SOURCE DISCLOSURE ANNUAL REPORT For the Year Ending December 31, 2022

Retail suppliers are required to use the posted template and are not allowed to make edits to this format. Please complete all requested information.

### GENERAL INSTRUCTIONS

RETAIL SUPPLIER NAME	
City of Needles	
ELECTRICITY PORTFOLIO NAME	
CONTACT INFORMATION	
NAME	Rainie Torrance
TITLE	Assistant Utility Manager
MAILING ADDRESS	817 Third Street
CITY, STATE, ZIP	City of Needles, CA 92363
PHONE	(760) 326-5700
EMAIL	<a href="mailto:rtorrance@cityofneedles.com">rtorrance@cityofneedles.com</a>
WEBSITE URL FOR PCL POSTING	<a href="http://www.cityofneedles.com">www.cityofneedles.com</a>

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov). Remember to complete the Retail Supplier Name, Electricity Portfolio Name, and contact information above, and submit separate reports and attestations for each additional portfolio if multiple were offered in the previous year.

**NOTE:** Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the California Energy Commissions's website at <https://www.energy.ca.gov/about/divisions-and-offices/chief-counsels-office>.

If you have questions, contact Power Source Disclosure (PSD) staff at [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov) or (916) 639-0573.

**2022 POWER SOURCE DISCLOSURE ANNUAL REPORT**  
**SCHEDULE 3: POWER CONTENT LABEL DATA**  
**For the Year Ending December 31, 2022**  
**City of Needles**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
<b>Renewable Procurements</b>	-	0.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	-	0.0%
Wind	-	0.0%
Coal	-	0.0%
Large Hydroelectric	29,502	36.4%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	51,448	63.6%
<b>Total</b>	<b>80,950</b>	<b>100.0%</b>

<b>Total Retail Sales (MWh)</b>	<b>80,950</b>
---------------------------------	---------------

<b>GHG Emissions Intensity (converted to lbs CO<sub>2</sub>e/MWh)</b>	<b>600</b>
-----------------------------------------------------------------------	------------

<b>Percentage of Retail Sales Covered by Retired Unbundled RECs</b>	<b>0.0%</b>
---------------------------------------------------------------------	-------------



## ASSET CONTROLLING SUPPLIER RESOURCE MIX CALCULATOR

Instructions: Enter total net specified procurement of ACS system resources into cell A8 or A23.  
In Column E, the calculator will determine quantities of resource-specific net procurement for entry on Schedule 1.

		Bonneville Power Administration		
Net MWh Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar	0.00	-
		Wind		-
		Coal		-
		Large hydroelectric	0.84	-
		Natural gas		-
		Nuclear	0.11	-
		Other	0.01	-
		Unspecified Power	0.04	-

		Tacoma Power		
Net MWh Procured	N/A	Resource Type	Resource Mix Factors	Resource-Specific Procurements from ACS
		Biomass & biowaste		-
		Geothermal		-
		Eligible hydroelectric		-
		Solar		-
		Wind		-
		Coal		-
		Large hydroelectric	0.89	-
		Natural gas		-
		Nuclear	0.06	-
		Other		-
		Unspecified Power	0.05	-



## City of Needles, California Request for Council Action

☒ CITY COUNCIL/NPUA ☐ Board of Public Utilities ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023


**Title:** Authorize Laron Mechanical to complete the motive pump repair not to exceed \$26,810 utilizing wastewater asset replacement funds

**Background:** The City purchased a new second motive pump in 2021, staff sent one of the existing pumps up to Laron Mechanical for a rebuild leaving two new pumps and one to be rebuilt. The City issued a purchase order to Laron Mechanical for \$14,890.25 back in January 2022.

Laron Mechanical began work on the pump and determined the motor needed to be rebuilt, so they issued a change order in the amount of \$6,375.00 as this was not included in their original quote. This change order was authorized in July 2022.

Laron Mechanical then had a difficult time tracking down bearings, o-rings, and seals for the pump, a similar issue that Bob's pump was having. Bob's Pump will no longer rebuild pumps. With price increases and finally tracking down the correct replacement parts they issued another change order on January 23<sup>rd</sup> in the amount of \$5,544.32 to cover the additional costs associated with the seals and bearing kit which includes wear rings, volute gaskets, terminal board assembly and o-ring kit.

To date Laron Mechanical has torn the pump down, rebuilt the motor, balanced the impeller and sandblasted all components. Cost for work completed to date is \$21,265.25. Total cost to complete all work for the rebuild of the pump will be \$26,809.57. This would provide the city with a fully functional pump at about half the cost of the new pump which was around \$45,000.

**Fiscal Impact:** The available balance in the wastewater asset replacement fund is \$263,839.  Finance Department

**Recommended Action:** Authorize Laron Mechanical to complete the motive pump repair not to exceed \$26,810 utilizing wastewater asset replacement funds

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:**  **Date:** 6/7

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
Agenda Item: 9			

# PURCHASE ORDER

*(May be used Instead of Customer's PO Form)*

<b>Customer Name:</b> City of Needles	
<b>Purchase Order #</b>	
<b>Company PO Issued To:</b> Laron, Incorporated (Kingman)	
<b>Bill To</b> 817 3rd Street Needles CA 92363	<b>Ship To</b> 817 3rd Street Needles CA 92363

<b>Requested Delivery Completion Date</b>	
<b>Payment Terms</b>	N30

Fixed Bid ☒ Time & Material ☐

Description of Work	
Quote 70885- Size 12 Pump Repair	
<div style="text-align: right;"> <b>Total Purchase Order Amount:</b> </div>	
\$14,890.25	

By signing below, the customer agrees to Laron performing the work described above for the amount indicated based on Laron's standard Terms & Conditions located on page 2. By signing below, the signor is representing that they are authorized by the customer to bind the customer accordingly.

### Customer Authorization

**Signature:**

Printed Name: \_\_\_\_\_

**Title:**

Date: \_\_\_\_\_

## CHANGE ORDER

Customer Name:	
City of Needles	
Company CO Issued To:	
Aaron Gilmer	
Remit To: Laron Kingman 4255 Santa Fe Drive Kingman AZ, 86401 Phone: 928-757-8424	Ship To:

Laron Job #:	CRMS#:
22-00029	70885A
Requested Delivery Completion Date:	
Fixed Bid <input checked="checked" type="checkbox"/> Time & Material <input type="checkbox"/>	

Change In Workscope	
1. Relead stator, dip and bake 2. Install new power and control cable 3. Clean and prep for final testing of stator 4. Paint and stage for delivery	
<b>Change Order Amount:</b>	\$ 6,375

This change order is in addition to the original contract amount as well as all other approved/executed change orders pertaining to the referenced project.

By signing below, the customer agrees to Laron performing the work described above for the amount indicated based on Laron's standard Terms & Conditions located on page 2. By signing below, the signor is representing that they are authorized by the customer to bind the customer accordingly.

### Customer Authorization

Signature: [Signature]  
Printed Name: Aaron Gilmer  
Title: Wastewater Treatment Plant Operator  
Date: 7/21/2022

# CHANGE ORDER

Customer Name: City of Needles	
Company CO Issued To: Aaron Gilmer	
Remit To: Laron Kingman 4255 Santa Fe Drive Kingman AZ, 86401 Phone: 928-757-8424	Ship To:

Laron Job #: 22-00029	CRMS#: 70885B
Requested Delivery Completion Date:	
Fixed Bid <input checked="" type="checkbox"/>	Time & Material <input type="checkbox"/>

Change In Workscope
<p>This change order is to cover the additional cost to purchase a rebuild kit (not originally quoted because we did not have the pump manual). The cost for parts originally quoted has been deducted from overall cost of rebuild kit.</p> <p>Rebuild kit consists of seals, bearings, snap rings, gaskets, inspection plug</p>
<p><b>Change Order Amount:</b> \$ 5,544.32</p>

This change order is in addition to the original contract amount as well as all other approved/executed change orders pertaining to the referenced project.

By signing below, the customer agrees to Laron performing the work described above for the amount indicated based on Laron's standard Terms & Conditions located on page 2. By signing below, the signor is representing that they are authorized by the customer to bind the customer accordingly.

## Customer Authorization

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





## City of Needles, California Request for Council Action

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

**Meeting Date:** June 13, 2023

**Title:** Adopt Resolution 2023-37 Adopting the 2023 Needles Public Utility Authority Wildfire Mitigation Plan Version 4.0

**Background:** In 2008, the California Public Utilities Commission ("CPUC") initiated a proceeding to address fires related to utility infrastructure, following a series of wildfires that occurred in 2007 and 2008. The goal of this proceeding was to establish new industry standards that would reduce the risk of electric line-ignited wildfires, with a focus on areas of the state where wildfire risks are elevated. In 2012, the CPUC adopted three interim fire maps that designated areas of the state where stricter inspection and vegetation clearance requirements would apply to overhead utility poles and equipment.<sup>1</sup> These interim maps were based on generalized wildfire threat, rather than the areas that were at a unique risk of electric line-ignited fires. The CPUC acknowledged the need for a better map and, in the same 2012 Decision, the CPUC directed parties to develop a more precise statewide fire map that identified areas of the state at an elevated risk of electric line-ignited wildfires.<sup>2</sup>

In 2016, Governor Brown signed Senate Bill ("SB") 1028 (stats. 2016), which required publicly owned utilities ("POUs") to identify additional wildfire mitigation measures that the POU could take if the POU governing board first found that its overhead electric lines and equipment posed a significant risk of causing a catastrophic wildfire. SB 1028 required that the POU governing board must base this determination on "historical fires and local conditions," and must consult with local fire departments and other entities with responsibilities for the control of wildfires within the relevant area.<sup>3</sup> These requirements were specified in the newly added Public Utilities Code Section 8387.

In 2018, the CPUC completed the development of the statewide Fire Threat Map that designates areas of the state at an elevated risk of electric line-ignited wildfires.<sup>4</sup> This updated map incorporated historical fire data, fire-behavior modeling, assessments of fuel, weather modeling, and host of other factors. The map development and approval process involved detailed review by the relevant utility staff and local fire officials, a peer review process, and ultimate approval by a team of technical experts led by the California Department of Forestry and Fire Protection ("CAL FIRE"). The CPUC's Fire Threat Map includes three Tiers/Levels of fire threat risk. Tier 1 consists of areas that have the lowest hazards and risks. Tier 2 consists of areas where there is an elevated

<sup>1</sup> D.12-01-032.

<sup>2</sup> D.12-01-032 at 146-147.

<sup>3</sup> Cal. Pub. Util. Code § 8387(b).

<sup>4</sup> PG&E Advice Letter 5211-E/3172-E, "Joint Filing – Adoption of Final California Public Utilities Commission Fire-Threat Map," Jan. 5, 2018, *available at*

[https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5211-E.pdf](https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5211-E.pdf); SED Disposition Letter Approving Advice Letter 5211-E/3172-E, January 19, 2018, *available at* [https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_5211-E.pdf](https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5211-E.pdf). #10



## City of Needles, California Request for Council Action

risk for destructive electric line-ignited wildfires. Finally, Tier 3 consists of areas where there is an extreme risk for destructive electric line-ignited wildfires.

NPUA Staff reviewed the CPUC's Fire Threat Map and determined that no NPUA overhead electric lines or equipment are located in an area designated as either Tier 2 (elevated risk) or Tier 3 (extreme risk). Staff also reviewed historical fire data and local conditions. Based on this review, staff concluded NPUA's overhead electric lines and equipment did not pose a significant wildfire risk.

In 2018, Governor Brown signed SB 901 (stats. 2018), which addressed a wide range of issues relating to wildfire prevention, response, and recovery. SB 901 substantially revised the Public Utilities Code Section 8387, eliminating the prior process established by SB 1028 and instead making it mandatory for all POU's (regardless of size or wildfire risk) to develop a wildfire mitigation plan. Pursuant to the amended Section 8387, all POU's must present a wildfire mitigation plan to its governing board prior to January 1, 2020, and annually thereafter. Section 8387(b)(2) specifies the topics that must be addressed in the POU wildfire mitigation plans, which includes: (a) the responsibilities of the persons tasked with executing the plan; (b) a description of the POU's wildfire mitigation preventative strategies and programs; (c) a description of the metrics the POU will use to evaluate the wildfire mitigation plan's performance and discussion of how those metrics informed the current wildfire mitigation plan; (d) protocols for disabling reclosers and deenergizing portions of the electrical system; and (e) identification, description, and prioritization of all wildfire risks within the POU's service territory.

SB 901 requires that POU's must present their wildfire mitigation plan at an appropriately noticed public meeting and receive public comment. The POU must also verify that the wildfire mitigation plan complies with all applicable rules, regulations, and standards. POU's must also have their plan reviewed by a qualified independent evaluator to assess the comprehensiveness of the plan. The independent evaluator must then issue a report that the POU must make available on the POU's website, and the POU must present the report at a public meeting of the POU's governing board.

In 2019, two new bills (SB 1054 and SB 111) made additional major reforms relating to wildfires. As part of these reforms, SB 111 created a new state agency called the California Wildfire Safety Advisory Board ("Board"). The Board will be made up of seven members, five appointed by the Governor, one appointed by the Speaker of the Assembly, and one appointed by the Senate Rules Committee. The members of the board must be selected from industry experts, academics, and people with labor and workforce safety experience. At least three members must be experienced in the safe operation, design, and engineering of electrical infrastructure. SB 1054 requires that all POU's must submit their wildfire mitigation plans to the Board by July 1 of each year, starting in 2020. The Board will then review the POU plans and will provide comments and advisory opinions on the content and sufficiency the plans.

The Board of Public Utilities approved the recommended action on June 6, 2023.



## City of Needles, California Request for Council Action

Pursuant to Public Utilities Code, Section 8387, NPUA has prepared the required wildfire mitigation plan. Staff has reviewed the NPUA's wildfire mitigation plan and concluded that the plan meets all the required criteria as provided in Section 8387.

Following the adoption of the NPUA's Wildfire Mitigation Plan an audit of the plan is expected to be review with the San Bernardino County Fire Department. The plan and audit findings will be published at a public meeting and received public comment. The report and audit must be available on the NPUA's electric department website.

WSAB's specific guidance for the City of Needles (found in Appendix 3) is as follows:

The WSAB appreciates Needles including the context-setting template and statutory cross-reference table at the beginning of their 2022 WMP, as requested. The WSAB encourages Needles to continue this practice and to consider using appropriate parts of the proposed new 2023 comprehensive revision template in Appendix 1 as they prepare and file their next WMP.

The WSAB notes that Needles has not included any additional information about the adoption and public comment processes for WMPs in their 2022 document. The WSAB encourages Needles to include adoption information in future WMPs describing briefly the adoption and public comment processes Needles followed for the WMP being submitted, along with information about budget processes for any potential or expected mitigation expenses, per the proposed new 2023 comprehensive revision template.

The WSAB notes that Needles has not included updated information about their wildfire mitigation plans on their website. The WSAB can find a link to the initial WMP from 2019 and what appears to be a duplicate link pointing to the same WMP but suggesting that it is a "review" of the WMP, perhaps an independent evaluation report. The WSAB encourages Needles to provide a clear and prominent WMP page that includes older as well as current information to allow perusal of WMP history, that is – public access to former WMPs and IE Reports. The WSAB also requests that Needles include information in their 2023 comprehensive revision WMP about where on their website such information can be found.

The WSAB notes that there were few if any substantive changes between Needles' 2021 and 2022 WMPs, other than adding the context setting template and statutory cross-reference table as noted above. While the WSAB believes that minimal changes in an update year are reasonable given Needles' low likelihood of catastrophic wildfire, the WSAB encourages Needles to look more substantively at changes for the 2023 comprehensive revision WMP. The WSAB notes that Needles may have intended to add 2021 metrics but left yellow highlighted number signs in the table instead, and that in the final section of the WMP Needles uses the word "part" when they appear to mean "party". The WSAB suggests that these minor errors are an indication of lack of sufficient attention, and believes that Needles will clear them up when they file their 2023 comprehensive revision WMP.



## City of Needles, California Request for Council Action

**Fiscal Impact:** None

**Recommended Action:** Adopt Resolution 2023-37 Adopting the 2023 Needles Public Utility Authority Wildfire Mitigation Plan Version 4.0

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:** 

**Date:** 6/7/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 10

RESOLUTION 2023-37

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, ADOPTING THE NEEDLES  
PUBLIC UTILITY WILDFIRE MITIGATION PLAN VERSION 4.0.

WHEREAS, the City of Needles/Needles Public Utility Authority is a general law municipality governed by  
elected city council members; and

WHEREAS, City of Needles owns and operates a retail electrical energy distribution system which serves load to  
end-use costumers in an assigned area of service (Needles Public Utility Authority); and

WHEREAS, SB 901, amending California Public Utilities Code (“CPUC”) Section 8387, requires all POUs to  
prepare a wildfire mitigation plan before January 1, 2020, and annually thereafter; and

WHEREAS, SB 1054, amending CPUC Section 8387, requires each POU to submit its wildfire mitigation plan to  
the California Wildfire Safety Advisory Board (WSAB”) by July 1, 2020 and every annually thereafter; and

WHEREAS, pursuant to California Public Utilities Code Section 326.2, WSAB will review City of  
Needles/Needles Public Utility Authority’s Electric Utility’s Wildfire Mitigation Plan and will provide comments and  
advisory opinions on the content and sufficiency of each plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Needles, California, declares, determines,  
and orders as follows:

SECTION 1. Adopt Resolution, adopting City of Needles/Needles Public Utility Authority Electric Utility’s  
Wildfire Mitigation Plan (“WMP”) dated June 2023 and authorize the City Manager and his designees to implement the  
mitigation measures documented in the plan.

SECTION 2. The City Clerk shall certify to the adoption of this Resolution and shall cause a certified resolution  
to be filed in the book for original resolutions.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Needles,  
California, held on the 13th day of June 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST: \_\_\_\_\_  
City Clerk

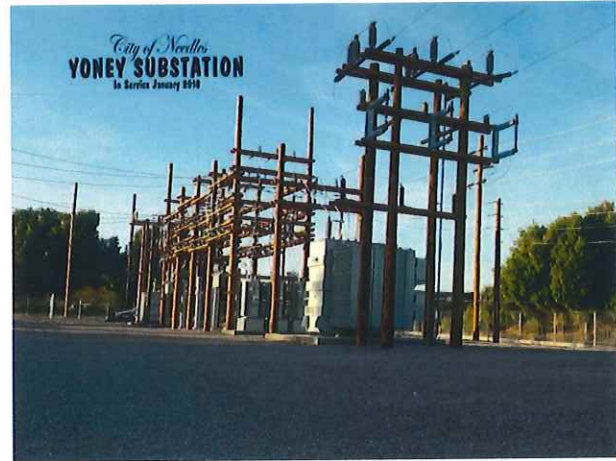
APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



# **NEEDLES PUBLIC UTILITY AUTHORITY WILDFIRE MITIGATION PLAN**





VERSION 43.0

JUNE 615, 20232

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## I. OVERVIEW

### A. POLICY STATEMENT

The Needles Public Utility Authority (NPUA) overarching goal is to provide safe, reliable, and economic electric service to its local community. In order to meet this goal, NPUA constructs, maintains, and operates its electrical lines and equipment in a manner that minimizes the risk of catastrophic wildfire posed by its electrical lines and equipment.

### B. UTILITY OVERVIEW AND CONTEXT SETTING TABLE

The City, through the Needles Public Utility Authority (a Joint Powers Authority) owns and operates the electric utility. The electric system expands from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona.

#### Context Setting Table Needles Public Utility Authority

**Service Territory Size** [110] square miles

**Owned Assets** X Transmission X Distribution ☐ Generation

**Number of Customers Served** [3,000] customer accounts

**Population Within Service Territory** [5,200] people

#### **Customer Class Makeup:**

Number of Accounts

[55]% Residential; [5]% Government; [0]% Agricultural; [10]% Small/Medium Business; [30]% Commercial/Industrial

Share of Total Load (MWh)

[30]% Residential; [5]% Government; [0]% Agricultural; [20]% Small/Medium Business; [45]% Commercial/Industrial

#### **Percent of Service Territory in CPUC High Fire Threat Districts (based on total area):**

Tier 2: [0]% Tier 3: [0]%

See section IV. CPUC Fire Threat Map for the NPUA

#### **Miles of Owned Lines Underground and/or Overhead**

Overhead Dist.: [65] miles Overhead Trans.: [34] miles Underground Dist.: [12] miles Underground Trans.: [0] miles



## Percent of Owned Lines in CPUC High Fire Threat Districts

Overhead Distribution Lines as % of Total Distribution System (Inside and Outside Service Territory)

Tier 2: [0]% Tier 3: [0]%

## Overhead Transmission Lines as % of Total Transmission System (Inside and Outside Service Territory)

Tier 2: [0]% Tier 3: [0]%

**Table 2: Cross References to Statutory Requirements**

<u>Requirement</u>	<u>Statutory Language</u>	<u>Location in WMP</u>
<u>Persons Responsible</u>	<u>PUC § 8387(b)(2)(A): An accounting of the responsibilities of persons responsible for executing the plan.</u>	<u>Section III Page 4</u>
<u>Objectives of the Plan</u>	<u>PUC § 8387(b)(2)(B): The objectives of the wildfire mitigation plan.</u>	<u>Section II Page 3</u>
<u>Preventive Strategies</u>	<u>PUC § 8387(b)(2)(C): A description of the preventive strategies and programs to be adopted by the local publicly owned electric utility or electrical cooperative to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks.</u>	<u>Section VII.A Page 4</u>
<u>Evaluation Metrics</u>	<u>PUC § 8387(b)(2)(D): A description of the metrics the local publicly owned electric utility or electrical cooperative plans to use to evaluate the wildfire mitigation plan's performance and the assumptions that underlie the use of those metrics.</u>	<u>Section VII.B Page 5</u>
<u>Impact of Metrics</u>	<u>PUC § 8387(b)(2)(E): A discussion of how the application of previously identified metrics to previous wildfire mitigation plan performances has informed the wildfire mitigation plan.</u>	<u>Section IV.J Page 2</u>
<u>Deenergization Protocols</u>	<u>PUC § 8387(b)(2)(F): Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety, as well as protocols related to mitigating the public safety impacts of those protocols, including impacts on critical first responders and on health and communication infrastructure.</u>	<u>Section IV.J Page 2</u>
<u>Customer Notification Procedures</u>	<u>PUC § 8387(b)(2)(G): Appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines. The procedures shall consider the need to notify, as a priority, critical first responders, health care facilities, and operators of telecommunications infrastructure.</u>	<u>Section IV.K 1 &amp; 2 Page 3</u>
<u>Vegetation Management</u>	<u>PUC § 8387(b)(2)(H): Plans for vegetation management.</u>	<u>Section IV.G Page 10</u>

<a href="#"><u>Inspections</u></a>	<a href="#"><u>PUC § 8387(b)(2)(I): Plans for inspections of the local publicly owned electric utility's or electrical cooperative's electrical infrastructure.</u></a>	<a href="#"><u>Section IV.H</u></a> <a href="#"><u>Page 10</u></a>
<a href="#"><u>Prioritization of Wildfire Risks</u></a>	<p><a href="#"><u>PUC § 8387(b)(2)(J): A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the local publicly owned electric utility's or electrical cooperative's service territory. The list shall include, but not be limited to, both of the following:</u></a></p> <p><a href="#"><u>(i) Risks and risk drivers associated with design, construction, operation, and maintenance of the local publicly owned electric utility's or electrical cooperative's equipment and facilities.</u></a></p> <p><a href="#"><u>(ii) Particular risks and risk drivers associated with topographic and climatological risk factors throughout the different parts of the local publicly owned electric utility's or electrical cooperative's service territory.</u></a></p>	<a href="#"><u>Section IV</u></a> <a href="#"><u>Page 8</u></a>
<a href="#"><u>CPUC Fire Threat Map Adjustments</u></a>	<a href="#"><u>PUC § 8387(b)(2)(K): Identification of any geographic area in the local publicly owned electric utility's or electrical cooperative's service territory that is a higher wildfire threat than is identified in a commission fire threat map, and identification of where the commission should expand a high fire threat district based on new information or changes to the environment.</u></a>	<a href="#"><u>Section IV.C</u></a> <a href="#"><u>Page 9</u></a>
<a href="#"><u>Enterprisewide Risks</u></a>	<a href="#"><u>PUC § 8387(b)(2)(L): A methodology for identifying and presenting enterprisewide safety risk and wildfire-related risk.</u></a>	<a href="#"><u>Section IV.B</u></a> <a href="#"><u>Page 8</u></a>
<a href="#"><u>Restoration of Service</u></a>	<a href="#"><u>PUC § 8387(b)(2)(M): A statement of how the local publicly owned electric utility or electrical cooperative will restore service after a wildfire.</u></a>	<a href="#"><u>Section IV</u></a> <a href="#"><u>Page 3</u></a>
<a href="#"><u>Monitor and Audit</u></a>	<p><a href="#"><u>PUC § 8387(b)(2)(N): A description of the processes and procedures the local publicly owned electric utility or electrical cooperative shall use to do all of the following</u></a></p> <p><a href="#"><u>(i) Monitor and audit the implementation of the wildfire mitigation plan.</u></a></p> <p><a href="#"><u>(ii) Identify any deficiencies in the wildfire mitigation plan or its implementation, and correct those deficiencies.</u></a></p> <p><a href="#"><u>(iii) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, that are carried out under the plan, other applicable statutes, or commission rules.</u></a></p>	<a href="#"><u>Section VII.D</u></a> <a href="#"><u>Page 5</u></a>



<p><b><u>Qualified Independent Evaluator</u></b></p>	<p><b><u>PUC § 8387(c): The local publicly owned electric utility or electrical cooperative shall contract with a qualified independent evaluator with experience in assessing the safe operation of electrical infrastructure to review and assess the comprehensiveness of its wildfire mitigation plan. The independent evaluator shall issue a report that shall be made available on the Internet Web site of the local publicly owned electric utility or electrical cooperative, and shall present the report at a public meeting of the local publicly owned electric utility's or electrical cooperative's governing board.</u></b></p>	<p><b><u>Section VII.D</u></b> <b><u>Page 5</u></b></p>
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## **B.C.** PURPOSE OF THE WILDFIRE MITIGATION PLAN

This Wildfire Mitigation Plan describes the range of activities that the NPUA is taking to mitigate the threat of power-line ignited wildfires, including its various programs, policies, and procedures. This plan is subject to direct supervision by the Board of Public Utilities and the Needles Public Utility Authority and is implemented by the NPUA's Electric Supervisor. This plan complies with the requirements of Public Utilities Code section 8387 for publicly owned electric utilities to prepare a wildfire mitigation plan by January 1, 2020, and annually thereafter.

The NPUA is a department within the City of Needles. The NPUA Fire Prevention plan is focused on addressing and minimizing potential wildfire-related risks to public health, safety and welfare. The Fire Prevention plan reflects a broad range of activities performed not only by the electric department but through the City of Needles organization. The NPUA's Fire Prevention plan begins with operation, maintenance, inspection, and repair activities aimed at significantly reducing the potential for NPUA's electric facilities to become a source of ignition for a fire. The electric department continues to;

- Clear transmission lines of all trees and vegetation;
- Perform regular inspections all distribution and transmission lines;
- Repair and replacement transformers that could potential cause a risk;
- Coordinate vegetation removal through the City of Needles Parks and Recreation Department if an area is determined outside of the electric easements.

Through performing inspections and maintenance, the information gathered will be used to help fire agencies, and other fire-responders to determine the appropriate actions if a wildfire occurs by understanding the surround area.

The NPUA continues to monitor all fires within and surrounding its service territory both inside California and outside in Arizona and Nevada.

This Wildfire Mitigation Plan included the following elements:

- Objectives of the plan;
- Roles and responsibilities for carrying out the plan;
- Identification of key wildfire risks and risk drivers;
- Description of wildfire prevention, mitigation, and response strategies and programs;
- Community outreach and education;
- Metrics for evaluating the performance of the plan and identifying areas for improvement;
- Review and validation of the plan; and
- Timelines

#### D. WILDFIRE MITIGATION PLAN ADOPTION AND SUBMITTAL OF ANNUAL PLAN AND OPPORTUNITIES FOR PUBLIC COMMENT

NPUA's Wildfire Mitigation Plan is presented to the Board of Public Utilities and makes a recommendation to the Needles Public Utility Authority/City Council at a public meeting to adopt a resolution (appendix 1) adopting the current version of the plan. Members from the public are able to provide comments when the plan is presented on the agenda for approval.

All adopted plans are submitted to the California Wildfire Safety Advisory Board (WSAB). WSAB reviews all submitted plan and makes recommendations for improvement.

#### E. WILDFIRE MITIGATION PLAN WEBSITE LOCATION

NPUA's Wildfire Mitigation Plans are posted on the City of Needles Website and can be located at <https://cityofneedles.com/services/electric-department>

## **II. OBJECTIVES OF THE WILDFIRE MITIGATION PLAN**

### **A. MINIMIZING SOURCES OF IGNITION**

The primary goal of this Wildfire Mitigation Plan is to minimize the probability that NPUA's transmission and distribution system may be the origin or contributing source for the ignition of a fire. The NPUA has evaluated the prudent and cost-effective improvements to its physical assets, operations, and training that can help to meet this objective. The NPUA has implemented those changes consistent with this evaluation.

### **B. RESILIENCY OF THE ELECTRIC GRID**

The secondary goal of this Wildfire Mitigation Plan is to improve the resiliency of the electric grid. As part of the development of this plan, NPUA assesses new industry practices and technologies that will reduce the likelihood of an interruption (frequency) in service and improve the restoration (duration) of service.

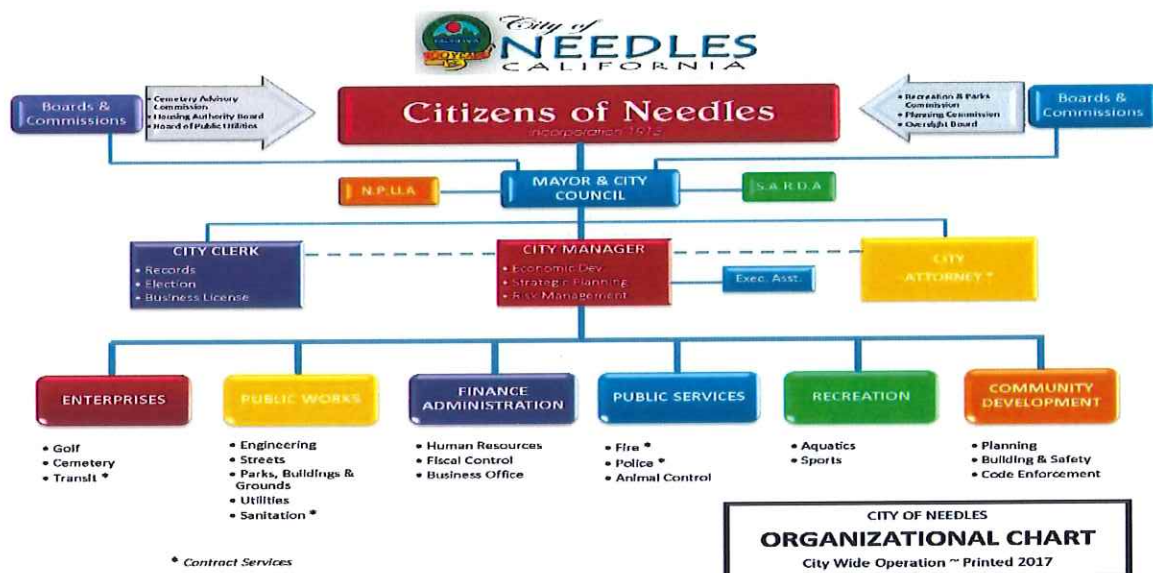


### C. IDENTIFYING UNNECESSARY OR INEFFECTIVE ACTIONS

The final goal for this Wildfire Mitigation Plan is to measure the effectiveness of specific wildfire mitigation strategies. Where a particular action, program component, or protocol is determined to be unnecessary or ineffective, the NPUA will assess whether a modification or replacement is merited. This plan will also help determine if more cost-effective measures would produce the same or improved results.

## III. ROLES AND RESPONSIBILITIES

### A. UTILITY GOVERNANCE STRUCTURE



The City of Needles (Needles) is a charter city of the State of California located on the eastern border of California. Through the Needles Public Utilities Authority (NPUA), a component unit of the City, the City owns the Public Utilities Department. The Department consists of three Divisions Electric, Water, and Wastewater.

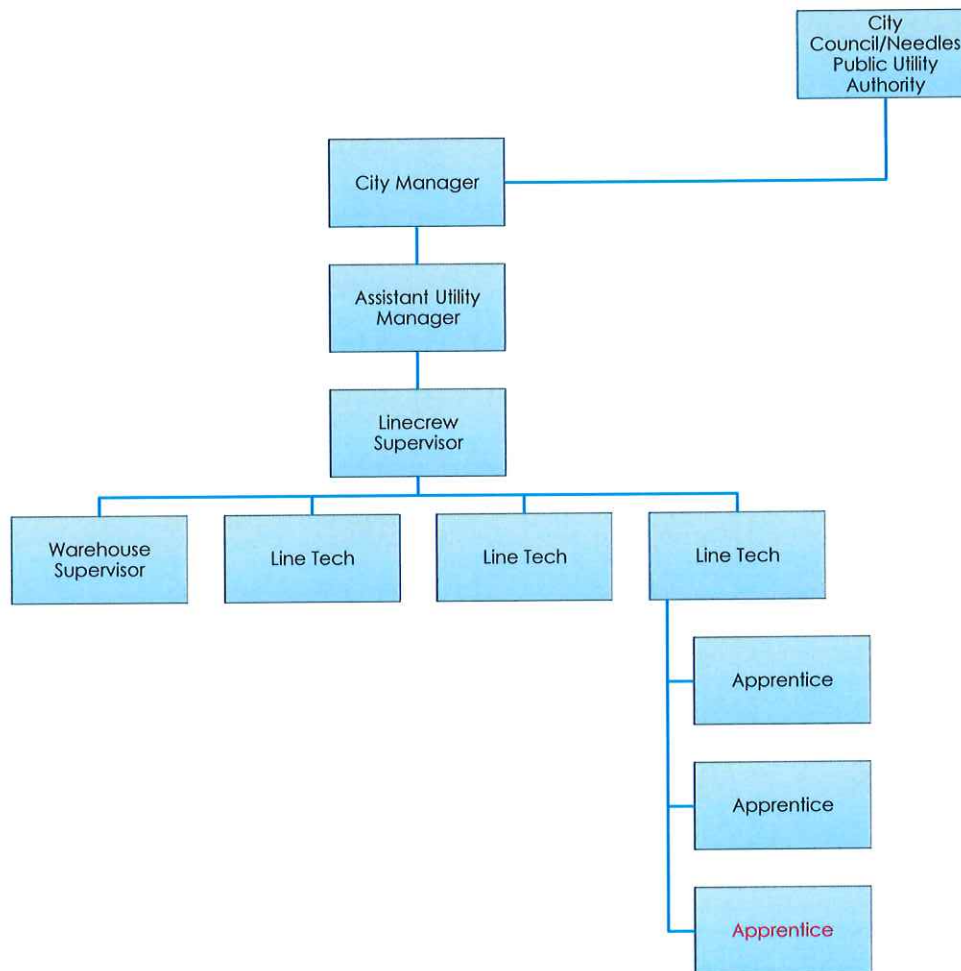
The electric distribution system serving the City was originally owned by the Needles Gas and Electric Company. The Needles Gas and Electric Company was purchased by the predecessor to CP National in 1930. On January 10, 1983, the City purchased the electric distribution system from CP National. However, pursuant to a management agreement, CP National continued to operate the system until July 1990. The City has operated the electric distribution system since that time.

The City's primary interest in purchasing the electric distribution system from CP National stemmed from a change in Federal law in 1982, relating to the sale of hydroelectricity power

from federal projects. Under the revised regulations, inexpensive federal hydroelectricity power from the U.S. Bureau of Reclamation's Parker-Davis Project (Hoover Dam), located on the Colorado River, became available to municipally owned utilities. The City's electorate authorized the issuance of revenue bonds to finance the acquisition of the electric distribution system from CP National.

The City provides electric service to the City and contiguous areas from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona. Needles' peak electric demand is 22.41 MW (as of August 2018) and services approximately 3,000 customers.

## B. WILDFIRE PREVENTION



The electric department is under direct supervision from the Assistant Utility Manager and City Manager, there is one Power Line Supervisor, three power line techs, two Apprentice Lineman and one Warehouse Manager. The electric department is responsible to:

- Operate system in a manner that will minimize potential wildfire risks.
- Take all reasonable and practicable actions to minimize the risk of a catastrophic wildfire caused by NPU electric facilities.



- Coordinate with federal, state, and local fire management personnel as necessary or appropriate to implement NPUA's Wildfire Mitigation Plan.
- Immediately report fires, pursuant to existing POU practices and the requirements of this Wildfire Mitigation Plan.
- Take corrective action when the staff witnesses or is notified that fire protection measures have not been properly installed or maintained.
- Comply with relevant federal, state, and industry standard requirements, including the industry standards established by the California Public Utilities Commission.
- Collect and maintain wildfire data necessary for the implementation of this Wildfire Mitigation Plan.
- Provide regular training programs for all employees having obligations for implementation of this Wildfire Mitigation Plan.

### C. WILDFIRE RESPONSE AND RECOVERY

The City's communication strategy is structured so that all stakeholders receive accurate, timely and consistent information, with the overall message of safety first, for the public, employees and contractors.

When an emergency occurs, the electric departments supervisor will be responsible for communicating with the City Manager/Utilities Manager, customers, employees and contractors to set expectation and address emergency issues. This information will be provided through various communication channels such as company phone(s) and radios.

If business operations or households are disrupted, customers expect to know how long they will be impacted. Thus, estimated restoration times will be developed, monitored, adjusted and communicated to all stakeholders as the information becomes available.

### D. COORDINATION WITH WATER UTILITIES/DEPARTMENT

During declared emergencies, the electric department is responsible for coordinating efforts and sharing information with neighboring utilities relative to the out of service and damaged critical infrastructure.

During an event, the electric department will perform the following functions:

- Share information and prioritize restoration efforts relative to utility critical infrastructure that is out of service.
- Notify the water department of the downed communication wires.

### E. COORDINATION WITH COMMUNICATION INFRASTRUCTURE PROVIDERS

During declared emergencies, the electric department is responsible for coordinating efforts and sharing information with neighboring telecommunications utilities relative to the out of service and damaged critical infrastructure.

During an event, the electric department will perform the following functions;

- Share information and prioritize restoration efforts relative to utility critical infrastructure that is out of service.
- Coordinate with the appropriate telephone and cable company to set poles; and
- Notify the telephone and cable companies of downed communication wires.

## F. STANDARDIZED EMERGENCY MANAGEMENT SYSTEM

As a local governmental agency,<sup>1</sup> NPUA has planning, communication, and coordination obligations pursuant to the California Office of Emergency Services' Standardized Emergency Management System ("SEMS") Regulations,<sup>2</sup> adopted in accordance with Government Code section 8607. The SEMS Regulations specify roles, responsibilities, and structures of communications at five different levels: field response, local government, operational area, regional, and state.<sup>3</sup> Pursuant to this structure, NPUA annually coordinates and communicates with the relevant safety agencies as well as other relevant local and state agencies.

Under the SEMS structure, a significant amount of preparation is done through advanced planning at the county level, including the coordination of effort of public, private, and nonprofit organizations.

NPUA is a member of the California Utility Emergency Association, which plays a key role in ensuring communications between utilities during emergencies.

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<sup>1</sup> As defined in Cal. Gov. Code § 8680.2.

<sup>2</sup> 19 CCR § 2407.

<sup>3</sup> Cal. Gov. Code § 2403(b):

(1) "Field response level" commands emergency response personnel and resources to carry out tactical decisions and activities in direct response to an incident or threat.

(2) "Local government level" manages and coordinates the overall emergency response and recovery activities within their jurisdiction.

(3) "Operational area level" manages and/or coordinates information, resources, and priorities among local governments within the operational area and serves as the coordination and communication link between the local government level and the regional level.

(4) "Regional level" manages and coordinates information and resources among operational areas within the mutual aid region designated pursuant to Government Code §8600 and between the operational areas and the state level. This level along with the state level coordinates overall state agency support for emergency response activities.

(5) "State level" manages state resources in response to the emergency needs of the other levels, manages and coordinates mutual aid among the mutual aid regions and between the regional level and state level, and serves as the coordination and communication link with the federal disaster response system.



#### IV. WILDFIRE RISKS AND DRIVERS ASSOCIATED WITH DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE

##### A. PARTICULAR RISKS AND RISK DRIVERS ASSOCIATED WITH TOPOGRAPHIC AND CLIMATOLOGICAL RISK FACTORS

Within NPUA's service territory and the surrounding areas, the primary risk drivers for wildfire are the following:

- Extended drought;
- Vegetation type;
- Weather;
- High winds;
- Changing Weather Patterns (Climate Change)

##### B. CLIMATE CHANGE AND ENTERPRISEWIDE SAFETY RISKS

Western Area Power Administration (WAPA) delivers energy to the City of Needles on a 69KVA transmission line. The distribution line crosses the river in town at 3240 Needles Hwy, the firehouse switchyard. The City of Needles also has a back 69KVA Line that comes from the Nora McDowell Substation located 15 miles north of Needles.

Electric energy is delivered to the City at two substations. Needles #1 Substation has two banks located on Eagle Pass Road in the downtown area of the City. Bank #1 has a base rating of 7.5MVA and a 65 foot rise and force air rating of 9.3MVA.

The second substation, Bush Street Substation, has a base rating of 10MVA and a 65 foot rise with a forced air rating of 12MVA. The Bush Substation serves the west end of town.

The existing substations can handle current peak load requirements of 15,200 kilowatts. From the substations approximately 86 miles of distribution circuits deliver power at 12,000 volts to distribution transformers where the power is reduced to the voltages required by the individual customer's needs. The City electric department provides single phase, 60 Hertz, at one standard voltage (120/240 or 120/208 as may be selected by customers subject to availability at the premises).

While the NPUA makes improvements to the system annually, the main focus for the utility is ground clearance.

NPUA recognizes that climate change is forecasted to increase the frequency and severity of catastrophic wildfires in California. Accordingly, NPUA has reviewed relevant sources of data showing wildfire-related climate change impacts in California and specifically in San Bernardino County through the Cal-Adapt enterprise collaboration. This review included data on forecasted acres burned and wildfire probability,<sup>4</sup> as well as extreme heat days,<sup>5</sup> and extended

<sup>4</sup> The CalAdapt Wildfire Tool is available at <https://cal-adapt.org/tools/wildfire>.

<sup>5</sup> The CalAdapt Extreme Heat Days Tool is available at <https://cal-adapt.org/tools/extreme-heat>.

drought.<sup>6</sup> As described below, NPUA has determined that NPUA's service territory will remain a low risk for wildfires even when considering changes associated with wildfire risk. Further, no part of NPUA's service territory will be disproportionately impacted by wildfire risks associated with climate changes in comparison to the other areas of NPUA's service territory. Therefore, NPUA will continue to pursue the wildfire mitigation strategies described in the Wildfire Mitigation Plan, but will continue to monitor these risks as new information becomes available.

### C. CPUC FIRE THREAT MAP

The NPUA is not located within the CPUC Fire Threat Map and therefor is not located within an elevated hazard for the ignition of potential wildfires.



### D. HIGH FIRE THREAT DISTRICT

<sup>6</sup> The CalAdapt Extended Drought Tool is available at <https://cal-adapt.org/tools/extended-drought>.



NPUA directly participated in the development of the California Public Utilities Commission's (CPUC) Fire-Threat Map,<sup>7</sup> which designates a High-Fire Threat District. In the map development process, NPUA served as a territory lead, and worked with utility staff and local fire & government officials to identify the areas of NPUA's service territory that are at an elevated or extreme risk of power line ignited wildfire. NPUA has incorporated the High Fire Threat District into its construction, inspection, maintenance, repair, and clearance practices, where applicable.

## E. WEATHER MONITORING

NPUA monitors current and forecasted weather data from a variety of sources including:

- United States National Weather Service
- United States Forest Service Wildland Fire Assessment System
- National Fire Danger Rating System
- National Interagency Fire Center – Predictive Services for Northern and Southern California.

NPUA assigns one of four operating conditions based on the relevant weather data and knowledge of local conditions:

- (1) Normal:** During normal conditions, no changes are made to operations or work policy.
- (2) Elevated:** During elevated fire-risk conditions; it must be determined by the Fire Coordinator and/or meteorologist that the burn environment has become conducive for wildfires within the NPUA service territory.
- (3) Extreme:** During extreme fire-risk conditions, it must be determined by the Fire Coordinator and/or meteorologist that due to the conditions of high winds, low relative humidity, and the burn environment will create critical fire weather conditions;
- (4) Red Flag:** If the National Weather Service declares a Red Flag Warning for any portion of the NPUA's Service.

## F. DESIGN AND CONSTRUCTION STANDARDS

NPUA's electric facilities are designed and constructed to meet or exceed the relevant federal, state, or industry standard. The NPUA treats CPUC General Order (GO) 95 as a key industry standard for design and construction standards for overhead electrical facilities. NPUA meets or exceeds all standards in GO 95. Additionally, NPUA monitors and follows as appropriate the National Electric Safety Code.

## G. VEGETATION MANAGEMENT

NPUA meets or exceeds the minimum industry standard vegetation management practices. For transmission-level facilities, NPUA complies with NERC FAC-003-4, where applicable. For both

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<sup>7</sup> Adopted by CPUC Decision 17-12-024.

transmission and distribution level facilities, NPUA meets: (1) Public Resources Code section 4292; (2) Public Resources Code section 4293; (3) GO 95 Rule 35; and (4) the GO 95 Appendix E Guidelines to Rule 35. These standards require significantly increased clearances in the High Fire Threat District. However, as noted above, no part of NPUA's service territory includes any part of the High Fire Threat District. The recommended time-of-trim guidelines do not establish a mandatory standard, but instead provide useful guidance to utilities. NPUA uses specific knowledge of growing conditions and tree species to determine the appropriate time of trim clearance in each circumstance.

GO 95, Rule 35, Table 1					
Case	Type of Clearance	Trolley Contact, Feeder and Span Wires, 0-5kv	Supply Conductors and Supply Cables, 750 - 22,500 Volts	Supply Conductors and Supply Cables, 22.5 - 300 kV	Supply Conductors and Supply Cables, 300 - 550 kV (mm)
13	Radial clearance of bare line conductors from tree branches or foliage	18 inches	18 inches	¼ Pin Spacing	½ Pin Spacing
14	Radial clearance of bare line conductors from vegetation in the Fire-Threat District	18 inches	48 inches	48 inches	120 inches

Appendix E Guidelines to Rule 35		
<p>The radial clearances shown below are recommended minimum clearances that should be established, at time of trimming, between the vegetation and the energized conductors and associated live parts where practicable. Reasonable vegetation management practices may make it advantageous for the purposes of public safety or service reliability to obtain greater clearances than those listed below to ensure compliance until the next scheduled maintenance. Each utility may determine and apply additional appropriate clearances beyond clearances listed below, which take into consideration various factors, including: line operating voltage, length of span, line sag, planned maintenance cycles, location of vegetation within the span, species type, experience with particular species, vegetation growth rate and characteristics, vegetation management standards and best practices, local climate, elevation, fire risk, and vegetation trimming requirements that are applicable to State Responsibility Area lands pursuant to Public Resource Code Sections 4102 and 4293.</p>		
Voltage of Lines	Case 13	Case 14
Radial clearances for any conductor of a line operating at 2,400 or more volts, but less than 72,000 volts	4 feet	12 feet



Radial clearances for any conductor of a line operating at 72,000 or more volts, but less than 110,000 volts	6 feet	20 feet
Radial clearances for any conductor of a line operating at 110,000 or more volts, but less than 300,000 volts	10 feet	30 feet
Radial clearances for any conductor of a line operating at 300,000 or more volts	15 feet	30 feet

## H. INSPECTIONS

The NPUA meets or exceeds the minimum inspection requirements provided in CPUC GO 165 and CPUC GO 95, Rule 18. Pursuant to these rules, NPUA inspects electric facilities in the High Fire Threat District more frequently than the other areas of its service territory. Additionally, NPUA staff uses their knowledge of the specific environmental and geographical conditions to determine when areas outside of the High Fire Threat District require more frequent inspections.

If NPUA staff discovers a facility in need of repair that is owned by an entity other than NPUA, NPUA will issue a notice to repair to the facility owner and work to ensure that necessary repairs are completed promptly.

NPUA monitors drought conditions and other relevant factors throughout the year to determine if inspections should be completed on a shorter timeframe.

## I. WORKFORCE TRAINING

NPUA has implemented work rules and complementary training programs for its workforce to help reduce the likelihood of the ignition of wildfires. The NPUA inspects power lines and other electrical equipment during potential risk times.

## J. RECLOSING POLICY

The NPUA does not have SCADA controlled reclosers, two qualified linemen reclose or close the distribution system. Lockout, tagout safety procedures are followed.

## K. DEENERGIZATION

The NPUA has the authority to preemptively shut off power due to fire-threat conditions; however, this option will only be used in extraordinary circumstances. The NPUA will make a case-by-case decision to shut off power based on the following considerations:

- Red Flag Warnings issued by the National Weather Service for fire weather zones that contain NPUA circuits;
- NPUA staff assessments of local conditions, including wind speed (sustained and gust), humidity and temperature, fuel moisture, fuel loading and data from weather stations;
- Real-time information from staff located in areas identified as at risk of being subject to extreme weather conditions;

- Input from San Bernardino County fire experts and vegetation experts;
- Input from local and state fire authorities regarding the potential consequences of wildfires in select locations;
- Alternative ways to reroute power to affected areas;
- Awareness of mandatory or voluntary evacuation orders in place;
- Expected impact of de-energizing circuits on essential services;
- Other operational considerations to minimize potential wildfire ignitions, including the blocking of reclosers on the identified circuit(s);
- On-going fire activity throughout NPUA's territory and California;
- Ability to notify customers;
- Notifications to local governments and public officials; and
- Potential impacts to communities and customers

## 1. IMPACTS TO PUBLIC SAFETY

The following is a listing off facilities which are special considerations of the public safety during a power outage;

- Hospitals and Emergency Medical Facilities ([Colorado River Medical Center](#));
- Emergency Shelters and Cooling Centers ([Colorado River Medical Center, Needles Senior Center](#));
- Fire, Police, Paramedics and Rescue Facilities;
- Emergency Management Offices ([CalOES](#));
- Water and Wastewater Facilities;
- Critical Utility and Communication Facilities ([Frontier, Route 66 Broadband, Z Fiver, Fort Mojave Telecommunications Inc. etc.](#));
- Mass Transit (BNSF, Airport, [Needles Area Transit](#));
- Critical Flood Control Structures; and
- Fort Mojave Indian Tribe Hazardous Mitigation Facility.

In the event of a wildfire and potential outages those accounts, the Priority Restoration Group will be notified of a potential impact first.

## 2. CUSTOMER NOTIFICATION PROTOCOLS

The NPUA takes priority in providing notification to all customers who are affected by a power outage. The NPUA will establish a dispatch center at City Hall offices to provide real time information to the customers such as;

- Effective area(s); and
- Estimated restoration time.

## V. COMMUNITY OUTREACH AND PUBLIC AWARENESS

When a wildfire is mobilized, the City Manager/Utilities Manager branches to provide public awareness through the following;



- Issuing a wildfire press release;
- Arranging media interviews and press conferences, as necessary.
- Issuing a CodeRed Alert
- Issuing an alert through the City of Needles "Needles Connects" mobile app

## VI. RESTORATION OF SERVICE

Restoring power after a major storm or wildfire is a complex task that must be completed quickly and safely. A speedy restoration requires significant communication, along with skilled line workers. The process for restoration is:

1. The electric department establishes a command post at the nearest substation to the affected area
2. An inspection is conducted from the substation out to the affected area
3. Crews inspect the affected area and create a damage assessment
4. The restoration team ensures the line is deenergized and grounded
5. Replacement of damaged material such as conductors, transformers, insulators is the damaged area
6. The effected circuit is re-energized
7. Households in isolated are re-energized
8. Crews will remain at the command post for one-hour following the full restoration to ensure all circuits are on
9. Dispatch will call the crew is calls are reported for no power
10. Crews may be dispatched to individual homes to reset the breaker

## 11. EVALUATING OF THE PLAN

### A. METRICS AND ASSUMPTIONS FOR MEASURING PLAN PERFORMANCE

~~NPUA tracks two metrics to measure the performance of this Wildfire Mitigation Plan: (1) number of fire ignitions; and (2) wires down within the service territory.~~

#### METRIC 1: FIRE IGNITIONS

~~For purposes of this metric, a fire ignition is defined as follows:~~

- ~~• NPUA facility was associated with the fire;~~
- ~~• The fire was self-propagating and of a material other than electrical and/or communication facilities;~~
- ~~• The resulting fire traveled greater than one linear meter from the ignition point; and~~
- ~~• NPUA has knowledge that the fire occurred.~~

~~For this metric, NPUA will provide the number of fires that occurred that were less than 10 acres in size. Any fires greater than 10 acres will be individually described.~~

#### METRIC 2: WIRES DOWN

The second metric is the number of distribution and transmission wires downed within NPUA's service territory. For purposes of this metric, a wires-down event includes any instance where an electric transmission or primary distribution conductor falls to the ground or on to a foreign object. NPUA will divide the wires down metric between wires down inside and outside of the High Fire Threat District. NPUA will not normalize this metric by excluding unusual events, such as severe storms. Instead, NPUA will supplement this metric with a qualitative description of any such unusual events. NPUA tracks external risk metrics, performance metrics, and outcome metrics to measure the effectiveness of this Wildfire Mitigation Plan. The external risk factors that NPUA tracks provides context regarding the relative risks that impact the utility that are outside of NPUA's control, such as red flag days and high wind events. The performance metrics that NPUA tracks are leading indicators that describe actions that are intended to reduce the risk of utility caused wildfires, such as inspections and routine vegetation management. The outcome metrics tracked by NPUA are lagging indicators that measure outcomes that may be associated with an increased risk of utility-caused wildfires. These outcome metrics include outages, ignitions, and level 1 safety hazards.

## B. METRICS FOR 2023+ PLAN

The metrics for calendar years 2019 and 2020 are the following:

Year	Fire Ignitions	Wires Down Events
2019	0	3
2020	0	3
2021	0	2
2022	0	5

Performance Metrics							
Metric type	(Actual) 2021	(Actual) 2022	(Forecast) 2023	(Forecast) 2024	(Forecast) 2025	Unit(s)	Comments
Progress Metric							
1. Substation Interconnection (above-ground system components)	4	4	4	4	4	# inspections	Inspections are conducted quarterly
Outcome Metrics							
Event Category	(Actual) 2019	(Actual) 2020	(Actual) 2021	(Actual) 2022	(To Date) 2023	Unit(s)	Comments
Cause category							
Outage Event	8	5	7	9	2	# outages	Storm Related
Ignitions*	0	0	0	0	0	# ignitions	-
Level 1 Safety Hazards**	0	0	0	0	0	# hazards discovered	-
<b>Notes:</b> * An "ignition" is deemed to occur if each of the following conditions is met: (1) an IPU owned or controlled facility was associated with the fire; (2) the fire was self-propagating and of a material other than electrical and/or communication facilities; (3) the resulting fire traveled greater than one linear meter from the ignition point; and (4) IPU has knowledge that the fire occurred.							



**\*\* A Level 1 Safety Hazard is defined as an immediate risk with a high potential impact to public or worker safety or to system reliability, where IPU will take corrective action immediately, either by fully repairing or by temporarily repairing and reclassifying to a lower priority.**

### C. IMPACT OF METRICS ON PLAN

~~In the initial years, NPUA there will be relatively limited data gathered through these metrics. However, as the data collection history becomes more robust, NPUA will be able to identify areas of its operations and service territory that are disproportionately impacted. NPUA will then evaluate potential improvements to the plan.~~ NPUA reviews these metrics to identify areas of its operations and service territory that are disproportionately impacted by outages, ignitions, or level 1 safety hazards. NPUA will then evaluate potential improvements to the plan or additional mitigation measures to address any such disproportionately affected areas.

### D. MONITORING AND AUDITING THE PLAN

This Wildfire Mitigation Plan will be presented to the Board of Public Utilities (BPU), Needles Public Utilities Authority (NPUA) and the City Council. BPU will present this plan to Needles Public Utility Authority on an annual basis. All presented plans will include recommendation for improvement as applicable to the NPUA from WSAB.

The NPUA will perform an annual audit which will review all parts of the Wildfire Mitigation Plan, as well as a review of both pending and completed maintenance work identified within the NPUA's service territory. As well as verifying overhead and underground facilities that were inspected in the previous year.

### E. IDENTIFYING AND CORRECTING DEFICIENCIES IN THE PLAN

Upon finding any deficiencies in performance against the plan or need for improvement in the Plan itself, the NPUA will be responsible for correcting the deficiencies.

### F. MONITORING THE EFFECTIVENESS OF INSPECTIONS

NPUA's third party verifier will review various aspects of the risk reduction measure of party of this Wildfire Mitigation Plan. Depending on the quality of performance and value received from the third-party entity, the process may be expanded further to additional potential risk reduction measures.

Appendix 1:

**DRAFT RESOLUTION 2023-XX**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, ADOPTING THE NEEDLES PUBLIC UTILITY WILDFIRE MITIGATION PLAN VERSION 4.0.

WHEREAS, the City of Needles/Needles Public Utility Authority is a general law municipality governed by elected city council members; and

WHEREAS, City of Needles owns and operates a retail electrical energy distribution system which serves load to end-use costumers in an assigned area of service (Needles Public Utility Authority); and

WHEREAS, SB 901, amending California Public Utilities Code ("CPUC") Section 8387, requires all POU's to prepare a wildfire mitigation plan before January 1, 2020, and annually thereafter; and

WHEREAS, SB 1054, amending CPUC Section 8387, requires each POU to submit its wildfire mitigation plan to the California Wildfire Safety Advisory Board (WSAB") by July 1, 2020 and every annually thereafter; and

WHEREAS, pursuant to California Public Utilities Code Section 326.2, WSAB will review City of Needles/Needles Public Utility Authority's Electric Utility's Wildfire Mitigation Plan and will provide comments and advisory opinions on the content and sufficiency of each plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Needles, California, declares, determines, and orders as follows:

SECTION 1. Adopt Resolution, adopting City of Needles/Needles Public Utility Authority Electric Utility's Wildfire Mitigation Plan ("WMP") dated June 2023 and authorize the City Manager and his designees to implement the mitigation measures documented in the plan.

SECTION 2. The City Clerk shall certify to the adoption of this Resolution and shall cause a certified resolution to be filed in the book for original resolutions.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13th day of June 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor

(SEAL)

ATTEST: \_\_\_\_\_ City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





## City of Needles, California Request for Council Action

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

**Meeting Date:** June 13, 2023

**Title:** Authorize the City Manager to execute the XiO Cloud SCADA System for the Lillyhill and L Street Boosters dated May 16, 2023 for a monthly subscription of \$430 and an annual technical support of \$3,000 to be funded by the water departments annual operating budget and \$18,851 for hardware to be funded by grant funds from the State Water Resource Control Board and Colorado River Basin Regional Water Quality Control Board's Supplemental Environmental Project (SEP)

**Background:** In 2019, the NPUA installed XiO Cloud SCADA system on the Lillyhill and the upper reservoir tank. The SCADA system allows NPUA operators to remotely check in real time tank levels, pressure monitoring, alarm system that calls out for pump failure or power loss. The XiO Cloud SCADA also allows operators to control pumps in the booster station based off tank levels.

The current XiO Cloud System hardware on Lillyhill needs to be updated and L Street currently does not have any SCADA system.

The new well #11 treatment plant and well #15 are scheduled to have XiO Cloud SCADA installed as part of those projects to allow operators to maintain a specific chemical disinfectant level, view current residual levels, and maintain consistent pressure across the upper and lower zones in the City. In addition, the lower tanks will eventually be equipped with the same equipment.

XiO Cloud SCADA system allows up-to-the minute levels across the system and tracks historical data.

**Fiscal Impact:** The monthly subscription for Lillyhill is \$285 and L Street Booster station is \$145 for a total monthly cost of \$430 to be funded by the annually adopted budget of the water department.

The hardware cost for Lillyhill is \$10,568 and L Street is \$8,283 for a total cost of \$18,851. Lillyhill's cost will be funded by the State Water Resource Control Board and L Street's cost will be funded by Colorado River Basin Water Quality Control Board's Supplemental Environmental Project (SEP).

**Recommended Action:** Authorize the City Manager to execute the XiO Cloud SCADA System for the Lillyhill and L Street Boosters dated May 16, 2023 for a monthly subscription of \$430 and an annual technical support of \$3,000 to be funded by the water departments annual operating budget and \$18,851 for hardware to be funded by grant funds from the State Water Resource Control Board and Colorado River Basin Regional Water Quality Control Board's Supplemental Environmental Project (SEP)

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 11

## XiO Service Agreement

This XiO Service Agreement is dated 06/06/2023, and made between XiO, Inc. at 100 Smith Ranch Road, San Rafael, CA 94903 ("**Vendor**" or "**XiO**") and **Public Works Department, City of Needles at 817 Third Street, Needles, CA 92363** ("**Customer**"), with an effective date of 07/21/2023 (the "**Effective Date**") and forms part of the Agreement as defined in the attached XiO General Terms and Conditions.

The parties agree as follows:

**1. ENGAGEMENT TERMS.** Subject to the terms and conditions of this Agreement:

**1.1 Scope of Services; Term.** XiO will provide access and use of the Platform to Customer for a Subscription Term commencing on the Effective Date, continuing for an Initial Term of 1 year, and thereafter automatically renewing for successive 1 year terms absent an election not to renew in accordance with Section 2 of Exhibit A - Platform Terms and Conditions.

**1.2 Support.** The Subscription will include Premium Technical Support with 15 Support Points allocated per year in accordance with Exhibit B (Service Level Agreement Terms).

**1.3 Recurring Fees and Payment Terms.** In consideration of provision of the Subscription and Support, Customer shall pay the following fee for each year of the Subscription Term, prorated for any partial years, if any, invoiced within 30 days of the Effective Date and annually thereafter in advance of each year, payable on net 30 terms from the date of invoice:

Annual Subscription Fee (includes Standard Support)	\$5,160
15 Annual Premium Technical Support Points	\$3,000
<b>Total Annual Recurring Fee</b>	<b>\$8,160</b>


**1.4 non-recurring Services and Hardware purchases, Payments and Payment Terms.**

XiO will provide the non-recurring Services and Hardware described in the Proposal:

"City of Needles Lillyhill and L Street Boosters v.1.2" as Attachment 1

### **XiO Service Agreement Acceptance**

By signing below, Customer agrees to purchase the products and services indicated in the above Engagement Terms on the terms and conditions contained in the Agreement.

<b>XiO, INC.:</b>	<b>Public Works Department, City of Needles:</b>
Signature: 	Signature: _____
Name: Colin Bunyard	Name: _____
Title: VP of Sales, XiO Inc.	Title: _____

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## A Proposal for an XiO Cloud SCADA® System for City of Needles Lillyhill and L Street Boosters

Version: 1.2

Publish Date: June 6, 2023

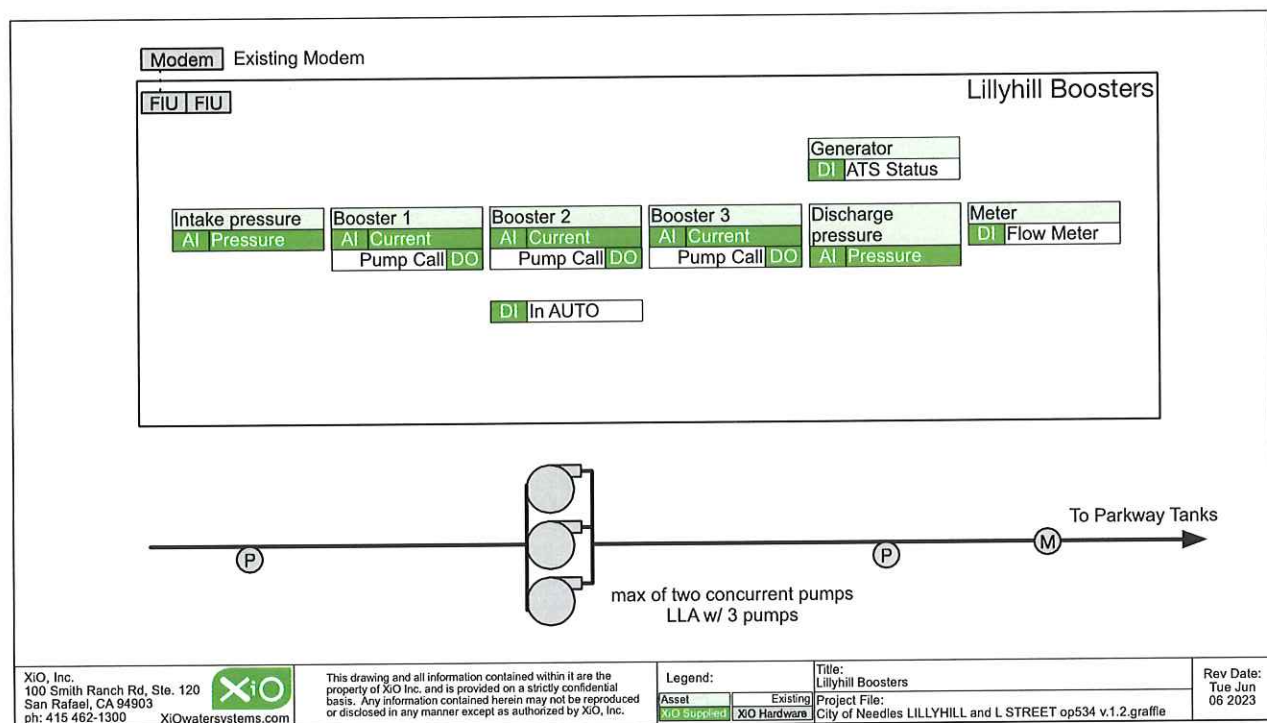
# 1 Proposal

XiO, Inc. (XiO) is pleased to supply this proposal to provide an XiO Cloud SCADA<sup>®</sup> System for City of Needles Lillyhill and L Street Boosters.

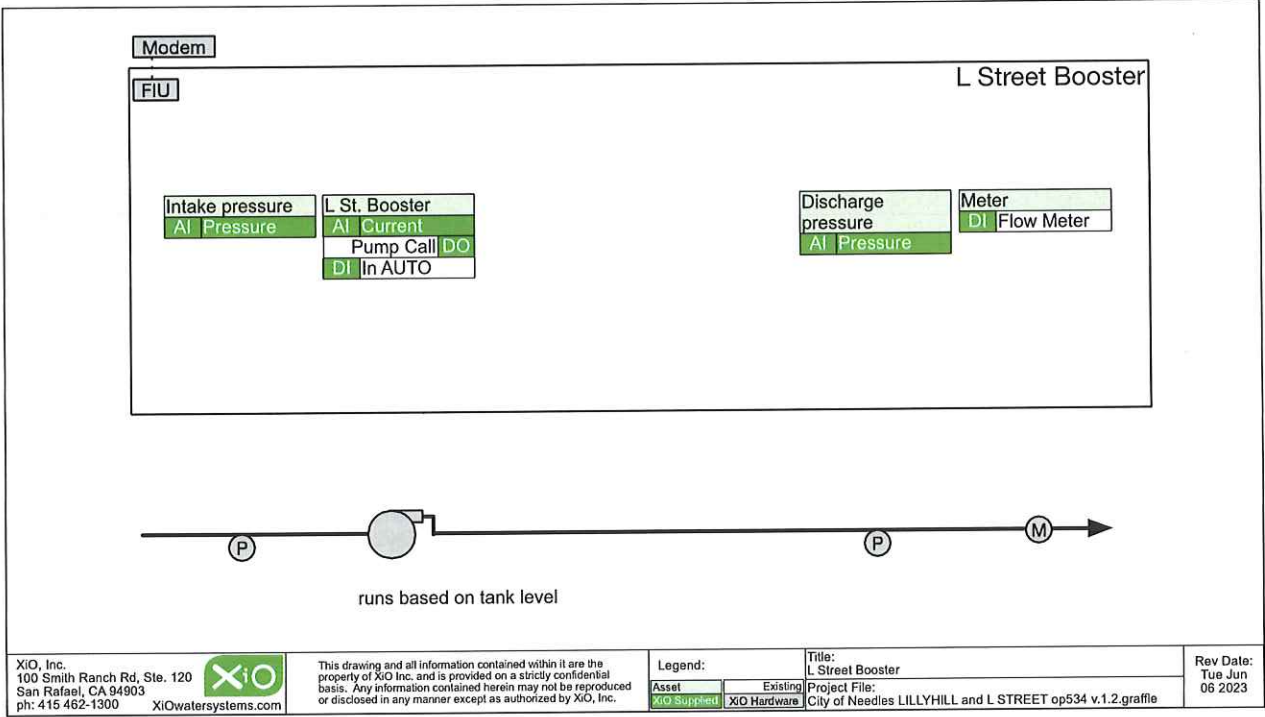
## 1.1 Synopsis

The proposed system consists of two sites: Lillyhill and L Street. The Lillyhill boosters will be controlled and monitored. The existing modem will be moved to the new Lillyhill site and connected to the new FIU's. The L Street Site consists of one booster that will be controlled and monitored. Communications are via an XiO-Supplied Cellular Modem.

## 1.2 System Diagrams



Proposal





## 1.3 Scope of Supply

### Software

Description	Details
<b>XiO Acuity Operations Management Platform</b> <i>Monitored Assets and Inputs with a full suite of software tools and data management</i>	4 x Pump 5 x Measurement 1 x Generator 2 x Meter 2 x Additional Inputs
<b>XiO Control Services</b> <i>Automated and remote control of devices</i>	4 x Controlled Outputs

### Edge Devices

Qty	Description
3	Field Installable Unit
1	Cellular Modem

### Sensors and Transducers

Qty	Description
4	Electrical Current Transducer, 1 Phase
4	Pressure Monitoring, External

## 1.4 Detail List by Location

### 1.4.1 Lillyhill Boosters

0 x **Cellular Modem-** Site Modem

**Site Modem Detail:**

(Existing Modem will be moved to the new site)

2 x **Field Installable Unit-** Site FIU's

#### **ASSET: Intake Pressure**

1 x **Pressure Monitoring, External-**

**XiO-Supplied Wiring:**

(20) Ft. of shielded 4 conductor cable for each sensor, terminated with an M12 on one end and labeled wires on the other.

1 x **Analog Input-** PT Input

#### **ASSET: Booster Pumps**

3 x **Electrical Current Transducer, 1 Phase-**

**XiO-Supplied Wiring:**

(10) Ft. of 600 V insulated cable for each sensor, with fork terminals on one end and labeled wires on the other.

3 x **Analog Input-** CT Inputs

1 x **Discrete Input-** HOA in AUTO

**HOA in AUTO Detail:**

HOA Auto Signals in series, so that if any pump is NOT in auto, the circuit will open and XiO will alarm.

3 x **Automated Discrete Control-** Pump Control

**Pump Control Detail:**

RUN Lead Pump when the level of the Tank drains to a user-defined level

RUN Lag Pump when the level of the Tank drains to a user-defined level

RUN Backup Pump if either Lead and Lag pumps fail to run, Alarm will be generated

ALTERNATE Lead and Lag pumps with each run utilizing a software device

STOP Lag Pump when the level of the Tank fills to a user-defined level

STOP Lead Pump when the level of the Tank fills to a user-defined level

RUN or STOP any of the three pumps based on manual user input on the XiO Interface (Virtual HOA)

Two concurrent pumps allowed at any time

#### **ASSET: Generator**

1 x **Discrete Input-** ATS Status

#### **ASSET: Site Intrusion**

1 x **Discrete Input-** Intrusion Input

#### **ASSET: Discharge Pressure**

1 x **Pressure Monitoring, External-**

**XiO-Supplied Wiring:**

(20) Ft. of shielded 4 conductor cable for each sensor, terminated with an M12 on one end and labeled wires on the other.

1 x **Analog Input-** PT Input

#### **ASSET: Discharge Flow Meter**

1 x **Discrete Input-** Flow Rate and Total

#### **1.4.2 L St. Booster**

- 1 x **Cellular Modem-** Site Modem
- 1 x **Field Installable Unit-** Site FIU

##### **ASSET: Intake Pressure**

- 1 x **Pressure Monitoring, External-**

##### **XiO-Supplied Wiring:**

(20) Ft. of shielded 4 conductor cable for each sensor, terminated with an M12 on one end and labeled wires on the other.

- 1 x **Analog Input-** PT Input

##### **ASSET: Booster Pump**

- 1 x **Electrical Current Transducer, 1 Phase-**

##### **XiO-Supplied Wiring:**

(10) Ft. of 600 V insulated cable for each sensor, with fork terminals on one end and labeled wires on the other.

- 1 x **Analog Input-** CT Input
- 1 x **Discrete Input-** HOA in AUTO
- 1 x **Automated Discrete Control-** Pump Control

##### **Pump Control Detail:**

This is an emergency backup pump that is usually not enabled to run. If the Lillyhill Booster Site is not running, the operator may ENABLE this pump to operate based on the level of the tank.

RUN when the Tank drains to a user defined level

STOP when the Tank fills to a user defined level

RUN or STOP based on manual user input on the XiO Interface (Virtual HOA)

##### **ASSET: Discharge Pressure**

- 1 x **Pressure Monitoring, External-**

##### **XiO-Supplied Wiring:**

(20) Ft. of shielded 4 conductor cable for each sensor, terminated with an M12 on one end and labeled wires on the other.

- 1 x **Analog Input-** PT Input

##### **ASSET: Discharge Flow Meter**

- 1 x **Discrete Input-** Flow Rate and Total

#### **1.4.3 Support**

- 1 x **Premium Technical Support (15)-**

## 1.5 Pricing

### 1.5.1 Subscriptions

<b>Subscriptions</b>	<b>ANNUAL</b>
SaaS	\$5,400
Internet Service	\$540
15 Annual Premium Technical Support Points	\$3,000
SaaS Discount	(\$780)
<b>Total</b>	<b>\$8,160</b>

Subscriptions Terms are described in the Service Agreement.

### 1.5.2 Hardware and Services

<b>Hardware</b>	<b>Subtotal*</b>
XiO Hardware	\$15,438
3rd Party Hardware	\$3,414
Discount	(\$1)
<b>Hardware Subtotal</b>	<b>\$18,851</b>
<b>Services</b>	
1 Year Prepaid Subscription Fees	\$8,160
<b>Services Subtotal</b>	<b>\$8,160</b>
<b>Hardware and Services Total</b>	<b>\$27,011</b>

*\*Applicable sales tax will be collected upon invoice*

Hardware and Service payment terms are described in section 2.1 of the XiO General Terms and Conditions.

[End XiO Proposal]

### XiO General Terms and Conditions

These XiO General Terms and Conditions (these "**General Terms**") govern the provision by XiO, Inc. ("**Vendor**" or "**XiO**") of goods and/or services to Customer as described in one or more Orders. All Orders, together with these General Terms and all attachments to, and ancillary terms incorporated into, the foregoing form a binding master agreement between Vendor and Customer (collectively, the "**Agreement**"). The Agreement is effective as of the effective date of the initial Order to which these General Terms are attached or that reference being subject to these General Terms. Capitalized terms used in these General Terms, but not defined herein have the meaning given to them elsewhere in the Agreement.

#### 1. **Definitions.**

- 1.1 "**Affiliate**" means, as to a party, an entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with that party.
- 1.2 "**Confidential Information**" means all technical, business, financial, and other information, in whatever form (including written, oral, visual, paper, electronic, narrative, and graphic), that a party discloses to the other party in relation to this Agreement except information that (i) is or becomes publicly available other than as a result of disclosure by the receiving party in violation of this Agreement or any other legal, contractual or fiduciary obligation; (ii) is or was independently developed by personnel of the receiving party without access to or use of any Confidential Information of the other party (as defined without regard to this exception); (iii) is or becomes available to the receiving party on a non-confidential basis from a source (other than the disclosing party) that is not prohibited from disclosing such information to the receiving party by any legal, contractual or fiduciary obligation; or (iv) is information that was already known by the receiving party, so long as the receiving party can prove that such information had been in the receiving party's possession prior to receipt of the Confidential Information by the receiving party.
- 1.3 "**Customer**" means the entity or person indicated as the procuring party on the initial Order.
- 1.4 "**Customer Data**" has the meaning given it in Exhibit A – Platform Terms and Conditions.
- 1.5 "**Customer Information**" means information made available to Vendor or its representatives by or on behalf of Customer in connection with this Agreement including in the context of Professional Services and including Customer Data.
- 1.6 "**De-identified Data**" means Customer Information that is aggregated with other information of Vendor's customers or that has been de-identified.
- 1.7 "**Deliverables**" means reports, analyses, and other work product delivered by Vendor pursuant to an Order for the provision of Professional Services that constitutes Customer Information or that is unique and specific to Customer.
- 1.8 "**Hardware**" means tangible goods sold by Vendor to Customer pursuant to an Order.
- 1.9 "**Order**" means an initial or any subsequent Vendor proposal, Statement of Work, quotation, Service Agreement Engagement Terms, or similar ordering document prepared by Vendor that is signed by the parties and provides for one or more of the sale of Hardware, the provision of Professional Services, or Subscription(s) and that references these General Terms or is otherwise entered into by the parties in relation to this Agreement.
- 1.10 "**Platform**" has the meaning given it in Exhibit A – Platform Terms and Conditions.
- 1.11 "**Professional Services**" means consulting, design, analysis, assessments, evaluations, verification, installation, commissioning, implementation, support, management, training, configuration, and other professional services (and excluding for the avoidance of doubt, access or use of the Platform) provided by or on behalf of Vendor to Customer pursuant to the Agreement as further described in the applicable Order.



- 1.12 "**Professional Services Fees**" mean the fees payable to Vendor in consideration of Professional Services as provided in the applicable Order.
- 1.13 "**Services**" means collectively, Professional Services and the provision of access to and use of the Platform in relation to this Agreement.
- 1.14 "**Statement of Work**" means a written proposal or other document prepared by Vendor and executed by the parties that describes the nature and scope of Professional Services and any Hardware and/or Subscriptions to be sold or otherwise provided by Vendor to Customer and that may include, as applicable, related compensation, expense reimbursement, and other terms and conditions relating thereto. A Statement of Work may be attached to and form part of an Order or serve as a stand-alone Order.
- 1.15 "**Vendor**" means XiO, Inc.
- 1.16 "**XiO Hardware**" means Hardware that is proprietary to Vendor or is Vendor-branded Hardware.

## **2. General Payment Terms.**

- 2.1 Unless as otherwise specified in the applicable Order, all payments are due net 30 days from the date of invoice. Customer hereby procures the Services and Hardware and shall pay the amounts on the terms set forth in each Order in accordance with this Agreement. All sales of Services and Hardware are final and related payments are non-refundable except to the extent otherwise expressly provided in the Agreement. Any credit extended by Vendor and the limits of the credit, are at Vendor's sole discretion, and may be reduced or terminated by Vendor at any time, for any reason. A late charge is payable on all overdue balances while outstanding at the rate of the lesser of 1.5% monthly and the highest rate allowed by law. Vendor may defer delivery of Hardware ordered and/or suspend the provision of Services until all such overdue amounts are paid. All payments must be paid in U.S. Dollars. Except as otherwise specified in this Agreement, (i) all fees are exclusive of, and Customer is responsible for, applicable foreign, federal, state, and local sales, use, excise, value added, export, customs, duties and other governmental fees or levies or other applicable taxes, other than taxes on the net income of Vendor, (ii) Customer shall pay or reimburse Vendor for any such taxes and fees paid by Vendor, and (iii) Vendor may add any such taxes to invoices submitted to Customer by Vendor. Vendor shall be entitled to recover from Customer any costs incurred in collecting any amount past due under this Agreement, including reasonable attorneys' fees. Customer may make no offset for any amounts due regardless of the justification for the intended offset. Any good faith invoice disputes must be brought by Customer within thirty (30) days of receipt, otherwise Customer waives the dispute. Additional Hardware and Services not within the scope of an Order are subject to additional fees at Vendor's then-current rates or as mutually agreed by the parties.

## **3. Orders.**

- 3.1 All Orders and amendments and attachments thereto are hereby incorporated into this Agreement upon their execution by the parties. Any Customer purchase order or similar purchasing document issued by any entity other than Vendor is subject to and incorporates these General Terms and will be valid only for the purpose of identifying this Agreement and the items and quantities ordered. Any other terms and conditions included in such purchasing document that conflict with, vary, or supplement the terms in this Agreement are void and will be of no effect, even if Vendor otherwise accepts the purchase order. In the event of a conflict between these General Terms and an Order, these General Terms will control. Vendor's failure to object to Customer terms and conditions contained in any Order or other document from Customer will not be construed as a waiver of the foregoing nor an acceptance of any such terms and conditions.

## **4. Platform Terms and Conditions**

- 4.1 Access to and use of the Platform is subject to the additional terms and conditions in the Platform Terms and Conditions (also referred to as the "**Platform Terms**").

## **5. Professional Services**

- 5.1 **Engagement; Cooperation.** Customer hereby engages Vendor to perform the Professional Services of the scope and on the terms described in Orders specifying the provision of Professional Services and Customer agrees to reasonably cooperate with the performance of such Professional Services.
- 5.2 **Professional Services Fees and Terms.** Except as otherwise provided in the applicable Order, (i) Professional Services and related reimbursable expenses will be invoiced monthly in arrears or, for brief engagements, at completion, at Vendor's option, (ii) any total fee amount communicated in connection with a time and materials-based project is an estimate only and not a guarantee that the Professional Services will be completed for such total fee amount, and (iii) Customer shall obtain and pay for all state and local permits and approvals legally required of Customer to receive the Hardware and Services and Vendor may suspend the provision of Professional Services pending receipt of such permits and approvals. In the event of an early termination of Professional Services (to the extent permitted by the Agreement), Vendor shall invoice and Customer shall pay all Professional Services Fees for Professional Services provided up to the effective date of termination of the applicable Order plus reasonable shutdown fees, if any, incurred by Vendor. Professional Services are limited to the scope and planned Deliverables as are set forth in the applicable Order, which do not include all design, installation, use, or maintenance considerations for Customer's systems generally.
- 5.3 **Change Orders.** If Customer or Vendor requests a change in the scope or other terms of Professional Services to be provided (excluding Standard and Premium Technical Support), the parties shall promptly meet to discuss the proposed changes. Once any changes are tentatively agreed, if at all, Vendor will prepare and deliver for Customer's review and approval a change order describing the proposed changes including any changes in fees and expenses (each, a "**Change Order**"). Change Orders are not binding unless and until they are executed by both parties. Upon their execution, Change Orders will be deemed part of, and subject to, this Agreement. If the parties disagree about the proposed changes, the parties shall, at the request of either party, promptly escalate the change request to their respective senior management officers for resolution.
- 5.4 **Professional Services Warranty.** Vendor warrants to Customer that Vendor will perform Professional Services in a professional manner consistent with industry standards and that it will deliver Deliverables substantially conforming to those specified to be delivered in the applicable Order. Customer's sole and exclusive remedy for Vendor's breach of the foregoing warranty is as follows: Customer must provide Vendor with a detailed written description of the non-conforming Deliverables and their claimed non-conformity within ten (10) days from the date of delivery of the Deliverables or Professional Services claimed to be non-conforming, Vendor shall promptly review and confer with Customer regarding such written claims and, for those claims that Vendor accepts as valid following an inquiry in good faith, Vendor shall promptly and at its expense, use commercially-reasonable efforts to re-perform the non-conforming Professional Services. If no written rejection is given to Vendor by Customer within ten (10) days following such re-performance, the Deliverables and/or Professional Services as re-performed will be deemed accepted by Customer. If Vendor determines, in its sole discretion, that it is not commercially feasible to re-perform non-conforming Professional Services so as to be conforming, then Vendor shall refund amounts paid by the Customer for the non-conforming Professional Services. To the extent Vendor disagrees with Customer's notice of non-conformance, the parties shall, at the written request of Customer, escalate the matter to their respective senior management. This Section constitutes Customer's sole remedy and Vendor's sole obligation with respect to a breach of the foregoing Professional Services warranty.



- 5.5 **Insurance Coverage.** In respect of Professional Services, Vendor shall maintain insurance policies and coverages as follows: Worker's Compensation Insurance insuring Vendor's liability under the worker's compensation and occupational disease laws of the state where Professional Services are performed with at least the coverage required by law; Commercial General Liability Insurance with coverage on an "occurrence" basis with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; in each case to insure Vendor for Professional Services performed under an Order; and Insurance for operations of all hired and non-owned vehicles with limits for each accident of \$1,000,000 combined single limit with respect to bodily injury, death and property damage. Vendor shall provide a current certificate of insurance to Customer upon request..
- 5.6 **Termination of Professional Services.** Excluding Standard and Premium Technical Support, either party may terminate Professional Services (i) in the event of material breach by the other party with notice and thirty (30) days' opportunity to cure (or 10 days for failure to pay Professional Services Fees or reimburse expenses not disputed in good faith) or (ii) in accordance with the termination provisions of the applicable Order.
6. **Sale of Hardware.**
- 6.1 **Hardware Purchase Terms.** Except as otherwise specified in the applicable Order, (i) Hardware prices are F.O.B. origin, freight prepaid to the destination specified in the Order and (ii) Vendor will invoice sales of Hardware at the time of their shipment. Title and risk of loss pass to Customer upon tender of shipment to the carrier. Customer must make any good faith claim for shipment shortfall or damage within five (5) days of receipt of shipment; otherwise, Customer waives such claim as to such Order.
- 6.2 **Hardware Warranties.** All XiO Hardware is warranted in accordance with and is sold subject to the Hardware limited warranty found on Vendor's website (the "**Limited Warranty**"), currently at <http://xiowatersystems.com/warranty>. The remedies provided in the Limited Warranty constitute Customer's sole remedies and Vendor's sole obligations with respect to a breach of the Limited Warranty. The Limited Warranty is made expressly subject to the terms and conditions of this Agreement including Section 14 below. Hardware other than XiO Hardware sold by XiO to Customer is sold subject to the Hardware manufacturer's applicable warranty, if any, on a passthrough basis and is otherwise sold "AS-IS" by Vendor.
7. **Ownership; Proprietary Rights.**
- 7.1 **The Services and XiO Hardware.** Except as otherwise expressly provided in the applicable Order referencing this Section 7.1, the Services, Deliverables, and all ideas, know-how, processes, software, documentation, information, drawings, documents, designs, models, inventions, copyrightable material, and other tangible and intangible materials authored, prepared, created, made, developed, delivered, conceived, or reduced to practice, in whole or in part, by Vendor in relation to this Agreement (collectively, the "**Works**") and all copyrights, patent rights, trade secrets, trademarks, moral rights, and all other proprietary and intellectual property rights throughout the world in each of the foregoing (collectively, "**Intellectual Property Rights**") are and will remain the sole and exclusive property of Vendor. As between Vendor and Customer, each party retains all of its rights to its trademarks, logos, trade names, and service marks, website(s), technologies, patents, copyrights, trade secrets, and other intellectual property, and proprietary rights. Without limiting the generality of the foregoing, Vendor shall at all times solely and exclusively own (i) all rights, title, and interest in and to the Platform and content therein (excluding Customer Data), the Professional Services, De-identified Data, and any and all improvements, enhancements, derivative works, and extensions thereof, and all Intellectual Property Rights therein and (ii) all Intellectual Property Rights in XiO Hardware. No implied licenses are granted. All rights not expressly granted to Customer in this Agreement are reserved to Vendor.

- 7.2 **Use of Information.** Customer hereby consents to Vendor's use of Customer Information as required or permitted by this Agreement and for exercising and enforcing Vendor's rights under this Agreement, including generating De-identified Data from Customer Information.
- 7.3 **Feedback.** Customer hereby grants XiO a perpetual, royalty-free, worldwide right to use any information, suggestions, bug reports and fixes, and ideas provided by or on behalf of Customer to XiO for enhancements, modifications, and other feedback regarding the Services, Hardware, or any other XiO product or service.
8. **Customer Cooperation.** Customer shall provide reasonable cooperation to Vendor in Vendor's performance of Vendor's obligations under this Agreement.
9. **Customer Obligations Regarding Site Conditions.** Except as otherwise disclosed in writing to Vendor and acknowledged in writing by Vendor in advance of providing Professional Services, Customer represents and warrants that, to Customer's knowledge after reasonable inquiry, there are no potentially hazardous substances, environmental contamination, or conditions in, on, or near the properties required to be visited by Vendor employees or other representatives in performing Vendor's obligations under the Agreement that present, within the context of similar facilities, an unreasonable and/or unanticipated danger to human health or the environment. Customer shall immediately notify Vendor if it becomes aware of a change in such circumstances. Vendor shall not be responsible for remedying any pre-existing hazardous materials, pre-existing hazardous conditions or pre-existing violations of laws, or regulations affecting the site where Professional Services are to be performed, and Customer shall indemnify, defend, and hold harmless Vendor from any liability, loss, damages, cost, and expense (including attorneys' fees) arising out of or relating to a failure or breach of Customer's representations, warranties, and undertakings in this Section.
10. **Protection and Use of Confidential Information.** Each party shall not use or disclose Confidential Information of the other party without the prior written consent of the other party or as permitted or required by this Agreement. The receiving party may disclose the other party's Confidential Information to the extent necessary to comply with a lawful order of a court or taxing authority, or government regulation, on condition that the party making the disclosure provides the other party with reasonable advance written notice to the extent legally permissible, and reasonably cooperates with the other party's efforts (at the other party's request and expense) to seek confidential or protective treatment. In addition, each party shall take at least reasonable measures to protect and maintain in confidence the other party's Confidential Information. Each party may disclose the terms of this Agreement to (i) its attorneys, accountants, and other professional advisors, or to potential investors or other third parties conducting due diligence in connection with a potential financing, change of control, or other similar transaction of the party, and (ii) in the case of Vendor, to Vendor's independent contractors and service providers for the purpose of performing Vendor's obligations under this Agreement, in each case, so long as the third party is under a duty of confidentiality with respect to the disclosure at least as protective as those in this Agreement. Customer may disclose this Agreement to the extent necessary to comply with applicable laws and regulations that make this Agreement a public document or to otherwise comply with applicable public disclosure laws and regulations; provided, however, that, to the extent permitted by law, Customer shall use commercially reasonable efforts to seek confidential treatment of all pricing information within this Agreement in connection with the disclosure. If Vendor is obligated to respond to a third-party subpoena or other compulsory legal order or process in connection with Customer Information or Customer's use of the Hardware or Services, Customer shall reimburse Vendor for Vendor's reasonable and documented related attorneys' fees, and other reasonable costs and expenses of responding to the legal order or process at Vendor's then-current hourly rates for such Services.
11. **Use of Third-Party Services and Subcontractors.** Vendor may, in the ordinary course of business, utilize third-party services (including third-party hosting and data centers) and may also engage independent contractors and subcontractors in performing its obligations

under this Agreement (including for Hardware installation and other Professional Services) and Customer hereby consents to such use provided Vendor is responsible for its subcontractors' compliance with this Agreement in their performance on behalf of Vendor.

## **12. Indemnification.**

### **12.1 By Vendor.**

**12.1.1 General.** Vendor shall indemnify, defend, and hold harmless Customer and its officers, directors, agents, and employees (each a "**Customer Indemnified Party**") from and against any and all third-party claims, demands, losses, liabilities, suits, costs, and expenses (including reasonable attorney's fees and legal expenses) (collectively, "**Claims**") to the extent arising out of death, injury, and property damage to the extent caused by Vendor's gross negligence, or willful, reckless, or criminal misconduct in the performance of the Professional Services at Customer's location except to the extent caused by the negligence or misconduct of a Customer Indemnified Party or resulting from Customer's failure to comply with this Agreement.

**12.1.2 Infringement.** Vendor shall indemnify, defend, and hold Customer Indemnified Parties harmless from all Claims to the extent arising out of or relating to any third-party claims, demands, or suits alleging that one or more of the XIO Hardware, the Platform, or the Services infringe a third-party's United States copyright or trademark rights except to the extent the alleged infringement is caused by: (a) changes or modifications to the Platform made or specified by Customer or any third party; or (b) combinations of the Platform or Professional Services Deliverables with any product or service not supplied or specified by Vendor under this Agreement. If a Claim contemplated under this Section 12.1.2 is brought, Vendor shall, at its sole option and expense, and within a reasonable period, use commercially reasonable efforts to (1) procure for Customer the right to continue using the allegedly infringing item; (2) replace the same with a non-infringing item providing materially equivalent functions and efficiency; (3) modify the same to be non-infringing without material loss of functionality; or, if none of the foregoing (1)-(3) is, in Vendor's sole discretion, commercially reasonable, at Vendor's notice, Customer shall discontinue use of the allegedly infringing item and Vendor shall refund to Customer the fees paid by Customer to Vendor corresponding to the period following the effective date of such discontinuance and any pre-paid unused Subscription fees. This Section 12.1.2 sets forth Vendor's sole liability, and Customer's sole and exclusive remedy, in lieu of all others, with respect to infringement.

**12.2 By Customer.** Customer shall indemnify, defend, and hold harmless Vendor and its Affiliates and their respective officers, directors, agents, and employees (each an "**Vendor Indemnified Party**") from and against any and all Claims to the extent arising out of death, injury, and property damage to the extent caused by Customer's gross negligence, or willful, reckless, or criminal misconduct; and except in each case to the extent caused by the negligence or misconduct of a Vendor Indemnified Party or resulting from Vendor's failure to comply with this Agreement.

**12.3 Procedures.** The obligations under this Section 12 are conditioned upon the indemnified party (i) giving the indemnifying party prompt written notice of any Claim; (ii) granting the indemnifying party complete control of the defense and (conditioned upon a full release of the indemnified parties) settlement of Claims; and (iii) reasonably cooperating with the indemnifying party in the defense and settlement of the Claims.

**13. Representations and Warranties by Both Parties.** Each party represents and warrants to the other party that (i) this Agreement is binding on it and it has the right to enter into this Agreement and perform its obligations hereunder in the manner contemplated by this Agreement, (ii) this Agreement does not conflict with any other agreement entered into by it and (iii) that it shall comply with all applicable law in connection with the performance of its obligations and use of the Hardware and Services.

14. **Disclaimers.** Except for the express warranties provided in this Agreement, the Hardware and Services are provided "AS IS AND WITH ALL FAULTS" and "AS AVAILABLE" and to the fullest extent permissible under applicable law, Vendor disclaims all warranties, express, implied, and statutory, concerning the Hardware and Services, and otherwise related to this Agreement, including, but not limited to, the implied warranties of merchantability, fitness for a particular purpose, and any warranties of non-infringement. Vendor does not warrant (i) that the Hardware or Services will meet Customer's requirements, (ii) that the Platform's operation will be error-free or uninterrupted (including due to performance of the Internet, other transmission networks, and customer's local network and equipment, which systems Vendor is not responsible for providing), (iii) that the Services or any Hardware will properly operate when used with equipment, other systems, or configurations, in each case not specified by Vendor in an Order, or (iv) Vendor's qualification under state licensing provisions. Vendor's express warranties do not apply to failures due to misuse, electrical power line surge damage, improper installation by user, improper power supply attachment, water damage, or physical abuse or where resulting from Customer's failure to reasonably cooperate with Vendor's performance. Vendor does not provide design, installation, or maintenance services for water or other industrial systems generally. Proper installation and use of Vendor Hardware and Services may involve design, installation, and other considerations not provided by Vendor and for which Vendor is not responsible. Vendor is not responsible for (i) errors in data provided by Customer or its users or representatives, (ii) injury or property damage or other damages or losses due to a failure of Hardware or Services or resulting from local or remote management through Hardware and/or Services of Customer's facilities or systems, (iii) use of its Hardware and Services in a manner inconsistent with their specifications and intended use as provided by Vendor, or (iv) defects or problems in Hardware or Services to the extent caused by factors other than the Hardware or Services, or to the extent as a result of tampering with Hardware or Services (including without limitation disconnection, abuse, misuse, accident, alteration, neglect, unauthorized repair, relocation, or interference). Customer acknowledges that the Hardware and Services, as equipment and activities in an industrial operation, have an inherent risk of failure and Customer assumes such general risk. The specific risks disclaimed in this Section are not exhaustive. Procurement of Hardware or Services from Vendor does not limit Customer's obligation to ensure, and is not a replacement for, Customer's on-site monitoring and management of its facilities including responding to water leaks, malfunctions, and hazardous conditions. The entire responsibility in connection with the consequences resulting from the use of the Hardware and Services as well as the intended or achieved results resulting from the use of the Hardware and Services lies entirely with Customer. If Customer has acquired the Hardware or Services through an authorized distributor or reseller of Vendor, Vendor shall not be held responsible for any promises or warranties made by such distributor or reseller. To the maximum extent permitted by law, this Section shall apply even if any express warranty or limited remedies set forth in this Agreement fails of its essential purpose.
15. **Limitation of Liability.** To the maximum extent permitted by applicable law, in no event will Vendor or its Affiliates, including their respective employees, officers, directors, owners, agents, successors and assigns, be liable to Customer or to any third party for any indirect, incidental, special, exemplary or consequential damages, including, but not limited to, lost profits, loss of data, loss of use, business interruption, loss of good will, or cost of procuring substitute products or services, arising out of or in relation to this Agreement or the Hardware or Services, even if advised of the possibility of such damages or losses. Notwithstanding anything else in this Agreement to the contrary, Vendor's aggregate liability arising from, relating to, based on, or connected with this Agreement including the Hardware



and Services, shall in any event and under any theory of recovery, including claims of negligence, be limited to the amount of fees actually received by Vendor under this Agreement relating to the Customer facility for which the claim accrued during the twelve month period immediately preceding the date on which Customer's claim first accrued.

16. **Limitations of Disclaimers and Limitations on Liability.** Applicable law in certain jurisdictions relevant to this Agreement may limit the contractual exclusion, limitation, or disclaimer of warranties or damages. In such cases, Vendor's liability (and the liability of its Affiliates and agents) will be limited in accordance with this Agreement to the greatest extent permitted by applicable law.
17. **Not a Licensed Contractor.** Customer acknowledges that Vendor is performing services as an independent contractor and that Vendor is a provider of water facility control systems and services and is not a licensed contractor. Customer acknowledges that Vendor may work with a third-party installer (who, if required by applicable law, will be licensed) to perform specified installation services described in the applicable Order. Customer acknowledges that Vendor is not a licensed contractor under California or other law or regulations or under the law or regulations of the state in which it will perform Professional Services (each are "state licensing provisions"). Customer hereby waives any claim, and shall not raise any defense to enforcement of a contract, on grounds that Vendor (i) is a contractor within the meaning of any state licensing provisions, or (ii) is required under any state licensing provisions or other applicable law to be licensed as a contractor.
18. **Force Majeure.** Vendor shall not be liable to Customer or any other person or entity for any delay or failure in the performance of this Agreement or for loss or damage of any nature whatsoever suffered by Customer or its Affiliates due to (i) disruption or unavailability of communications, utility, hosting, or Internet service not within the reasonable control of Vendor, (ii) acts of war, acts of vandalism, pandemics, terrorism, hacking, lightning, flood, fire, strike, or (iii) any other causes not reasonably anticipated and beyond Vendor's reasonable control.
19. **Sale of Real Property.** If Customer sells or otherwise transfers ownership of an individual facility or property serviced by Vendor under this Agreement to an unrelated third party in an arms-length transaction, Customer may, with notification to Vendor delivered within 60 days following the transfer of ownership, assign the Services relating to such facility or property to the new owner only in respect of such individual facility or property and related Services, and only if the new owner agrees with Vendor in writing to be bound by an agreement substantially equivalent to this Agreement as it applies to the transferred Services. Any such assignment will not relieve Customer of obligations or liabilities under the Agreement occurring and/or accruing prior to the date of the assignment, and Customer shall continue to be bound by the Order to the extent not assigned. Absent such assignment in accordance with this Section, Customer will remain obligated under the Agreement for contracted Services relating to such transferred property.
20. **Publicity.** Customer consents to Vendor's reasonable and limited use of Customer's name, logo, and use case in promotion of Vendor's goods and services on condition that: (i) any public use, such as on a website or press release must first be submitted for approval by Customer and (ii) Customer reserves the right to terminate this use right at any time upon written notice to Vendor (email acceptable).
21. **Independent Contractor.** The relationship of Vendor and Customer is solely that of independent contractors. Nothing contained in this Agreement will be construed to make either party the other's partner, joint venturer, co-owner, agent, franchisee, or employee. Neither party is authorized or empowered to transact business, incur obligations, or make representations on behalf of the other party.
22. **Dispute Resolution.** In the event of any dispute arising out of or related in any way to this

Agreement (except for non-payment by Customer), the parties shall, at the written request of either party, first attempt, in good faith, to settle such disputes informally through direct discussions and negotiations. If a resolution cannot be reached informally within a reasonable period (not to exceed 15 days), the parties shall, before the filing of any lawsuit, submit such disputes to and participate in good faith in at least one non-binding mediation before a mutually-acceptable mediator (or if they cannot agree, then the parties will each choose a mediator and the two mediators will select a third mediator to serve as the sole mediator). For purposes of the procedures set forth in this paragraph, a "dispute" means any action, dispute, claim or controversy of any kind, whether in contract or tort, statutory or common law, legal or equitable, now existing or hereafter arising under or in connection with, or in any way pertaining to this Agreement. The foregoing does not apply to the seeking of injunctive relief. No formal proceedings for the judicial resolution of any dispute, except for the seeking of injunctive relief, may begin until the foregoing dispute resolution procedure has been completed except as otherwise agreed in writing by the parties.

23. **Miscellaneous.** This Agreement, including all its attachments, contains the entire agreement of the parties, and supersedes any and all previous or contemporaneous agreements, with respect to the subject matter hereof, whether oral or written. The Agreement will be binding and will inure to the benefit of the parties hereto and their respective successors and permitted assigns. Subject to Section 19, this Agreement may not be assigned by Customer, in whole or in part, without Vendor's prior written consent, such consent not to be unreasonably withheld. Any attempted assignment in violation of the foregoing will be void. Vendor may assign, delegate, and subcontract any or all of its rights or obligations hereunder. All formal notices, requests, demands, consents, and communications under this Agreement must be in writing and delivered by electronic mail, by certified or registered mail, return receipt requested, or by overnight courier and will be deemed given five (5) days after deposit in the mail, two (2) days after deposit with an overnight courier, and on the date sent by email if sent during normal business hours of the sender, and on the sender's next business day if sent outside of the normal business hours of the sender, in each case with confirmation of email transmission. Notices will be sent to the party's most recent contact information set forth in the Order or such other contact information as the party may specify in writing for notification purposes in accordance with the foregoing from time to time. This Agreement is governed in all respects, including validity, interpretation and effect, by the laws of the State of California, without reference to the conflicts of laws rules or any other rules that would result in the application of a different body of law. The UN Convention on Contracts for the International Sale of Goods will not apply to this Agreement. For purposes of enforcement of this Agreement, except to the extent the parties otherwise agree in writing, the parties submit themselves to the exclusive jurisdiction of the state and federal courts located in Marin County in the state of California and hereby agree that such courts have exclusive jurisdiction for the enforcement of this Agreement and any rulings or orders associated therewith, and voluntarily waive any right to challenge jurisdiction based on any theory, including inconvenience of forum. Notwithstanding the foregoing, Vendor may seek injunctive or other equitable relief, wherever it deems appropriate, to protect or enforce Vendor's rights under this Agreement. If any part of this Agreement is held to be void or unenforceable, such part will be treated as severable, leaving valid the remainder of this Agreement notwithstanding the part or parts found to be void or unenforceable. No waiver will be effective unless it is in writing and signed by an authorized representative of the waiving party, and any such waiver will only be applicable to the specific instance(s) referenced in such written waiver. This Agreement may be amended only by a writing executed by each of the parties. Headings in this Agreement are for purposes of reference only and will not limit or otherwise affect the meaning hereof. Sections 7, 10, 12, 14 - 18, 22, and 23, Vendor's limited Hardware warranties in Section 6.2 (subject to their terms), and any payment obligations of Customer will survive a termination of this Agreement or any one or more Orders. The words "for example", "i.e.," "including" and "includes" in this Agreement are deemed to be followed by "without limitation".

[End General Terms and Conditions]

**EXHIBIT A**  
**PLATFORM TERMS AND CONDITIONS**

These Platform Terms and Conditions (these, "**Platform Terms**") are supplemental terms and conditions governing the provision by XiO, Inc. ("**Vendor**") of access to and use of the Platform, as defined below, and are attached to the General Terms and made part of the Agreement between Vendor and Customer. These Platform Terms supplement, but do not replace, the General Terms and other terms and conditions of this Agreement. Capitalized terms used, but not defined in this Exhibit have the meaning given them elsewhere in the Agreement..

**1. Definitions.**

- 1.1 "**Customer Data**" means electronic data submitted to and stored in the Platform by or behalf of Customer in using the Platform.
- 1.2 "**Platform**" means, collectively, the software application-based and other electronic services and data provided by Vendor to which Customer procures access and use pursuant to the Agreement via one or more of the Internet, cell and/or other wireless technology, and other telecommunications methods ("**Electronic Communications**"). The Platform may include web-based management and/or monitoring applications, and data feeds and services, and includes those that are accessed by the Customer through Hardware and other equipment. Platform excludes Professional Services.
- 1.3 "**Start Date**" means the date on which a Subscription Term commences as set forth in the applicable Order procuring the Subscription or if no date is indicated, then the effective date of the Order.
- 1.4 "**Subscription**" means the right to access and use the Platform for the applicable Subscription Term pursuant to and in accordance with this Agreement.
- 1.5 "**Subscription Fees**" mean the fees owed in consideration of a Subscription.
- 1.6 "**Subscription Term**" means, as to a Subscription, the Initial Term and any Renewal Terms (or until earlier terminated in accordance with this Agreement) commencing on the Start Date.

- 2. **General; Term of Subscription.** Subject to the terms and conditions of the Agreement (including payment by Customer of applicable Subscription Fees) and for the Subscription Term, Customer hereby subscribes to, and Vendor shall use commercially reasonable efforts to make available, access and use of the Platform via Electronic Communications solely for Customer's internal business use. Subscriptions commence on the Start Date. The Subscription Term will continue for the initial term of the Subscription (the "**Initial Term**") indicated on the applicable Order. If no such Initial Term is indicated, then the Initial Term is one (1) year. Upon expiration of the Initial Term, the Subscription Term will automatically renew for successive renewal periods of duration specified in the applicable Order or if not so specified, successive one-(1) year renewal terms (each, a "**Renewal Term**") absent written notice by either party of its election to not so renew delivered at least 60 days prior to the renewal.
- 3. **Restrictions.** Customer shall not, and shall not knowingly permit any third party to, in whole or in part, (i) reverse engineer, decompile, or disassemble the Platform or use similar methods to determine any design structure, concepts, or construction method of the Platform, including its database, or replicate the functionality of the Platform for any purpose, (ii) copy, translate, resell, distribute, or create a derivative work of the Platform or use the Platform for timesharing, service bureau, or similar purposes, (iii) use the Platform for the purpose of building a similar or competitive product or service, (iv) obtain or knowingly assist in obtaining unauthorized access to the Platform including by sharing log-in credentials to access to Platform, (v) use the Platform in a manner that is contrary to applicable law, in violation of this Agreement or any third party rights of privacy or Intellectual Property Rights, (vi) use the Platform to store, access, distribute or transmit any material that is unlawful, inappropriate, or infringing; facilitates illegal activity; or causes or is reasonably likely to cause damage or



injury to any person or property, or (vii) transmit viruses or other code intended to harm or surreptitiously intercept data to or from the Platform, or Vendor's or a third party's networks or systems, or adversely affect their operation or security. Customer shall indemnify, defend, and hold Vendor harmless from claims, demands, liabilities, losses, and costs and expenses (including attorneys' fees) arising out of or relating to Customer's breach of this Section 3. Vendor has the right (but not the obligation) to monitor and review all information and materials transferred to or otherwise stored under Customer's account in the Platform for information, material, or activity that Vendor deems in its sole discretion to violate these Platform Terms or the Agreement generally. Customer shall comply with all applicable laws and regulations in connection with its use of the Platform including export laws and obtain any permits, licenses, and authorizations required to be obtained by Customer in using the Platform; Customer shall not remove, modify, or obscure any Vendor or other copyright, trademark, or other proprietary notices affixed to or displayed on or in the Platform and shall not knowingly allow any third party under Customer's control to take any such action. Customer is responsible under this Agreement for all activities conducted in the Platform under its login credentials and account including those of its independent contractors or any other third party.

4. **Customer Data; Right to Use; Other Customer Responsibilities.** Responsibility for ensuring that Customer Data is accurate and reflects Customer requirements lies solely with Customer. Customer hereby grants Vendor the right and license to use, copy, store, transmit, modify, process, and display Customer Data for the purposes of performing Vendor's obligations under this Agreement. The Platform may require the use of Hardware or other equipment such as transmitting sensors and communications and other hardware and software necessary to access the Internet and the Platform, which are not included in Subscription Fees (collectively, the "**Equipment**") and Customer is responsible for obtaining and maintaining Equipment, at Customer expense. Customer is responsible for maintaining the security of the Equipment, Customer account information, passwords and files, and for all uses of Customer's Platform account or the Equipment with or without Customer's knowledge or consent (excluding uses by Vendor in performing its obligations under this Agreement). Customer consents to Vendor's creation of De-identified Data from Customer Data. Vendor owns all right, title, and interest in and to De-identified Data and nothing herein restricts Vendor's use of De-identified Data in any manner whatsoever..
5. **Subscription Fees.** Customer shall pay all Subscription Fees in the amounts and according to the terms as are set forth in the applicable Orders procuring the Subscriptions. Except as otherwise specified in the Agreement, (i) Subscription Fees will be invoiced annually in advance and due within thirty (30) days of Customer's receipt of the invoice, and (ii) Vendor may increase Subscription Fees at each renewal of the Subscription Term by notice delivered at least 120 days' prior to the renewal. If Customer's use of the Platform exceeds the parameters or restrictions set forth in the applicable Order or otherwise requires the payment of additional Subscription Fees (per the terms of this Agreement), Customer will be billed for such usage and Customer agrees to pay the additional fees in the manner provided herein. Subscriptions Fees are not refundable except in accordance with this Agreement.
6. **Service Level Agreement Terms.** During the Subscription Term, Vendor shall meet the service levels on and subject to the terms and conditions indicated in the Service Level Agreement Terms attached as Exhibit B.
7. **Platform Disclaimer.** Without limiting Section 14 of the General Terms (Disclaimers), the Platform provided by Vendor relies upon numerous interconnected communication and other technologies that are inherently not fault-free and may contain errors or become interrupted. Vendor disclaims responsibility for liabilities, losses, claims, and demands resulting from any such errors or interruptions. The Platform should not be used for fault-intolerant applications or where such errors or interruptions would present a high degree of risk. Certain Platform features allow alerts and notifications to be sent to mobile devices. Vendor is not responsible for text or other mobile communications charges resulting from such alerts and notifications

or for alert failures due to failures of the mobile device or its connectivity. Vendor is not responsible for Platform errors due to Hardware or other equipment failure.

8. **Improvements to Platform.** Vendor may make enhancements, updates, and other modifications to the functionality, user interface, usability, and documentation of the Platform from time to time in its sole discretion as part of its ongoing effort to improve its offerings, so long as such modifications do not materially diminish the functionality of the Platform.
9. **Ownership of Platform.** Without limiting Section 7 of the General Terms (Ownership; Proprietary Rights), as between Vendor and Customer, Vendor owns all right, title and interest in and to the Platform including all Intellectual Property Rights therein. Nothing in this Agreement grants Customer any right, title or interest in or to the Platform other than the limited right to access and use the Platform during the Subscription Term in accordance with the Agreement. All rights not expressly granted to Customer in this Agreement are reserved by Vendor.
10. **Termination of a Subscription for Cause.** Either party may terminate a Subscription during the Subscription Term in the event that the other party has committed a material breach of this Agreement that is not cured within thirty (30) days after the other party's receipt of written notice thereof, which notice must expressly state all of the reasons for the claimed breach in sufficient detail so as to provide the alleged breaching party a meaningful opportunity to cure the alleged breach, except that the cure period for failure of Customer to pay fees when due is five (5) days.
11. **Effect of Termination.** Upon termination or expiration of a Subscription, for any reason, Customer shall cease all use of the Platform and Vendor has the right, at any time more than ninety (90) days following such termination or expiration, to permanently delete Customer Data and Customer's account associated with the terminated Subscription.
12. **Export; U.S. Governmental Rights.** Customer shall not remove or export from the United States or knowingly permit the export or re-export of the Platform, or any of its source code, object code, or underlying structure, ideas, know-how or algorithms, documentation or data (the "**Platform Materials**"), or anything related thereto, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. The Platform Materials are "commercial items", "commercial computer software", and "commercial computer software documentation" under U.S. federal acquisition regulations (FAR) and U.S. defense federal acquisition regulations (DFAR). Consistent with such regulations, any use modification, reproduction, release, performance, display, or disclosure of Platform Materials by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by this Agreement..

[End Platform Terms and Conditions]

**EXHIBIT B****SERVICE LEVEL AGREEMENT TERMS**

These Service Level Agreement Terms (these "**SLA Terms**") are provided pursuant to that certain Agreement to which these SLA Terms are attached between Vendor and Customer and form part of the Agreement. Capitalized terms used in these SLA Terms, but not defined herein have the meaning given to them elsewhere in the Agreement.

**1. Availability Service Levels**

**1.1 Definitions** For purposes of these SLA Terms, the following terms have the following meanings:

**1.1.1 "Emergency Maintenance"** means Vendor's unplanned or emergency maintenance for application of hotfixes, security related maintenance activities, and other actions necessary to maintain the integrity or operation of the Platform during which the Platform is unavailable.

**1.1.2 "Scheduled Maintenance"** means scheduled maintenance to maintain the integrity or operation of the Platform during which the Platform is unavailable.

**1.1.3 "Total Monthly Time"** means the total number of minutes in the applicable calendar month.

**1.1.4 "Unavailable Monthly Time"** means the total number of minutes in the applicable calendar month during which the Platform was unavailable for use.

**1.1.5 "Uptime Percentage"** =  $(A-B+C)/A$ , where:

A = Total Monthly Time;

B = Unavailable Monthly Time; and

C = Excluded Monthly Time (as defined below)

**1.2 Availability Commitment** Subject to these SLA Terms:

**1.2.1** During the Subscription Term, Vendor shall use commercially reasonable efforts to ensure that the Platform will have an Uptime Percentage of at least **99.9%**; and

**1.2.2** Vendor shall endeavor to schedule Scheduled Maintenance to occur outside of Vendor's normal business hours and to provide Customer at least 48 hours' notice prior to Scheduled Maintenance. No prior notice to Customer is required for Emergency Maintenance; however, Vendor shall use commercially reasonable efforts to notify Customer in advance of Emergency Maintenance.

**1.3 Exclusions**. Notwithstanding anything to the contrary in these SLA Terms, no Unavailable Monthly Time will be deemed to have occurred if it: (a) is caused by factors outside of Vendor's reasonable control, including, without limitation, Internet access or related problems occurring beyond the point in the network where Vendor maintains access and control over the Platform; (b) results from failures or issues in satellite, radio, cellular, or other non-Internet-based telecommunications transmissions used to communicate with or to the Platform, whether procured through Vendor or otherwise; (c) results from any actions or inactions of Customer or any third party (except for Vendor's agents and sub-contractors); (d) results from any Customer third party application(s), Customer's equipment, software, or other technology, add-on services, or third-party equipment, software, or other technology; (e) occurs during Scheduled Maintenance; (f) occurs during Emergency Maintenance; or (g) is less than five (5) minutes of continuous unavailability in duration (minutes of unavailability in the calendar month resulting from (a)-(g) collectively, "**Excluded Monthly Time**").

**1.4 Unavailability Credits**

1.4.1 For any calendar month that has an Uptime Percentage indicated in the Unavailability Credit Table below, Customer may request an Unavailability Credit corresponding to the Uptime Percentage, where "Unavailability Credit" is calculated as the applicable Unavailability Credit Percentage of the Subscription Fees corresponding to the calendar month at issue. The Unavailability Credit will be credited toward the next invoice for Subscription Fees or refunded if the Subscription Term expires or is terminated before it can be so credited.

1.4.2 Customer must request the Unavailability Credit by submitting a request to Vendor via email to [accounts-receivable@xiowater.com](mailto:accounts-receivable@xiowater.com) during the first 15 calendar days of the calendar month immediately following the calendar month for which the credit is claimed.

1.4.3 Unavailability Credit Table:

Uptime Percentage	Unavailability Credit Percentage (%)
99.5% - <99.9%	[2.0]%
98.5% - <99.5%	[3.0]%
<98.5%	[5.0]%

1.5 **Chronic Unavailability** If the Platform experiences an Uptime Percentage that is less than **98.5%** for any two consecutive months, or for any four out of 12 consecutive months, then Customer will have the right, upon 10 business days' notice to Vendor, to terminate the Subscription in which case Vendor shall refund to Customer its prepaid and unused fees corresponding to the period from the effective date of termination to the expiration of the then applicable Subscription Term. The foregoing credits and termination right constitute Vendor's sole and entire liability to Customer, and Customer's sole and exclusive remedy with respect to Vendor's failure to meet Vendor's commitments regarding availability of the Platform provided in this Exhibit B.

## 2. **Standard Support**

2.1 **Standard Support Access and Hours.** Vendor shall provide requested general technical support services to address errors in the Platform as further described in and subject to the Standard Support terms in this Section 2 of these SLA Terms (such support services, "**Standard Support**"). Standard Support is available without extra charge from 8am – 5pm Pacific time, Monday – Friday, except Vendor holidays ("**Standard Support Hours**") through Vendor's online ticketing system accessible at [www.xiowater.com](http://www.xiowater.com) and via email at [support@xiowater.com](mailto:support@xiowater.com). Vendor reserves the right to update the contact information for accessing Standard Support from time to time by written notice to Customer.

2.2 **Standard Support Service Levels.** Each request for Standard Support received by Customer must identify an Error (defined below) and will be assigned a case number (each, a "Case"). An "Error" means a failure of the Platform to perform in accordance with its specifications as further described in the Error Description column below. For each Error, Vendor will prioritize the Case in accordance with the Severity Levels in the table below and will work to provide a temporary or permanent solution, fix, or work-around that resolves the material aspects of the Error with the corresponding Level of Effort as described in the table below.

2.3 **Standard Support Service Levels Table:**

<b>Severity Level</b>	<b>Error Description</b>	<b>Target Initial Response Time</b>	<b>Level of Effort</b>
"Severity 1 (Critical)"	Critical production issue affecting all users, including Platform unavailability and data integrity issues with no workaround available.	Four (4) hours	Vendor shall use best efforts, applying its resources on a 24 hour per day basis to the exclusion of other priorities, to correct the Error as quickly as possible.
"Severity 2 (High)"	Major functionality is impacted. Issue is persistent and affects many users and/or major functionality. No reasonable workaround available.	Four (4) Hours	Vendor shall use best efforts, applying resources during normal business hours, to correct the Error as quickly as reasonably practicable.
"Severity 3 (Medium)"	Platform performance issue or bug affecting some but not all users. Short-term workaround is available, but not scalable.	Eight (8) hours	Vendor shall use commercially reasonable efforts, applying resources during normal business hours, to correct the Error as quickly as reasonably practicable.
"Severity 4 (Low)"	Inquiry regarding a routine technical issue; bug affecting a small number of users. Reasonable workaround available.	Twenty four (24) hours	Vendor shall use commercially reasonable efforts to correct the Error.

As used above, "**Target Initial Response Time**" means the elapsed time during Standard Support Hours between the moment a request regarding an Error is first submitted to Vendor via a Standard Support contact until Vendor first responds to the request except that, if the request is submitted during the last 30 minutes of Support Hours on a given day, the elapsed time will be measured from the start of the next day on which Standard Support Hours are available.

Under no circumstances does Vendor warrant or represent that Errors can or will be corrected.

- 2.4 Customer Obligations for Standard Support.** Vendor's ability and obligation to fulfill its Standard Support obligations is conditioned upon Customer (a) providing all relevant information necessary for Vendor to respond to a Standard Support request within the applicable response times set forth above; (b) providing all relevant information and any additional requested information and documentation necessary for Vendor to reproduce the Error; (c) designation of Customer's primary and secondary contacts (along with after-hours contact information for such personnel) who have been trained on the Platform and who can provide Vendor with all requested information; (d) submission of Standard Support requests promptly in response to an Error; (e) using commercially reasonable efforts to diagnose and resolve problems in the operation of the Customer's interface to the Platform prior to submitting a request for Standard Support; (f) using commercially reasonable efforts to confirm that reported problems are not due to Customer's systems or third-party systems; (g) consultation of Vendor-supplied documentation before submit-

ting Standard Support requests; and (h) providing Vendor with remote access to Customer's account or environment on the Platform for purposes of providing the requested Standard Support. Customer acknowledges that if it provides Vendor with erroneous information, or fails to provide all reasonably available information, then Vendor will not be liable for delays in, or improper performance of Standard Support. Customer is responsible for procuring, installing, and maintaining all applications, equipment, telephone lines, communications interfaces, and other hardware necessary to access the Platform and to obtain Standard Support.

**2.5 Standard Support Exclusions.** The following are outside the scope of Standard Support:

- support provided outside of the Standard Support Hours;
- support that relates to or becomes necessary due to failure of computer hardware, equipment or programs not provided by Vendor,
- negligence of Customer, error by Customer in operation of the Platform, or improper modification or use of hardware or software by Customer;
- maintenance and support of hardware, software programs, or data connections not provided by Vendor ("**Third Party Products**");
- development, customization, coding, installation, integration, consulting, and training;
- any other services that are not for the identification and resolution of Errors in the Platform; and
- issues or failures caused by:
  - Customer acts or omissions, including any Customer misuse or abuse of the Vendor system or in violation of the Agreement;
  - Any force majeure event as described in the Agreement;
  - Viruses or system attacks not prevented by Vendor's application of industry standard anti-virus software; and
  - An increase in Platform utilization by Customer materially beyond the Platform's standard or mutually agreed hosting capacity.

**2.6 Out-of-Scope Support.** If Customer does not have Premium Technical Support and requests and receives technical support from Vendor that is provided outside of Standard Support Hours or is otherwise outside the scope of Standard Support (for example, providing assistance or training in use of the Platform, troubleshooting of non-Vendor products or services, or light engineering advice) or if Customer is subject to additional charges for overuse of Premium Technical Support as described in Section 3.3 ("**Out-of-Scope Support**"), then Customer will be charged and agrees to pay for such excess support on an hourly basis at Vendor's then generally applicable hourly rates for the type of support provided. Higher rates will apply for Out of Scope Support provided outside of Standard Support Hours, that is outside of the scope of Standard Support, or that involves assistance from a Vendor engineer. Any such charges will be invoiced and payable monthly in arrears. Customer may request Vendor's support services hourly rates at any time. Out-of-Scope Support is subject to Section 3.5 below (Disclaimer).

**2.7 Chronic Support failures.** If Vendor materially fails to meet its Standard Support commitments in this Exhibit B for any two consecutive months, or for any four out of 12 consecutive months as shown by reasonable documentation, then Customer will have the right, upon 30 days' prior written notice to Vendor, to terminate the Agreement in which case Vendor shall refund to Customer its prepaid and unused Subscription Fees corresponding to the period from the effective date of termination to the expiration of

the then applicable Subscription Term. The foregoing termination right constitutes Vendor's sole and entire liability to Customer, and Customer's sole and exclusive remedy with respect to Vendor's failure to meet the Standard Support commitments in this Exhibit B.

### 3. **Premium Technical Support**

- 3.1 The following terms apply only to Customers that have procured Premium Technical Support. Premium Technical Support is an enhanced technical support plan, further described below, which includes an annual allotment of support points that may be redeemed at different rates depending on the nature and timing of the support provided and that, in addition to online ticketing and email support contacts provided with Standard Support, includes telephone support at the support telephone number made available by Vendor to its Premium Technical Support Customers ("**Premium Technical Support**").
- 3.2 **Scope.** In addition to receiving Standard Support, Customers that have purchased Premium Technical Support may request technical support for assistance in the use of the Platform, requests that may involve some light engineering, and requests that may involve or relate to software, hardware, services, or products provided by third parties ("**Third-Party Products**"). Subject to Section 3.5 (Disclaimer) below, Vendor will use its commercially reasonable efforts to fulfill and/or resolve its Premium Technical Support requests. Standard Support requests (i.e., those involving errors in the Platform provided during Standard Support Hours) will be subject to the Standard Support terms in Section 2 (Standard Support) above.
- 3.3 **Support Points.** On the first day of each contract year of a Subscription Term (i.e., each year commencing on the Start Date or anniversary of the Start Date), Customers with Premium Technical Support will be allotted the number of annual support points indicated in the applicable Order purchasing Premium Technical Support. The points expire if not redeemed in the contract year for which they were allotted. Support points are redeemed for Premium Technical Support provided at the applicable rate in the table below based on the time spent by Vendor providing the support, subject to the rounding described below. Premium Technical Support provided via telephone, email, the online ticketing portal, or otherwise, as well as time spent by Vendor on the support case outside of communications with Customer count for purposes of determining points redeemed. Standard Support provided during Standard Support Hours will not use or count against Premium Technical Support points. Every approximately three months, Vendor will provide Customer a statement of Standard and Premium Technical Support provided and an accounting of points redeemed and remaining since the period covered by the last such report provided (or since the Start Date, as applicable). If Customer has exhausted its available points during a contract year, Premium Technical Support will still be provided at Vendor's applicable hourly rates in the manner specified in Section 2.6 (Out-of-Scope Support), except that the rates will be discounted by the discount percentage applicable to the Premium Support level or plan that Customer has procured (as indicated in the applicable Order). Unused points have no cash value and expire on the last day of the contract year for which the points were allocated or upon termination or expiration of the Subscription for which the Premium Technical Support was procured, if earlier.



**3.4 Premium Technical Support Point Redemption Rates:**

<b>Type of Premium Technical Support</b>	<b>During/Outside Standard Support Hours</b>	<b>Rate of Point Redemption*</b>
Premium Technical Support (not provided by a Vendor engineer)	During Standard Support Hours	1 point redeemed per hour of support provided.
Premium Technical Support or Standard Support (not provided by a Vendor engineer)**	Outside Standard Support Hours	1.5 points redeemed per hour of support provided.
Premium Technical Support provided by a Vendor engineer***	During Standard Support Hours	2 points redeemed per hour of support provided.

\*For purposes of point redemption for a support case, Premium Technical Support provided for the case will be rounded up to the nearest 6 minute increment. For example, with respect to a Premium Technical Support case, 21 minutes of actual time spent by Vendor providing the support would be treated as the provision of 24 minutes of support.

\*\* Support provided outside of Standard Support Hours (regardless of whether the issue is within or outside the scope of Standard Support) redeems points at 1.5 points per hour, subject to the applicable rounding described above.

\*\*\* Engineer-provided Premium Technical Support is not available outside of Standard Support Hours.

**3.5 Disclaimer.** With respect to Premium Technical Support that involves engineering and/or that relates to Third Party Products, Customer acknowledges that Vendor makes no guarantees as to Vendor's ability to resolve or otherwise provide such support or as to the accuracy or appropriateness of any such support that is provided. Engineering provided through Premium Technical Support is intended for relatively minor engineering matters or where exigent circumstances require immediate attention and action. Engineering needs that involve complex or critical functions or problems should be addressed, if at all, through the provision of Professional Services separately procured pursuant to a properly scoped Statement of Work and not through Premium Technical Support whenever possible. Vendor reserves the right at any time to decline to provide engineering and assistance with Third Party Products through Premium Technical Support that Vendor determines in its sole discretion is beyond the scope of what is appropriate for Premium Technical Support, including at any time after such support has been commenced.

**3.6 Changes to these SLA Terms.** During the Subscription Term, upon reasonable notice, Vendor reserves the right to reasonably modify these SLA Terms, but not in manner that materially, adversely reduces Vendor's commitments herein.

[End of Service Level Agreement Terms]



City of Needles, California  
Request for City Council Action

☐ CITY COUNCIL ☐ NPUA ☐ SARDA ☒ NHA ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Resolution No.2023-3-HACN to charge to collection losses uncollected vacated tenant accounts

**Background:** The Housing Authority of the City of Needles should annually review the past due balances on tenant accounts. This has not been done in at least two years. Accounts for tenants that have moved out already and still have a past due balance are examined for collectability. When it is determined that we will unlikely be able to collect, the list of uncollectable tenant accounts are presented to the Housing Board of Commissioners.

Also attached is a draft Policy and Procedures for Write-Offs for review.

**Fiscal Impact:** Charge to Bad Debt expense of \$9,563.96.

**Recommended Action:**

Adopt Resolution No.2023-3-HACN to charge to collection losses uncollected vacated tenant accounts in the amount of \$9,563.96 for Fiscal Year ending June 30, 2023

And

Provide direction regarding preparing a Policy and Procedures for Write -Offs policy

**Submitted By:** Rick Daniels, Executive Director

**City Management Review:**

Rick

**Date:**

6/8/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 12

**RESOLUTION 2023-3-HACN**

**A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF NEEDLES,  
CALIFORNIA, TO CHARGE TO COLLECTION LOSSES UNCOLLECTED VACATED  
TENANT ACCOUNTS IN THE AMOUNT OF \$9,563.96 FYE 6/30/2023**

WHEREAS, the Needles Housing Authority has not done a review of past due balances in at least two years.

WHEREAS, when a tenant has moved out and it is determined that a debt will unlikely be collected, the list of uncollectable tenant accounts are presented to the Housing Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the following vacated tenant accounts be charged to collection losses, account #4570, for Project CA022000001, as per Chapter 3, Section 13, of the local Housing Accounting Manual 7510.1.

<b>Address</b>	<b>Amount</b>	<b>Date</b>
213 Oak Circle	\$1246.11	10/05/2020
212 Oak Circle	\$2099.63	03/22/2021
205 Oak Circle	\$1983.56	04/01/2021
205 Oak Circle	\$1811.50	05/09/2022
916 Sycamore Dr.	\$2423.16	04/26/2023
<b>TOTAL</b>	<b>\$9563.96</b>	

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Housing Authority of the City of Needles (HACN), California, held on the 13th day of June, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor Jernigan

APPROVED AS TO FORM

(SEAL)

\_\_\_\_\_  
City Attorney

ATTEST:

\_\_\_\_\_  
Dale Jones, City Clerk

## DRAFT

### Policy and Procedures for Write-Offs

#### BACKGROUND INFORMATION

PHAs should make every reasonable effort to collect all monies owed by current and former tenants for rent, late fees, excess utilities, tenant caused damage, etc. However, there will come a time when the PHA determines that the monies owed to the PHA by a tenant will not be collected. Upon the determination that the tenant account receivable balances likely will not be collected, the PHA will write-off the account. A write off is a book entry which reduces an account receivable balance to an amount that the PHA will likely receive, normally zero.

Write-offs can also improve a PHA's score on the Tenant Accounts Receivable (TAR) indicator under the Public Housing Assessment System (PHAS) and therefore, should be completed prior to the close of the PHA's fiscal year.

The policy as discussed in this document for writing off a receivable balance is sometimes confused with establishing a proper amount in the allowance for a doubtful account as required under Generally Accepted Accounting Principles (GAAP). The write-off of a receivable balance discussed in this document refers to the amount to be written off for a specific tenant who is no longer in the PHA's program but still owes money to the PHA.

The allowance for doubtful accounts refers to the two-step process where the PHA: 1) analyzes the tenant accounts receivable account balance which reflects the total amount that the PHA is owed from all current and former tenants (that have not been written off) and 2) calculates an estimate of how much of the total accounts receivable balance likely will not be collected and appropriately adjusts the allowance account.

The collection loss account (i.e., bad debt expenses account) is used to write off specific tenant account receivables and to adjust the allowance for a doubtful account. Therefore, the collection loss account balance in most cases will not be the same as the actual collection losses written off by the Board.

This document provides two (2) samples of a PHA write-off policy and procedures.

- **Sample 1 – Small PHA.** This sample provides an example write-off policy for a **small** PHA without a deputy director or finance staff. The Executive Director is tasked with the initial and final determination that is made to the Board of those accounts considered uncollectable.
- **Sample 2 – Large PHA.** This sample provides an example write-off policy for a **large** PHA with sufficient staff to segregate duties related to the execution of the procedures associated with the write-off policy. Project Managers are tasked with the initial determination of those accounts considered uncollectable with a joint review to be completed by the Asset Manager and Finance Director, and a final review made by the Executive Director prior to submission of the list for Board approval.

PHAs can simply cut and paste either sample or portions of both samples into their policy and procedures document and modify as needed.

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**ITEMS FOR CONSIDERATION**

In the review of the samples, the PHA will need to take their specific situation into consideration when modifying the write-off policy and procedures to suit their PHA.

The following provides items that the PHA needs to consider when developing their policy and procedures for write-offs and the major assumptions that were used to develop the sample policy and procedures.

1. Reminder – PHAs may set their own procedures as to the number of times they will seek approval for accounts to be written off. The number of times a year a PHA should seek approval for a write-off is normally associated with the amount and number of needed write-offs that occur each year. Many PHAs will seek approval bi-annually. Very small PHAs will likely need to seek approval once a year, while best practices for large PHAs is to submit write-offs to the Board on a quarterly basis for approval.
2. Assumption – There is no HUD regulation which requires Board approval for the PHA to write-off a tenant accounts receivable. However, sound internal controls and proper governance would seem to require that Board approval should be required, except for very large programs. The sample policies have been written to require Board approval.
3. Assumption – All amounts presented for write-off are for tenants that have vacated.
4. Assumption – Any amounts presented for write-off are currently reported as receivable balances in the PHA's accounting system.
5. Assumption – All tenant charges and credits have been appropriately calculated, reported and the account receivable balance is determined to be correct.

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**SAMPLE 1 – SMALL PHA**

**WRITE-OFF POLICY**

This policy applies to any program where tenants may owe the program for charges consisting of dwelling rent, late fees, damages, etc. once the dwelling unit is vacated or the rental assistance is terminated.

It is the policy of the PHA to make every reasonable effort to collect all monies owed for rent, late fees, excess utilities, damages (other than normal wear and tear), and other charges. PHA staff will make every effort to collect these charges promptly when due and will initiate all procedures related to the collection of overdue amounts, including all steps related to the termination and eviction of the tenant for unpaid charges.

A write-off of a tenant account receivable may only occur once the unit is vacated.

Upon the determination that the vacated tenant account receivable balances likely will not be collected, a list of uncollectable tenant accounts shall be presented to the Board of Commissioners for approval to write off the tenant account balances.

## **WRITE-OFF PROCEDURES**

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### **Determination of Accounts Considered Uncollectable**

The Executive Director is tasked with the responsibility of reviewing the vacated accounts to determine the accounts that are considered uncollectable. The following conditions are to be used to determine if an account is uncollectable:

1. If a tenant has vacated a dwelling unit without a forwarding address and owes rent, utilities, damages, fraud payments or other charges in excess of their security deposit, the Executive Director will attempt to locate the tenant and collect the charges due.
2. If, after two (2) months from the date of vacancy or the date the account becomes delinquent for rent, utilities, damages, fraud payments or other charges, the balances owed remains uncollected and all attempts to collect the overdue accounts have failed, the account will be deemed uncollectable.

### **Approval and Documentation of Write-off**

Once the determination has been made that the accounts are uncollectable, the Executive Director will present a list of the uncollectable tenant accounts to the Board of Commissioners.

This list will be presented to the Board of Commissioner no less than once annually, toward the end of the fiscal year, so the write-offs can be written off prior to the end of the fiscal year.

- As part of the approval process, the Board should review the list to determine whether the amounts appear reasonable. Consistently large balances proposed for write-off should be questioned by the Board as this may indicate potential fraud or noncompliance with rent collection procedures.

The board resolution will list the tenant's name, types of charges, and total amount due. The board resolution shall be recorded in the official board minutes.

### **Accounting for Write-off**

The Executive Director will write the account balances off through adjustments to collection losses in the PHA's software system rent module or in the accounts receivable spreadsheet (subsidiary ledger). The account may only be written off if the account has been officially approved for write-off by the Board.

Upon the review of the rental charges and collection losses posted to the tenant account, the Executive Director/fee accountant will book the journal entry (in the general ledger) to charge the write-offs to collection losses.

- The review will ensure that only approved accounts were written off and that other non-write-off adjustments to collections losses are reviewed to determine their validity and accuracy.

### **Enterprise Income Verification**

The Executive Director will enter the tenant account balances into the Enterprise Income Verification (EIV) system as a debt owed to the PHA.

### **Miscellaneous**

In addition, if the PHA contracts with a collection agency, account balances will be turned over to the agency for collection.



**DRAFT**

**SAMPLE 2 – LARGE PHA**

**WRITE-OFF POLICY**

This policy applies to any program where tenants may owe the program for charges consisting of dwelling rent, late fees, damages, etc. once the dwelling unit is vacated or the rental assistance is terminated.

It is the policy of the PHA to make every reasonable effort to collect all monies owed for rent, late fees, excess utilities, damages (other than normal wear and tear), and other charges. PHA staff will make every effort to collect these charges promptly when due and will initiate all procedures related to the collection of overdue amounts, including all steps related to the termination and eviction of the tenant for unpaid charges.

A write-off of a tenant account receivable may only occur once the unit is vacated.

Upon the determination that the vacated tenant account receivable balances likely will not be collected, a list of uncollectable tenant accounts shall be presented to the Board of Commissioners for approval to write off the tenant account balances.

## **WRITE-OFF PROCEDURES**

**DRAFT**

### **Determination of Accounts Considered Uncollectable**

Project Managers are tasked with the responsibility of reviewing vacated accounts to determine the accounts that are considered uncollectable. The following conditions are to be used to determine if an account is uncollectable:

1. If a tenant has vacated a dwelling unit without a forwarding address and owes rent, utilities, damages, fraud payments or other charges in excess of their security deposit, the Project Manager will attempt to locate the tenant and collect the charges due.
2. If, after two (2) months from the date of vacancy or the date the account becomes delinquent for rent, utilities, damages, fraud payments or other charges, the balances owed remains uncollected and all attempts to collect the overdue accounts have failed, the account will be deemed uncollectable.

### **Approval and Documentation of Write-off**

Once the Project Managers have identified the accounts that are considered uncollectable, the Project Managers will present a list of the uncollectable tenant accounts to the Asset Manager.

This list will be presented to the Asset Manager on a quarterly basis. The last quarter of write-offs will be presented to the Asset Manager to allow sufficient time for the write-offs to be written off prior to the end of the fiscal year.

The Asset Manager in conjunction with the Finance Director will review each project's list of accounts considered to be uncollectable and present to the Executive Director each project's list of uncollectable accounts that are recommended for Board approval.

- The Asset Manager and Finance Director, as part of this review process, should compare the proposed write-offs to the budgeted amounts to determine whether the amounts appear reasonable. Consistently large balances proposed for write-off should be questioned as this may indicate potential fraud or noncompliance with rent collection procedures.

The overall approved list of uncollectable tenant accounts provided by each Project Manager will be presented to the Board of Commissioners to officially, by resolution, write off the account balances from the books.

- If the list of write-offs is extremely large, the PHA may present a summary to the Board and keep detailed back up documentation that can be made available upon request.

The board resolution will list the tenant's name, types of charges, and total amounts due. This resolution shall be recorded in the official board minutes.

### **Accounting for Write-off**

The Executive Director, in conjunction with the Finance Director, will instruct the Asset Manager to write the account balances off through adjustments to collection losses in the PHA's software system rent module (subsidiary ledger). The account may only be written off if the account has been officially approved for write-off by the Board.

**DRAFT**

Upon the review of the rental charges and collection losses posted to the account, the Finance Director will book the journal entry (in the general ledger) to charge the write-offs to collection losses.

- The review will ensure that only approved accounts were written off and that other non-write-off adjustments to collections losses are reviewed to determine their validity and accuracy.

**Enterprise Income Verification**

The Asset Manager will enter the tenant account balances into the Enterprise Income Verification (EIV) system as a debt owed to the PHA.

**Miscellaneous**

In addition, if the PHA contracts with a collection agency, account balances will be turned over to the agency for collection.



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ SARDA ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Warrants

**Background:** n/a

**Fiscal Impact:** n/a

**Recommended Action:** APPROVE, the Warrants Register through June 23, 2023.

**Submitted By:** Barbara DiLeo, Sr. Accountant

**City Management Review:** Rox

**Date:** 6/7

Approved: ☐

Not Approved: ☐

Tabled: ☐

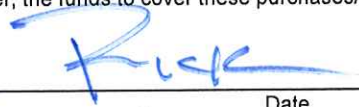
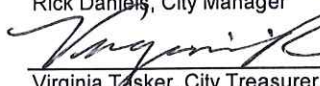
Other: ☐

Agenda Item: 13


**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR JUNE 2, 2023**

		FUND AMT.	2-Jun	22-23 BUDGET
FUND 101	GENERAL FUND			
		\$ 8,026.19		
101.1015.412	CITY ATTORNEY	\$ -	\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ 158.20	\$ 173,875.14	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$ 697.53	\$ 564,268.39	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 608.51	\$ 238,026.82	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$ 378.09	\$ 235,138.68	\$ 373,159.00
101.1040.417	ENGINEERING	\$ -	\$ 251,766.22	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -	\$ 38,809.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$ -	\$ 43,073.73	\$ 59,457.00
101.2010.421	SHERIFF	\$ -	\$ 3,152,248.29	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 104.69	\$ 185,773.37	\$ 233,027.00
101.2025.424	BULDING & SAFETY	\$ 312.37	\$ 298,776.24	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$ 657.25	\$ 594,895.92	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$ 530.67	\$ 609,683.86	\$ 849,743.00
101.4730.472	SANITATION	\$ 52.34	\$ 155,456.14	\$ 166,600.00
101.5770.452.	AQUATICS	\$ -	\$ 119,268.16	\$ 194,192.00
101.5772.452	PARKS	\$ 558.91	\$ 527,171.16	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$ 86.17	\$ 81,473.11	\$ 107,923.00
101.5774.452	RECREATION	\$ 232.62	\$ 260,779.85	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$ 12,403.54		\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT	\$ -	\$ 1,772,426.50	\$ 4,992,512.00
FUND 205	CDBG	\$ -	\$ 7,896.00	\$ 42,692.00
FUND 206	CEMETERY	\$ 220.12	\$ 142,004.72	\$ 202,270.00
FUND 208	CALTRANS GRANTS	\$ -	\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX	\$ -	\$ 153,828.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL	\$ -	\$ 31,845.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I	\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL	\$ -	\$ 147,857.41	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA	\$ -	\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS	\$ -	\$ 890,109.92	\$ 3,899,640.00
FUND 239	CA.CONSERV RECYCLING GRANT	\$ -	\$ 2,584.42	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY	\$ 98.47	\$ 59,884.52	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.	\$ -	\$ 139,137.96	\$ 300,000.00
FUND 501	NPUA	\$ -	\$ 2,318,280.50	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT	\$ 1,612.88	\$ 1,612,504.74	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT	\$ 26,738.66	\$ 1,141,279.64	\$ 1,241,325.00
FUND 505	SANITATION	\$ -	\$ 1,275,344.18	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.	\$ 91.43	\$ 941,137.42	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -	\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ -	\$ 542,002.88	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -	\$ 355,745.57	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$ -	\$ -	
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ 607.70	\$ 326,877.00	\$ 455,807.00
FUND 509	MIS	\$ -	\$ 250,099.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY	\$ 31.59	\$ 243,140.45	\$ 414,950.00
FUND 511	FLEET MANAGEMENT	\$ 277.94	\$ 208,477.05	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT	\$ -	\$ 22,199.62	\$ 22,199.62
FUND 520	SR DIAL A RIDE	\$ -	\$ 185,809.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.	\$ -	\$ 16,145.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)	\$ -	\$ 372,106.86	\$ 614,438.00
FUND 580	ELECTRIC	\$ 4,451.52	\$ 10,343,798.22	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC	\$ -	\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER	\$ 2,057.94	\$ 2,369,466.07	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS	\$ 48,591.79	\$ 35,539,087.82	\$ 57,797,052.62

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 included within the City

  
Rick Daniels, City Manager  
  
Virginia Tasker, City Treasurer

Date  
6-6-2023  
Date

  
Sylvia Miledi, Director of Finance  
6/5/23  
Date

PROGRAM: GM348U  
CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18229	4022	00	BENEFIT COORDINATORS CORPORATION	06/02/2023	3,256.50	.00
18230	1	00	CINDY VILLANEDA	06/02/2023	350.00	.00
18231	3286	00	COLONIAL LIFE	06/02/2023	3,291.00	.00
18232	3462	00	EUSI LLC	06/02/2023	26,177.24	.00
18233	1305	00	GREAT WEST LIFE	06/02/2023	5,844.00	.00
18234	3634	00	GREAT-WEST LIFE & ANNUITY	06/02/2023	983.34	.00
18235	3942	00	KIRSTEN MERRITT	06/02/2023	324.82	.00
18236	3458	00	MUTUAL OF OMAHA	06/02/2023	3,772.16	.00
18237	3757	00	PATRICK MARTINEZ	06/02/2023	103.50	.00
18238	1199	00	SBPEA TEAMSTERS LOCAL 1932	06/02/2023	1,049.99	.00
18239	1199	00	SBPEA TEAMSTERS LOCAL 1932	06/02/2023	497.87	.00
18240	1	00	SCAQM	06/02/2023	2,057.94	.00
18241	481	00	STAPLES BUSINESS CREDIT	06/02/2023	31.59	.00
18242	1217	00	VISION SERVICE PLAN	06/02/2023	851.84	.00
NUMBER OF CHECKS				14	48,591.79	
				GRAND TOTAL		



PROGRAM: GM346L  
CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18229	4022	BENEFIT COORDINATORS CORP	006141 006142 006143 006144 006145 006146 006147 006148 006149 006150 006151 006152 006153 006154 006155 006156 006157 006158 006159 006160		06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023	101-1020-413.24-10 101-1025-415.24-10 101-1030-414.24-10 101-1035-416.24-10 101-1040-417.24-10 101-2025-424.24-10 101-2030-423.24-10 101-3010-431.24-10 101-4730-472.24-10 101-5772-452.24-10 101-5773-452.24-10 101-5774-452.24-10 206-5771-452.24-10 270-4631-463.24-10 502-4710-471.24-10 503-4720-475.24-10 506-4713-477.24-10 508-4810-478.24-10 511-3020-432.24-10 580-4750-473.24-10	69.31 308.29 142.27 52.30 103.10 92.20 298.14 204.42 21.71 280.54 45.60 82.08 126.26 36.48 263.52 156.90 18.44 160.60 62.06 732.28 3,256.50	3,256.50
18230	1	CINDY VILLANEDA	006190		06/02/2023	101-0000-362.01-00	350.00 350.00	350.00
18231	3286	COLONIAL LIFE	006182 006183 006184 006185 006186 006187		06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023	101-0000-209.03-01 502-0000-209.03-01 503-0000-209.03-01 508-0000-209.03-01 580-0000-209.03-01 511-0000-209.03-01	2,597.10 115.92 195.82 168.80 145.08 68.28 3,291.00	3,291.00
18232	3462	EUSI LLC	PI0350	023006	06/02/2023	503-4720-475.31-98	26,177.24 26,177.24	26,177.24
18233	1305	GREAT WEST LIFE & ANNUITY	006109 006110 006111		06/02/2023 06/02/2023 06/02/2023	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	3,430.00 410.00 2,004.00 5,844.00	5,844.00
18234	3634	GREAT-WEST LIFE & ANNUITY	006100 006101 006102 006103 006104 006105 006106 006107 006108		06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023	101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01 580-0000-209.03-01 580-0000-209.03-01 580-0000-209.03-01 502-0000-209.03-01	43.12 194.13 24.27 213.04 97.57 174.52 60.36 127.83 48.50	



CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18234	3634	GREAT-WEST LIFE & ANNUITY					983.34 *	983.34
18235	3942	KIRSTEN MERRITT	006189		06/02/2023	101-1030-414.55-00	324.82 324.82 *	324.82
18236	3458	MUTUAL OF OMAHA	006161 006162 006163 006164 006165 006166 006167 006168 006169 006170 006171 006172 006173 006174 006175 006176 006177 006178 006179 006180 006181		06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023	101-1020-413.24-10 101-1025-415.24-10 101-1030-414.24-10 101-1035-416.24-10 101-1040-417.24-10 101-2020-423.24-10 101-2025-424.24-10 101-2030-423.24-10 101-3010-431.24-10 101-4730-472.24-10 101-5772-452.24-10 101-5773-452.24-10 101-5774-452.24-10 206-5771-452.24-10 270-4631-463.24-10 502-4710-471.24-10 503-4720-475.24-10 506-4713-477.24-10 508-4810-478.24-10 511-3020-432.24-10 580-4750-473.24-10	71.00 322.20 104.25 60.88- 230.19 104.69 191.31 279.05 254.42 212.24 31.42 125.05 71.11 55.67 526.94 133.52 67.84 195.44 96.33 733.99 3,772.16 *	
18237	3767	PATRICK MARTINEZ	006188		06/02/2023	101-0000-204.03-01	103.50 103.50 *	103.50
18238	1199	SBPEA TEAMSTERS LOCAL 193	006115 006116 006117 006118 006119 006120		06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023 06/02/2023	101-0000-209.03-01 502-0000-209.03-01 503-0000-209.03-01 508-0000-209.03-01 511-0000-209.03-01 580-0000-209.03-01	586.97 133.76 30.70 45.28 35.64 217.64 1,049.99 *	1,049.99
18239	1199	SBPEA TEAMSTERS LOCAL 193	006112 006113 006114		06/02/2023 06/02/2023 06/02/2023	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	386.49 50.44 60.94 497.87 *	497.87
18240	1	SCAQMD	006192		06/02/2023	582-4710-471.71-05	2,057.94 2,057.94 *	2,057.94
18241	481	STAPLES	004542 006193		06/02/2023 06/02/2023	510-4410-405.61-01 510-4410-405.61-01	202.91- 234.50 31.59 *	31.59

CITY OF NEEDLES				CITY GENERAL CHECKING				REMITTANCE AMOUNT				CHECK TOTAL	
BANK 04 WELLS FARGO BANK -				CITY GENERAL CHECKING				(NET OF DISC/RETAIN)				TOTAL	
CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT		REMITTANCE AMOUNT		CHECK TOTAL		TOTAL	
18242	1217	VISION SERVICE PLAN	006121		06/02/2023	101-1020-413.24-10		17.89					
			006122		06/02/2023	101-1025-415.24-10		67.04					
			006123		06/02/2023	101-1030-414.24-10		37.17					
			006124		06/02/2023	101-1035-416.24-10		16.34					
			006125		06/02/2023	101-1040-417.24-10		37.04					
			006126		06/02/2023	101-2025-424.24-10		28.86					
			006127		06/02/2023	101-2030-423.24-10		80.06					
			006128		06/02/2023	101-3010-431.24-10		71.83					
			006129		06/02/2023	101-4730-472.24-10		4.25					
			006130		06/02/2023	101-5772-452.24-10		66.13					
			006131		06/02/2023	101-5773-452.24-10		9.15					
			006132		06/02/2023	101-5774-452.24-10		25.49					
			006133		06/02/2023	206-5771-452.24-10		22.75					
			006134		06/02/2023	270-4631-463.24-10		6.32					
			006135		06/02/2023	502-4710-471.24-10		63.80					
			006136		06/02/2023	503-4720-475.24-10		44.48					
			006137		06/02/2023	506-4713-477.24-10		5.15					
			006138		06/02/2023	508-4810-478.24-10		37.58					
			006139		06/02/2023	511-3020-432.24-10		15.63					
			006140		06/02/2023	580-4750-473.24-10		194.88					
								851.84	*			851.84	
										48,591.79		48,591.79	
										48,591.79		48,591.79	

**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR JUNE 13, 2023**

FUND 101	GENERAL FUND	FUND AMT.	13-Jun	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$ 7,310.00	\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ -	\$ 173,716.94	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$ 1,040.28	\$ 562,380.57	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 10,972.85	\$ 237,418.31	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$ 8,010.61	\$ 235,130.92	\$ 373,159.00
101.1040.417	ENGINEERING	\$ 3,182.69	\$ 251,395.89	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$ 790.59	\$ 38,809.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$ 2,306.00	\$ 43,073.73	\$ 59,457.00
101.2010.421	SHERIFF	\$ 960.92	\$ 3,152,248.29	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 273,031.42	\$ 185,668.68	\$ 233,027.00
101.2025.424	BULDING & SAFETY	\$ 1,923.40	\$ 297,589.68	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$ 475.57	\$ 594,238.67	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$ 1,157.03	\$ 609,153.19	\$ 849,743.00
101.4730.472	SANITATION	\$ 2,342.75	\$ 155,403.80	\$ 166,600.00
101.5770.452.	AQUATICS	\$ -	\$ 119,268.16	\$ 194,192.00
101.5772.452	PARKS	\$ 1,265.50	\$ 526,612.25	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$ 20,743.17	\$ 81,164.51	\$ 107,923.00
101.5774.452	RECREATION	\$ 2,022.47	\$ 260,622.92	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$ 2,779.49	\$ 340,314.74	\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT	\$ -	\$ 241.32	\$ 4,992,512.00
FUND 205	CDBG	\$ -	\$ 7,896.00	\$ 42,692.00
FUND 206	CEMETERY	\$ 4,558.15	\$ 141,784.60	\$ 202,270.00
FUND 208	CALTRANS GRANTS	\$ -	\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX	\$ -	\$ 153,828.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL	\$ 1,030.00	\$ 31,845.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I	\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL	\$ 7,748.58	\$ 147,857.41	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA	\$ -	\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS	\$ 201.23	\$ 890,109.92	\$ 3,899,640.00
FUND 239	CA.CONSERV RECYCLING GRANT	\$ 475.08	\$ 2,584.42	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY	\$ -	\$ 59,786.05	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.	\$ 19,500.00	\$ 139,137.96	\$ 300,000.00
FUND 501	NPUA	\$ 3,229.33	\$ 2,237,808.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT	\$ 33,889.41	\$ 1,599,488.71	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT	\$ 46,481.83	\$ 1,114,767.48	\$ 1,241,325.00
FUND 505	SANITATION	\$ 103,601.69	\$ 1,275,344.18	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.	\$ -	\$ 941,045.99	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -	\$ -	\$ -
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 15,399.59	\$ 517,213.98	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 6,108.97	\$ 853,338.85	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$ -	\$ 21,508.56	\$ -
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ -	\$ 172.59	\$ 455,807.00
FUND 509	MIS	\$ -	\$ 1,570.00	\$ 257,370.00
FUND 510	ADMIN. FACILITY	\$ 13,204.09	\$ 242,905.95	\$ 414,950.00
FUND 511	FLEET MANAGEMENT	\$ 6,408.34	\$ 208,303.03	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT	\$ 6,847.35	\$ 22,199.62	\$ 22,199.62
FUND 520	SR DIAL A RIDE	\$ -	\$ 185,809.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.	\$ -	\$ 16,145.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)	\$ -	\$ 372,106.86	\$ 614,438.00
FUND 580	ELECTRIC	\$ 47,859.06	\$ 10,325,080.75	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC	\$ -	\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER	\$ 126,920.20	\$ 2,291,660.46	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS	\$ 785,761.55	\$ 35,781,342.74	\$ 57,797,052.62

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 included within the City

Rick Daniels, City Manager

Date

Sylvia Miledi, Director of Finance

Date

Virginia Tasker, City Treasurer

Date

PREPARED 5/30/2023, 14:15:24  
PROGRAM: GM348U  
CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE PRELIMINARY CHECK REGISTER

PAGE 1  
DISBURSEMENT PERIOD 12/2023

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18120	2345	00	A-B COMMUNICATIONS	06/13/2023	188.64	.00
18121	3750	00	AUTO ZONE	06/13/2023	251.58	.00
18122	3973	00	BARON SECURITY SOLUTIONS	06/13/2023	540.00	.00
18123	178	00	BIG O TIRES & NAPA AUTO PARTS	06/13/2023	563.76	.00
18124	3313	00	BLUE RIVER WATER CORP.	06/13/2023	48.45	.00
18125	3595	00	BOOT BARN	06/13/2023	233.00	.00
18126	7	00	BORDER STATES INDUSTRIES, INC.	06/13/2023	7,057.45	.00
18127	3801	00	BRACK CONSTRUCTION, INC.	06/13/2023	19,500.00	.00
18128	3479	00	BRAUN BLAISING & WYNN P.C.	06/13/2023	740.34	.00
18129	3392	00	BUG EMERGENCY INC.	06/13/2023	120.00	.00
18130	2328	00	CALZON FENCE CO.	06/13/2023	5,289.00	.00
18131	3136	00	CITY OF NEEDLES	06/13/2023	23,571.41	.00
18132	1445	00	CMUA	06/13/2023	6,145.00	.00
18133	4096	00	COMMUNITY WORKS DESIGN GROUP, LLC	06/13/2023	7,400.00	.00
18134	2320	00	COUNTY OF SAN BERNARDINO	06/13/2023	3,775.09	.00
18135	455	00	CULLIGAN WATER COND.	06/13/2023	44.80	.00
18136	2008	00	CYNTHIA FRANZEN	06/13/2023	1,635.00	.00
18137	2934	00	DANA KEPNER COMPANY INC.	06/13/2023	1,562.31	.00
18138	3809	00	DATA TICKET INC.	06/13/2023	361.50	.00
18139	440	00	DECO FOODSERVICE INCCORP.	06/13/2023	367.50	.00
18140	2487	00	DELL MARKETING L.P.	06/13/2023	1,308.33	.00
18141	3580	00	DIAMOND PURE WATER	06/13/2023	121.00	.00
18142	3933	00	EBERHARD EQUIPMENT	06/13/2023	997.47	.00
18143	3943	00	ELLEN CAMPBELL	06/13/2023	1,152.87	.00
18144	3913	00	ENTERPRISE FM TRUST	06/13/2023	6,847.35	.00
18145	3682	00	EPIC ENGINEERING	06/13/2023	1,045.20	.00
18146	3462	00	EUSI LLC	06/13/2023	26,177.24	.00
18147	615	00	FEDEX	06/13/2023	38.87	.00
18148	1296	00	FRONTIER	06/13/2023	4,077.03	.00
18149	4012	00	GOLFENOW	06/13/2023	295.00	.00
18150	324	00	GRAINGER	06/13/2023	1,029.50	.00
18151	3966	00	GT GOLF SUPPLIES	06/13/2023	103.67	.00
18152	2612	00	HARDWARE EXPRESS INCCORP.	06/13/2023	737.11	.00
18153	3719	00	HEALTH TECHNOLOGY PROF. PRODUCTS	06/13/2023	1,199.62	.00
18154	4078	00	HENRY LONGBRAKE	06/13/2023	593.35	.00
18155	3593	00	HINDERLITER DE LLAMAS & ASSOCIATES	06/13/2023	10,000.00	.00
18156	2489	00	HOME DEPOT CREDIT SERVICES	06/13/2023	295.56	.00
18157	1	00	JAMES SCHROEDER	06/13/2023	2,000.00	.00
18158	4076	00	JAMIE MCCORKLE	06/13/2023	593.35	.00
18159	3949	00	JANET JERNIGAN	06/13/2023	2,713.28	.00
18160	4000	00	JARROD DELEON	06/13/2023	736.20	.00
18161	2390	00	JAVELINA TRADING COMPANY	06/13/2023	574.62	.00
18162	2879	00	JENNIFER VALENZUELA	06/13/2023	495.00	.00
18163	3977	00	LANDIS+GYR TECHNOLOGY, INC	06/13/2023	950.00	.00
18164	3283	00	LOWE'S	06/13/2023	1,423.39	.00
18165	1	00	MENDEZ, RANDALL L	06/13/2023	168.47	.00
18166	3998	00	MICHAEL BAKER INTERNATIONAL, INC	06/13/2023	6,662.50	.00
18167	4099	00	NATALIE JOHNSON	06/13/2023	382.43	.00
18168	194	00	NEEDLES CHAMBER OF COMMERCE	06/13/2023	2,000.00	.00
18169	218	00	NEWS WEST PUBLISHING CO.	06/13/2023	409.75	.00
18170	1786	00	NPUA	06/13/2023	VOID	.00

PREPARED 5/30/2023, 14:15:24  
PROGRAM: GM348U  
CITY OF NEEDLES

ACCOUNTS PAYABLE PRELIMINARY CHECK REGISTER

PAGE 2  
DISBURSEMENT PERIOD 12/2023

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18171	1786	00	NPVA	06/13/2023	VOID	.00
18172	1786	00	NPVA	06/13/2023	60,196.50	.00
18173	740	00	OUR TOWN MAGAZINE	06/13/2023	306.00	.00
18174	3767	00	PATRICK MARTINEZ	06/13/2023	1,035.94	.00
18175	239	00	PHILIPS EXCAVATING INC.	06/13/2023	125,875.00	.00
18176	3116	00	PREFERRED AERIAL & CRANE TECH.INC.	06/13/2023	3,061.26	.00
18177	1578	00	PURCHASE POWER	06/13/2023	3,000.00	.00
18178	3012	00	RAILROAD MANAGEMENT CO. III LLC	06/13/2023	3,167.81	.00
18179	2861	00	REINKE A/C CORP.	06/13/2023	16,625.72	.00
18180	309	00	REPUBLIC SERVICES #785	06/13/2023	99,826.60	.00
18181	3558	00	RICK DANIELS	06/13/2023	831.80	.00
18182	2068	00	RICOH USA, INC.	06/13/2023	.27	.00
18183	1	00	RIOS, VICTORIA	06/13/2023	110.86	.00
18184	255	00	RIVER VALLEY AIR CONDITIONING INC.	06/13/2023	11,300.00	.00
18185	591	00	ROBINSON ELECTRIC CO. INC.	06/13/2023	507.28	.00
18186	4049	00	ROGER MILLER	06/13/2023	101.29	.00
18187	2468	00	RON'S TIRE & AUTO REPAIR	06/13/2023	1,103.16	.00
18188	3796	00	ROUTE 66 BROADBAND LLC	06/13/2023	1,989.49	.00
18189	3361	00	S.B. COUNTY SHERIFF'S DEPARTMENT	06/13/2023	280,780.00	.00
18190	4058	00	S-NET COMMUNICATIONS INC.	06/13/2023	1,650.34	.00
18191	456	00	SAN BERNARDINO COUNTY	06/13/2023	2,759.00	.00
18192	4001	00	SIMPLIOT TURF & HORTICULTURE	06/13/2023	206.88	.00
18193	1826	00	SIMPSON NORTON CORP.	06/13/2023	287.66	.00
18194	3959	00	SRIXON/CLEVELAND GOLF/XXIO	06/13/2023	450.00	.00
18195	3851	00	SY FOLEY	06/13/2023	75.00	.00
18196	4008	00	THE PRINTER GUYS LLC	06/13/2023	1,459.94	.00
18197	3950	00	THE ENGINEERING INC	06/13/2023	119.90	.00
18198	3917	00	TOUCHSTONE GOLF LLC	06/13/2023	3,000.00	.00
18199	3693	00	TRI STATE COMMUNITY HEALTHCARE CTR.	06/13/2023	150.00	.00
18200	3014	00	TRI STATE FIRE SYSTEMS, INC.	06/13/2023	428.70	.00
18201	3266	00	TRI STATE TOOL REPAIR	06/13/2023	125.35	.00
18202	772	00	TRI-STATE ACE HARDWARE	06/13/2023	32.39	.00
18203	2819	00	TRI-STATE HOSE & FITTINGS	06/13/2023	65.67	.00
18204	3272	00	ULINE	06/13/2023	779.93	.00
18205	3830	00	UNIFIRST CORPORATION	06/13/2023	966.61	.00
18206	3571	00	URBAN FUTURES, INC.	06/13/2023	2,950.00	.00
18207	761	00	USABUEBOOK	06/13/2023	388.69	.00
18208	1917	00	VIRGINIA TASKER	06/13/2023	500.00	.00
18209	326	00	WESTERN ALARM SERVICE INC.	06/13/2023	122.50	.00
18210	3528	00	WESTERN ENVIRONMENTAL TESTING LAB.	06/13/2023	257.00	.00
18211	1023	00	XEROX	06/13/2023	498.06	.00
18212	3842	00	XIO, INC.	06/13/2023	143.00	.00
18213	3828	00	3D-NETWORKS LLC	06/13/2023	4,002.96	.00

NUMBER OF CHECKS

94

GRAND TOTAL

785,761.55

PREPARED 05/30/2023, 14:26:53

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

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ACCOUNTING PERIOD 2023/12  
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PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18120	2345	A-B COMMUNICATIONS	005995		06/13/2023	510-4410-405.30-25	188.64	188.64
18121	3750	AUTO ZONE	005827		06/13/2023	511-3021-432.43-27	160.00	
			005828		06/13/2023	511-3020-432.61-28	91.58	
							251.58	251.58
18122	3973	BARON SECURITY SOLUTIONS	005941		06/13/2023	101-3010-431.43-40	135.00	
			005942		06/13/2023	503-4720-475.43-40	135.00	
			005943		06/13/2023	507-5761-453.43-40	135.00	
			005944		06/13/2023	510-4410-405.43-40	135.00	
							540.00	540.00
18123	178	BIG O TIRES & MAPA AUTO P	005829		06/13/2023	511-3021-432.43-38	14.35	
			005945		06/13/2023	511-3021-432.43-38	11.62	
			005946		06/13/2023	511-3021-432.43-22	26.60	
			005947		06/13/2023	511-3021-432.43-36	9.57	
			005948		06/13/2023	511-3021-432.43-27	228.26	
			005949		06/13/2023	511-3020-432.61-14	7.95	
			005968		06/13/2023	503-4720-475.43-03	237.74	
			006024		06/13/2023	502-4710-471.43-03	27.67	
							563.76	563.76
18124	3313	BLUE RIVER WATER CORP.	005845		06/13/2023	507-5761-453.43-17	48.45	
							48.45	48.45
18125	3595	BOOT BARN	005983		06/13/2023	580-4750-473.60-28	233.00	
							233.00	233.00
18126	7	BORDER STATES INDUSTRIES,	P10337	023120	06/13/2023	580-4750-473.60-55	7,057.45	
							7,057.45	7,057.45
18127	3801	BRACK CONSTRUCTION, INC.	P10339	023119	06/13/2023	470-4620-471.69-27	9,750.00	
			P10349	023119	06/13/2023	470-4620-471.69-27	9,750.00	
							19,500.00	19,500.00
18128	3479	BRAUN BLAISING & WYNNE P.	006004		06/13/2023	580-4750-473.31-50	740.34	
							740.34	740.34
18129	3392	BUG EMERGENCY INC.	005926		06/13/2023	503-4720-475.43-02	48.00	
			005973		06/13/2023	507-5762-454.43-08	72.00	
							120.00	120.00
18130	2328	CALZON FENCE CO.	005855		06/13/2023	101-5772-452.43-18	1,245.00	
			006065		06/13/2023	101-0000-204.06-00	4,044.00	
							5,289.00	5,289.00
18131	3136	CITY OF NEEDLES	005849		06/13/2023	503-4720-475.80-43	8,299.33	
			005849		06/13/2023	502-4710-471.80-43	12,779.08	
			005973		06/13/2023	502-4710-471.59-80	2,216.00	



PREPARED 05/30/2023, 14:26:53  
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CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PAGE 2  
ACCOUNTING PERIOD 2023/12  
REPORT NUMBER 135

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18131	3136	CITY OF NEEDLES	005973		06/13/2023	503-4720-475.59-80	277.00 23,571.41	23,571.41
18132	1445	CMUA	005848 005848		06/13/2023 06/13/2023	580-4750-473.56-00 502-4710-471.56-00	5,167.00 978.00 6,145.00	6,145.00
18133	4096	COMMUNITY WORKS DESIGN GR	005855		06/13/2023	401-5772-452.31-90	7,400.00 7,400.00	7,400.00
18134	2320	COUNTY OF SAN BERNARDINO	005969		06/13/2023	505-4730-472.74-40	3,775.09 3,775.09	3,775.09
18135	455	CULLIGAN WATER COND.	005830		06/13/2023	511-3020-432.43-29	44.80 44.80	44.80
18136	2008	CYNTHIA FRANZEN	005969 005969		06/13/2023 06/13/2023	101-5773-452.60-25 101-5773-452.60-25	1,390.00 245.00 1,635.00	1,635.00
18137	2934	DANA KEPNER COMPANY INC.	005831 005832 005928 005929		06/13/2023 06/13/2023 06/13/2023 06/13/2023	502-4710-471.60-55 502-4710-471.60-55 503-4720-475.43-14 502-4710-471.60-55	759.64 233.00 378.23 191.44 1,562.31	1,562.31
18138	3809	DATA TICKET INC.	005974		06/13/2023	101-2030-423.31-10	361.50 361.50	361.50
18139	440	DECO FOODSERVICE INCORP.	005855 005855		06/13/2023 06/13/2023	580-4750-473.61-21 502-4710-471.61-21	183.75 183.75 367.50	367.50
18140	2487	DELL MARKETING L.P.	005835 005951		06/13/2023 06/13/2023	101-1020-413.61-02 511-3020-432.61-02	168.63 1,139.70 1,308.33	1,308.33
18141	3580	DIAMOND PURE WATER	005832 005832 005927 005930 005950 005975 005975 006028		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	511-3020-432.43-29 511-3020-432.43-29 510-4410-405.61-01 503-4720-475.43-02 511-3020-432.43-29 101-5774-452.61-01 101-5770-452.61-01 101-5774-452.61-01	11.00 5.00 54.00 18.00 6.00 5.00 10.00 12.00 121.00	121.00
18142	3933	EBERHARD EQUIPMENT NO.2	006005 006006		06/13/2023 06/13/2023	507-5761-453.43-17 507-5761-453.43-17	11.25 986.22 997.47	997.47



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18143	3943	ELLEN CAMPBELL	006069 006069		06/13/2023 06/13/2023	101-1030-414.55-00 101-1030-414.55-00	502.67 650.20 1,152.87 *	1,152.87
18144	3913	ENTERPRISE FM TRUST	005855		06/13/2023	512-0000-207.02-00	6,847.35 6,847.35 *	6,847.35
18145	3682	EPIC ENGINEERING	PI0346	023047	06/13/2023	582-4710-471.71-05	1,045.20 1,045.20 *	1,045.20
18146	3462	EUSI LLC	PI0341	023006	06/13/2023	503-4720-475.31-98	26,177.24 26,177.24 *	26,177.24
18147	615	FEDEX	005931		06/13/2023	502-4710-471.52-20	38.87 38.87 *	38.87
18148	1296	FRONTIER	006043 006044 006045 006046 006047 006048 006049 006050 006051 006052 006053 006054 006055 006056		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-5774-452.52-10 101-5774-452.52-10 502-4710-471.52-10 503-4720-475.52-10 503-4720-475.52-10 503-4720-475.52-10 507-5761-453.52-10 507-5762-454.52-10 510-4410-405.43-31 510-4410-405.52-10 510-4410-405.52-10 510-4410-405.52-10 510-4410-405.52-10 510-4410-405.52-10 580-4750-473.52-10 101-5773-452.52-10	109.53 99.10 352.84 352.84 334.11 355.49 76.81 135.91 957.66 92.38 229.61 259.02 525.79 393.74 155.04 4,077.03 *	4,077.03
18149	4012	GOLFNOW, LLC	005846		06/13/2023	507-5762-454.61-09	295.00 295.00 *	295.00
18150	324	GRAINGER	005832 005850 005850 005932 005933 005952		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-5772-452.43-18 503-4720-475.43-02 503-4720-475.43-04 580-4750-473.60-55 580-4750-473.60-55 101-5772-452.61-12	274.05 15.45 18.08 331.45 116.42 274.05 1,029.50 *	1,029.50
18151	3966	GT GOLF SUPPLIES	006007		06/13/2023	507-5762-454.44-10	103.67 103.67 *	103.67
18152	2612	HARDWARE EXPRESS INCORP.	005832 005832 005832 005832		06/13/2023 06/13/2023 06/13/2023 06/13/2023	511-3021-432.43-27 101-5772-452.43-39 511-3021-432.43-38 101-2020-423.43-42	122.83 21.91 56.29 11.25	

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18152	2612	HARDWARE EXPRESS INCORP.	005834 005934 005935 005936 005953 005954 005955 005956 005976 006028 006028 006028 006028 006028 006028 006038 006039 006066		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-5772-452.43-39 580-4750-473.60-55 503-4720-475.43-02 502-4710-471.60-55 101-1070-410.43-04 101-5772-452.60-40 101-5772-452.61-12 101-5772-452.61-12 101-5774-452.61-06 101-5770-452.43-02 101-5770-452.43-02 101-5770-452.43-02 101-5770-452.43-02 101-5770-452.43-02 101-5770-452.43-02 503-4720-475.43-14 503-4720-475.43-14 101-2020-423.43-04	3.67 82.83 2.44 71.64 85.91 65.50 12.85 2.04 4.91 7.96 13.02 57.24 12.27 11.25 53.21 14.62 23.47 737.11	
18153	3719	HEALTH TECHNOLOGY PROF. P	006028		06/13/2023	101-2020-423.43-42	1,199.62 1,199.62	* 1,199.62
18154	4078	HENRY LONGBRAKE	006028		06/13/2023	101-1030-414.55-00	593.35 593.35	* 593.35
18155	3593	HINDERLITER DE LAMAS & A	PI0345	023121	06/13/2023	101-1025-415.31-47	10,000.00 10,000.00	* 10,000.00
18156	2489	HOME DEPOT CREDIT SERVICE	006074 006075		06/13/2023 06/13/2023	101-2020-423.43-29 101-3010-431.60-11	89.81 205.75 295.56	* 295.56
18157	1	JAMES SCHROEDER	005969		06/13/2023	502-4710-471.54-21	2,000.00 2,000.00	* 2,000.00
18158	4076	JAMIE MCCORKLE	006028		06/13/2023	101-1030-414.55-00	593.35 593.35	* 593.35
18159	3949	JANET JERNIGAN	005850 005969 006070 006071 006072		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-1030-414.55-00 101-0000-362.01-00 101-1030-414.55-00 101-1030-414.55-00 101-1030-414.55-00	599.17 150.00 603.35 1,035.94 324.82 2,713.28	* 2,713.28
18160	4000	JARROD DELEON	005976 006064 006064 006064		06/13/2023 06/13/2023 06/13/2023 06/13/2023	507-5761-453.55-00 507-5762-454.61-01 507-5761-453.43-04 507-5761-453.63-00	185.64 112.62 237.94 200.00 736.20	* 736.20

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18161	2390	JAVELINA TRADING COMPANY	005969		06/13/2023	502-4710-471.60-55	574.62	574.62
18162	2879	JENNIFER VALENZUELA	005854		06/13/2023	101-5774-452.49-01	495.00	495.00
18163	3977	LANDIS+GYR TECHNOLOGY, IN	006037		06/13/2023	580-4750-473.56-00	950.00	950.00
18164	3283	LOWE'S	005832 005832 005832		06/13/2023 06/13/2023 06/13/2023	101-5772-452.60-40 101-5772-452.61-33 101-3010-431.43-04 101-3010-431.60-12	291.28 208.40 208.40 715.31	1,423.39
18165	1	MENDEZ, RANDALL L	UT		06/13/2023	501-0000-211.00-00	168.47	168.47
18166	3998	MICHAEL BAKER INTERNATION	PI0347 006065 006065 006065 PI0348	023058	06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	213-1035-416.31-90 101-0000-204.03-01 101-0000-204.03-01 101-0000-204.35-01 101-1035-416.31-90	1,030.00 1,805.00 1,150.00 57.50 2,620.00	6,662.50
18167	4099	NATALIE JOHNSON	006068		06/13/2023	206-5771-452.53-00	382.43	382.43
18168	194	NEEDLES CHAMBER OF COMMER	PI0338	023109	06/13/2023	101-1060-410.54-06	2,000.00	2,000.00
18169	218	NEWS WEST PUBLISHING CO.	005969 006028 006028		06/13/2023 06/13/2023 06/13/2023	238-5772-452.72-18 102-5772-452.72-18 101-1035-416.59-10	201.23 121.42 87.10	409.75
18170	1786	NPWA						VOIDED
18171	1786	NPWA						VOIDED
18172	1786	NPWA						VOIDED

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18172	1786	NPUA						
			005855		06/13/2023	503-4720-475.41-20	239.39	
			005855		06/13/2023	503-4720-475.41-10	267.92	
			005855		06/13/2023	503-4720-475.41-20	45.88	
			005855		06/13/2023	503-4720-475.41-10	34.01	
			005855		06/13/2023	503-4720-475.41-20	211.60	
			005855		06/13/2023	580-4750-473.41-11	34.01	
			005855		06/13/2023	580-4750-473.41-11	52.14	
			005855		06/13/2023	580-4750-473.41-11	41.41	
			005865		06/13/2023	206-5771-452.41-10	40.82	
			005938		06/13/2023	206-5771-452.41-20	4,053.02	
			005938		06/13/2023	206-5771-452.41-30	81.88	
			005964		06/13/2023	101-5772-452.41-10	34.01	
			005964		06/13/2023	101-5772-452.41-10	194.47	
			005965		06/13/2023	101-5772-452.41-10	785.47	
			005965		06/13/2023	101-5772-452.41-10	238.37	
			005965		06/13/2023	101-5772-452.41-20	1,141.44	
			005965		06/13/2023	101-5772-452.41-30	82.45	
			005965		06/13/2023	101-5772-452.41-20	221.96	
			005965		06/13/2023	101-5772-452.41-10	65.54	
			005965		06/13/2023	101-5772-452.41-20	47.62	
			005965		06/13/2023	101-5772-452.41-20	45.88	
			005965		06/13/2023	101-5772-452.41-20	45.88	
			005965		06/13/2023	101-5772-452.41-20	48.03	
			005965		06/13/2023	101-5772-452.41-20	212.79	
			005965		06/13/2023	101-5772-452.41-30	81.88	
			005965		06/13/2023	101-5772-452.41-10	197.76	
			005965		06/13/2023	101-5772-452.41-10	44.79	
			005965		06/13/2023	101-5772-452.41-20	767.16	
			005965		06/13/2023	101-5772-452.41-20	589.22	
			005965		06/13/2023	101-5772-452.41-10	1,059.99	
			005966		06/13/2023	101-5772-452.41-20	1,979.32	
			005966		06/13/2023	101-5772-452.41-10	313.16	
			005966		06/13/2023	101-5772-452.41-10	37.64	
			005966		06/13/2023	101-5772-452.41-20	225.59	
			005966		06/13/2023	101-5772-452.41-10	41.49	
			005966		06/13/2023	101-5772-452.41-20	232.58	
			005966		06/13/2023	101-5772-452.41-10	34.23	
			005966		06/13/2023	101-5772-452.41-10	211.60	
			005966		06/13/2023	101-5772-452.41-20	582.75	
			005966		06/13/2023	580-4750-473.41-11	34.94	
			005966		06/13/2023	580-4750-473.41-11	49.37	
			005966		06/13/2023	503-4720-475.41-10	42.77	
			005966		06/13/2023	503-4720-475.41-20	46.24	
			005966		06/13/2023	101-2020-423.41-10	164.63	
			005966		06/13/2023	101-2020-423.41-20	110.86	
			005966		06/13/2023	101-2020-423.41-30	163.76	
			005966		06/13/2023	580-4750-473.41-11	33.38	
			005966		06/13/2023	503-4720-475.41-10	40.46	
			005966		06/13/2023	503-4720-475.41-20	45.91	



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18177	1578	PURCHASE POWER	005958		06/13/2023	510-4410-405.52-20	3,000.00 3,000.00	3,000.00
18178	3012	RAILROAD MANAGEMENT CO. I	005978		06/13/2023	580-4750-473.43-09	3,167.81 3,167.81	3,167.81
18179	2861	REINKE A/C CORP.	005971 005976		06/13/2023 06/13/2023	580-4750-473.54-62 580-4750-473.54-62	8,866.46 7,759.26 16,625.72	16,625.72
18180	309	REPUBLIC SERVICES #78	PI0342	023014	06/13/2023	505-4730-472.31-87	99,826.60 99,826.60	99,826.60
18181	3558	RICK DANIELS	006035 006063		06/13/2023 06/13/2023	101-1020-413.61-02 101-1020-413.55-00	150.80 681.00 831.80	831.80
18182	2068	RICOH USA, INC.	006041		06/13/2023	510-4410-405.70-02	.27 .27	.27
18183	1	RIOS, VICTORIA	UT		06/13/2023	501-0000-211.00-00	110.86 110.86	110.86
18184	255	RIVER VALLEY AIR CONDITIO	006030 006030		06/13/2023 06/13/2023	580-4750-473.54-62 580-4750-473.54-62	1,800.00 9,500.00 11,300.00	11,300.00
18185	591	ROBINSON ELECTRIC CO. INC	006030		06/13/2023	580-4750-473.54-62	507.28	507.28
18186	4049	ROGER MILLER	005977		06/13/2023	507-5761-453.43-04	101.29	101.29
18187	2468	RON'S TIRE & AUTO REPAIR	005833		06/13/2023	511-3021-432.43-27	1,103.16 1,103.16	1,103.16
18188	3796	ROUTE 66 BROADBAND LLC	005960 005961 005962 005963 005969 005970 005971 005976 006030 006030		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-5772-452.52-10 101-3010-431.52-10 101-2020-423.52-10 101-1030-414.52-10 509-4910-479.52-12 580-4750-473.52-10 503-4720-475.52-10 507-5761-453.52-10 101-5773-452.52-10 101-5774-452.52-10	224.49 180.00 160.00 285.00 320.00 200.00 85.00 180.00 190.00 165.00 1,989.49	1,989.49
18189	3361	S.B.COUNTY SHERIFF'S DEPA	006042 006042		06/13/2023 06/13/2023	101-2010-421.31-80 225-2010-421.31-80	273,031.42 7,748.58	273,031.42 7,748.58

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18189	3361	S.B.COUNTY SHERIFF'S DEPA					280,780.00 *	280,780.00
18190	4058	S-NET COMMUNICATIONS INC.	PI0343	023032	06/13/2023	510-4410-405.52-10	1,650.34 1,650.34 *	1,650.34
18191	456	SAN BERNARDINO COUNTY	005979		06/13/2023	101-1030-414.31-70	2,759.00 2,759.00 *	2,759.00
18192	4001	SIMPLOT TURF & HORTICULTU	005981		06/13/2023	507-5761-453.43-17	206.88 206.88 *	206.88
18193	1826	SIMPSON NORTON CORP.	005980		06/13/2023	507-5761-453.43-17	287.66 287.66 *	287.66
18194	3959	SRIXON/CLEVELAND GOLF/XXI	006020		06/13/2023	507-5762-454.44-10	450.00 450.00 *	450.00
18195	3851	SY FOLEY	006042		06/13/2023	503-4720-475.31-40	75.00 75.00 *	75.00
18196	4008	THE PRINTER GUYS LLC	005959 005985 005985 005985 005985 005985 005985 005985 005985 005985 005985 005985 006019 006059 006060 006061 006062		06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023 06/13/2023	101-1025-415.61-02 101-2030-423.61-02 101-1040-417.61-02 101-1035-416.61-02 101-2025-424.61-02 101-2030-423.61-02 101-1040-417.61-02 101-1035-416.61-02 101-2025-424.61-02 101-1035-416.61-02 101-2030-423.61-02 101-1025-415.61-02 101-1040-417.61-02 101-1035-416.61-02 101-2025-424.61-02 101-2030-423.61-02	89.00 319.94 44.75 44.75 44.75 44.75 44.75 82.25 82.25 82.25 82.25 344.00 49.75 49.75 49.75 1,459.94 *	1,459.94
18197	3950	TKE ENGINEERING INC	006021		06/13/2023	102-3010-431.70-06	119.90 119.90 *	119.90
18198	3917	TOUCHSTONE GOLF LLC	PI0340	023001	06/13/2023	507-5762-454.31-89	3,000.00 3,000.00 *	3,000.00
18199	3693	TRI STATE COMMUNITY HEALTH	005981		06/13/2023	508-4810-478.31-20	150.00 150.00 *	150.00
18200	3014	TRI STATE FIRE SYSTEMS, I	005833		06/13/2023	101-5772-452.43-18	428.70 428.70 *	428.70
18201	3266	TRI STATE TOOL REPAIR	005833		06/13/2023	101-3010-431.43-57	35.00	



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18211	1023	XEROX	005836		06/13/2023	101-1020-413.70-01	39.85	
			005837		06/13/2023	101-1025-415.70-01	39.85	
			005838		06/13/2023	101-1030-414.70-01	63.76	
			005839		06/13/2023	101-1035-416.70-01	39.85	
			005840		06/13/2023	101-1040-417.70-01	39.85	
			005841		06/13/2023	101-2025-424.70-01	39.85	
			005842		06/13/2023	101-2030-423.70-01	39.85	
			005843		06/13/2023	101-3010-431.70-01	15.94	
			005844		06/13/2023	510-4410-405.70-01	79.67	
			006064		06/13/2023	101-5774-452.74-20	99.59	
							498.06	498.06
18212	3842	XIO, INC.	006064		06/13/2023	502-4710-471.31-90	143.00	
							143.00	143.00
18213	3828	3D-NETWORKS LLC	005971		06/13/2023	509-4910-479.31-53	550.00	
			005985		06/13/2023	510-4410-405.72-11	911.96	
			005985		06/13/2023	510-4410-405.72-11	1,526.00	
			006022		06/13/2023	509-4910-479.31-53	700.00	
			006036		06/13/2023	101-1040-417.61-02	315.00	
							4,002.96	4,002.96
BANK/CHECK TOTAL							785,761.55	785,761.55
ALL BANKS/CHECKS TOTAL							785,761.55	785,761.55

**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR JUNE 13, 2023**

FUND 101	GENERAL FUND	\$	FUND AMT.	6/13/2023 (2)	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$ -		\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ -		\$ 173,716.94	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$ 14.64		\$ 562,395.21	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 237,418.31	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 235,130.92	\$ 373,159.00
101.1040.417	ENGINEERING	\$ -		\$ 251,395.89	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 38,809.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$ -		\$ 43,073.73	\$ 59,457.00
101.2010.421	SHERIFF	\$ -		\$ 3,152,248.29	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 185,668.68	\$ 233,027.00
101.2025.424	BUILDING & SAFETY	\$ -		\$ 297,589.68	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 594,238.67	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$ -		\$ 609,153.19	\$ 849,743.00
101.4730.472	SANITATION	\$ -		\$ 155,403.80	\$ 166,600.00
101.5770.452.	AQUATICS	\$ -		\$ 119,268.16	\$ 194,192.00
101.5772.452	PARKS	\$ -		\$ 526,612.25	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 81,164.51	\$ 107,923.00
101.5774.452	RECREATION	\$ -		\$ 260,622.92	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$ 14.64			\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT	\$ -		\$ 1,772,426.50	\$ 4,992,512.00
FUND 205	CDBG	\$ -		\$ 7,896.00	\$ 42,692.00
FUND 206	CEMETERY	\$ -		\$ 141,784.60	\$ 202,270.00
FUND 208	CALTRANS GRANTS	\$ -		\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX	\$ -		\$ 153,828.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL	\$ -		\$ 31,845.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I	\$ -		\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL	\$ -		\$ 147,857.41	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA	\$ -		\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS	\$ -		\$ 890,109.92	\$ 3,899,640.00
FUND 239	CA.CONSERV RECYCLING GRANT	\$ -		\$ 2,584.42	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY	\$ -		\$ 59,786.05	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.	\$ -		\$ 139,137.96	\$ 300,000.00
FUND 501	NPUA	\$ -		\$ 2,237,808.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT	\$ 12,161.75		\$ 1,611,650.46	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT	\$ -		\$ 1,114,767.48	\$ 1,241,325.00
FUND 505	SANITATION	\$ -		\$ 1,275,344.18	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.	\$ -		\$ 941,045.99	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 8,532.06		\$ 517,213.98	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 1,373.07		\$ 853,338.85	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$ -	\$ 9,905.13		
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ -		\$ 326,483.38	\$ 455,807.00
FUND 509	MIS	\$ -	\$ 6,225.00	\$ 250,099.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY	\$ -		\$ 242,905.95	\$ 414,950.00
FUND 511	FLEET MANAGEMENT	\$ -		\$ 208,303.03	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT	\$ -		\$ 22,199.62	\$ 22,199.62
FUND 520	SR DIAL A RIDE	\$ -		\$ 185,809.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.	\$ -		\$ 16,145.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)	\$ -		\$ 372,106.86	\$ 614,438.00
FUND 580	ELECTRIC	\$ -	\$ 17,056.32	\$ 10,342,137.07	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC	\$ -		\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER	\$ -		\$ 2,291,660.46	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS	\$ 45,362.84	\$ 35,816,800.45	\$ 57,797,052.62	

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 included within the City

Rick Daniels, City Manager

Date

Sylvia Miledi, Director of Finance

Date

Virginia Tasker, City Treasurer

Date

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18214	454	00	BINGHAM EQUIPMENT COMPANY	06/13/2023	777.56	.00
18215	2934	00	DANA KEPNER COMPANY INC.	06/13/2023	2,191.58	.00
18216	440	00	DECO FOODSERVICE INCORP.	06/13/2023	627.25	.00
18217	4000	00	JARROD DELEON	06/13/2023	133.79	.00
18218	1786	00	NPUA	06/13/2023	9,760.17	.00
18219	15	00	QUILL LLC	06/13/2023	14.64	.00
18220	818	00	R & R PRODUCTS INC.	06/13/2023	616.37	.00
18221	4049	00	ROGER MILLER	06/13/2023	30.18	.00
18222	4001	00	SIMPLOT TURF & HORTICULTURE	06/13/2023	3,954.37	.00
18223	1826	00	SIMPSON NORTON CORP.	06/13/2023	83.46	.00
18224	3631	00	STOTZ EQUIPMENT	06/13/2023	265.95	.00
18225	3917	00	TOUCHSTONE GOLF LLC	06/13/2023	3,828.26	.00
18226	2798	00	U.S. DEPARTMENT OF ENERGY	06/13/2023	16,846.32	.00
18227	3830	00	UNIFIRST CORPORATION	06/13/2023	7.94	.00
18228	3828	00	3D-NETWORKS LLC	06/13/2023	6,225.00	.00
NUMBER OF CHECKS				15	45,362.84	
GRAND TOTAL						

PREPARED 05/31/2023, 12:05:03

PROGRAM: GM3461

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

ACCOUNTING PERIOD 2023/12  
REPORT NUMBER 136

PAGE 1

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18214	454	BINGHAM EQUIPMENT COMPANY	006091		06/13/2023	507-5761-453.43-04	777.56 *	777.56
18215	2934	DANA KEPNER COMPANY INC.	006082 006083		06/13/2023 06/13/2023	502-4710-471.60-55 502-4710-471.60-55	207.45 1,984.13 2,191.58 *	2,191.58
18216	440	DECO FOODSERVICE INCORP.	006084 006085 006098		06/13/2023 06/13/2023 06/13/2023	580-4750-473.61-21 502-4710-471.61-21 507-5762-454.43-08	210.00 210.00 207.25 627.25 *	627.25
18217	4000	JARROD DELEON	006089		06/13/2023	507-5761-453.43-17	133.79 133.79 *	133.79
18218	1786	NPUA	006099		06/13/2023	502-4710-471.41-10	9,760.17 9,760.17 *	9,760.17
18219	15	QUILL LLC	006097		06/13/2023	101-1025-415.61-01	14.64 14.64 *	14.64
18220	818	R & R PRODUCTS INC.	006077 006078		06/13/2023 06/13/2023	507-5761-453.43-17 507-5761-453.43-04	169.90 446.47 616.37 *	616.37
18221	4049	ROGER MILLER	006090		06/13/2023	507-5761-453.43-17	30.18 30.18 *	30.18
18222	4001	SIMPLOT TURF & HORTICULTU	006076		06/13/2023	507-5761-453.61-11	3,954.37 3,954.37 *	3,954.37
18223	1826	SIMPSON NORTON CORP.	006080		06/13/2023	507-5761-453.43-04	83.46 83.46 *	83.46
18224	3631	STOTZ EQUIPMENT	006079		06/13/2023	507-5761-453.43-08	265.95 265.95 *	265.95
18225	3917	TOUCHSTONE GOLF LLC	006092 006093 006094 006095		06/13/2023 06/13/2023 06/13/2023 06/13/2023	507-5761-453.31-90 507-5762-454.31-90 507-5761-453.31-90 507-5762-454.31-90	1,335.19 578.94 1,335.19 578.94 3,828.26 *	3,828.26
18226	2798	U.S. DEPARTMENT OF ENERGY	006096		06/13/2023	580-4750-473.63-10	16,846.32 16,846.32 *	16,846.32
18227	3830	UNIFIEST CORPORATION	006081		06/13/2023	507-5762-454.43-08	7.94 7.94 *	7.94
18228	3828	3D-NETWORKS LLC	006086		06/13/2023	509-4910-479.31-53	575.00	

PAGE 2  
ACCOUNTING PERIOD 2023/12  
REPORT NUMBER 136

PAGE 2  
D 2023/12

REPORT NUMBER	136
REPORT PERIOD	2023/12

REPORT NUMBER 136

	CHECK
	TOTAL

\* 6,225.00

45,362.84

45.362.84



**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR MAY 23, 2023**

FUND 101	GENERAL FUND	\$ 14,211.59	FUND AMT.	19-May	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$ -		\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ 1,281.64		\$ 169,862.67	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$ 6,221.96		\$ 546,790.38	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 2,218.09		\$ 223,513.59	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$ 1,281.34		\$ 228,466.20	\$ 373,159.00
101.1040.417	ENGINEERING	\$ 2,534.35		\$ 263,195.29	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 38,503.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$ -		\$ 42,412.78	\$ 59,457.00
101.2010.421	SHERIFF	\$ -		\$ 2,879,216.87	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 445.81		\$ 181,964.46	\$ 233,027.00
101.2025.424	BULDING & SAFETY	\$ 1,761.36		\$ 295,659.69	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$ 5,839.75		\$ 590,503.03	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$ 5,466.06		\$ 615,663.77	\$ 849,743.00
101.4730.472	SANITATION	\$ 594.84		\$ 146,981.12	\$ 166,600.00
101.5770.452.	AQUATICS	\$ 176.10		\$ 116,799.89	\$ 194,192.00
101.5772.452	PARKS	\$ 6,553.87		\$ 510,750.81	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$ 707.16		\$ 78,934.31	\$ 107,923.00
101.5774.452	RECREATION	\$ 1,925.33		\$ 256,690.20	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 51,219.25		\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 1,734,190.06	\$ 4,992,512.00
FUND 205	CDBG		\$ -	\$ 7,238.00	\$ 42,692.00
FUND 206	CEMETERY		\$ 2,441.77	\$ 136,377.16	\$ 202,270.00
FUND 208	CALTRANS GRANTS		\$ -	\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX		\$ -	\$ 141,009.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -	\$ 30,815.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 140,108.83	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA		\$ -	\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 889,908.69	\$ 3,899,640.00
FUND 239	CA CONSERV RECYCLING GRANT		\$ -	\$ 2,109.34	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY		\$ 735.42	\$ 59,571.76	\$ 287,664.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -	\$ 119,637.96	\$ 300,000.00
FUND 501	NPUA		\$ -	\$ 2,234,858.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT		\$ 7,687.01	\$ 1,551,866.16	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT		\$ 4,640.12	\$ 1,068,359.83	\$ 1,241,325.00
FUND 505	SANITATION		\$ -	\$ 1,151,742.49	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ 461.08	\$ 939,333.25	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ 141.85		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 1,706.13		\$ 485,642.30	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 922.88		\$ 313,119.25	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$ -	\$ 2,770.86		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ 4,997.16	\$ 323,464.18	\$ 455,807.00
FUND 509	MIS		\$ -	\$ 262,454.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY		\$ 117.47	\$ 225,475.28	\$ 414,950.00
FUND 511	FLEET MANAGEMENT		\$ 1,674.02	\$ 205,899.37	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 15,352.27	\$ 15,352.27
FUND 520	SR DIAL A RIDE		\$ 23.00	\$ 185,125.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 15,825.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 371,172.86	\$ 614,438.00
FUND 580	ELECTRIC		\$ 22,244.41	\$ 10,231,924.20	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -	\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 2,164,740.26	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 99,011.57	\$ 34,329,843.69	\$ 57,790,205.27

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 included within the City

Rick Daniels, City Manager

Date

Virginia Tasker, City Treasurer

Date

Sylvia Miledi, Director of Finance

Date



CHECK NUMBER	VENDOR NUMBER	SEC#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18084	3709	00	ADRIAN CHAVEZ	05/19/2023	50.00	.00
18085	3688	00	ALBERT PONCE	05/19/2023	50.00	.00
18086	4084	00	ANTHONY GIERSCH	05/19/2023	50.00	.00
18087	3897	00	BENEBLOC, LLC	05/19/2023	299.22	.00
18088	3870	00	BRYAN HICKSTEIN	05/19/2023	50.00	.00
18089	1213	00	CALIF. DEPT. OF TAX & FEE ADMIN.	05/19/2023	505.00	.00
18090	2931	00	DALE JONES	05/19/2023	50.00	.00
18091	322	00	FRANK VALENZUELA JR.	05/19/2023	50.00	.00
18092	1296	00	FRONTIER	05/19/2023	420.27	.00
18093	1305	00	GREAT WEST LIFE	05/19/2023	5,844.00	.00
18094	3634	00	GREAT-WEST LIFE & ANNUITY	05/19/2023	932.27	.00
18095	2879	00	JENNIFER VALENZUELA	05/19/2023	545.00	.00
18096	638	00	JESSE FRAGOSO	05/19/2023	50.00	.00
18097	325	00	JIM WILLIS	05/19/2023	50.00	.00
18098	3978	00	JOSE SANCHEZ	05/19/2023	50.00	.00
18099	2222	00	JUSTIN SCOTT	05/19/2023	50.00	.00
18100	4070	00	KATHY RAASCH	05/19/2023	50.00	.00
18101	3512	00	KIMBERLY KRASINSKI	05/19/2023	50.00	.00
18102	3889	00	MICHAEL WILLIS	05/19/2023	50.00	.00
18103	3767	00	PATRICK MARTINEZ	05/19/2023	50.00	.00
18104	3654	00	RAINIE TORRANCE	05/19/2023	50.00	.00
18105	4081	00	RICHARD KIMBALL	05/19/2023	50.00	.00
18106	3953	00	RONNY SOMMERS	05/19/2023	50.00	.00
18107	2589	00	SAN BERNARDINO COUNTY	05/19/2023	7,530.51	.00
18108	1199	00	SBPEA TEAMSTERS LOCAL 1932	05/19/2023	1,036.34	.00
18109	1199	00	SBPEA TEAMSTERS LOCAL 1932	05/19/2023	492.83	.00
18110	284	00	SOUTHWEST GAS CORP.	05/19/2023	71.66	.00
18111	3242	00	SDRMA	05/19/2023	80,184.47	.00
18112	3851	00	SY FOLEY	05/19/2023	50.00	.00
18113	3432	00	SYLVIA MILEDI	05/19/2023	50.00	.00
18114	3622	00	TAYLOR MILLER	05/19/2023	50.00	.00
18115	2744	00	THOMAS DELEON	05/19/2023	50.00	.00
18116	2817	00	TONY RUEALCABA	05/19/2023	50.00	.00
18117	3695	00	VINCE GARZA	05/19/2023	50.00	.00
NUMBER OF CHECKS				34	99,011.57	
GRAND TOTAL						

GRAND TOTAL

34

NUMBER OF CHECKS

PREPARED 05/17/2023, 10:18:03

PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

ACCOUNTING PERIOD 2023/11  
REPORT NUMBER 133

PAGE 1

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18084	3709	ADRIAN CHAVEZ	002140		05/19/2023	101-2030-423.52-10	50.00 50.00 *	50.00
18085	3688	ALBERT PONCE	002149		05/19/2023	502-4710-471.52-10	50.00 50.00 *	50.00
18086	4084	ANTHONY GEIRSCH	004452 004453		05/19/2023 05/19/2023	580-4750-473.52-10 101-2030-423.52-10	25.00 25.00 50.00 *	50.00
18087	3897	BENEBLOC LLC	005918 005919 005920		05/19/2023 05/19/2023 05/19/2023	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	213.78 71.44 14.00 299.22 *	299.22
18088	3870	BRYAN HICKSTEIN	002146		05/19/2023	502-4710-471.52-10	50.00 50.00 *	50.00
18089	1213	CALIFORNIA DEPT. OF TAX &	005763 005764 005765 005766 005767 005768 005769 005771 005773 005774 005775		05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023 05/19/2023	101-1040-417.61-02 101-2030-423.61-02 101-5774-452.60-31 101-5774-452.60-55 101-2020-423.61-36 101-1035-416.61-02 101-2025-424.61-02 507-5761-453.43-04 520-4740-462.53-00 580-4750-473.60-55 507-0000-203.00-00	34.78 30.90 79.76 27.67 24.46 20.83 20.83 38.92 23.00 62.00 141.85 505.00 *	505.00
18090	2931	DALE JONES	002130		05/19/2023	101-1030-414.52-10	50.00 50.00 *	50.00
18091	322	FRANK VALENZUELA JR.	002128		05/19/2023	502-4710-471.52-10	50.00 50.00 *	50.00
18092	1296	FRONTIER	005715 005851 005852		05/19/2023 05/19/2023 05/19/2023	101-5770-452.52-10 101-5772-452.52-10 510-4410-405.52-10	176.10 139.08 105.09 420.27 *	420.27
18093	1305	GREAT WEST LIFE & ANNUITY	005875 005876 005877		05/19/2023 05/19/2023 05/19/2023	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	3,430.00 410.00 2,004.00 5,844.00 *	5,844.00
18094	3634	GREAT-WEST LIFE & ANNUITY	005856 005857 005858		05/19/2023 05/19/2023 05/19/2023	101-0000-209.03-01 101-0000-209.03-01 101-0000-209.03-01	43.12 194.13 24.27	

PREPARED 05/17/2023, 10:18:03  
PROGRAM: GM346L  
CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING ACCOUNT

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ACCOUNTING PERIOD 2023/11  
REPORT NUMBER 133

PAGE 3  
D 2023/11

REPORT NUMBER 133

# THEORY

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18107	2589	SAN BERNARDINO COUNTY	005737		05/19/2023	101-2020-423.62-00	371.35	
			005738		05/19/2023	101-2030-423.62-00	88.90	
			005739		05/19/2023	101-3010-431.62-00	1,741.59	
			005740		05/19/2023	101-4730-472.62-00	242.16	
			005741		05/19/2023	101-5772-452.62-00	206.49	
			005742		05/19/2023	206-5771-452.62-00	61.77	
			005743		05/19/2023	502-4710-471.62-00	833.19	
			005744		05/19/2023	503-4720-475.62-00	617.96	
			005745		05/19/2023	507-5761-453.62-00	1,650.21	
			005746		05/19/2023	508-4810-478.62-00	296.85	
			005747		05/19/2023	580-4750-473.62-00	1,420.04	
							7,530.51	7,530.51
18108	1199	SBPEA TEAMSTERS LOCAL 193	005869		05/19/2023	101-0000-209.03-01	582.66	
			005870		05/19/2023	502-0000-209.03-01	132.70	
			005871		05/19/2023	503-0000-209.03-01	29.21	
			005872		05/19/2023	508-0000-209.03-01	43.12	
			005873		05/19/2023	511-0000-209.03-01	33.95	
			005874		05/19/2023	580-0000-209.03-01	214.70	
							1,036.34	1,036.34
18109	1199	SBPEA TEAMSTERS LOCAL 193	005866		05/19/2023	101-0000-209.03-01	381.45	
			005867		05/19/2023	502-0000-209.03-01	50.44	
			005868		05/19/2023	580-0000-209.03-01	60.94	
							492.83	492.83
18110	284	SOUTHWEST GAS CORP.	005734		05/19/2023	510-4410-405.41-60	12.38	
			005734		05/19/2023	101-3010-431.41-60	42.28	
			005734		05/19/2023	507-5761-453.41-50	17.00	
							71.66	71.66
18111	3242	SPECIAL DISTRICT RISK	005881		05/19/2023	101-1020-413.24-10	1,281.64	
			005882		05/19/2023	101-1025-415.24-10	6,171.96	
			005883		05/19/2023	101-1030-414.24-10	2,168.09	
			005884		05/19/2023	101-1035-416.24-10	1,248.01	
			005885		05/19/2023	101-2025-424.24-10	1,678.03	
			005886		05/19/2023	101-2030-423.24-10	5,632.45	
			005887		05/19/2023	101-3010-431.24-10	3,632.19	
			005888		05/19/2023	101-4730-472.24-10	352.68	
			005889		05/19/2023	101-5772-452.24-10	6,208.30	
			005890		05/19/2023	101-5773-452.24-10	707.16	
			005891		05/19/2023	101-5774-452.24-10	1,272.90	
			005892		05/19/2023	101-0000-209.03-01	9,082.64	
			005893		05/19/2023	206-5771-452.24-10	1,834.28	
			005894		05/19/2023	206-0000-209.03-01	545.72	
			005895		05/19/2023	270-4631-463.24-10	565.74	
			005896		05/19/2023	270-0000-209.03-01	169.68	
			005897		05/19/2023	502-4710-471.24-10	4,524.33	
			005898		05/19/2023	502-0000-209.03-01	1,349.74	
			005899		05/19/2023	503-4720-475.24-10	3,046.65	

PREPARED 05/17/2023, 10:18:03

PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

ACCOUNTING PERIOD 2023/11  
REPORT NUMBER 133

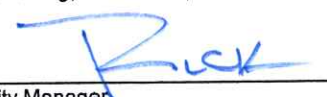

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CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
18111	3242	SPECIAL DISTRICT RISK	005900		05/19/2023	503-0000-209.03-01	879.64	
			005901		05/19/2023	506-4713-477.24-10	350.00	
			005902		05/19/2023	506-0000-209.03-01	111.08	
			005903		05/19/2023	507-5762-454.24-10	922.88	
			005904		05/19/2023	508-0000-209.03-01	873.58	
			005905		05/19/2023	511-3020-432.24-10	1,254.47	
			005906		05/19/2023	511-0000-209.03-01	385.60	
			005907		05/19/2023	580-4750-473.24-10	13,750.93	
			005908		05/19/2023	580-0000-209.03-01	4,013.42	
			005910		05/19/2023	101-1040-417.24-10	2,437.07	
			005911		05/19/2023	508-4810-478.24-10	3,733.61	
							80,184.47	80,184.47
18112	3851	SY FOLEY	002143		05/19/2023	503-4720-475.52-10	50.00	50.00
							50.00	
18113	3432	SYLVIA MILEDI	002151		05/19/2023	101-1025-415.52-10	50.00	50.00
							50.00	
18114	3622	TAYLOR MILLER	001158		05/19/2023	502-4710-471.52-10	50.00	50.00
							50.00	
18115	2744	THOMAS DELEON	002142		05/19/2023	580-4750-473.52-10	50.00	50.00
							50.00	
18116	2817	TONY RUBALCABA	002131		05/19/2023	101-2020-423.52-10	50.00	50.00
							50.00	
18117	3695	VINCE GARZA	002145		05/19/2023	580-4750-473.52-10	50.00	50.00
							50.00	
						BANK/CHECK TOTAL	99,011.57	99,011.57
						ALL BANKS/CHECKS TOTAL	99,011.57	99,011.57

**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR MAY 24, 2023**

FUND 101	GENERAL FUND	\$	599.56	FUND AMT.	24-May	22-23 BUDGET
101.1015.412	CITY ATTORNEY	\$	-		\$ 58,429.40	\$ 80,000.00
101.1020.413	CITY MANAGER	\$	299.00		\$ 169,862.67	\$ 219,507.00
101.1025.415	FINANCE DEPT.	\$	-		\$ 556,148.71	\$ 698,085.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$	3,312.30		\$ 229,781.56	\$ 291,344.00
101.1035.416	PLANNING /ZONING	\$	353.51		\$ 228,946.71	\$ 373,159.00
101.1040.417	ENGINEERING	\$	751.83		\$ 246,951.58	\$ 361,425.00
101.1060.410	COMMUNITY PROMOTIONS	\$	-		\$ 38,503.51	\$ 51,552.00
101.1070.410	SENIOR CENTER	\$	-		\$ 42,531.08	\$ 59,457.00
101.2010.421	SHERIFF	\$	-		\$ 2,879,216.87	\$ 3,483,367.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$	776.26		\$ 183,339.97	\$ 233,027.00
101.2025.424	BUILDING & SAFETY	\$	353.50		\$ 296,116.19	\$ 608,738.00
101.2030.423	CODE ENFORCEMENT	\$	496.03		\$ 591,807.50	\$ 696,985.00
101.3010.431	PUBLIC WORKS	\$	698.39		\$ 600,515.21	\$ 849,743.00
101.4730.472	SANITATION	\$	-		\$ 146,981.12	\$ 166,600.00
101.5770.452.	AQUATICS	\$	-		\$ 116,809.89	\$ 194,192.00
101.5772.452	PARKS	\$	-		\$ 521,274.25	\$ 658,491.00
101.5773.452	JACK SMITH PARK MARINA	\$	-		\$ 80,569.31	\$ 107,923.00
101.5774.452	RECREATION	\$	-		\$ 256,709.17	\$ 371,884.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$	7,640.38			\$ 9,505,479.00
FUND 102	GEN. FUND CAPITAL PROJECT	\$	-		\$ 1,772,305.08	\$ 4,992,512.00
FUND 205	CDBG	\$	-		\$ 7,238.00	\$ 42,692.00
FUND 206	CEMETERY	\$	-		\$ 140,552.88	\$ 202,270.00
FUND 208	CALTRANS GRANTS	\$	-		\$ 343,959.46	\$ 311,377.00
FUND 210	SPECIAL GAS TAX	\$	-		\$ 141,009.00	\$ 272,365.00
FUND 213	DEPT OF HOUSE. & COMM DEVL	\$	-		\$ 30,815.91	\$ 30,000.00
FUND 214	SANBAG NEW LOCAL MEAS I	\$	-		\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL	\$	-		\$ 140,108.83	\$ 251,497.00
FUND 233	JACK SMITH PARK MARINA	\$	-		\$ 5,807.60	\$ 13,733.00
FUND 238	STATE RECREATION GRANTS	\$	-		\$ 890,109.92	\$ 3,899,640.00
FUND 239	CA. CONSERV RECYCLING GRANT	\$	-		\$ 2,584.42	\$ 25,526.00
FUND 270	REDEVELOPMENT AGENCY	\$	-		\$ 59,571.76	\$ 287,664.00
FUND 470	RDA CAP PROJ. LOW & MOD.	\$	-		\$ 129,387.96	\$ 300,000.00
FUND 501	NPUA	\$	-		\$ 2,234,858.04	\$ 2,601,074.00
FUND 502	WATER DEPARTMENT	\$	1,155.35		\$ 1,568,786.58	\$ 1,938,399.00
FUND 503	WASTEWATER DEPARTMENT	\$	609.19		\$ 1,096,554.84	\$ 1,241,325.00
FUND 505	SANITATION	\$	14.99		\$ 1,255,344.18	\$ 1,458,897.00
FUND 506	ALL AMERICAN CANAL PROJ.	\$	-		\$ 939,348.24	\$ 1,041,800.00
FUND 507	GOLF FUND	\$	-		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$	-		\$ 516,350.73	\$ 641,632.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$	-		\$ 335,381.40	\$ 370,454.00
FUND 507	GOLF FUND TOTAL	\$	-		\$ -	
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$	328.63		\$ 323,957.87	\$ 455,807.00
FUND 509	MIS	\$	-		\$ 264,024.19	\$ 257,370.00
FUND 510	ADMIN. FACILITY	\$	-		\$ 232,941.22	\$ 414,950.00
FUND 511	FLEET MANAGEMENT	\$	-		\$ 207,431.86	\$ 281,078.00
FUND 512	VEHICLE REPLACEMENT	\$	-		\$ 15,352.27	\$ 15,352.27
FUND 520	SR DIAL A RIDE	\$	-		\$ 185,125.06	\$ 250,098.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.	\$	-		\$ 15,825.66	\$ 22,274.00
FUND 525	NEEDLES AREA TRANSIT (NAT)	\$	-		\$ 371,172.86	\$ 614,438.00
FUND 580	ELECTRIC	\$	1,616.49		\$ 10,253,689.96	\$ 12,406,721.00
FUND 581	NPUA CAPITAL ELECTRIC	\$	-		\$ 1,728,417.30	\$ 1,956,822.00
FUND 582	NPUA CAPITAL WATER	\$	-		\$ 2,290,615.26	\$ 11,236,959.00
TOTAL	ALL FUNDS & DEPARTMENTS	\$	11,365.03		\$ 34,743,123.04	\$ 57,790,205.27

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 included within the City

  
Rick Daniels, City Manager  
Date  
  
Virginia Tasker, City Treasurer  
Date 6-6-2023

  
Sylvia Miledi, Director of Finance  
Date

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
18118	3651	00	WELLS FARGO	05/24/2023	VOID	
18119	3651	00	WELLS FARGO	05/24/2023	11,365.03	.00
NUMBER OF CHECKS				2	GRAND TOTAL	11,365.03



PREPARED 05/26/2023, 7:28:15

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PAGE 1  
ACCOUNTING PERIOD 2023/11  
REPORT NUMBER 134

PROGRAM: GM346L  
CITY OF NEEDLES  
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	RETAINANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
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18118 3651 WELLS FARGO  
18119 3651 WELLS FARGO

005988	005989	05/24/2023	506-4713-477.61-01	14.99	VOIDED
005989	005990	05/24/2023	580-4750-473.55-00	322.42	
005990	005991	05/24/2023	502-4710-471.55-00	322.42	
005991	005992	05/24/2023	580-4750-473.62-00	109.86	
005992	005993	05/24/2023	101-1030-414.61-31	73.94	
005993	005994	05/24/2023	508-4810-478.61-34	150.85	
005994	005995	05/24/2023	508-4810-478.61-04	177.78	
005995	005996	05/24/2023	101-1025-415.31-40	299.00	
005996	005997	05/24/2023	101-0000-210.00-00	51.17	
005997	005997	05/24/2023	502-4710-471.55-00	185.96	
005997	005997	05/24/2023	101-3010-431.60-11	90.30	
005997	005997	05/24/2023	101-0000-210.00-00	57.26	
005998	005998	05/24/2023	101-1035-416.31-40	208.48	
005998	005998	05/24/2023	101-1040-417.31-40	347.48	
005998	005998	05/24/2023	101-2025-424.31-40	208.48	
005998	005998	05/24/2023	101-2030-423.31-40	351.01	
005999	005999	05/24/2023	101-1040-417.61-01	259.32	
005999	005999	05/24/2023	101-1035-416.55-00	145.03	
005999	005999	05/24/2023	101-1040-417.55-00	145.03	
005999	005999	05/24/2023	101-2025-424.55-00	145.02	
005999	005999	05/24/2023	101-2030-423.55-00	145.02	
005999	005999	05/24/2023	101-0000-210.00-00	60.23	
005999	005999	05/24/2023	580-4750-473.43-57	437.22	
005999	005999	05/24/2023	580-4750-473.61-21	678.02	
005999	005999	05/24/2023	580-4750-473.60-55	67.87	
005999	005999	05/24/2023	101-0000-210.00-00	91.49	
005999	005999	05/24/2023	502-4710-471.61-21	608.09	
005999	005999	05/24/2023	101-3010-431.61-21	608.09	
005999	005999	05/24/2023	503-4720-475.61-21	608.10	
006000	006000	05/24/2023	101-1030-414.55-00	3,138.36	
006000	006000	05/24/2023	101-1030-414.31-40	100.00	
006000	006000	05/24/2023	502-4710-471.52-10	1.09	
006000	006000	05/24/2023	503-4720-475.52-10	1.09	
006000	006000	05/24/2023	580-4750-473.52-10	1.10	
006000	006000	05/24/2023	101-0000-210.00-00	89.65	
006001	006001	05/24/2023	101-2020-423.61-36	51.44	
006001	006001	05/24/2023	101-0000-204.06-00	190.65	
006001	006001	05/24/2023	101-2020-423.60-75	257.82	
006001	006001	05/24/2023	101-2020-423.31-40	467.00	
006003	006003	05/24/2023	101-0000-210.00-00	58.11	
006003	006003	05/24/2023	502-4710-471.31-90	14.99	
006003	006003	05/24/2023	502-4710-471.69-22	22.80	
006003	006003	05/24/2023	101-0000-210.00-00	1.00	
				11,365.03	
				*	
				11,365.03	

BANK/CHECK TOTAL

11,365.03

11,365.03

ALL BANKS/CHECKS TOTAL

11,365.03

11,365.03

## MINUTES

REGULAR MEETING OF THE CITY COUNCIL  
NEEDLES PUBLIC UTILITY AUTHORITY - HOUSING AUTHORITY OF THE CITY OF NEEDLES  
CITY OF NEEDLES, CALIFORNIA - **TUESDAY, MAY 23, 2023**  
COUNCIL EXECUTIVE SESSION – **5:30 P.M.** - CITY COUNCIL MEETING – **6:00 P.M.**  
CITY COUNCIL CHAMBERS - 1111 BAILEY AVENUE, NEEDLES

THE 5:00 P.M. PORTION OF THE CITY COUNCIL MEETING WAS RECESSED  
BY THE CITY CLERK TO 5:30 P.M.

### CALL TO ORDER

Mayor Jernigan called the meeting to order at 5:31 p.m.

### ROLL CALL

Present: Mayor Jan Jernigan, Council Members Ellen Campbell, Jamie McCorkle, Vice Mayor Kirsten Merritt (arrived at 5:37 p.m.), Council Members JoAnne Pogue, Tona Belt, and Henry Longbrake. Also present; City Manager Rick Daniels, Assistant City Manager Patrick Martinez, Deputy City Attorney Lena Wade and City Clerk Dale Jones.

### RECESSED THE CITY COUNCIL MEETING AND CONVENED A JOINT COUNCIL / NPUA MEETING at 5:32 p.m.

PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS - None

### RECESSED TO EXECUTIVE SESSION at 5:33 p.m.

Council Member McCorkle recused herself from Executive Session because she works for News West Publishing.

- a) COUNCIL: Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8. Property: 950 Front Street Suite A-25, Needles CA. Agency Negotiator: City Manager Rick Daniels or his designee. Negotiating Parties: City of Needles as potential lessor and the News West Publishing as potential lessee. Under Negotiation: Price and terms

**EXECUTIVE SESSION** – Report by City Attorney – Deputy City Attorney Wade reported that council agreed to amend the agreement with News West Publishing for another 3-year term, all other terms remained the same.

ROLL CALL (Previously Taken)

INVOCATION – led by Council Member Campbell

PLEDGE OF ALLEGIANCE – led by Mayor Jernigan

APPROVAL OF AGENDA

Council Member Campbell moved, second by Council Member Belt to approve agenda. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake

Noes: None

Absent: None

CONFLICT OF INTEREST – Council Member McCorkle announced she recused herself from Executive Session because she works for News West Publishing.

CORRESPONDENCE - None

INTRODUCTIONS – Captain Ross Tarangle

CITY ATTORNEY Parliamentary procedures - None

**RECESS THE CITY COUNCIL MEETING AND CONVENE A JOINT CITY COUNCIL / NPUA / HOUSING AUTHORITY (HACN) MEETING at 6:03 p.m.**

**PUBLIC APPEARANCE** – None

**INTERVIEWS**

- 1) Interviews held to appoint members to the Needles Housing Commission  
Vice Mayor Merritt moved, second by Council Member Campbell to appoint Frances Clark for the over sixty-two (62) years Tenant with a term to expire December 31, 2026 and appoint Tamera Kissell as the Tenant with a term to expire December 31, 2027.

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake  
Noes: None  
Absent: None

**PRESENTATION**

- 2) NPUA: Presentation to accept and file the NPUA audit report for fiscal year ending June 30, 2022 completed by Burger & Comer, P.C.

Council Member Campbell moved, second by Vice Mayor Merritt to continue to June 13 meeting.

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake  
Noes: None  
Absent: None

- 3) NPUA / COUNCIL / HACN WORKSHOP: Direction to proceed with the Fiscal Year ending June 30, 2024 budget process and schedule the matter for a public hearing and action on June 13, 2023

City Manager Daniels and Senior Accountant DiLeo reported, and discussion ensued regarding a request for an additional sheriff officer, marketing specialist and adding a restroom at the animal shelter.

Council Member Campbell moved, second by Council Member Pogue to proceed with the Fiscal Year ending June 30, 2024 budget process and schedule the matter for a public hearing and action on June 13, 2023. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake  
Noes: None  
Absent: None

**HACN / COUNCIL CONSENT CALENDAR**

Council Member Pogue moved, second by Council Member McCorkle to approve the following consent items. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, Longbrake and Jernigan  
Noes: None  
Absent: Nonet

- 4) HACN / COUNCIL: Waived the reading and adopted Resolution 2023-1-HACN and approved the Schedule of Allowances for Tenant Purchased Utilities for the Housing Choice Voucher Program (Section 8) for Single Family and Apartment/Duplex & Row-House Dwellings effective August 1, 2023

- 5) HACN / COUNCIL: Waived the reading and adopted Resolution 2023-2-HACN and approved the Schedule of Utility Allowances for the Public Housing Program effective August 1, 2023
- 6) HACN / COUNCIL: Accepted and Filed the Housing Authority of the City of Needles Financial Statements and Independent Auditors' Report for the Fiscal Year that ended June 30, 2021 prepared by Smith Marion & Co.

**ADJOURN THE JOINT COUNCIL / NPUA / HACN BOARD OF COMMISSIONERS MEETING AND RECONVENE THE CITY COUNCIL MEETING at 6:33 p.m.**

CALL TO ORDER (Roll Call previously taken)

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS - None

**CONSENT CALENDAR:**

Council Member Pogue moved, second by Council Member Campbell to approve the consent calendar items as submitted. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake  
Noes: None  
Absent: None

- 7) Approved the warrants register through May 23, 2023
- 8) Approved the minutes of May 9, 2023
- 9) Accepted the Notice of Completion for work completed by Pacific Tide Construction for the Purchase and Installation of Shade Structures Over Spectator Seating at Nikki Bunch and Duke Watkins Park projects and authorized to record the Notice of Completion with the San Bernardino County Recorder's Office
- 10) Waived the reading and adopted Ordinance No. 661-AC amending Section 13-33(d) of the Needles Municipal Code to erect stop signs at the southwest and northeast corners of Vine and "R" Streets
- 11) Waived the reading and adopted Resolution No 2023-32 approving an amendment to Resolution No. 2022-62 amending the use permit between the City of Needles and County of San Bernardino for the City-owned property located at 1111 Bailey Avenue

**End of Consent**

**Regular Items**

- 12) Provide direction on Resolution No. 2023-31 Approving the Application for the Land and Water Conservation Fund for JoJo Garcia Complex for shade structures at Franz Flowers Field **OR** Duke Watkins Park for two Pickleball Courts  
City Manager Daniels reported, informing council that the deadline to apply for the funding is June 1 and discussion ensued.

Council Member Campbell moved, second by Council Member Pogue to postpone discussion to next year's budget. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Merritt, Pogue and Longbrake  
Noes: Council Member Belt  
Absent: None

13) Provide staff direction regarding the City Charter established Council Compensation

Considerable council discussion ensued regarding council compensation and should this topic be placed on the November 2024 ballot for the voters to decide.

Council Member Longbrake moved, second by Council Member McCorkle to leave the decision to the voters regarding council compensation. Motion **failed** by the following roll call vote:

Ayes: Council Members Campbell, McCorkle and Longbrake

Noes: Council Members Belt, Pogue, Merritt and Mayor Jernigan

Absent: None

CITY ATTORNEYS REPORT - None

CITY CLERK REPORT - None

CITY MANAGERS REPORT – City Manager Daniels reported.

**COUNCIL REQUESTS**

Councilmember Campbell informed council that the San Bernardino County Coroners Office has agreed to send the remains of Zach Lopez to Needles to be buried, Run for the Wall event was fabulous, reported on the City/County Conference in Lake Arrowhead she attended and she made a lot of connections at the ICSC conference.

Councilmember McCorkle informed council that the ICSC conference was great.

Vice Mayor Merritt also attended the ICSC conference and was impressed, look into a stop sign at the bottom of High School Hill (Broadway and L Street), condolences for the recent passing of Kippy Poulson and announced that Bullhead City Vice Mayor passed away.

Councilmember Pogue inquired if the animal shelter could look into anti venom for rattlesnake bites and she was watching a TV show called Young Sheldon who mentioned Needles, CA.

Councilmember Belt informed council that the Run for the Wall event was very nice.

Councilmember Longbrake voiced his opinion that the anti-venom is a great idea, the Run was fantastic and the ICSC conference was quite an experience.

Mayor Jernigan congratulated the NHS Girls Softball Team for winning the State Championship and also the golf team and the Boys Baseball teams for their participation, informed staff that there should be lights between River City Pizza and Needles Point Liquor, requested the brush be taken care of at Jack Smith Park and informed staff of the vandalism at the High School Hill underpass suggesting that we paint it gray.

**ADJOURNMENT**

Mayor Jernigan adjourned the meeting at 7:11 pm

ATTEST: \_\_\_\_\_  
Mayor Janet Jernigan

\_\_\_\_\_  
City Clerk Dale Jones, CMC



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☒ HACN ☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** City Council Resolution 2023-39  
A Resolution of the City Council of the City of Needles Approving a Lease Extension with Tri-State Alano Club for the Building at 801 Third Street Until July 1, 2024

**Background:** Tri-State Alano Club, an organization dedicated to community service, has been leasing the city-owned building at 801 Third Street since 1991 to conduct Club business and hold Club meetings.

The City of Needles continues expand our services for the residents of the community which requires additional office space to meet demand. The City looked at expanding office space in City Hall, but the costs were significant.

**Fiscal Impact:** \$1/Year. Cost of expanding office space in City Hall approximately \$200,000.

**Recommendation:** Approve Resolution 2023-39 Approving a Lease Extension with Tri-State Alano Club for the Building at 801 Third Street Until July 1, 2024

**Submitted By:** Patrick Martinez, Assistant City Manager

**City Management Review:**

Pick

**Date:**

6/8/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item:

15

**RESOLUTION NO. 2023-39**

**A RESOLUTION OF THE CITY OF NEEDLES, CALIFORNIA,  
APPROVING A LEASE EXTENSION WITH TRI-STATE ALANO CLUB  
FOR THE BUILDING AT 801 THIRD STREET**

WHEREAS, Tri-State Alano Club, an organization dedicated to community service, has been leasing the city-owned building at 801 Third Street since 1991 to conduct Club business and hold Club meetings; and

WHEREAS, the existing lease agreement has by its terms expired and the parties wish to extend its term to provide for expiration on July 1, 2024; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California hereby approves a Lease Extension with Tri-State Alano Club for the lease of the building at 801 Third Street for an additional one-year period and authorizes the Mayor to sign said Lease Extension for and on behalf of the City of Needles.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13 day of June, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
, Mayor

ATTEST:

\_\_\_\_\_  
Dale Jones, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
John O. Pinkney, City Attorney



## AMENDMENT TO LEASE AGREEMENT

THIS AMENDMENT TO LEASE AGREEMENT ("lease"), dated this 13 day of June 2023, is entered into by and between the CITY OF NEEDLES, a Charter City and Municipal Corporation, hereinafter called "Lessor", and the TRI-STATE ALANO CLUB OF NEEDLES, INC., a California nonprofit public benefit corporation, hereinafter called "Lessee."

### WITNESSES:

A. The Lessor and the Lessee entered into that certain Lease Agreement dated July 11, 2017 whereby the Lessor leases to Lessee, and Lessee hires from Lessor those certain premises described as follows:

801 Third Street, Needles (a concrete block building with 25-five (25) foot frontage on Third Street. Sixty (60) feet in depth, for a total of fifteen hundred (1500) square feet building area) (the "Premises").

B. The Lessor and Lessee subsequently extended the term of the Lease to provide for a termination date of November 12, 2022.

C. The Lessor and Lessee have continued to recognize the validity of the Lease since November 12, 2022 and now wish to provide for one final extension after which the Lessee shall vacate the Premises and after which no further extensions shall be available or requested.

## AMENDMENT

### SECTION 2 OF THE LEASE IS AMENDED TO READ AS FOLLOWS:

- 1. Term.** The term of this lease shall expire on July 1, 2024. ("Term") after which the Lessee shall vacate the Premises and after which no further extensions shall be available or requested. Notwithstanding the forgoing, either party may give the other party thirty (30) days written notice of intent to vacate or the need to have the other vacate the Premises, in which case this lease will terminate at the expiration of said 30 days.
- 2. Authority.** Each of the parties executing this Lease represents and warrants that he or she has the authority to execute this Lease on behalf of the entity on whose behalf he or she is executing this Lease and that all actions have been taken to make this Lease binding on such entity.
- 3.** All other terms and provisions of the Lease not specifically amended as set forth herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

City of Needles

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

TRI-STATE ALANO CLUB OF NEEDLES, INC., a California nonprofit public benefit corporation

By: Jessi Madan

Date: 6/9/23

ATTEST:

By: \_\_\_\_\_

Its: City Clerk

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
John Pinkney, City Attorney

## LEASE AGREEMENT

THIS LEASE AGREEMENT ("lease"), dated this 11<sup>th</sup> day of July, 2017, is entered into by and between the CITY OF NEEDLES, a Charter City and Municipal Corporation, hereinafter called "Lessor", and the TRI-STATE ALANO CLUB OF NEEDLES, INC., a California nonprofit public benefit corporation, hereinafter called "Lessee."

### WITNESSETH:

1. **Lease.** Lessor hereby leases to Lessee, and Lessee hires from Lessor those certain premises described as follows:

801 Third Street, Needles (a concrete block building with 25-five (25) foot frontage on Third Street. Sixty (60) feet in depth, for a total of fifteen hundred (1500) square feet building area) (the "Premises")

2. **Use.** The Premises are to be used for business and meetings of the Tri-State Alano Club of Needles, Inc. and for no other purposes. Assignment or sublet of the premises to any other organization shall be in accordance with Section subsection 9 of this Agreement.

3. **Term.** The term of this lease shall be for a period of three years, commencing on the 4th day of August, 2017, and ending on the 4th day of August, 2020. ("Term") Notwithstanding the forgoing, either party may give the other party thirty (30) days written notice of intent to vacate or the need to have the other vacate the Premises, in which case this lease will terminate at the expiration of said 30 days.

4. **Rent.** Lessee agrees to pay Lessor the sum of One Dollar and 00/100 (\$1.00) per annum.

5. **Utilities.** The payment of all utilities utilized on the Premises or in the operation of the Tri-State Alano Club shall be the responsibility of Lessee.

6. **Indemnity.** Lessee shall indemnify, protect, defend and hold harmless the Lessor from and against any and all claims, damages, liens, judgments, penalties, reasonable attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee.

7. **Insurance.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of Lessee's use of the Premises. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$1,000,000. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The Limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide Lessor a copy of a Certificate of Insurance and an endorsement

on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only. Said insurance shall not be subject to cancelation, termination or change with first giving Lessor at least 30 days written notice of the same. In the event of cancellation or termination Lessee shall secure substitute insurance in the same amount.

8. **Unlawful Uses.** The Premises shall not be used except for the purposes specified in Section 2 above. Lessee shall not do or permit anything to be done in or about the premises which will in any way conflict with any law, ordinance, rule or regulation or in any way obstruct or interfere with the rights of Lessor, its patrons and employees or other tenants, allow the Premises to be used for any unlawful or objectionable purpose, or do or permit to be done anything to disturb the occupants of neighboring properties.

9. **Assignment.** Lessee shall not assign or sublet the Premises or any part thereof without obtaining the prior written approval of the Lessor, which approval may be given or withheld in the sole and absolute discretion of the Lessor.

10. **Condition.** Lessee agrees to maintain the premises in good condition and repair at its own expense, ordinary wear and tear and damage by fire and the elements excepted. Lessee agrees to commit no waste during the term of the Lease. Any repairs or alterations made upon the Premises shall remain upon and be surrendered at the expiration or other termination of this Lease.

11. **Parking.** Lessee acknowledges that the parking spaces on the east side of the City Hall building are not being leased under this Lease Agreement and that such parking is reserved exclusively for the use of City of Needles personnel during normal business hours of Monday through Friday 7:00 a.m. to 5:00 p.m., excluding designated holidays. Lessee agrees to keep these parking spaces clear and to advise participants and visitors that parking is prohibited in these designated parking spaces during normal business hours of the City of Needles.

12. **Inspection.** Lessor may inspect the Premises at all reasonable times.

13. **Notices.** Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party by the other party shall be in writing and shall be deemed duly served and given when delivered by hand delivery, or by recognized overnight courier, addressed to Lessee at

TRI STATE ALANO CLUB OF NEEDLES, INC.  
153 Victory Drive  
Needles, CA 92363  
Attention: Carol Brown

CITY OF NEEDLES  
817 Third Street  
Needles, CA 92363  
Attention: City Manager

Either party may change its address for the purpose of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

**14. Successors.** This Lease and each of its provisions shall be binding on and shall inure to the benefit of the respective heirs, devisees, legatees, executors, administrators, trustees, successors, and assigns of the parties to this Lease.

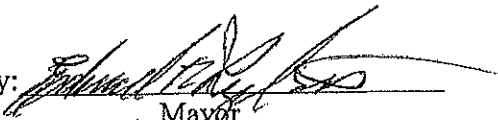
**15. Entire Agreement.** This instrument constitutes the sole and only agreement between Lessor and Lessee respecting the Premises, the leasing of the Premises to Lessee, or the lease Term created under this Lease, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void. This Lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Lessor and Lessee.

**16. Removal of Mechanics' Liens.** Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in the Premises such that Lessor may record and post notices of non-responsibility. Lessee shall remove any mechanics' or materialmans' lien or encumbrance arising out of work performed by Lessee by bond or otherwise within twenty (20) days after notice by Lessor, and if Lessee fails to do so, Lessor may pay the amount necessary to remove such lien or encumbrance at Lessee's expense.

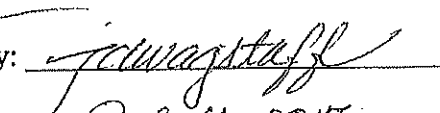
**17. Authority.** Each of the parties executing this Lease represents and warrants that he or she has the authority to execute this Lease on behalf of the entity on whose behalf he or she is executing this Lease and that all actions have been taken to make this Lease binding on such entity.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

CITY OF NEEDLES, a Charter City and  
Municipal Corporation

By:   
Mayor  
Date: July 11, 2017

TRI-STATE ALANO CLUB OF  
NEEDLES, INC., a California Nonprofit  
Public Benefit Corporation

By:   
Date: July 14, 2017



# Request for Council Action

## City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Adopt Resolution 2023-36, a list of Projects for Fiscal Year 2023-2024 funded by SB1: The Road Repair and Accountability Act of 2017.

**Background:** Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide.

The City of Needles must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA).

The City of Needles used a Pavement Management System to develop the SB1 project list to ensure revenues are being used on the most high-priority and cost-effective projects

**Fiscal Impact:** The City of Needles, will receive an estimated \$119,462 in RMRA funding in Fiscal Year 2023-2024 from SB 1 funding.                      Finance Dept.

**Recommendation:** Adopt Resolution 2023-36, a list of Projects for Fiscal Year 2023-2024 funded by SB1: The Road Repair and Accountability Act of 2017

**Submitted By:** Tammy Ellmore, Engineering Tech II

**City Management Review:**                     

**Date:**                     

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

## **RESOLUTION NO 2023-36**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2023- 2024 FUNDED BY SB1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

**WHEREAS** Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

**WHEREAS** SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Needles are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

**WHEREAS** the City of Needles must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the locations of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvements; and

**WHEREAS**, the City of Needles, will receive an estimated \$119,462 in RMRA funding in Fiscal Year 2023-2024 from SB 1; and

**WHEREAS** this is the seventh year in which the City of Needles is receiving SB funding and will enable the City of Needles to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

**WHEREAS** the City of Needles has undergone a robust public process to ensure public input into our community's transportation priorities / the project list; and

**WHEREAS** the City of Needles used a Pavement Management System to develop the SB1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

**WHEREAS** the funding from SB1 will help the City of Needles to maintain and rehabilitate various streets, roads and bridges, and active transportation infrastructure throughout the City of Needles this year and dozens of similar projects into the future; and

**WHEREAS** the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in very poor condition and this



revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads into good condition; and

**WHEREAS** the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

**NOW, THEREFORE, IT IS HEREBY RESOLVED, ORDERED AND FOUND** by the City Council of the City of Needles, California as follows:

1. The foregoing recitals are true and correct.
2. The following previously proposed and adopted projects may also utilize fiscal year 2023 – 2024 Road Maintenance and Rehabilitation Account revenues in their delivery. With the relisting of these projects in the adopted fiscal year resolution. The City of Needles is reaffirming to the public and the State our intent to fund these projects with Road Maintenance and Rehabilitation Account revenues, See attached form for further project details:
  - River Road (K Street to Jack Smith Park)
  - Various sidewalk safety repairs
  - Five Mile Road Rehabilitation Project

**PASSED AND ADOPTED** by the City Council of the City of Needles, California this 13<sup>th</sup> day of June 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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*Janet Jernigan, Mayor*

ATTEST:

APPROVED AS TO FORM:

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*City Clerk*

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*City Attorney*

City of Needles

SB1 PROJECT LIST:

Identified as part of City of Needles Pavement Management System.

- **River Road (K Street to Jack Smith Park)** Grind & Pave with Petromat. Starting in 07/01/2023 and ending 06/30/2024 with a useful life of 20 years.
- **Various sidewalk safety repairs program** will select various citywide broken / tripping hazards / lifted sidewalk and replace with new. Starting in 07/01/2023 and ending 06/30/2024 with a useful life of 50 years.
- **Five Mile Road (Hwy 95 South to City Limits)** Grind & Pave with Petromat. Starting in 07/01/2023 and ending 06/30/2024 with a useful life of 20 years.

Program Fund Received to date:

FY 18 - \$ 18,865 actual

FY 19 - \$ 88,684 actual

FY 20 - \$ 91,566 actual

FY 21 - \$ 93,010 actual (less due to Covid-19)

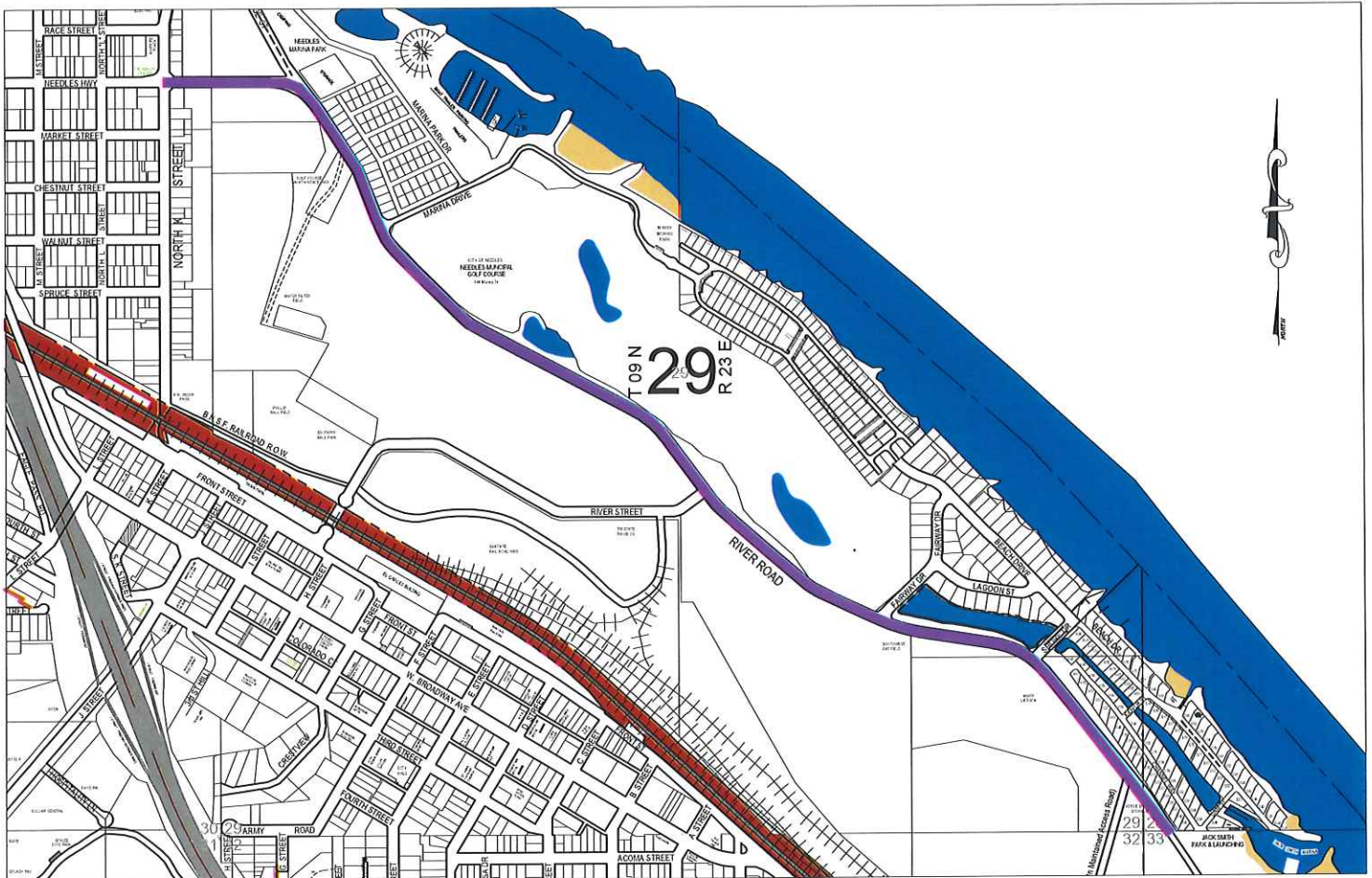
FY 22 - \$ 106,182 actual

FY 23 - \$ 119,462 budgeted

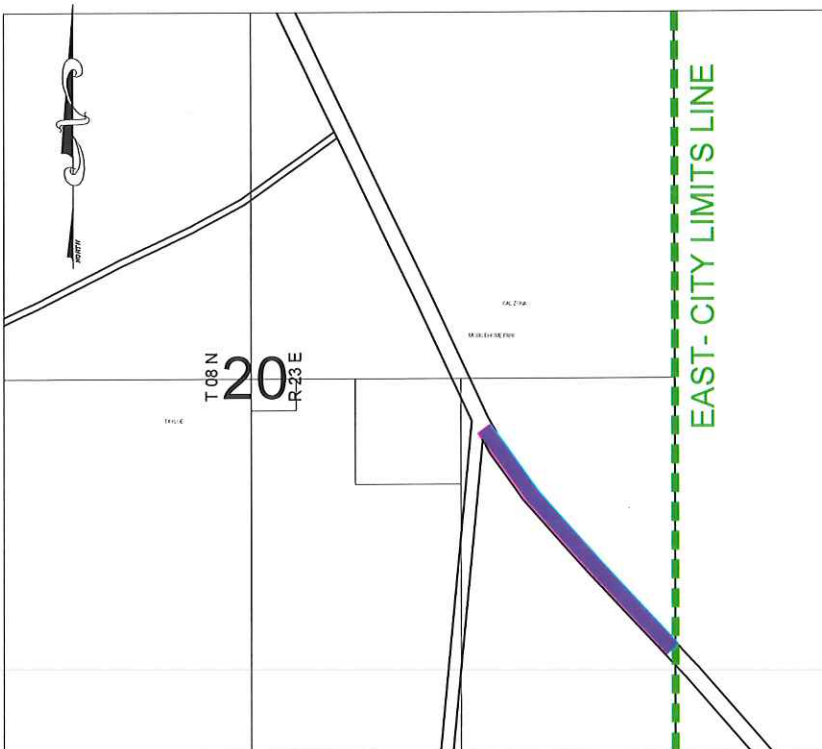
# City of Needles Capital Projects

## SB 1 - Street Improvement Project

### FY 2023- 2024



River Road (North K to Jack Smith Park)



River Road (North K to Jack Smith Park)

#### LEGEND

 **PAVING IMPROVEMENTS** (Grind and Pave with Petromat) including Water Services if needed.

Various Sidewalk (not shown)



# Request for Council Action

## City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Adopt Resolution 2023-35 Measure I Capital Improvement Plan for Fiscal Years 2024 to 2028

**Background:** Measure I require that each local jurisdiction receiving program revenues, adopt a Five-Year Capital Improvement Plan, which outlines the specific projects upon which those funds will be expended. This year's five-year plan will cover fiscal years 2024 through 2028.

The scope to include the following streets for Grind and Pave 1-1/2 to 2" with Petromat the Streets identified in the Phase 4; Desoto (Parkway – Balboa St), Carty Way, Carty Pl, Cary Cir, and El Monte (Parkway to Coronado) and Phase 5 ; Parkway (Lillyhill – Rio Vista), J Street (Parkway – Coronado), Luna Vista (Parkway – Balboa St), Rio Vista (Parkway – Coronado), Calle Hernandez, Redwood, Santa Fe Cir, Larchwood, Casa Linda (Lillyhill to Redwood) La Cima Rd, San Clemente, Arizona Street, San Luis, Casa Del Sol, Casa Real, Clary Dr, Arch St, Q St and North O Street

**Fiscal Impact:** See attached plan

 Finance Dept.

**Recommendation:** Approve the City Council Resolution No 2023-35 adopting the Measure I Five-Year Capital Improvement Plan for fiscal years 2024 through 2028.

**Submitted By:** Tammy Ellmore, Engineering Tech II

**City Management Review:**



**Date:** 6/6

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

## RESOLUTION NO. 2023-35

### A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF NEEDLES, CALIFORNIA, ADOPT THE MEASURE I FIVE- YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2024 THROUGH 2028

**WHEREAS** San Bernardino County voters approved passage of Measure I in September 2019 authorizing the San Bernardino County Transportation Authority to impose a one-half of one percent retail transactions and use tax applicable in the incorporated and unincorporated territory of the County of San Bernardino; and

**WHEREAS** revenue from the tax can only be used for transportation improvement and traffic management programs authorized in the Expenditure Plan set forth in Ordinance No. 89-1 of the Authority; and

**WHEREAS** the Strategic Plan requires each local jurisdiction applying for revenue from the Local Streets Program to annually adopt and update a Five-Year Capital Improvement Plan, and

**WHEREAS** the plan adopted June 13, 2023, has no projects scheduled for FYE 2023 or FYE 2024 and will use collected funds in FY 2023 & FY 2024 to begin Grind and Pave 1-1/2 to 2" with Petromat on the Streets identified in Phase 4 and Phase 5 Street Improvements Plan per Pavement Management Plan adopted October 2019.

**WHEREAS** the scope to include the following streets for Grind and Pave 1-1/2 to 2" with Petromat on the Streets identified in the **Phase 4 Street Improvement**; Desoto (*Parkway – Balboa St*), Carty Way, Carty Pl, Cary Cir, and El Monte (*Parkway to Coronado*) and **Phase 5 Street Improvements**; Parkway (*Lillyhill – Rio Vista*), J Street (*Parkway – Coronado*), Luna Vista (*Parkway – Balboa St*), Rio Vista (*Parkway – Coronado*), Calle Hernandez, Redwood, Santa Fe Cir, Larchwood, Casa Linda (*Lillyhill to Redwood*) La Cima Rd, San Clemente, Arizona Street, San Luis, Casa Del Sol, Casa Real, Clary Dr, Arch St, Q St and North O Street

**NOW, THEREFORE BE IT RESOLVED**, the City Council of the City of Needles hereby adopt Resolution No 2023-35, Measure I Five Year Capital Improvement plan to including street improvements under the Phase 4 & Phase 5 Improvement Plans of the Paving Management Plan along with other funds.

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the City Council of the City of Needles, California, held on the 13<sup>th</sup> day of June 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED TO FORM:

\_\_\_\_\_  
Janet Jernigan, Mayor

ATTEST:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Clerk

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the City Council of the City of Needles, California, held on the 13<sup>th</sup> day of June 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED TO FORM:

\_\_\_\_\_  
Janet Jernigan, Mayor

ATTEST:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Clerk



CITY OF NEEDLES  
MEASURE I CAPITAL IMPROVEMENT PLAN

EXPENDITURE STRATEGY  
Fiscal Year 2024 to 2028

Each jurisdiction shall adopt a Measure I Capital Improvement Plan Expenditure Strategy as part of the annual Capital Improvement Plan adoption. **The Expenditure Strategy is not intended to be a narrative description of the projects listed in the Capital Improvement Plan.** Instead, the Expenditure Strategy should provide the policy approach adopted by the Council for the expenditure of Measure I funds. The jurisdictional **Expenditure Strategy** provides an opportunity to document circumstances or analyses which are not otherwise apparent when reviewing the Measure – I Capital Improvement Plan.

**You must include the strategy as part of the annual Capital Improvement Plan adopted by your governing body.**

*THE CITY INTENDS TO ACCUMULATE MEASURE I REVENUE FOR THE SPECIFIC LARGE PROJECTS LISTED (i.e., "PAY-AS" YOU GO"). PLEASE REFER TO THE LIST OF PROJECTS ON THE ATTACHED FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR OUR CITY.*

MEASURE I PROJECTS

FYE 2024	PORTIONS of the <u>Phase 4</u> Street Improvements – Per Pavement Management Plan <b>Desoto</b> (Parkway – Balboa St), <b>Carty Way</b> , <b>Carty Pl</b> , <b>Cary Cir</b> , and <b>El Monte</b> (Parkway to Coronado)
FYE 2025	PORTIONS of the <u>Phase 5</u> Street Improvements – Per Pavement Management Plan Including <b>Parkway</b> (Lillyhill – Rio Vista), <b>J Street</b> (Parkway – Coronado), <b>Luna Vista</b> (Parkway – Balboa St), <b>Rio Vista</b> (Parkway – Coronado), <b>Calle Hernandez</b> , <b>Redwood</b> , <b>Santa Fe Cir</b> , <b>Larchwood</b> , <b>Casa Linda</b> (Lillyhill to Redwood) <b>La Cima Rd</b> , <b>San Clemente</b> , <b>Arizona Street</b> , <b>San Luis</b> , <b>Casa Del Sol</b> , <b>Casa Real</b> , <b>Clary Dr</b> , <b>Arch St</b> , <b>Q St</b> and <b>North O Street</b>

Resolution Number:	2023-35
Resolution Approval Date:	6/13/2023
Contact Person/Title:	Tammy Ellmore - Eng Tech II
Phone:	(760) 326-5700 x150
Email:	tellmore@cityofneedles.com

Measure I Local Pass-through Program

# FIVE YEAR CAPITAL IMPROVEMENT PLAN

Fiscal Years 2023/2024 thru 2027/2028

Jurisdiction:

Needles

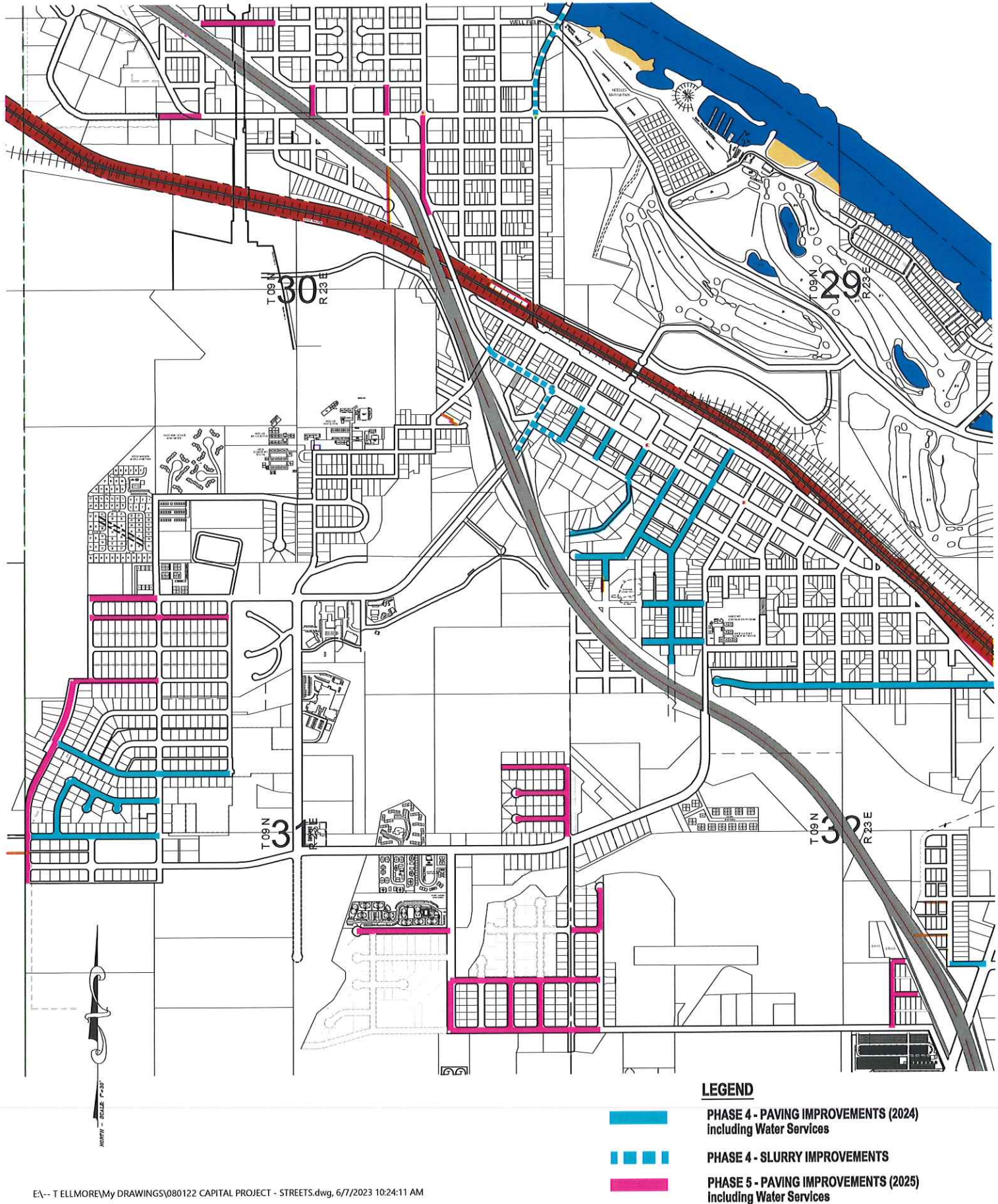
Projects:		Is Project in City's Non-motorized Transportation Plan? (Year/No)		Does Project have an ATP Component? (Year/No)		Is the Project on the City's Nexus Study List? (Public/DIF Share %)		Estimated Total Project Cost		FY2023/24 Est. Revenue		FY2024/25 Est. Revenue		FY2025/26 Est. Revenue		FY2026/27 Est. Revenue		FY2027/28 Est. Revenue		6/30/23 Carryover Balance	
		No		No		0.0%		\$700,000		\$230,393		\$232,538		\$238,545		\$244,706		\$251,025		Total Est. Rev.	
		No		No		0.0%		\$1,200,000		\$0		\$1,200,000		\$0		\$0		\$0		\$1,197,207	
PHASE 4 STREETS IMPROVEMENT																					\$484,970.00
PHASE 5 STREETS IMPROVEMENT																					\$700,000
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# City of Needles Capital Projects

## Street Improvements & Water Service Replacement

### MEASURE I PROJECTS - PHASE 4 & 5





## City of Needles, California Request for Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Resolution No. 2023-33 approving an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2023-2024 school year

**Background:** This Agreement will continue the cost sharing of the Sheriff's Service Specialist with the School District for next school year.

**Fiscal Impact:** The City's share of this position is paid for with COPS grant funds and has been included in the 2023-2024 budget along with the reimbursement revenues from the School District. No financial impact on the general fund.

**Recommendation:** Waive the reading and adopt Resolution No. 2023-33 approving an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2023-2024 school year.

**Submitted By:** Cheryl Sallis, Community Services Manager

**City Management Review:** R.ck

**Date:** 6/5/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 18

RESOLUTION NO. 2023-33

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF NEEDLES, CALIFORNIA, APPROVING AN  
AGREEMENT BETWEEN THE CITY OF NEEDLES AND  
NEEDLES UNIFIED SCHOOL DISTRICT FOR A SHERIFF'S  
SERVICE SPECIALIST FOR THE 2023-2024 SCHOOL YEAR

WHEREAS, the City of Needles and Needles Unified School District have a cooperative need for a qualified Sheriff's Service Specialist to perform various functions and tasks beneficial to both agencies; and

WHEREAS, the County Sheriff's Department contributed 10% towards the position of Service Specialist and the City and School District agreed to share the remaining cost of the Service Specialist and equipment 50%-50% for the 2023-2024 school year; and

WHEREAS, the City has funds available from a State COPS grant to pay its 50% share of the cost.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California, hereby approves an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2023-2024 school year and authorizes the Mayor to sign same.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13th day of June, 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST: \_\_\_\_\_

City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



## AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the CITY OF NEEDLES, hereinafter referred to as "CITY", and NEEDLES UNIFIED SCHOOL DISTRICT, hereinafter referred to as "DISTRICT".

### WITNESSETH

WHEREAS, CITY and DISTRICT have a cooperative need for a qualified Sheriff's Service Specialist with applicable equipment (hereinafter referred to as Service Specialist) to perform the services as described in Attachment A of this Agreement; and

WHEREAS, the County Sheriff's Department is willing to contribute 10% towards the position of Service Specialist; and

WHEREAS, after the 10% contribution from the Sheriff's Department, the remaining cost of the Service Specialist will be \$89,744 for the 2023-2024 school year. DISTRICT is willing to pay one-half of this cost for a total of \$44,872 which includes the cost of personnel and equipment during the 2023-2024 school year and CITY is willing to pay one-half of the Service Specialist cost for a total of \$44,872.

NOW, THEREFORE, DISTRICT and CITY mutually agree as follows:

CITY agrees to:

- 1) Contract with the San Bernardino County Sheriff's Department to provide a Sheriff's Service Specialist during the 2023-2024 school year; and
- 2) Pay the San Bernardino County Sheriff's Department the contract amount for such services.

DISTRICT agrees to:

- 1) Pay CITY \$44,872 as DISTRICT's contribution for the services of the Service Specialist; and
- 2) Make full payment to CITY upon receipt of an invoice.

Duration of Agreement:

The term of this Agreement shall be for the 2023-2024 school year.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

CITY OF NEEDLES

NEEDLES UNIFIED SCHOOL DISTRICT

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Superintendent

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



ATTACHMENT A  
TO AGREEMENT BETWEEN  
THE NEEDLES UNIFIED SCHOOL DISTRICT  
AND CITY OF NEEDLES

**SHERIFF'S SERVICE SPECIALIST JOB EXPECTATIONS/RESPONSIBILITIES**

Expectations and responsibilities include but are not limited to representing the Sheriff's Department / Needles Police in the community by managing and directing programs that promote crime prevention, drug prevention, public information, community involvement, and child safety.

**The following is a list of duties:**

- Prepare weekly arrest log press release
- Manage station social media
- Monitor daily activities and prepare press releases
- Handle press inquiries
- Conduct drug prevention awareness in the Needles School District and Needles recreation center
- Coordinate Every 15 Minutes presentation at Needles High School
- Recruit Explorer Scouts
- Assist with traffic control
- Coordinate with school district for crime and drug prevention programs
- Network with school officials to develop school safety presentations for students and parents
- Coordinate Station Trunk or Treat event
- Coordinate Shop with a first responder event for Needles youth during Christmas season
- Assist with Backpack Buddies event providing school supplies and clothing for Needles students
- Recruit USMC Devil Pup participants for Needles youth
- Traffic control at Needles schools
- Coordinate Red Ribbon Week at local schools
- Assist with Needles Children's Health Fair
- Coordinate Elementary School Christmas bicycle giveaway

**Training:**

- Attend in service training related crime prevention, public affairs, and community relations.
- Network with Department Public Affairs Division to maintain awareness of most recent practices

**SCHEDULE A**  
**Law Enforcement Services Contract**  
**City of Needles**  
**2023-24**

**ROLLOVER**

<b><u>LEVEL OF SERVICE</u></b>		<b>FY 2023-24</b>
		<b><u>COST</u></b>
0.31 - Lieutenant	\$	124,712 <sup>1</sup>
1.35 - Sergeant	\$	455,966 <sup>1</sup>
1.00 - Detective/Corporal	\$	284,730 <sup>1</sup>
8.42 - Deputy Sheriff Tier 2	\$	1,993,898 <sup>1</sup>
0.90 - Sheriff's Service Specialist	\$	78,850 <sup>1</sup>
0.50 - Office Specialist	\$	40,463 <sup>1</sup>
4.00 - Marked Unit	\$	77,261 <sup>2</sup>
1.00 - Unmarked Unit	\$	7,968 <sup>2</sup>
0.90 - Pickup truck	\$	7,622 <sup>2</sup>
1.00 - Citizen Patrol Truck	\$	6,357 <sup>3</sup>
Dispatch Services	\$	175,671 <sup>1</sup>
11.90 - HTs (Amortization, Access & Maintenance)	\$	16,624 <sup>1397</sup>
10.00 - Taser Replacement (Amortized over 5-years)	\$	3,360
Administrative Support	\$	13,929
Office Automation	\$	33,276
Vehicle Insurance	\$	8,247 <sup>1195</sup>
Personnel Liability & Bonding	\$	216,224
Workers' Comp Experience Modification	\$	19,347
County Administrative Cost	\$	54,527
<b>Cost for FY2023-24</b>		<b>\$ 3,619,032 <sup>1, 3, 4</sup></b>

Service specialist cell phone estimated \$56.70/mo = \$680 annual

**Monthly Payment Schedule**

1 <sup>st</sup> payment due July 15, 2023:	\$301,586
2 <sup>nd</sup> through 12 <sup>th</sup> payments due the 5 <sup>th</sup> of each month:	\$301,586

- <sup>1</sup> Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.
- <sup>2</sup> Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.
- <sup>3</sup> No replacement cost is included for grant funded or donated vehicles.
- <sup>4</sup> Services and supplies will be billed to the City on a quarterly invoice.

city = \$44,872  
 school = \$44,872  
 serv specialist = \$89,744



## City of Needles, California Request for Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Resolution No. 2023-34 approving the Zero-Emission Bus Rollout Plan for the City of Needles/Needles Area Transit

**Background:** In December 2018, the California Air Resources Board (CARB) adopted the Innovative Clean Transit (ICT) regulation that requires all California transit agencies to phase in the purchase of zero-emission buses (ZEB) with a goal of full transition to zero-emission technologies by 2040. In April 2019, the San Bernardino County Transportation Authority (SBCTA) issued a contract task order to WSP USA, Inc. (WSP) to conduct a countywide analysis comparing the current fleet of buses in San Bernardino County to ZEB which included the City of Needles. The analysis considered the economics and financials of full fleet conversion; examined the difference in costs between Battery-Electric Bus (BEB) and Hydrogen Fuel Cell Electric Bus (FCEB) versus a Compressed Natural Gas (CNG) bus; as well as the cost of new capital, rehabilitation and overall operations, including power/fuel and maintenance costs. The goals of the analysis were three-fold: (1) determine the most cost-effective approach to a 100% bus fleet with zero-emission population; (2) determine the capital improvements required to achieve ZEB fleets for all of the county's transit operators; and (3) provide a financing and purchasing strategy that allows each local transit operator to meet ZEB deadlines. The results of the analysis included individual Rollout Plans for each transit agency to satisfy CARB compliance including technological recommendations of either BEBs, including systems using a variety of electricity sources; FCEBs; or a combination thereof. Additionally, guidance was provided for fleet purchases, infrastructure requirements such as charger installation and on-site hydrogen fuel storage, as applicable; and the associated construction timelines.

Pursuant to ICT regulations, the City/NAT must file a zero-emission bus rollout plan with CARB by June 30, 2023.

**Fiscal Impact:** Capital costs for the BEB fleet and facilities improvements conversion will be budgeted and funded through SBCTA with Transit Development Act (TDA) State Transit Assistance Funds (STA) as the primary funding source over a period of years until full transition by 2040.

**Recommendation:** Waive the reading and adopt Resolution No. 2023-34 approving the Zero-Emission Bus Rollout Plan for the City of Needles/Needles Area Transit.

**Submitted By:** Cheryl Sallis, Community Services Manager

**City Management Review:**

Rica

**Date:**

6/5/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 19

RESOLUTION NO. 2023-34

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF NEEDLES, CALIFORNIA, APPROVING  
THE ZERO-EMISSION BUS ROLLOUT PLAN FOR  
THE CITY OF NEEDLES/NEEDLES AREA TRANSIT (NAT)

WHEREAS, California Code of Regulations Title 13, Division 3, Chapter 1, Article 4.3, Part 2023.1(d) Zero Emissions Bus Rollout Plan Requirements requires that a transit agency's Zero-Emission Bus Rollout Plan must be approved by its Governing Board; and

WHEREAS, the Zero-Emission Bus Rollout Plan sets forth the City of Needles/Needles Area Transit's plan which meets the following requirements:

- A goal of full transition to zero-emission buses by 2040 with careful planning that avoids early retirement of conventional internal combustion engine buses;
- Identification of the types of zero-emission bus technologies Needles Area Transit is planning to deploy;
- A schedule for zero-emission and conventional internal combustion engine bus purchases and lease options;
- A schedule for conversion of conventional internal combustion engine buses to zero-emission technologies;
- A schedule for construction of facilities and infrastructure modifications or upgrades, including charging, fueling, and maintenance facilities, to deploy and maintain zero-emission buses;
- Explanation of how Needles Area Transit plans to deploy zero-emission buses in Disadvantaged Communities;
- A training plan and schedule for zero-emission bus operators and maintenance and repair staff; and
- Identification of potential funding sources.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California, hereby approves the City of Needles/Needles Area Transit's Zero-Emission Bus Rollout Plan as attached hereto and incorporated herein as Exhibit 'A'.

BE IT FURTHER RESOLVED that insofar as the provisions of any ordinance, resolution, document, or previous action of the City Council and/or its City Manager, prior to the date of this Resolution, are inconsistent with the provisions of this Resolution or any policy adopted by this Resolution, this Resolution and the Board Policies adopted herein shall control.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13th day of June, 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney





## Needles Area Transit (NAT) Zero-Emission Bus Rollout Plan



### Prepared and Presented By:

- A San Bernardino County-wide Plan was prepared by WSP USA and presented to the San Bernardino County Transportation Authority Board on June 3, 2020
- The WSP USA Plan for the City of Needles was updated and amended to meet the Regulation's requirements and presented to the Needles City Council on June 13, 2023

# 1 CITY OF NEEDLES

---

## 1.1 INTRODUCTION

The City of Needles operates Needles Area Transit (NAT), a service that provides deviated fixed-route transportation within the City of Needles (hereinafter referred to as both Needles and the “city”).

**Transit Agency’s Name:** City of Needles operated as Needles Area Transit

**Mailing Address:** 817 Third Street, Needles, San Bernardino County, California 92363

**Air District:** Mohave Desert Air Quality Management District (MDAQMD)

**Air Basin:** Mohave Desert Air Basin

**Total Buses in Annual Maximum Service:** NAT has 3 buses in annual maximum service for the deviated fixed route

**Urbanized Area:** NAT provides deviated fixed route service in non-urbanized areas (UAZs) within the city limits of the City of Needles

**City Manager Contact Information:** Rick Daniels, City Manager, 760-326-2113, [rdaniels@cityofneedles.com](mailto:rdaniels@cityofneedles.com)

**Joint Group:** Needles Area Transit is not part of a Joint Group

**Does NAT's Rollout Plan Transition to ZE Technologies by 2040 and Avoids Early Retirement of Conventional Transit Buses?** Yes

**Date of City Council Approval of Rollout Plan:** June 13, 2023

**City Council Resolution Number:** Resolution No. 2023-34

**City Council Approved Resolution Attached to Rollout Plan?** Yes

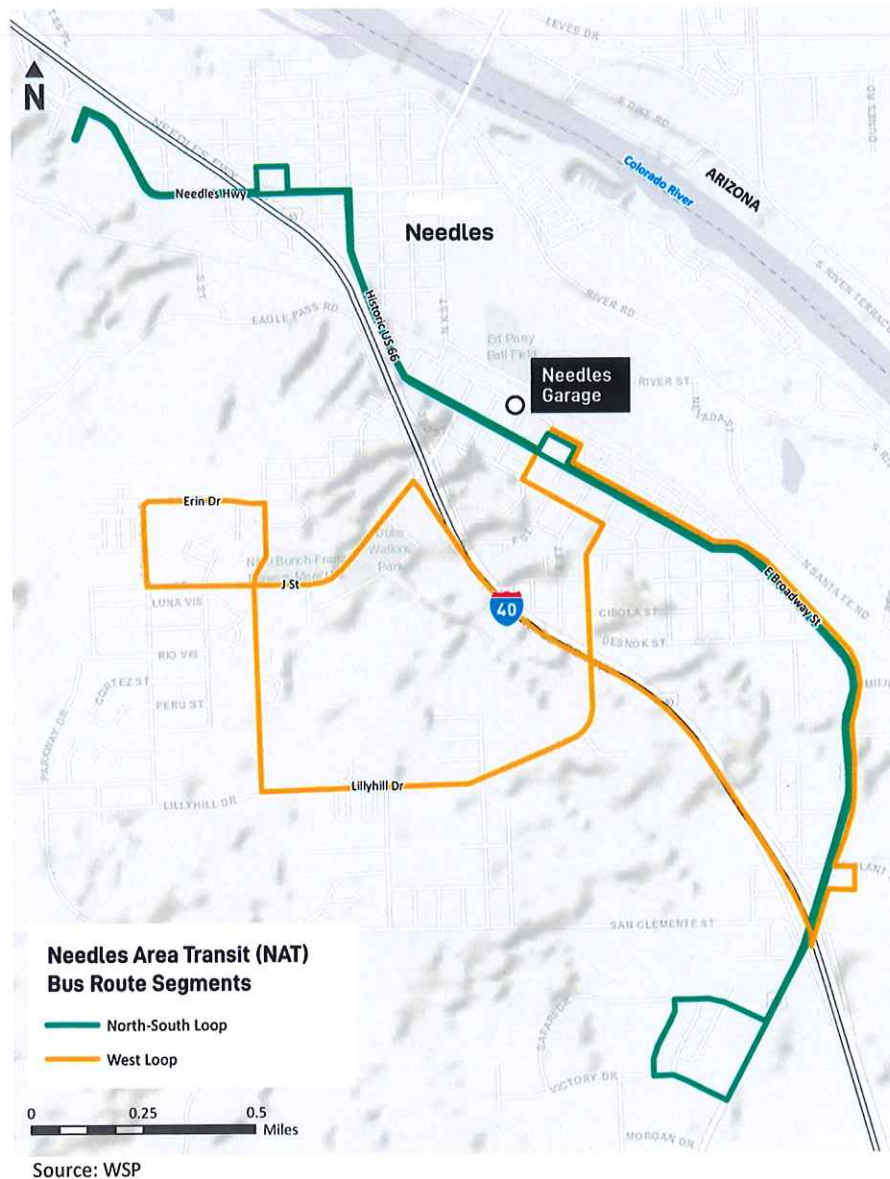
**Follow Up Contact Information:** Cheryl Sallis, Community Services Manager, 760-326-2113 ext 115, [csallis@cityofneedles.com](mailto:csallis@cityofneedles.com)



### 1.1.1 SERVICE AREA

NAT serves the City of Needles which rests along the Colorado River in the Tri-State area of California, Arizona and Nevada at the extreme eastern edge of San Bernardino County. Its population according to the 2020 United States Census was 4,959.

Figure 1-1. NAT Service Area



1.1.2 ENVIRONMENTAL FACTORS

Relative to the other communities that SBCTA-affiliated transit operators serve, the City of Needles is extraordinarily isolated. The nearest city within San Bernardino County is Barstow, over 140 miles away across the Mojave Desert and two mountain ranges; the nearest large city is Las Vegas, Nevada, approximately 110 miles away.

Needles experiences an extreme desert climate with average high temperatures of 108 degrees in July. Average temperatures are lowest in December and January, 43 and 44 degrees, respectively. The city receives very little precipitation with annual rainfall amounting to 4.65 inches<sup>3</sup>.

1.1.3 SCHEDULE AND OPERATIONS

NAT operates the deviated fixed-route service on a single route within the city which runs weekdays from 7:00 AM to 6:55 PM and Saturdays from 10:00 AM to 4:55 PM. The single fixed-route is a combination of two loops each with a 25-minute duration. The east-west loop begins on the hour and serves several civic destinations and the Colorado River Medical Center. The north-south loop begins on each half-hour and travels along historic Route 66 serving the Needles Towne Center.

The City of Needles also contracts operation of a dial-a-ride service for seniors and persons with disabilities, a medical transportation to Mohave Valley/Bullhead City, Arizona on Tuesdays and Thursdays, and a Shopper Shuttle on Wednesdays to Fort Mohave, Arizona (both medical and shopper services with advanced reservation), however, the three vehicles used in these services are less than 14K pounds in gross vehicle weight rating (GVWR) and are, therefore, not included in the Table 1-1 summary below.

1.2 FLEET AND ACQUISITIONS

The following section provides an overview of NAT’s existing fleet, planned purchases, and description of how NAT will meet the requirements of the ICT regulation.

1.2.1 EXISTING BUS FLEET

As of May 2023, the City of Needles contracts operation of three gas-powered, 25-foot, cutaway buses for deviated fixed-route service. Table 1-1 presents a summary of NAT’s fixed-route existing bus fleet.

Table 1-1. Summary of NAT’s Existing Bus Fleet

MANUFACTURER	SERIES	FUEL TYPE	LENGTH	IN SERVICE YEAR	BUS TYPE	NO. OF BUSES
Glaval Express	4500	gas	25'	2018	Cutaway	2
Elkhart Coach	Type C	gas	25'	2012	Cutaway	1
Total Buses						3

Source: City of Needles, May 2023

1.2.2 ZEB TECHNOLOGY APPLICATION

Past and ongoing ZEB analysis for NAT’s operations has determined that BEB adoption is the ZEB technology that suits the needs of Needles for their purchasing and transition requirements pursuant to the ICT regulation. FCEBs, at this time, are not feasible as there are no current U.S. manufacturers offering a cutaway. Additionally, the city as an agency and its fleet do not have the staff expertise nor is Needles of sufficient size to make FCEBs feasible or cost-effective.

<sup>3</sup> U.S. Climate data; Needles, CA, 2019 <https://www.usclimatedata.com/climate/needles/california/united-states/usca0753>



## BATTERY-ELECTRIC BUS (BEB)

NAT's future BEBs are expected to have specifications that are compatible with the SAE J1772 charging standard (e.g., "plug-in charging") (Figure 1-2). Needles will specify charging ports on the rear of BEBs to allow for their existing site circulation and parking patterns to continue without additional modifications. Battery sizing (kilowatts) will be determined based on service needs requirements and what is available and feasible based on costs and weight. Charger rating (kilowatt-hour) will be based on service needs, battery acceptance, and costs.

**Figure 1-2. Ground-Mounted Plug-In Charger**



Source: Cultura

## FUEL CELL ELECTRIC BUS (FCEB)

Currently, there are no manufacturers in the U.S. market that offer a FCEB cutaway deeming hydrogen power infeasible under existing conditions. While a hydrogen-powered cutaway may be developed in the future, Needles must plan and design for facilities and buses that are currently on the market to ensure they can comply with CARB's ICT regulation. However, as technology further develops, the city will remain open to technologies outside of BEB and will update plans, studies, and strategies accordingly.

For specific blocks that are not capable of being served efficiently by existing BEB technology, FCEBs could be a viable option if cutaways are eventually introduced to the market. In that case, FCEBs will be fueled at future commercial/public hydrogen fueling stations located in the Needles service area. As no fueling operations currently exist at the garage nor does the existing site have enough open area to add a small modular hydrogen fueling system, on-site hydrogen fueling will not be introduced.

---

### 1.2.3 PROCUREMENT SCHEDULE

In accordance with the ICT regulation, the City of Needles will prioritize ZEB purchases and progressively increase the percentage of ZEB purchases over time. Based on initial analysis, the last conventional bus is expected to be purchased in 2024. All new bus purchases are anticipated to be ZEB starting in 2028 – one year before the requirement.

Early retirement should not be an issue pursuant to the ICT regulation based on Needles' assumed procurement schedule. However, if it becomes one, the city will deploy several strategies to ensure that buses fulfill their "useful

life”. One potential strategy is to place newly acquired buses on NAT’s longest (distance) blocks of service. This will ensure that these buses meet their distance-based useful life requirement more rapidly.

NAT’s existing fleet consists of three 25-foot cutaway buses. Assuming a 1:1 replacement ratio, each existing bus will eventually be replaced with a 25-foot BEB cutaway bus. However, the number of ZEBs required may need to be increased based on service requirements.

Table 1-2 presents a summary of NAT’s anticipated bus procurements through 2040. Years 2026 and 2029 are highlighted because these indicate when NAT’s new purchases should be 25 percent and 100 percent ZEBs, respectively.

**Table 1-2. Summary of NAT’s Future Bus Purchases (through 2040)**

YEAR	TOTAL BUSES	ZERO-EMISSION BUSES				CONVENTIONAL (GAS) BUSES			
		NUMBER	PCT.	BUS TYPE	FUEL TYPE	NUMBER	PCT.	BUS TYPE	FUEL TYPE
2020	0	0	0%	-	-	0	0%	-	-
2021	0	0	0%	-	-	0	0%	-	-
2022	0	0	0%	-	-	0	0%	-	-
2023	1	0	0%	-	-	1	100%	Cutaway	Gas
2024	1	0	0%	-	-	1	100%	Cutaway	Gas
2025	0	0	0%	-	-	0	0%	-	-
2026	0	0	0%	-	-	0	0%	-	-
2027	0	0	0%	-	-	0	0%	-	-
2028	1	1	100%	Cutaway	BEB	0	0%	-	-
2029	0	0	0%	-	-	0	0%	-	-
2030	0	0	0%	-	-	0	0%	-	-
2031	0	0	0%	-	-	0	0%	-	-
2032	0	0	0%	-	-	0	0%	-	-
2033	1	1	100%	Cutaway	BEB	0	0%	-	-
2034	0	0	0%	-	-	0	0%	-	-
2035	0	0	0%	-	-	0	0%	-	-
2036	0	0	0%	-	-	0	0%	-	-
2037	0	0	0%	-	-	0	0%	-	-
2038	1	1	100%	Cutaway	BEB	0	0%	-	-
2039	0	0	0%	-	-	0	0%	-	-
2040	0	0	0%	-	-	0	0%	-	-

Note: All new purchases are assumed to have a useful life of five years per FTA Circular 9030.1D, Ch. VI, paragraph 4.a. NAT typically has two buses in service with a third classified as a spare. The spare, per this schedule, is kept for 10 years before replacement with the second oldest fleet vehicle. For example, in 2033, NAT will purchase a new BEB. Its 2028 bus will still be used in service and its 2024 bus will be used as a spare (2023 vehicle will be retired).

Source: WSP

#### 1.2.4 ZEB RANGE REQUIREMENTS AND COSTS

NAT operates two blocks. The first block (weekday) is approximately 177 miles with a duration of 12 hours. The second block (Saturday) is approximately 97 miles with a duration of 7 hours. Depending on operational



parameters, including operator behavior, ambient temperature, traffic, and ridership, these ranges may be unattainable or difficult to achieve on certain days. To reduce impacts to service, the city will need to consider a number of strategies to supplement onboard battery storage, including additional buses, mid-day charging, battery/charging management systems, and solar and battery storage. In future ZEB applications, NAT may also consider FCEBs, especially if battery technology doesn't advance as forecasted.

---

### 1.2.5 ZEB CONVERSIONS

Conventional bus conversions to ZEB technologies are not currently being considered for Needles. However, the city will remain open to conversions if they are deemed financially feasible and align with goals to ZEB adoption.

---

## 1.3 FACILITIES AND INFRASTRUCTURE MODIFICATIONS

The following sections detail the planned charging strategies, infrastructure, detailed garage improvements, and program schedule.

---

### 1.3.1 METHODOLOGY

Since ZEB technology continues to evolve, it is difficult to commit to a costly strategy that may become outdated or obsolete in the future. For that reason, the facility and infrastructure modifications are based on what can physically be accommodated at each facility. This is based on the number of existing vehicles plus a predetermined growth factor (or space at the garage). This provides the city with a ceiling for what can be physically constructed and at what cost. Service changes and bus movements may happen multiple times a year. By establishing a full ZEB build out scenario, the city can optimize and tailor strategies based on existing (or anticipated) service for implementation.

In the case of Needles, the full ZEB build scenario is presented for context. However, refinements and tailored strategies will be developed in the Master Plan and future implementation studies.

---

### 1.3.2 FACILITY MODIFICATIONS

NAT's transition to ZE technologies, namely BEB, will require a number of modifications and changes to existing infrastructure and operations.

Full facility ZEB layout is based on utilizing a 150-kW DC charging cabinet used in a 1:2 charging ratio (one DC charging cabinet energizes two separate plug-in cord dispensers). This charger to dispenser ratio would meet the requirements to charge NAT's fleet during the vehicles' servicing and dwell time on the site while minimizing the peak electrical demand.

Table 1-3 summarizes the modifications and schedule of the garage and the following sections detail the process of the transition from existing conditions to BEB-readiness.

**Table 1-3. Needles Garage Summary**

FACILITY	ADDRESS	MAIN FUNCTIONS	PLANNED INFRASTRUCTURE	SERVICE CAPACITY	UPGRADES REQ'D?	TIMELINE
NAT	1101 Front St. Needles, CA	Storage	Ground-Mounted Plug-In Charging	4 buses	Yes	2023-2028

Source: WSP

Note: Fuel is conducted offsite

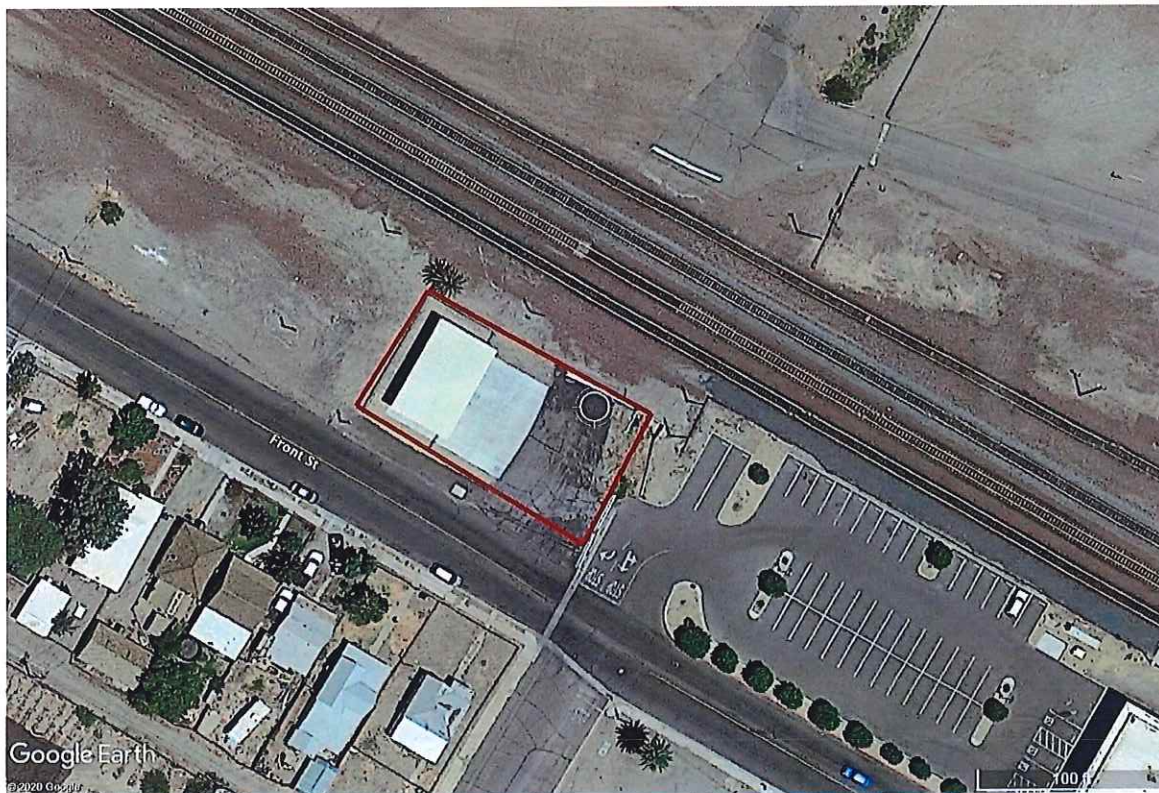
## NEEDLES AREA TRANSIT GARAGE

### EXISTING CONDITIONS

The NAT Garage is located at 1101 Front Street in the City of Needles. Electrical service is provided by the Needles Public Utility Authority, a municipal utility.

Currently, three gas-powered cutaway buses are stored at the garage. Buses enter the driveway for both the garage and parking lot from Front Street and are stored in the three-bay garage for overnight parking. During extreme heat, bus drivers may leave their personal vehicles in the garage during operating hours to shelter vehicles from 120 °F heat. The garage is not equipped with HVAC, only lighting and three garage doors. Bus maintenance and repair is currently performed on-site with the contract operator sending a mechanic to Needles for such services.

**Figure 1-3. NAT Garage - Existing Conditions**



Source: Google Earth



Figure 1-4. NAT Garage – Existing Conditions



Source: WSP

## PLANNED ZEB MODIFICATIONS

Based on Needles' existing service needs and site configuration, ground-mounted plug-in chargers will be installed both internal and external to the NAT garage to support future BEBs.

Based on the ground-mounted DC plug-in charging solution, the NAT garage is capable of parking four buses with two plug-in charging positions in a 1:2 charger to bus dispenser ratio.

Table 1-4 summarizes the ZEB infrastructure planned at NAT's facility.

Table 1-4. NAT ZEB Supporting Infrastructure Summary

AGENCY	FACILITY	CHARGING STRATEGY	# OF CHARGERS	# OF DISPENSERS	CHARGER RATING	FCEB STRATEGY*
Needles	NAT	Ground-Mounted; Plug-In	2	4	150 kW	Off-Site Fueling

Source: WSP

Note: At this time, there are no current cutaway FCEBs on the market, however, if one is developed and Needles determines adoption is feasible, off-site fueling/storage will be needed

The following are BEB equipment and locations:

- Two charging cabinets along the western facility exterior and site boundary;
- Three plug-in dispenser-charging positions along the western facility interior wall;
- One plug-in dispenser-charging position on the northeastern existing facility exterior for charging.

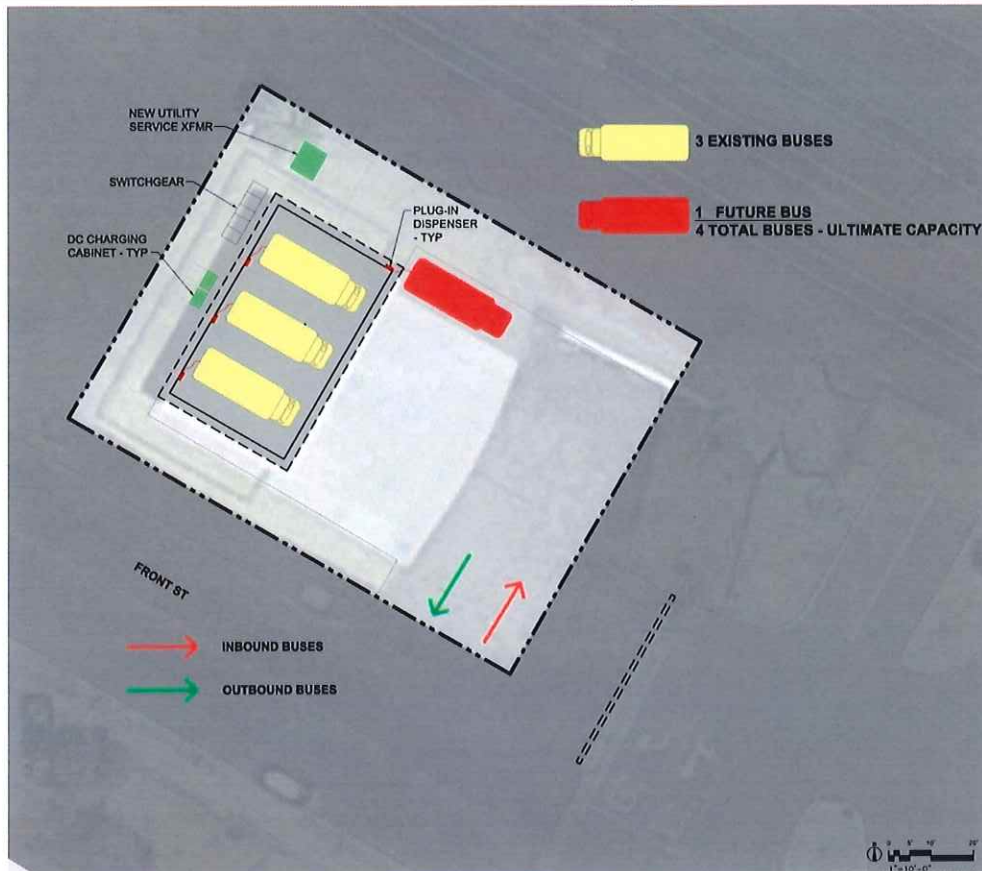


The plug-in charging dispensers and charging cabinets will be served by the following electrical infrastructure:

- One medium voltage utility service transformer along the northwestern facility exterior and site boundary.
- One switchgear service along the western facility exterior and site boundary.

Figure 1-5 illustrates the NAT Garage at full build-out.

**Figure 1-5. NAT Garage – Full ZEB Build-Out**



Source: WSP

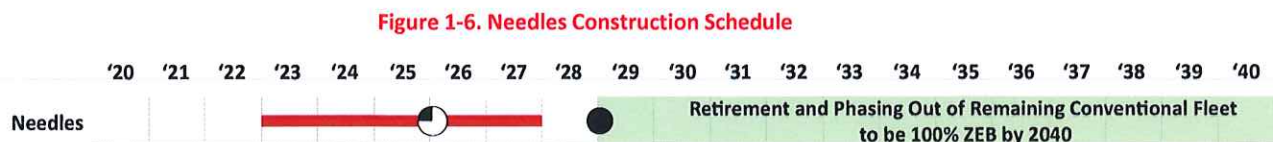
### 1.3.3 PHASING AND CONSTRUCTION SCHEDULE

Adhering to the construction schedule and milestones will be critical because the facilities' construction must be completed before buses are delivered, otherwise, the buses will not be able to operate.

Additional electrical capacity will be required to meet the service needs of buses at the NAT garage. Construction and enhancements to bring this additional electrical capacity is anticipated to take three to five years. This timeframe would include method of service studies, design, and construction.

Construction for the NAT garage and its associated BEB charging equipment and support systems is assumed to be completed in one six-month stage. The plan for the NAT garage is to install all the in-ground conduit to route electrical service to both charging cabinets with four plug-in dispensers mounted at the edge of the parking spaces in the existing building and on its exterior wall. These chargers and dispensers can be installed with aboveground electrical distribution routed along a cable way from the new electrical yard to the western exterior wall to meet the charging cabinets. From the charging cabinets, the electrical distribution can then penetrate the wall to the interior dispensers and route along the interior wall before penetrating the wall to the exterior dispenser.

Figure 1-6 presents the proposed construction schedule for NAT’s transition to ZEBs. The Harvey Balls indicate the percentage of new buses that need to be ZEB pursuant to the ICT regulation. Figure 1-6 notwithstanding, Needles is on target to begin planning and design of the facilities by 2025.



Source: WSP

## 1.4 DISADVANTAGED COMMUNITIES

Disadvantaged communities (DACs) refer to the areas that suffer the most from a combination of economic, health, and environmental burdens. The California Environmental Protection Agency (CalEPA) and California’s Senate Bill 535 define a “disadvantaged” community as a community located in the top 25th percentile of census tracts identified by the results of the California Communities Environmental Health Screening Tool (CalEnviroScreen).

CalEnviroScreen uses environmental, health, and socioeconomic data to measure each census tract (community) in California. Each tract is assigned a score to gauge a community’s pollution burden and socioeconomic vulnerability. A higher score indicates a more disadvantaged community, whereas, a lower score indicates fewer disadvantages.

The replacement of conventional buses with ZEBs can yield many benefits in the communities they serve, including a reduction of noise and harmful pollutants. DACs are disproportionately exposed to these externalities, thus, should be prioritized and considered during initial deployments of ZEBs.

### 1.4.1 NAT’S DISADVANTAGED COMMUNITY ANALYSIS

To understand ZEBs impacts on NAT’s service area, it was pertinent to establish if: 1) its garage is in a DAC; and 2) if its routes traverse DACs.

At this time, the NAT garage is not in an area considered “disadvantaged”. Its routes currently traverse two census tracts, both of which are not considered disadvantaged by the CalEnviroScreen tool.

Table 1-5 summarizes NAT’s garage and census tracts served in terms of DACs.

**Table 1-5. NAT’s Disadvantaged Communities**

GARAGE	IN DAC?	NOX EXEMPT AREA?	COMMUNITIES SERVED	DAC’S SERVED	PCT. OF DACS SERVED
Needles Area Transit	No	No	2	0	0%

Source : CalEnviroScreen 4.0

## 1.5 WORKFORCE TRAINING

The following section provides an overview of Needles’ plan and schedule to train personnel on the impending transition.



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### 1.5.1 TRAINING REQUIREMENTS

The transition to ZEBs will significantly alter NAT's service and operations. Converting to ZEBs from gas is an arduous endeavor and will impact all ranks of the organization. This will require extensive change to managing and training which will be provided by the original equipment manufacturers (OEMs) and NAT. Training will need to be conducted after buses are procured and in advance of the delivery of the first buses. NAT is assumed to procure its first BEB in 2028 with an expected delivery shortly after. It is anticipated that training should begin in 2027 as all personnel will be expected to be sufficiently trained before the bus arrives. Training conditions and schedules will be included in procurement documents, as they are with all existing procurements. If other OEM-provided buses are procured in the future and/or if new components, software, or protocols are implemented, it is expected that NAT's staff will be trained well in advance of the commissioning of these additions. Since battery technology is rapidly evolving, it is likely that buses and their supporting battery chemistries and software will change between 2020 and 2040, therefore, NAT's future procurements/deliveries will require refresher or updated trainings for relevant staff.

Safety training, however, will be provided on an annual or other recurring basis to ensure that staff is knowledgeable and maintains best and safe practices when operating, handling, or servicing BEB-supporting components or infrastructure.

The following provides a list of personnel and positions that will need to be trained upon adoption of ZEBs:

- **Bus Operators**  
Bus operators will require BEB operational training including bus handling, charging procedures, safety training and procedures when communicating with First Responders.
- **Facilities and Equipment Maintenance Staff**  
Maintenance staff will be familiarized with scheduled and unscheduled repairs, high-voltage systems, the specific maintenance and repair of equipment, and charging procedures.
- **First Responders**  
Local fire station staff will be familiarized with the new ZEBs and supporting facilities.
- **Tow Truck Service Providers**  
Tow truck providers will be familiarized with the new ZEBs and proper procedures for towing.
- **Body Repairers**  
Body repairers at the contracted operator will be familiarized on safety-related features and other components of ZEBs. Should repairs require an outside body shop, the provider will be oriented on safety-related features and other components of ZEBs.
- **Instructors**  
Maintenance and training instructors will need to understand all aspects of the transition of ZEBs to train others.
- **Utility Service Workers**  
Staff will become familiarized with proper charging protocol and procedures and all safety features that are ZEB-specific.
- **Management Staff and Dispatch**  
All management and dispatch staff will be familiarized with ZEB operations, safety and charging procedures.

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## 1.6 COSTS AND FUNDING

The following section identifies preliminary capital costs and potential funding sources that Needles may pursue in its adoption of ZEBs.

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### 1.6.1 PRELIMINARY COSTS

For NAT, bus acquisitions are generally estimated to cost between \$164K to \$298K per bus (depending on length) and plug-in chargers are assumed to cost \$71K per charger, with an additional \$8K per charger for installation, labor and permits. However, there will be additional operating costs, utility costs, midlife overhauls, training, and soft costs that will all need to be considered in ZEB adoption. The total cost of ownership is further refined and explored in the Master Plan.

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### 1.6.2 POTENTIAL FUNDING SOURCES

The capital funding for the City's revenue fleet is allocated by SBCTA, who works with all the County's transit operators to assign capital funding based on service levels and need. In discussion with SBCTA, the City will use Transit Development Act (TDA) State Transit Assistance Funds (STA) as the primary funding source for the BEB fleet and facilities improvements. This funding has been used for the majority of the City's capital purchases over the years. This is due to the level of effort that is required by other funding agencies such as Caltrans and Federal Transit Administration (FTA). Other transit agencies within the county have a designated staff to apply for grants whereas the City of Needles has only one employee who manages the transit system. SBCTA continues to make allocation to the City on an annual basis and the City will continue to work with SBCTA staff to ensure funding continues to be available.

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## 1.7 START-UP AND SCALE-UP CHALLENGES

To comply with the ICT regulation's purchase and transition requirements, there are a variety of challenges and opportunities that NAT has identified. The following sections briefly describe some of the challenges that NAT faces for its transition.

- **Uncertainty of ZEB cutaways.** As discussed, there is a small market for ZEB cutaways. For the cutaways that do exist, there is uncertainty in their product range and whether they're Altoona-tested. As previously noted, the cutaway market does not currently offer FCEBs and the city has determined that BEB adoption is the ZEB technology that suits the needs of Needles.
- **Range issues.** NAT has some blocks that exceed current BEB range. This means that NAT will need to consider the following strategies to reduce or avoid service disruptions:
  - **Buy more buses.** This can assist with service requirements; however, more buses will require more chargers, more space at the garage, and potentially higher utility costs.
  - **Opportunity charging.** This strategy could potentially reduce the costs (per bus) due to a smaller battery requirement, however, it would result in more capital infrastructure and utility costs.
  - **Service changes.** This would require the manipulation of block structure. While the riders may not notice the change, the city will need to consider the potential impacts to operator and maintenance costs.
- **Technological adaptation.** Currently, NAT is modeling and planning for a transition based on existing service and ZEB technology. With the 2040 deadline looming, it is difficult to anticipate future technological enhancements and changes such as improved batteries and chargers. Slight changes in these technologies could improve bus ranges, in turn, reducing costs. NAT (and the market) needs to be aware of these changes as it would be counterproductive to invest in technologies that will soon be outdated.

- **Costs.** Adoption of ZEBs has many benefits including potential lifecycle cost savings. However, the investment required for capital and change management will be very expensive. NAT will need to be creative with funding mechanisms and sources to ensure that the transition to ZEB will not be detrimental to its operations and service.
- **Market Production Factors.** The ICT regulation will put a lot of pressure on OEMs to produce ZEBs at unprecedented rates. However, it is not only California that is interested in converting to ZEBs. These monumental policy changes will have a great impact on these transitions, however, it will also make it challenging to meet ZEB goals for agencies if supply of buses cannot meet with demand.





## Request for Board Action City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☒ NPUA

☒ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Accept Change Order No. 1 with Final Touch Construction & Design, Inc. for the installation of additional flooring as part of the Tenant Improvements/Office Space 2023 Project.

**Background:** On Jan. 24, 2023 the Tenant Improvements/Office Space 2023 Project was awarded to Final Touch Construction to build one (1) new office space to relocate the I.T. equipment and to convert an existing office to be a fire resistant document storage room to house City records.

Existing office space that has been converted over time from warehouse/utility space and now being used as office space has no floor covering. Therefore, staff is recommending additional flooring to be installed in this area as a continuation of the current tenant improvements.

**Fiscal Impact:** To be funded by Electric Department operations in the amount Not To Exceed \$6250.00.

 Finance Dept.

**Recommendation:** Accept Change Order No. 1 with Final Touch Construction & Design, Inc. for a Not To Exceed amount of \$6250.00 to install additional flooring to be funded by the Electric Department operations.

**Submitted By:** Kathy Raasch, Projects Manager

**City Management Review:** 

**Date:** 6/7/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

AGENDA ITEM: 20



CITY OF NEEDLES  
**CHANGE ORDER**

PROJECT: Tenant Improvements/Office Space 2023 Project

Order No. 1

OWNER: City of Needles

CONTRACTOR: Final Touch Construction, Inc.

**FOLLOWING CHANGES ARE MADE TO THE CONTRACT:**

<u>Description of Changes</u>	<u>Decrease Contract Price</u>	<u>Increase Contract Price</u>
Lifeproof Commercial Flooring		\$6,250.00

**JUSTIFICATION:**

Existing office space that has been converted over time from warehouse/utility space and now being used as office space has no floor covering. Therefore, staff is recommending additional flooring to be installed in this area as a continuation of the current tenant improvements.

The Lump Sum \$6,250.00 shall be compensation in full for all material and labor to prep the existing floor and install approximately 500 s.f. of commercial flooring in existing office space.

Original Contract Price	\$70,688.00
Previous Change Order(s) Amount	\$0.00
Original Contract Price plus previous Change Orders	\$70,688.00
Contract Price Due This Change Order	\$ 6,250.00
New Contract Price	\$76,938

**CHANGE IN CONTRACT TIME**

Contract Time will be (Increased)	Adjusted Date for Completion of all Work	Calendar Days
14 days	June 28, 2023	N/A

**APPROVALS REQUIRED**

Requested by: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature (Project Manager)

Contractor Acceptance: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature (Contractor)

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature (City Manager) CC meeting

**CHANGE ORDER**

# CHANGE ORDER

Final Touch Construction & Design  
16466 Foothill Blvd  
Fontana, CA 92335  
(909) 350-3658



**City of Needles**  
**Job #221163 - 817 THIRD STREET**  
**817 THIRD STREET**  
**Needles, CA 92363**

Invoice #	221197
Date	6/7/2023
Amount Due	\$6,250.00
Due Date	Due on Receipt

Item	Description	Qty	Price	Amount
23 Floor Coverings	Install new Lifeproof Commercial Flooring, To match Flooring installed in New IT room and Document Room, approx 500 SF this will include installing new Black Cove Base.	500.00	\$12.50	\$6,250.00

Print: \_\_\_\_\_

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

Sub Total	\$6,250.00
Total	\$6,250.00
Amount Paid	\$0.00
Balance Due	\$6,250.00

## SPECIAL INSTRUCTIONS



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☐ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** Consider cancelling the second regular City Council / NPUA / HACN meetings in July, August, and September 2023

**Background:** In years past the City Council has cancelled the second meeting of the month in July, August, and September, allowing for vacations and an opportunity to catch up. Staff is requesting Council consideration to cancel the July 25, August 22, and September 26, 2023, regular City Council / NPUA / HACN meetings to accommodate Mayor, City Council Members and staff vacations.

If urgency matters arise, the City Council / NPUA / HACN may hold their regular meeting or call a special meeting to conduct business.

**Fiscal Impact:** None

**Recommendation:** I MOVE to cancel the July 25, August 22, and September 26, 2023, regular City Council / NPUA / HACN meetings

**Submitted By:** City Clerk

**City Management Review:** Rick

**Date:** 6/5

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 21



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☐ Regular ☐ Special

**Meeting Date:** June 13, 2023

**Title:** League of California Cities 2023 Annual Conference and Expo attendance and designate a voting delegate and alternate (s).

**Background:** The League of California Cities 2023 Annual Conference and Expo is scheduled for September 20 – 22, 2023 at the SAFE Credit Union Convention Center in Sacramento.

This conference is an opportunity to network with other cities and various county representatives and for the city to participate in the League's resolution process.

Mayor Jernigan has expressed an interest in attending the conference.

**Critical Timeline:** Registration is now open and the deadline for the discounted rate is July 26, 2023. The hotels for the Conference sell out quickly.

**Fiscal Impact:** Estimated cost for the full conference is \$650  
Hotel accommodation is approximately \$850 for three nights plus travel expenses (flight, per diem, mileage - \$635). Estimated cost per councilmember is approximately \$2,200. General Fund travel per diem account 2023-2024 budget.

**Recommendation:** Authorize those interested to attend the League of California Cities 2023 Annual Conference and Expo scheduled for September 20 – 22, 2023 at the SAFE Credit Union Convention Center in Sacramento and designate a voting delegate and alternate (s).

**Submitted By:** City Clerk

**City Management Review:** Rick

**Date:** 6/6/23

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 22



## Annual Conference and Expo

September 20-22, 2023

SAFE Credit Union Convention Center

1401 K St, Sacramento, CA

Register\* (<https://my.calcities.org/Events/Calendar-Of-Events/Registration-Start?MeetingId=e9370413-47a6-ed11-aad1-000d3a540b0d>)

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This year we will celebrate a milestone anniversary: 125 years of strengthening California cities through advocacy and education. The conference will feature a variety of speakers and timely presentations on key topics for local leaders, plus numerous opportunities for peer-to-peer sharing with other city officials throughout California.

Our popular Expo Hall will be filled with new and familiar faces and brimming with opportunities to engage with companies and organizations that provide services to cities.

Importantly, every year at the conference, Cal Cities convenes a member-driven General Assembly and Resolutions process. This is a unique opportunity to engage all members on a range of significant policy issues to protect local control.

In response to member feedback, we have made several updates to improve the member experience and engage members in the process, including a change in the time for the General Assembly. As we lead up to the conference, be on the lookout for more detailed information about the General Assembly, Voting Delegate instructions, and Resolutions process.



For questions about conference registration, please contact our registrar, [Megan Dunn \(mailto:mdunn@calcities.org\)](mailto:mdunn@calcities.org) . For all other questions, please contact Education and Events Manager, [Christina George \(mailto:cgeorge@calcities.org\)](mailto:cgeorge@calcities.org) .

For questions about this year's Expo, including how to reserve a booth space, please visit the [Expo webpage \(/expos\)](#) .

*\*With an update in technology, registration will now happen directly through your MyCalCities account. If you have not used your MyCalCities account already, please review [details about the portal \(/about-MyCalCities\)](#) and contact us for questions.*

**[Please review our event and meeting policies. \(/education-and-events/event-and-meeting-policies-26201#0\)](#)**

Become an exhibitor (<https://www.cacities.org/Special-Pages/E-shop/Conference-Sponsorships/2023-Annual-Conference-and-Expo>)

## 2023 Conference Information

### Registration →

#### Full Registration Includes:

- Admission to general and concurrent sessions and the expo
- Wednesday host city reception, Thursday lunch with exhibitors, and Friday closing lunch
- Admission to CitiPAC and diversity caucus receptions
- Electronic access to all program materials

#### Registration Process:

With an update in technology, registration will now happen directly through your MyCalCities account. Please take a moment to set up your account so you are ready to go! If you have not used your MyCalCities account already, please review [\(/about-MyCalCities\) details about the portal \(/about-MyCalCities\)](#) and contact us for questions. Register [here](#) (<https://my.calcities.org/Events/Calendar-Of-Events/Registration-Start?MeetingId=e9370413-47a6-ed11-aad1-000d3a540b0d>) .

If you are registering someone other than yourself, first sign in as yourself and then choose the option to register someone else.



**Note:** Registrations through MyCalCities are available for credit card payments only. If you need to be invoiced and pay with a check, create your account and then reach out to conference registrar, [Megan Dunn \(mailto:mdunn@calcities.org?subject=AC%20Registration\)](mailto:mdunn@calcities.org?subject=AC%20Registration) to request an invoice. Full payment is due at the time of registration.

***Conference registration is required to attend all conference activities including department, division, and caucus meetings as well as the General Assembly. Sharing of registration is prohibited.***

To request an accommodation or for inquiries about accessibility, please contact conference registrar, [Megan Dunn \(mailto:mdunn@calcities.org\)](mailto:mdunn@calcities.org). Every effort will be made to honor requests submitted.

View Cal Cities' [event and meeting policies \(/education-and-events/event-and-meeting-policies-26201\)](#) in advance of the conference.

#### Full Conference Registration Fee

\*Register by Wed. July 26 for a \$50 discount on Full Conference Registration Fees.

\*Online registration ends Tuesday, Sept. 5. After this date, please register onsite if space allows.

	\$650
Member-City Official	
Non-Member City Official	\$1,650
Other Public Official	\$725
All Others	\$825

#### One-Day Registration Fees

Member City Official	\$350
Non-Member City Official	\$1,350
Other Public Official	\$400
All Others	\$450

#### Add-On Registration Fees

Guest Reception Pass \$125

*\*The guest/spouse fee is restricted to persons who are not city or public officials, are not a Cal Cities Partner or exhibitor, and would have no professional reason to attend the conference. It includes admission to Wednesday's host city reception only. There is no refund for the cancellation of a guest/spouse registration. It is not advisable to use city funds to register a guest/spouse.*

### City Clerks Workshop Registration Fees

(The City Clerks Workshop is not included in Full Conference or One-Day Registration. Lunch is included.)

Member City Official        \$175

Non-Member City Official \$350

### Refund Policy

Advance registrants unable to attend will receive a refund of rate paid, minus a \$75 processing charge, only when a written request is submitted to [Megan Dunn \(mailto:mdunn@calcities.org\)](mailto:mdunn@calcities.org), and received on or before Sept. 5. Refunds will not be available after this date. If you are unable to attend, you may substitute a colleague for your entire registration.

### Hotel and Travel →

A limited number of hotel rooms are available at reduced rates for registered attendees and exhibitors at the 2023 Annual Conference and Expo. **The deadline to reserve your discounted hotel room is Friday, Aug. 25** or until the hotel block is sold out, whichever is sooner.

#### STEP ONE: Register for the Conference

Registration can be completed through your [MyCalCities Portal \(https://my.calcities.org/\)](https://my.calcities.org/).

*NOTE: Instructions on how to access your portal can be found at [this link. \(/about-MyCalCities\)](#)*

#### STEP TWO: Book a hotel room

Once you've registered, you will receive a confirmation email with a link to the Hotel Reservations Page. This page is where you will access discounted hotel room rates and manage your reservations, including modifications and cancellations.

**Discounted hotel rates are available until Friday, Aug. 25th, or until rooms sell out, whichever comes first.** We recommend reserving your room early!

You must be registered for the conference prior to booking a hotel room. Do not make a hotel reservation unless you are sure it is needed. Your city/company will be financially responsible for all cancellation/attrition fees.

**SCAM NOTICE:** *There are many hotel scammers who may contact you claiming to be the housing bureau/service for the conference. Cal Cities has contracted with LiveCon as the official housing bureau/service for the 2023 Annual Conference and Expo. Official emails regarding the conference will come from addresses ending in @calcities.org or @live-con.com, or the actual hotel.*