

BOARD OF PUBLIC UTILITIES

November 3, 2020

The adjourned regular meeting of the Board of Public Utilities held on the 3rd day of November, 2020, was called to order at 4:00 p.m. with CHAIRMAN CAMPBELL (IN-CHAMBERS) presiding and the following COMMISSIONERS present:

IN-CHAMBERS: COMMISSIONERS LeJEUNE AND SCHNEIDER
TELEPHONICALLY: COMMISSIONERS MOFFITT AND McNEIL

Also Present in chambers and telephonically: SECRETARY SALLIS, CITY MANAGER DANIELS AND OTHER KEY STAFF

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

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

CORSPNDN: None

PBLC APRN: None

CONSENT COMMISSIONER SCHNEIDER MOVED, SECONDED BY COMMISSIONER
CALNDR LeJEUNE, to approve consent calendar items 1 through 3

1. Approval of minutes of the regular meetings held September 1 and October 6, 2020
2. Accept Grant Agreement #4600012245 between the State of California Department of Water Resources and Coachella Valley Water District, Sub-Project 12.a, in the amount of \$38,909 to complete the water system cost and efficiency comparison project to include technical review of well #11 and complete the review of the hydrology report to narrow the pool of potential new well sites to the most feasible and cost effective option
3. Power Cost Adjustment (PCA) for months ending July and August 2020 and continuation of over-hydro rate of \$0.0860 effective September 1, 2020

CHAIRMAN CAMPBELL questioned if the balance on the PCA is drawing down. Rainie Torrance, asst utility manager, responded that the PCA is up from June about \$100,000 but staff is recommending leaving the over-hydro rate as-is as this report is for July and August only and September was very volatile.

Motion carried by the following roll call vote:

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

REG ITEMS: City Manager Daniels briefly spoke on the critical water infrastructure needed including a new well, erection of 1 million gallon reservoir, and other system improvements. Hoping to include 7-10 miles of water line replacement and will do road overlay concurrently. Would like to have bond sale completed and bonds sold right after the first of the year (2021). Manager Torrance noted that the bond documents are included in the Board packet and Mrunal Shah, Best Best & Krieger bond counsel, provided an overview of the legal bond documents provided.

\$6 MILLION
WTR REV
BONDS,
SERIES 2020

City Manager Daniels noted that the comparative water rates and charges by customer type and the top ten water customers included in the packet was in error and corrected pages have been provided to the Board (preliminary official statement pages 26-28). It is recommended to authorize the \$6 million bond issue.

COMMISSIONER SCHNEIDER MOVED, SECONDED BY COMMISSIONER McNEIL, to recommend that the Needles Public Utility Authority adopt their Resolution No. 11-10-2020-NPUA authorizing issuance of Water Revenue Bonds, Series 2020, in an aggregate principal amount not to exceed \$6 million, appointing a Trustee, approving the execution and delivery of an Indenture of Trust, Bond Purchase Agreement and Continuing Disclosure Certificate, approving a Preliminary Official Statement and authoring preparation of a Final Official Statement, authorizing negotiation of terms of the sale of said bonds, and authorizing certain other matters in connection therewith. Motion carried by the following roll call vote:

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

REPORTS: CHAIRMAN CAMPBELL acknowledged the following with a brief report provided by staff: 1) EUSI, LLC operational support services relating to the wastewater treatment facility and collection system September 2020; 2) 2021 Bureau of Reclamation annual 417 consultation.

MGR'S RPT: City Manager Daniels reported: 1) sewer line on S 'K' Street backed up a residence at the top of the hill across from Jack-in-the-Box and the crews found one blockage from tree roots and another further down the hill. A section of the line was replaced and code enforcement will be taking action to remove or trim back the salt cedars; 2) 'D' Street bridge status: water pipe on the south side of the overcrossing was bad and replaced. California Dept of Water Resources wanted the other side checked as well and found through x-rays that there is only 1/3 thickness of the walls of the pipe left. Gathering materials and supplies to replace and then will do the cathodic protection; 3) notified by the State Water Resources Control Board that the city is being required to perform quarterly monitoring of wells 8, 11 and 12 due to secondary contamination of iron and manganese.

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Attempting to flush well 11 with watering of the golf course and hope that will get good water. Will be looking at several options for a well.

City Manager Daniels commended the leadership of this Board that put in motion the resolution to the long standing problems of the utilities.

BRD ROSTS: None

CHAIRMAN CAMPBELL declared the adjourned regular meeting of the Board of Public Utilities held on the 3rd day of November, 2020, adjourned at 4:25 p.m.

ATTEST: _____

Chairman

Secretary