

BOARD OF PUBLIC UTILITIES

April 1, 2014

The adjourned regular meeting of the Board of Public Utilities held on the 1st day of April, 2014, was called to order at 4:00 p.m. with CHAIRMAN POCOCK presiding and the following COMMISSIONERS present:

COMMISSIONERS SULLIVAN, MOFFITT, SHAVER AND SHAW

Also Present: SECRETARY SALLIS, CITY MANAGER DANIELS, ASST CITY MANAGER BROWNLEE AND OTHER KEY STAFF

EX ABSNC COMMISSIONER SHAW MOVED, SECONDED BY COMMISSIONER SCHNEIDER MOFFITT, to grant an excused absence to COMMISSIONER SCHNEIDER. Motion carried by the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS SULLIVAN,  
MOFFITT, SHAVER AND SHAW  
NOES: NONE  
ABSENT: COMMISSIONER SCHNEIDER

APPROVAL COMMISSIONER SHAW MOVED, SECONDED BY COMMISSIONER MOFFITT, to approve the agenda with the removal of item 6b) (discussion as to whether sanitation should fall under the jurisdiction of the Board of Public Utilities) as requested by COMMISSIONER SCHNEIDER. Motion carried by the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS SULLIVAN,  
MOFFITT, SHAVER AND SHAW  
NOES: NONE  
ABSENT: COMMISSIONER SCHNEIDER

APR MINS: COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER SULLIVAN, to approve the minutes of the regular meeting held March 4, 2014. Motion carried by the following vote:

Mar 4, '14

AYES: CHAIRMAN POCOCK, COMMISSIONERS SULLIVAN,  
MOFFITT, SHAVER AND SHAW  
NOES: NONE  
ABSENT: COMMISSIONER SCHNEIDER

CORSPNDN: None

PBLC APRN: None

UNF BUSNS: CHAIRMAN POCOCK expressed his frustration that the refund of the over-collection of the \$3 asset replacement fee to certain classes of customers (hotels, motels and hospital) keeps dragging on and now the city/utility attorney has submitted an opinion that we cannot do that. CHAIRMAN POCOCK is not sure that the attorney is aware that it's been improperly collected for two years now and the Board only wants to correct it. He would like to meet with the city/utility attorney and City Manager Daniels agreed to set up a conference call at CHAIRMAN POCOCK's convenience.

RESOL NO  
4-1-14 BPU  
CLARIFY  
\$3 ASSET  
RPLCMT,

CHAIRMAN POCOCK reiterated that he wants to enforce what was approved by the Board when the \$3 sewer asset replacement fee was submitted to them. City Manager Daniels explained that he spoke with Attorney Pinkney and it's basically that Prop 218 requires that fees be set proportionately to use and impact on the utilities and a 100 room hotel will have a greater impact than a single family residence. Attorney Pinkney is questioning if the original action was appropriate (\$3 sewer asset replacement fee based on a per customer basis and not as a per unit).

An extended discussion was held on the action taken by this Board in 2010 to implement a \$3 per customer sewer asset replacement fee and the action of the City Council/Needles Public Utility Authority (NPUA) taken in 2011, and the Prop 218 notice that went out to all the customers advising of the new fee and providing for protests to the increase.

CHAIRMAN POCOCK pointed out that once the \$3 fee was implemented and being collected, staff took out only \$3 per customer per month as the Board had intended so now we need to refund that which was over-collected. COMMISSIONER SHAVER felt that the fee can never be made completely fair and equitable based on cost as there are too many variables. CHAIRMAN POCOCK responded that we need to correct and refund the over-collection and do what was approved (\$3 per customer per month) until the EDU (equivalent dwelling unit) study is done and new rates are set. COMMISSIONER SHAVER would like to hear from the attorney and his reasoning for his opinion.

Discussion continued on the wording and intent of the action taken by the governing bodies (this Board, council and NPUA).

COMMISSIONER MOFFITT would like the actual action taken by the council/NPUA and if that action was improper under the 218 process, he questioned what then? CHAIRMAN POCOCK requested that this matter be brought back at the next meeting after he's had the opportunity to speak with the city/utility attorney.

NEW BUSN: Asst City Manager Brownlee briefly explained the City of Needles Water Shortage Contingency Plan. He noted that it is not germane or pertinent to Needles but voluntary on the 20% reduction aspects, however, the steps within the Plan are prudent and reasonable.

APPRVL OF  
WTR SHTG  
CONTNGCY

PLAN

CHAIRMAN POCOCK expressed concern with the “no water used for irrigation or landscaping purposes” during a declared water shortage emergency. Asst City Manager Brownlee assured him that this a local plan and up to the city. The plan can be amended if and as needed.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER SHAVER, to approve the City of Needles Water Shortage Contingency Plan. Motion carried by the following vote:

- AYES: CHAIRMAN POCOCK, COMMISSIONERS SULLIVAN, MOFFITT, SHAVER AND SHAW
- NOES: NONE
- ABSENT: COMMISSIONER SCHNEIDER

BRD RQSTS: COMMISSIONER SULLIVAN reported that the ad-hoc committee is working on the hardware/software and have been in contact with several companies and other California cities. Demonstrations are set up in April with three vendors COMPUTER RESEARCH and it’s hoped to have something back to the Board around the first of May, then on to council, and implement a new system around October barring any unforeseen delays.

UUT RFNDS CHAIRMAN POCOCK inquired as to the status of the customer refunds to which Supervisor Mitchell responded that they are about half way through inputting them.

\$3 SEWER ASSET REPLCMT COMMISSIONER MOFFITT requested that when CHAIRMAN POCOCK speaks with the attorney, ask him if the resolution was passed in error originally (\$3 per customer and not per unit), what are the implications of that action. He further requested that the council/NPUA action be provided at the next meeting.

ADJOURN: COMMISSIONER SULLIVAN MOVED, SECONDED BY COMMISSIONER MOFFITT, to adjourn. Motion carried by the following vote:

- AYES: CHAIRMAN POCOCK, COMMISSIONERS SULLIVAN, MOFFITT, SHAVER AND SHAW
- NOES: NONE
- ABSENT: COMMISSIONER SCHNEIDER

CHAIRMAN POCOCK declared the adjourned regular meeting of the Board of Public Utilities held on the 1st day of April, 2014, adjourned at 4:37 p.m.

ATTEST: \_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary