



RESOLUTION NO. 2026-26
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT
ADOPTING NEW WATER SERVICE RATE SCHEDULE

WHEREAS, the Nevada Irrigation District (District) provides high-quality drinking water, reliable untreated irrigation water, generates hydroelectric power, provides recreation services, and protects water resources and the local environment; and

WHEREAS, the District has caused to be prepared a Cost of Service Study which analyzed the revenue requirements of operating and maintaining the District's water facilities and to provide a continuous and reliable water supply to its customers; and

WHEREAS, District relies on rate revenue to fund the operation, repair, maintenance, and improvement of its water system and to continue to reliably provide water services; and

WHEREAS, District retained an independent rate consultant, Bartle Wells Associates, to assess potential increases in treated and untreated/raw water and complete a 2026 Cost of Service Study dated March 25, 2026, to comply with the requirements of applicable law, including Proposition 218 (California Constitution, Article XIII D, section 6); and

WHEREAS, the 2026 Cost of Service Study was reviewed and considered by the District's Board of Directors multiple times, culminating in the Board of Directors accepting the 2026 Cost of Service Study and directing staff to initiate the public noticing process under Proposition 218 on March 11, 2026; and

WHEREAS, at the April 11, 2026, Board Meeting, the Board of Directors discussed and directed (1) that annual rate implementation guardrails be considered each year when setting the actual annual rate increase during the District's annual budget adoption process; and (2) potential development of an agricultural grant or other water conservation program to lessen the financial impact on participating District irrigation customers; and

WHEREAS, the purpose of the annual rate implementation guardrails is to ensure transparency, public and Board involvement, and accountability in the implementation of annual rate increases with the goal of considering potential reductions in future rate increases to an amount below the maximum increase allowed by the adopted rate schedule; and

WHEREAS, the Board of Directors proposed for adoption, subject to notice and hearing as required under California Constitution Article XIII D, section 6 (Proposition 218), the proposed rate changes as set forth in notices to District landowners and customers mailed March 25, 2026; and

WHEREAS, the notices of the proposed rate change were mailed to all District customers and landowners in accordance with Proposition 218 and the notices included the requisite information required by Proposition 218 including, without limitation, a schedule of proposed rates and charges, the date, time and location of the public hearing, instructions on how to obtain and file a written protest on the proposed rate change, and instructions on how to obtain and file a written objection to exhaust administrative remedies; and

WHEREAS, the Board of Directors convened a duly noticed Public Meeting and Hearing on May 27, 2026, for the purpose of receiving and considering all qualifying and timely submitted oral and written protests opposing the proposed rate change; and

WHEREAS, in accordance with the requirements of California Constitution Article XIID sections 6(a)(1) and (a)(2) and Government Code section 53755(a)(1) and (a)(2), the District's hearing on the proposed rate changes was held not less than 45 days after it provided written notice by mail to the record owners of each affected parcel upon which the respective increased fees and charges are proposed for imposition; and

WHEREAS, at the conclusion of the public hearing, the Board of Directors caused to be counted all qualifying and timely submitted written protests to the proposed increased fees and charges, and it was determined that the written protests received and not withdrawn represent less than 50% of the affected parcels subject to the proposed increased fees and charges; and

WHEREAS, the Board of Directors finds that the proposed rate change complies with all requirements of law, including those set forth in Article XIII D section 6(b), and are in the best interests of the District and its customers; and

WHEREAS, in accordance with Public Resources Code Section 21080, subdivision (b)(8) and Title 14 of the California Code of Regulations section 15273, subdivision (a), the Board of Directors finds that said schedule of fees and charges are for the purposes of meeting District operating expenses, purchasing supplies, equipment and materials, meeting financial reserve requirements, other District purposes, and funding capital projects necessary to maintain service within the District's existing service area, and that the Board's approval of such rates is therefore not subject to the California Environmental Quality Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Nevada Irrigation District as follows:

1. The Recitals set forth in this Resolution are true and correct statements and are incorporated as an operative part of this Resolution and made findings and determinations of the Board. The District's Cost of Service Study is incorporated herein by this reference as additional findings and determinations of the Board.
2. Revenues derived from the water rates approved by this resolution do not exceed the funds required to provide the water service.
3. Revenues derived from the water rates approved by this resolution will not be used for any purpose other than providing water and related services.
4. The amount of water rates imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the water service attributable to the parcel.
5. The schedule of fees and charges set forth in the Proposition 218 notice is hereby adopted. Upon the adoption of annual rates, not to exceed those set forth in the adopted rate schedule, the District's General Manager is hereby authorized and directed to take all actions necessary to implement and collect the rates and charges as set forth therein.
6. Prior to the adoption of an actual rate increase each year during the rate period, the Board of Directors will adhere to the following rate implementation guardrails:
 - a) The Board of Directors will, by formal action in an open and public meeting, set the actual rate increase annually prior to the adoption of the following year's annual budget.
 - b) The Board of Directors will hold two or more public workshops prior to setting the following year's rates.
 - c) Potential decreases in actual annual rate adjustments will be considered separately for irrigation and treated water customers.
 - d) The Board of Directors will discuss the District's receipt of extraordinary external revenue, if any, for the purpose of potentially lowering annual rate increases.
 - e) The Board of Directors will consider the projected rolling five-year unspent fund balance at the fiscal year end for both Funds 10 and 50 for the purpose of potentially lowering annual rate increases.
 - f) The Board of Directors will discuss the cost-benefit of infrastructure improvements prior to approval of any capital improvement project.
 - g) The Board of Directors will direct Staff to aggressively look for external sources of revenue and cost-cutting measures, including private/public partnerships, governmental grants, reduction of unfunded mandates, and out-of-the-box options.

- h) The Board of Directors hereby directs that unspent capital funds will not be spent on new projects that are not required to address an emergency repair, a required regulation, or critically needed to continue water delivery, or are related to a grant project that will have revenue that offsets grant expenditures.

- 7. The District's General Manager is directed to explore development of a grant program for agricultural efficiencies and water conservation that would, if adopted and implemented, potentially decrease water use and cost of water for the District's participating irrigation water users. The District General Manager will solicit stakeholder input and agenda an item for a workshop to discuss options at a Board Meeting no later than October 2026.

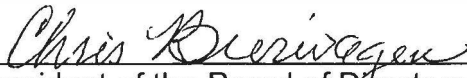
- 8. If any section, subsection, sentence, clause, or action in this Resolution or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The Board of Directors hereby declares that it would have adopted each section irrespective of the fact that any one or more sections, subsections, sentences, clauses, or actions be declared unconstitutional, invalid, or ineffective.

- 9. This Resolution shall take immediate effect upon its adoption.

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PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 27th day of May, 2026, by the following vote:

AYES:	Directors: Heck, Johansen, Bierwagen
NOES:	Directors: Stephens, Fowler
ABSENT:	Directors: None
ABSTAINS:	Directors: None



President of the Board of Directors

Attest: 

Secretary to the Board of Directors