

Nevada Irrigation District
Board of Directors

MINUTES

May 13, 2026

The Board of Directors of the Nevada Irrigation District convened in regular session at the District's main office located at 1036 W. Main Street, Grass Valley, on the 13th day of May 2026, at 9 a.m.

Present were Chris Bierwagen, President (Division II) and Brad Fowler, Vice-President (Division III); and Directors Ricki Heck (Division I); Earl Stephens (Division IV); and Rich Johansen (Division V).

Staff members present included Jennifer Hanson, General Manager; Greg Jones, Assistant General Manager; Chip Close, Director of Water Operations; Gabe Aronow, Director of Engineering; Steve Prosser, Director of Maintenance; Peter Wade, Director of Power Systems; Sandra Dunlap, Director of Finance; Monica Reyes, Director of Recreation; Naomi Schmitt, Director of Human Resources; Dustin Cooper, District Counsel; and Kris Stepanian, Board Secretary.

STANDING ORDERS

- Call to Order: President Bierwagen called the meeting to order
- President Bierwagen led the Pledge of Allegiance
- Roll Call: 5 Members Present

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- Trevor Caulder, Past NID Board Member and current ratepayer
 - Urged the Board to perform a clean and transparent Proposition 218 process
 - Voiced concerns he claimed are shared with the Tahoe Cattleman's Association and Farm Bureaus:
 - Sample Protest form initially contained incorrect hearing date
 - Disclosure to the public of protests received
 - Workshops scheduled at times when many could not attend
 - Placeholder for Lake Wildwood Treatment Plant Project deferred the full project to 2031, then in April was identified as one of three critical projects driving the rate increase
 - Asked the Board to learn from occurrence in Lincoln, when found to have violated Proposition 218

Director Heck and General Manager Hanson briefly responded to correct misinformation.

May 13, 2026

- Shirley Osgood, resident of Grass Valley
 - Spoke of the last rate increase being a 100% increase and the change from receiving bills bi-monthly to monthly
 - Spoke about understanding compound interest and associated math
- Don Coenen, Pearl Barnes Ditch
 - Herbicide use schedule and cutting water out once a week
- Lily Marie Mora, treated and ag water user
 - Thanked Director Johansen for being available to talk with her
 - Suggested each Board member holds quarterly meetings to continue educating the public, learn ways to partner together, and to help avoid miscommunication
 - Encouraging the public to learn everything they can on the District website
- Trevor Caulder, past NID Director and current ratepayer:
 - Responded to Ms. Mora's comment regarding the previous rate increase

CONSENT AGENDA

President Bierwagen pulled the following item for discussion:

- Item 3J: Conflict of Interest Policy for Design Build Arrangements

Director Johansen made a motion to approve the Consent Agenda, with the exception of Item 3J - Conflict of Interest Policy for Design Build Arrangements. Director Heck seconded the motion, and it was unanimously approved.

Clarification requested regarding:

- Item 3I - Upper Middle Yuba Headwaters NEPA Project Budget Amendment and Consultant Contract Approvals (CIP No. G0006)
 - Work in upper water shed
 - Looking for grant programs for lower division
 - Difference between bids
 - Change orders

MINUTES FROM THE REGULAR MEETING ON APRIL 22, 2026

M/S/C Johansen/Heck, unanimously approved as submitted.

RESOLUTIONS CALLING FOR GENERAL DISTRICT ELECTIONS

- **Adopted Resolution No. 2026-15 - Declaring an Election be Held in its Jurisdiction; Requesting the Board of Supervisors to Consolidate This Election With any Other Election Conducted on Said Date; and Requesting Election Services by the County Clerk – County of Nevada. M/S/C Johansen/Heck, unanimously approved**

May 13, 2026

- **Adopted Resolution No. 2026-16 - Declaring an Election be Held in its Jurisdiction; Requesting the Board of Supervisors to Consolidate This Election With any Other Election Conducted on Said Date; and Requesting Election Services by the County Clerk – County of Placer. M/S/C Johansen/Heck, unanimously approved.**

COMMUNITY FACILITIES DISTRICT NO. 2007-1 (CEMENT HILL) SPECIAL TAX LEVIES FOR FY 2026/2027

Adopted Resolution No. 2026-17 Acting as the Legislative Body of Community Facilities District (CFD) No 2007-1, Authorizing the Levy of Special Taxes Within CFD No. 2007-1 for Fiscal Year 2026/2027. M/S/C Johansen/Heck, unanimously approved.

ASSESSMENT DISTRICT NO. 2008-1 (RODEO FLAT) SPECIAL ASSESSMENT LEVIES FOR FY 2026/2027

Adopted Resolution No. 2026-18 - Acting as the Legislative Body of Assessment District (AD) No. 2008-1, Authorizing the Levy of Special Taxes Within AD No. 2008-1 for Fiscal Year 2026/2027. M/S/C Johansen/Heck, unanimously approved.

PLACING DELINQUENT ACCOUNTS ON DISTRICT ASSESSMENT ROLLS FOR COLLECTION

Adopted Resolution No. 2026-19 - Placing Delinquent Accounts on County Assessment Rolls for Collection for Nevada County. M/S/C Johansen/Heck, unanimously approved.

Adopted Resolution No. 2026-20 - Placing Delinquent Accounts on County Assessment Rolls for Collection for Placer County. M/S/C Johansen/Heck, unanimously approved.

PURCHASE NEW, REPLACEMENT 1-TON FLATBED TRUCK WITH A SNOWPLOW

Approved the purchase of one 2026 Ford F-350 4x4 flatbed truck with a snowplow from Geweke Ford in Yuba City, California, and authorized the General Manager to execute the appropriate documents. M/S/C Johansen/Heck, unanimously approved.

PURCHASE NEW, REPLACEMENT 2-TON PICKUP TRUCK WITH A SERVICE BODY

Approve the purchase of one (1) 2026 Ford F-550 4x4 pickup truck with a service body from Future Ford Lincoln in Roseville, California, and authorized the General Manager to execute the appropriate documents. M/S/C Johansen/Heck, unanimously approved.

FUELMaster SYSTEM UPGRADE

Approved the purchase of the FuelMaster System FMLive upgrade package from Shields, Harper & Co. in West Sacramento, California, and authorized the General Manager to execute the appropriate documents. M/S/C Johansen/Heck, unanimously approved.

May 13, 2026

UPPER MIDDLE YUBA HEADWATERS NEPA PROJECT BUDGET AMENDMENT AND CONSULTANT CONTRACT APPROVALS (CIP NO. G0006)

Adopted Resolution No. 2026-21 - Approving a budget amendment and consultant contracts for the Upper Middle Yuba NEPA Planning Grant (CIP PO No.G0006) for Wildlife Biology, Botany and Archaeology assessment. M/S/C Johansen/Heck, unanimously approved.

WARRANTS AND INVESTMENT REPORT

Ratified the issuance of warrants by receiving and filing the check registers and the Investment Transaction Report for the period April 11, 2026 through April 30, 2026. M/S/C Johansen/Heck, unanimously approved.

GENERAL ORDERS

CONFLICT OF INTEREST POLICY FOR DESIGN BUILD ARRANGEMENTS

Jennifer Hanson, General Manager, presented the item.

Board Discussion:

- Adding the following language to address repercussion if a rule is violated:
Section 1030.7 Any violations of this policy will be brought to the Board of Directors for input on remedy of the violation.

Public Comment: None

Adopt Resolution No. 2026-22 - Establishing a Conflict of Interest Policy for Design Build Projects. M/S/C Johansen/Fowler, unanimously approved.

Approved amendment to policy, adding Section 1030.7 - Any violation of this policy will be brought to the Board of Directors for input on remedy of the violation. M/S/C Johansen/Fowler, unanimously approved.

URBAN WATER MANAGEMENT PLAN 2025 PUBLIC HEARING

Chip Close, Director of Water Operations, presented the item and introduced Lindsay Otto and Luciana Kindl DaCunha with West Consultants, who provided a presentation.

Board Discussion:

- Plan for Water modeling
- How the State's changes may have changed modeling for the Urban Water Management Plan
- State's threat to the 55% unimpaired flow
- Public comments received
- Good job on outreach
- FERC impacts
- Volume of water and other water use
- Fire hydrants
- Water storage and drought
- Slide 7 – Negative trend line and at what point it becomes critical

May 13, 2026

- Canals and sediment removal
- Climate change
- Potential natural and regulatory impacts to future water supply
- Slide 4 – Instream flow requirements
- Purpose of the Urban Water Management Plan
- Plan for Water far more detailed

Public Hearing Comments:

- None

URBAN WATER MANAGEMENT PLAN ADOPTION RESOLUTION

Jennifer Hanson, General Manager, presented the item.

Board Discussion: None

Public Comment: None

Adopted Resolution No. 2026-23 - Authorizing and Directing Staff to Finalize and Submit the 2025 Urban Water Management Plan (UWMP) Update to the California Department of Water Resources (DWR), Including Incorporation of all Relevant Public Comments Received During the Public Comment Period and Public Hearing. M/S/C Johansen/Heck, unanimously approved.

The meeting recessed at 10:20 a.m. and reconvened at 10:29 a.m.

WORKSHOP ITEMS

SCOTTS FLAT SPILLWAY RECONSTRUCTION FUNDING GOALS

Jennifer Hanson, General Manager, presented the item.

Board Discussion:

- Confirmed cost estimate includes upper plunge pool
- Contingencies
- Proposals
- Support letters
- Source of water
- Spillway design
- Who doesn't get water
- Advocating for fire control/prevention
- Project previously only lower plunge pool
- Understanding what can occur if project is not done
- Impacts to customers
- Educating the public
- Vulnerabilities
- Cost of Service Study
- Aging infrastructure and increasing costs
- Communicating with ag users and encouraging everyone to work together

May 13, 2026

- Irrigation District formed by ranchers and ranchers on the Board
- Unable to legally subsidize one class of water user
- Benefits of micro ponds and conservation practices
- Working with Nevada County and Placer County Resource Conservation Districts and there are ways to help ag water users
- Equating possible lowered costs and how it that may impact possible reduction in rates
- Start date, reduced revenue, and how it compounds

Public Comment:

- Lily Marie Mora, member of the public
 - Understands the problems District is facing
 - Ag water and what happens if ag users are lost
 - How to keep ag users at rates they can afford
 - County ag plan
- Walter McNeil, member of the public
 - Questions related to financing and Proposition 4 funding
 - 50% match requires 20% non-federal match
 - What are the prospects of getting that money
 - Will there be bond financing or borrowing
 - What will be the annual cost of financing
 - Requested explanation regarding the goal of obtaining \$25 million in external funding
 - Annual financing expense

PG&E TRANSMISSION SYSTEM ACQUISITION

Jennifer Hanson, General Manager, presented the item.

Board Discussion:

- Distribution system
- PSPS & PG&E bankruptcy
- Proceedings and potential sales of certain sections of their system
- Lowering rates for rate payers
- District boundaries
- Risks
- Electrical revenue, expenses and subsidies
- Exploring further to make sure not a viable option
- Recent news related to the entire area of Tahoe losing their electricity services in May of 2027
- Local control
- Dark energy, data centers and going behind the meter
- Starting with a small electrical system
- Proposition 26
- Selling power wholesale
- Wholesale vs. retail electrical sales
- Combie North upgrade

May 13, 2026

- Revenue potential
- Thinking outside the box
- Carbon neutral power
- Cost to refresh the 2019 study
- Staff bandwidth
- Focusing on the large power purchase agreement
- FERC license – all 8 powerhouses regulated by FERC
- Wholesale vs retail electricity sales
- Offsetting water rates

Director Stephens proposed direction and Board consensus was obtained to explore options the District should and can do with the District's power after the agreements expire.

Public Comment:

- Don Conan, member of the public
 - Confirmed megawatts of power produced by the District
 - Past bid to PG&E
 - Cost for electricity is 2nd highest in the country
 - California Public Utilities Commission
 - Wholesaling electricity sales
 - Suggested the District look into wholesale and what the District can do
- Walter McNeill, member of the public
 - Spoke about regulations under PUC Section 9607, including permission needed from PUC to provide retail power

COMBIE DAM ALTERNATIVES FOR REPAIRS AND IMPROVEMENTS

Peter Wade, Director of Power Systems, presented the item.

Board Discussion:

- Combie Dam - facility configuration clarification
- Spillway
- No key shown
- Clarification of initial ground surface line
- Definition of scour to be reportable
- Scour repair history and definition
- Defining "dental work"
- Headwall needed to divert/reroute water
- Combie large pipe location and if it allows for water to continue to flow during work
- Depth
- Square rebar
- Sedimentation
- Easements
- Alternatives and satisfying DSOD (Division Safety of Dams)
- Funding
- Field trip

May 13, 2026

Public Comment: None

GENERAL MANAGER'S REPORT

Jennifer Hanson, General Manager, reported on the following items:

- No report

BOARD OF DIRECTORS' ITEMS / REPORTS

Director Stephens, Division IV, reported on the following items:

- Presenting with General Manager Hanson at the Lincoln MAC on May 18th
- RCD grant money for agriculture
- Educating the public that the public hearing scheduled for May 27th is only to set the cap rates, and not annual rates
- Confirmed Centennial related property sales proceeds are going to water fund

Director Heck, Division I, reported on the following items:

- Calls about rates and misinformation, and educating the public

Director Johansen, Division V, reported on the following items:

- None

Director Fowler, Division III, reported on the following items:

- Spring is here and three months behind - now irrigating
- Enjoyed public comment at the top of the meeting

Director Bierwagen, Division II, reported on the following items:

- Presented at Republicans meeting

PUBLIC COMMENT ON ITEMS TO BE CONSIDERED IN CLOSED SESSION

- None

The meeting recessed at 12:37 p.m. and reconvened in closed session at 12:45 p.m.

Closed Session Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation was declared at 12:45 p.m. pursuant to paragraph (4) of subdivision (d) of Section 54956.9. One Case.

Board Action: None

MEETING ADJOURNED at 1:15 p.m.. The Board is scheduled to reconvene in regular session on Wednesday, May 27, 2026, at 9:00 a.m. at the District's Business Center located at 1036 West Main Street, Grass Valley, California.

Submitted By

Kris Stepanian, Board Secretary