

Nevada Irrigation District
Board of Directors

MINUTES

August 26, 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 26th day of August 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; Andrew McClure, 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

- Lily Marie Mora, member of the public:
 - Democrat booth at the Nevada County Fair included an issue board that showed topic of making water affordable
 - Thanked the Board for the work done on the District website
 - Encouraged public meetings and proposed a college course on how to fix a dam to help people understand the complexity

CONSENT AGENDA

Board comments made on the following Consent Agenda Items

- Item No. 3D: Ridge Road Pipeline Replacement Project
 - Bids, delta between bids and what can be done to narrow the gap
 - Evaluating the reason for delta
 - Hansen Bros. familiarity with the area
- Item No. 3E: Artificial Intelligence (AI) Usage Policy
 - Requested edit to add the word "appropriate" to Section 3000.3.4, to read as follows:

August 26, 2026

3300.3.4 Accountability: Appropriate employees are responsible for validating the accuracy, appropriateness, and compliance of AI-generated outputs.

- Item No. 3F: Purchase of New, Replacement ½-ton Pickup Trucks with Extra Cabs
 - Evaluating vehicles to know when keeping them is more expensive than replacing them
 - Requested workshop on how equation is done
 - Bids and responses

Public comment: None

APPROVE THE MINUTES FROM THE REGULAR MEETING ON JULY 22, 2026
M/S/C Johansen/Stephens, unanimously approved as submitted.

APPROVE THE MINUTES FROM THE SPECIAL MEETING ON JULY 28, 2026
M/S/C Johansen/Stephens, unanimously approved as submitted.

APPROVE THE MINUTES FROM THE SPECIAL MEETING ON AUGUST 6, 2026
M/S/C Johansen/Stephens, unanimously approved as submitted.

RIDGE ROAD PIPELINE REPLACEMENT PROJECT

Awarded a construction contract to Hansen Bros. Enterprises in the amount of \$597,871, plus a contingency of \$59,787 for a total of \$657,658; and authorize the General Manager to execute the appropriate documents. M/S/C Johansen/Stephens, unanimously approved.

ARTIFICIAL INTELLIGENCE (AI) USAGE POLICY

Adopted Resolution No. 2026-31 – Establish Board Policy No. 3300 - Artificial Intelligence (AI) Usage Policy, as amended in Section 3000.3.4 to include the word “Appropriate” employees. Johansen/Stephens, unanimously approved.

PURCHASE OF NEW REPLACEMENT 1/2-TON PICKUP TRUCKS WITH EXTRA CABS

Approved the purchase of three (3) 2026 Ford F-150 XL Super Cab (1/2 rear doors) 4x4 pickup trucks from Geweke Ford in Yuba City, California, and authorize the General Manager to execute the appropriate documents. Johansen/Stephens, unanimously approved.

LAKE OF THE PINES WATER TREATMENT PLANT CHEMICAL STORAGE TANK PURCHASE (CIP PROJECT #2749)

Amended the 2026 Annual Budget to increase CIP 2749, Lake of the Pines Water Treatment Chemical Tanks, by \$80,000 (new total budget authorization is \$220,000), award the purchase of two chemical tanks to Goble Sampson in the amount of \$126,371, and authorized the General Manager to execute the appropriate documents. Johansen/Stephens, unanimously approved.

August 26, 2026

LAKE WILDWOOD WATER TREATMENT PLANT CLARIFIER GEARBOX REPLACEMENT

Awarded the Lake Wildwood Water Treatment Plant Clarifier A Gearbox Replacement Project to MarTech Mechanical Analysis & Repair Inc. of Lodi, CA in the amount of \$164,786.87, and authorized the General Manager to execute the appropriate documents. Johansen/Stephens, unanimously approved.

ADDITIONAL DAM SAFETY PROGRAM SUPPORT SERVICES

Approved a contract amendment to the Consulting Services Agreement for Dam Safety Program Support Services (NID Contract No. 23-034) to increase the total not-to-exceed amount by \$200,000 from \$850,000 to \$1,050,000, extend the term from December 31, 2026, to March 31, 2027, and authorized the General Manager to execute all appropriate documents. Johansen/Stephens, unanimously approved.

FRENCH DAM HYDRAULIC CYLINDER ACTUATOR REPLACEMENT/REFURBISHMENT SUMMARY (PROJECT NO. C0020)

Approved a contract for refurbishment of the French Dam Hydraulic Cylinder Actuator (HCA) by Unico Mechanical Corporation in the amount of \$172,800 plus a contingency of \$10,200 for a total contract amount up to \$183,000 and authorized the General Manager to execute the necessary documents. Johansen/Stephens, unanimously approved.

WARRANTS, PAYROLL FUND CERTIFICATE, AND INVESTMENT REPORT

Ratified the issuance of warrants by receiving and filing the check register, payroll fund certificate, and the Investment Transaction Report for the period July 11, 2026, through August 14, 2026. Johansen/Stephens, unanimously approved.

GENERAL ORDERS

BUDGET TO ACTUAL REPORTS - FY2026 Q2, FOR PERIOD ENDING JUNE 30, 2026

Sandra Dunlap, Director of Finance, presented the item.

Board Discussion:

- New accounting program helping to make more efficient
- Appreciate thoroughness

Public Comment: None

Received and filed Budget to Actual Reports FY2026 Q2, for the period ending June 30, 2026. M/S/C Stephens/Johansen, unanimously approved.

FY2026 Mid-Year Budget Amendment

Sandra Dunlap, Director of Finance, presented the item.

Board Discussion:

- Disencumbering Newtown – confirming delays until decision made on backbone extension projects
- Positive messaging regarding savings and credit to the District

August 26, 2026

- Difference in fund balances and reducing rates

Public Comment: None

Adopted Resolution No. 2026-32 - Approving the FY2026 Mid-Year Budget Amendment. M/S/C Johansen/Fowler, unanimously approved.

ROLLINS EMERGENCY SLOPE AND SEDIMENT STABILIZATION PROJECT (NO. R0030)

Greg Jones, Assistant General Manager, presented the item.

Board Discussion:

- Confirmed \$354,000 does not include any legal fees
- Confirmed insurance will not cover
- Longterm monitoring, replanting, sediment removal and removal of trees
- Sediment removal on non-District properties
- Penalties and who bears the cost
- Vulnerable properties and monitoring
- Good relationships with neighbors
- Regional problem and handling as one issue or multiple
- Clarified NID owned land
- Discussed if there was any possibility of a gate
- Merchantable timber

Public Comment:

- Carl McCosker, rancher and Vice President of the Nevada County Farm Bureau
 - 2nd time this has happened
 - Fencing and patrolling facilities
 - Spoke in support of the District taking action and encouraged criminal actions to be pursued
 - Prevention and/or recommendations from consultants
 - Would like to hear about the outcome

Adopted Resolution No. 2026-33 - Approving a Budget Amendment, Declaring a Local Emergency, and authorizing the District to enter into a sole-source contract in the amount not to exceed \$354,000 for streambed remediation, slope and sediment stabilization activities, and authorizing the General Manager or designee to execute appropriate documents. M/S/C Johansen/Stephens, unanimously approved.

WORKSHOP ITEMS

GRANTS UPDATE

Greg Jones, Assistant General Manager, presented the item.

Board Discussion:

- Letter of support on the District's website
- Water Smart Program and enhancing water resources projects
- Meter Replacement Program
- Including a flyer regarding Prop 4 support with monthly bills
- Benefits of grants for work in the upper watershed
- Ag Water Efficiency Stakeholder Committee and possible grant fundable projects
- Status of USDA's Water and Wastewater Disposal Loan & Grant Program

Public Comment: None

The meeting recessed at 9:57 a.m. and reconvened at 10:04 a.m.

2026 CAPITAL IMPROVEMENT PROGRAM MID-YEAR STATUS UPDATE

Gabe Aronow, Director of Engineering, Peter Wade, Director of Power Systems, and Greg Jones, Assistant General Manager, presented the item.

Board Discussion:

- Remaining budget, amount that will be encumbered for 2026, and what will be rolled over into subsequent years
- Confirmed numbers in presentation are current
- Scotts Flat Spillway Improvements Project CEQA and possible NEPA requirements
- Inquired about timing for E. George and Scotts Flat going out for bids in 2027
- Gold Hill Diversion Access
- Confirmed Rough & Ready Roundabout work is not reimbursable
- Loma Rica Dam
 - DSOD conclusions
 - Disclosing to property owners
- New Hydro Field Office stucco work
- Chicago Park Powerhouse Refurbishment
 - Timing
 - Powerhouse rewind
 - Three transformer phases
 - Wait periods after bids accepted
 - Copper
- French Lake Dam Low-Level Outlet Hydraulic Gate Actuator
 - Great photos
 - Weight of cylinder
 - Confirmed diving was included in the cost
 - Timing impacts due to weather and possible Super El Nino

August 26, 2026

- South Yuba Canal 8.5 Mile Slide Repair
 - Discussed work to be done
- Microwave Link for new Whitcomb Building
 - Savings with new Hydro office and this microwave link
 - Verified microwave link is required
 - Safety
- Bowman North Dam Upstream Lining Repairs
 - Confirmed image in slides is of the upstream lining of dam
- Chicago Park Flume Controls Upgrade
 - Flume that runs power plant
- Ramp and Stairs
 - Amount approved in 2026 budget
- Charging Station at District Facilities
 - Regulatory need
- When will spending stop on Tyler
- Fuel system under budget
- South Yuba Canal Wildfire Defense
 - How prioritized
 - Timber
 - More defensible space and increasing moisture in the ground
 - Impacts to stability of flumes
 - Inquired if there will be an evaluation done for dewatering or leaning root balls for slope stability
- South Yuba Canal Maintenance
 - Annual plan moving forward
 - High level study done when District took over from PG&E
 - Confirmed \$300,000 is for work District can get done during annual outages each year
 - Separate budget item for ongoing maintenance

Public Comment: None

GENERAL MANAGER'S REPORT

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

- Prop 4 funding support letter link on the District website
- Ag Water Efficiency Stakeholder Committee's first meeting is on September 1st
- 2027 Budget update
- District turned 105-years old on August 15th
- Started monthly billing
- Update regarding PG&E's request for payment related to Spaulding 1
- Fall water available at an additional charge

BOARD OF DIRECTORS' ITEMS / REPORTS

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

- Positive messaging
- Thanked staff for putting Prop 4 funding support link on the District website

August 26, 2026

- Seeing savings on the cost vs. budget reports
- Inquired about surplus property sales and confirmed 4 currently listed on the market

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

- Has been busy with constituents
- Expressed appreciation for recent field trip to Red Hill Canal

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

- Days getting shorter and water going further
- Fall calving

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

- Thanked ditch tender on Pet Hill Extension - property owners are very happy
- Received feedback about how peaceful it is at Jackson Meadows
- E. George Treatment Plant field trip requested by Carl McKosker

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

- Finished micro pond yesterday
- Kudos to staff for figuring out a glitch with his water supply

PUBLIC COMMENT ON ITEMS TO BE CONSIDERED IN CLOSED SESSION

- Mark Henwood, member of the public
 - Rate increases and impacts to those outside of the District, including those who are part of a Railroad Commission Order
 - Spoke with General Manager regarding potential annexation and appreciates the effort by the District
 - Annexation is the property owners' preferred solution
 - Did not receive notification from the District regarding rate study
 - Expressed enthusiasm for the annexation
 - Family and property owners are happy to assist the District in any way needed to help complete the annexation
- Tom Albourne, member of the public
 - Spoke in support of the annexation
 - Appreciates the District's consideration of the annexation
 - Offered to participate in any way they can to help annexation succeed
- Carl McKosker, rancher and Vice President of the Nevada County Farm Bureau
 - Anticipates approval of the District's Prop 4 funding support request at the Nevada County Farm Bureau's Executive Board meeting today

The meeting recessed at 11:03 a.m. and reconvened in Closed Session at 11:10 a.m.

Conference with Legal Counsel-Pending Litigation was declared at 11:10 a.m., pursuant to Government Code § 54956.9 subdivision (d)(1):

1. *Nevada Irrigation District v. Lynard Chris Hinojosa*, Placer County Superior Court.
2. *Cimino et al. v. Greenhorn Campground, et al.*, Placer County Superior Court

Board Action: None

August 26, 2026

Closed Session Conference with Labor Negotiators was declared at 11:10 a.m., pursuant to Government Code § 54957.6. District Representatives: Jennifer Hanson, General Manager; Greg Jones, Assistant General Manager; Minasian Law, LLP, District Counsel; and Leibert Cassidy Whitmore, special counsel. Employee Units: Unrepresented and AFSCME.

Board Action: None

Closed Session Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to litigation was declared at 11:10 a.m., pursuant to paragraph (2) or (3) of Government Code section 54956.9(d). Six cases.

Board Action: None

MEETING ADJOURNED at 12:00 p.m.. The Board is scheduled to reconvene in regular session on Wednesday, September 9, 2026, at 9:00 a.m. at the District's Business Center located at 1036 West Main Street, Grass Valley, California.

Submitted By

A handwritten signature in dark ink, appearing to read "Kris Stepanian", written in a cursive style.

Kris Stepanian, Board Secretary