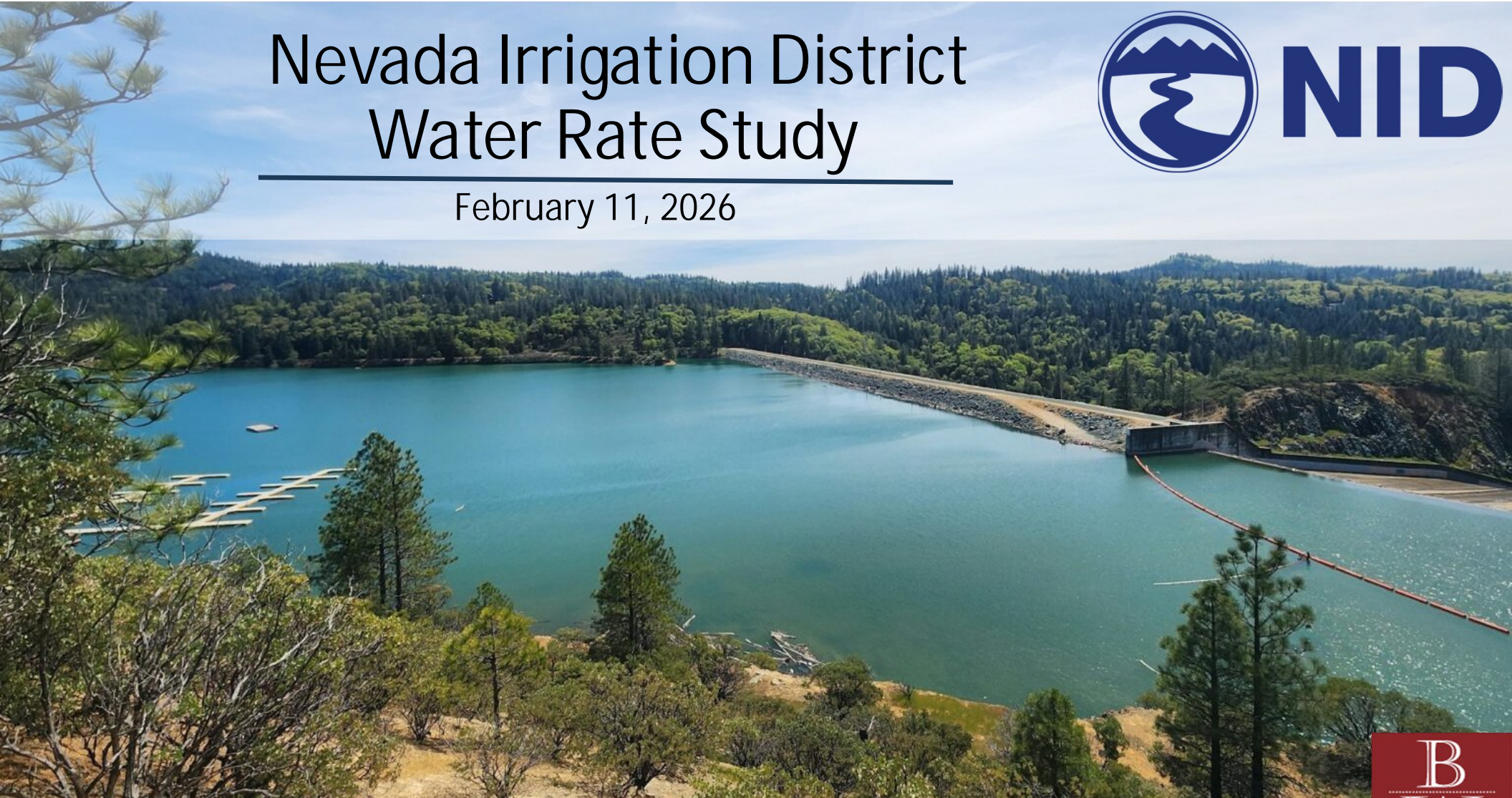


Nevada Irrigation District Water Rate Study

February 11, 2026



NID



Presentation Overview



Rate Study



Proposition 218



Financial Projections



Rate Structure Modifications and Proposed Rates



Next Steps



Questions and Discussion

Rate Study, Objectives

Sufficient revenue from rates to continue to provide reliable, high quality water service

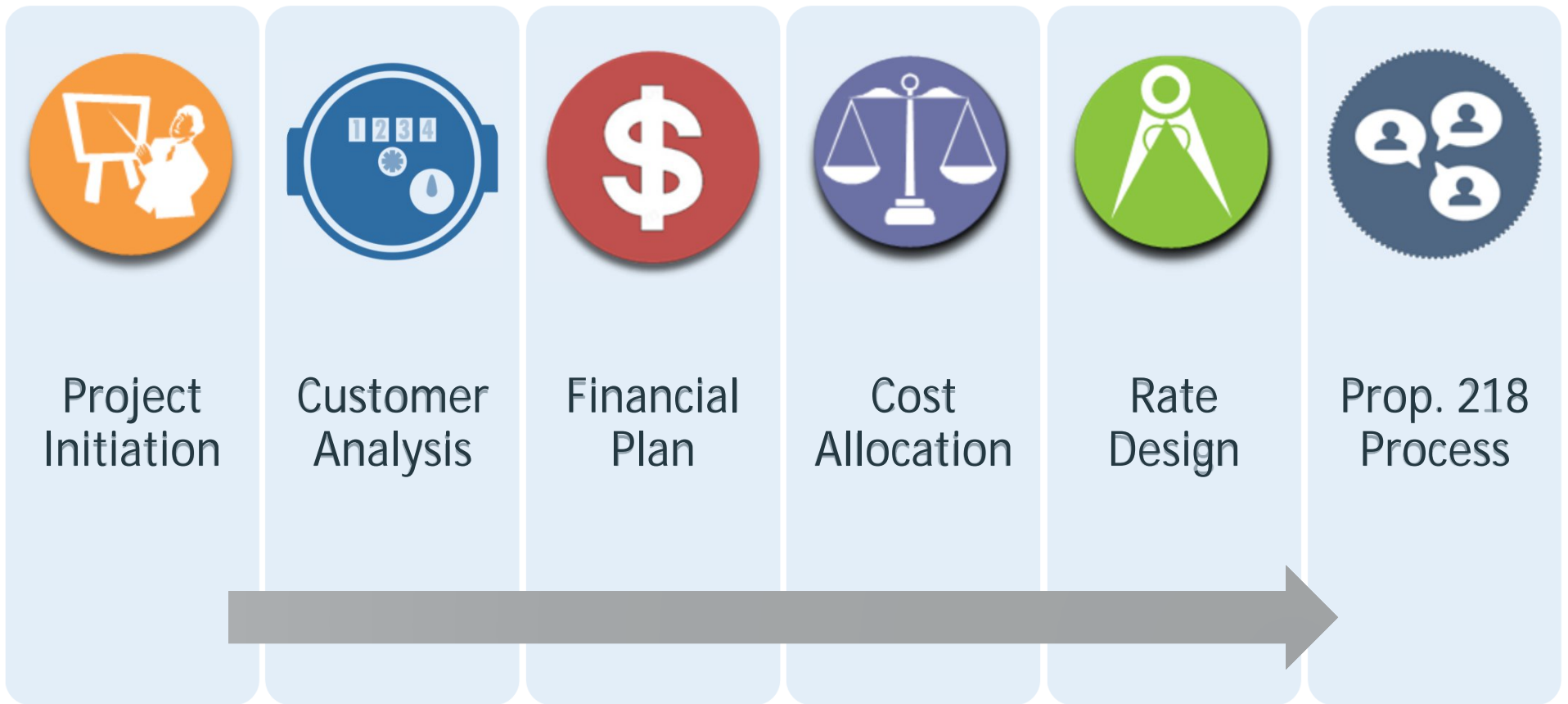
- Rising operating costs
- Infrastructure repair and replacement

Legal compliance

- Proposition 218

Incremental, predictable rate increases

Rate Study, Process



Rate Study, Key Regulation (Prop. 218)



- Voter-approved constitutional amendment 1996
 - Rates cannot exceed cost of providing service
- Substantive requirements for property-related charges
 - Rates cannot exceed cost of providing service
 - Proportionate cost recovery (fair and equitable)
- Procedural requirements for rate increases
 - Mail notice of rate increases to all property owners/customers
 - Hold public hearing at least 45 days after the mailing
 - Rates are subject to “majority protest”
 - AB 2257 – Administrative Exhaustion Procedure
 - District provides written Responses to objections

Financial Projections



Financial Projections

District Overview

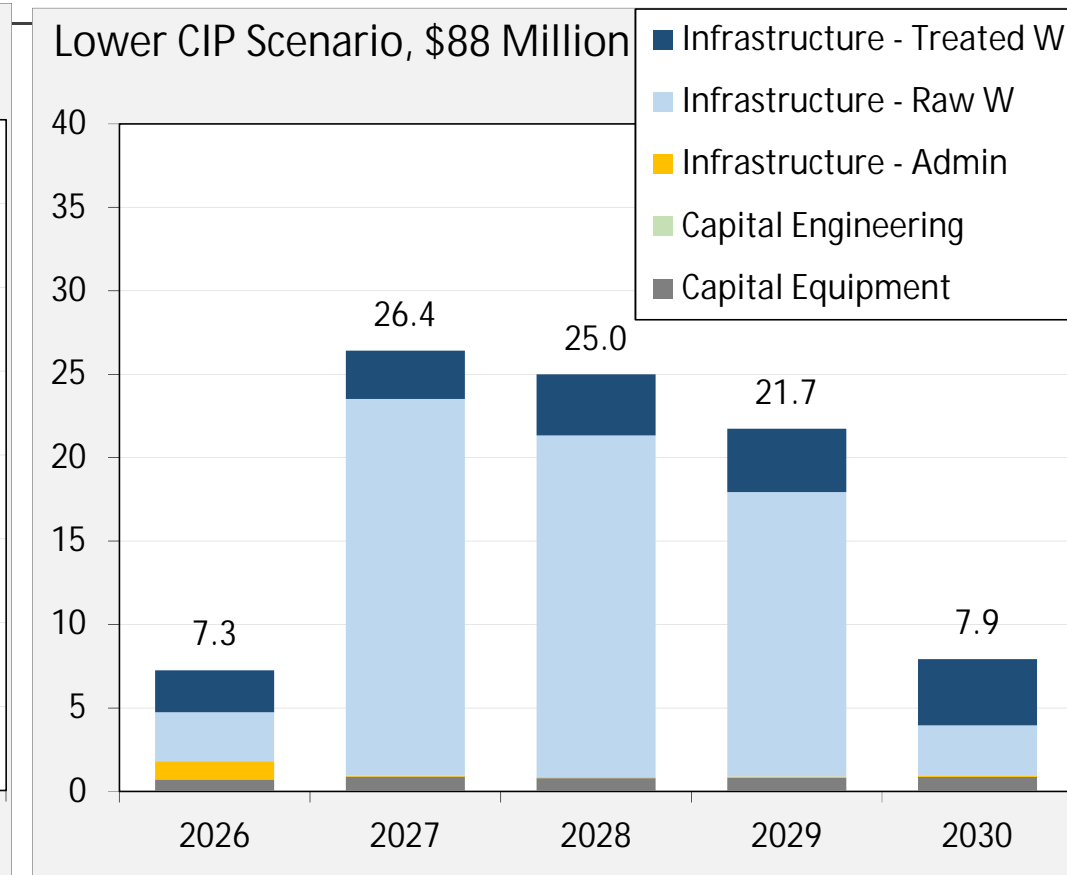
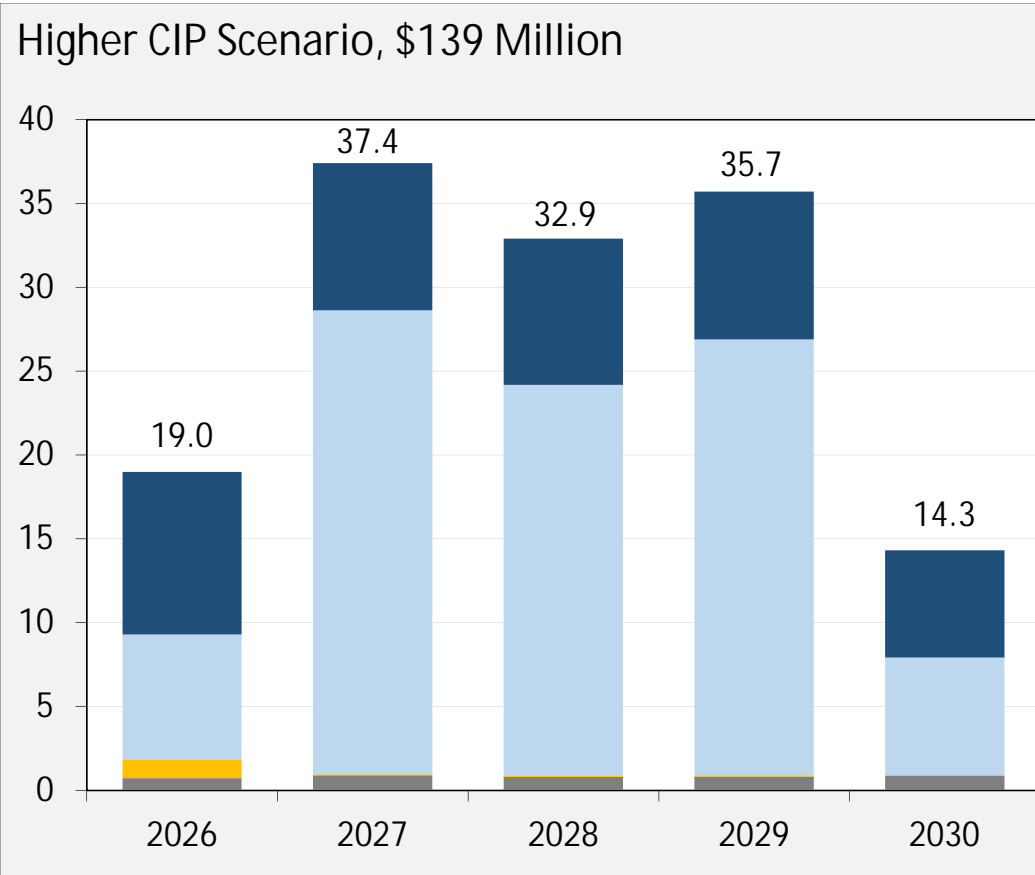


- Water utility is a financially self-supporting enterprise that provides service to 20,000 treated water customers and 5,500 raw water customers
- Rates are the main source of revenues
- Rates need to be set at levels adequate to fund the cost of providing service
 - Capital projects
 - Operations and maintenance
 - Debt service

Financial Projections

Two Expense Scenarios

Nevada Irrigation District Capital Improvement Scenarios (\$ millions)



- Infrastructure - Treated W
- Infrastructure - Raw W
- Infrastructure - Admin
- Capital Engineering
- Capital Equipment

Source: Nevada Irrigation District 2025 CIP; future \$ includes annual construction cost inflation.



Financial Projections

Financial Challenges



- Aging infrastructure & capital improvement needs
 - Water system upgrades, repairs & replacements needed to maintain safe & reliable operations
 - 5-year CIP Scenario 1 = \$139 million, Scenario 2 = \$88 million
- Debt service
 - Existing annual debt service of \$4 million
 - Projected debt needed to fund CIP in the next five years:
 - Scenario 1: debt funding = \$115 million, annual debt service = \$8 million
 - Scenario 2: debt funding = \$74 million, annual debt service = \$5 million
- Operating cost inflation
 - Annual operating cost inflation of 4.0% for the next five years
 - Annual rate adjustments needed to keep rates in line with escalating costs (chemicals, utilities, staffing, supplies, insurance, etc.)
- Maintain Prudent Reserves
 - Emergencies, demand fluctuation, cash funding capital, credit worthiness etc.

Rate Structure Modifications and Proposed Rates

Rate Revenue Scenarios



Water Rate Revenue Scenarios

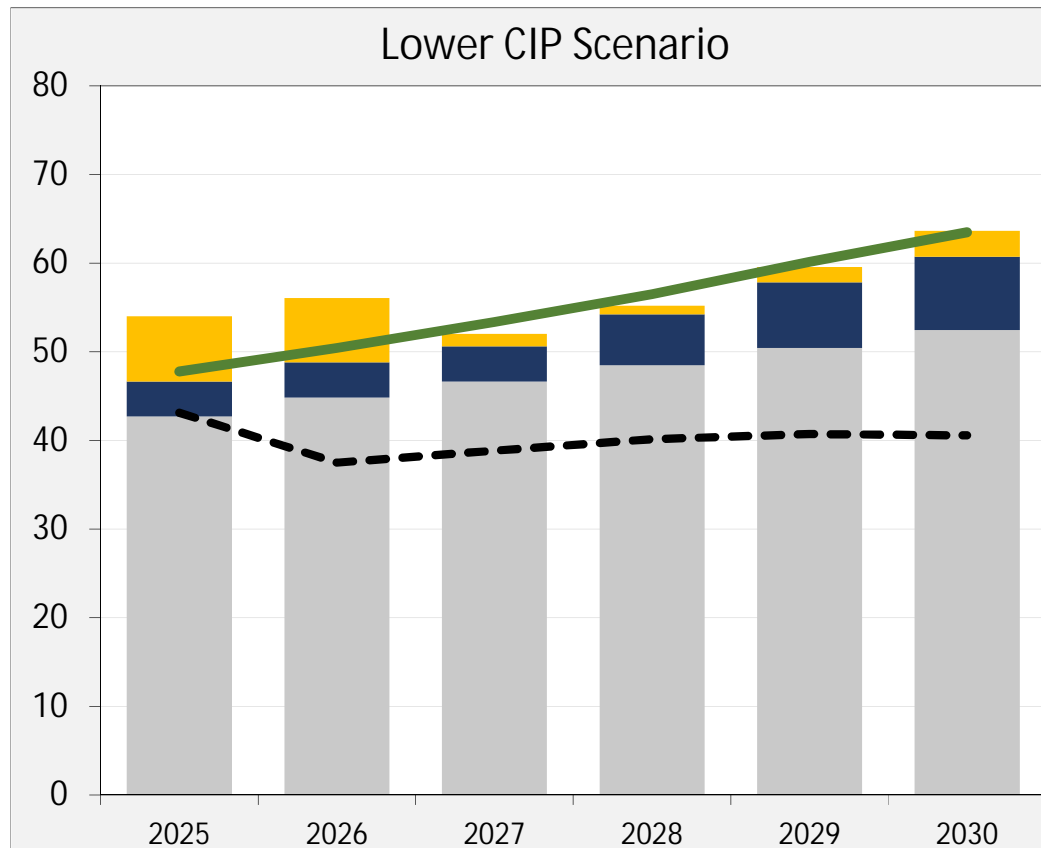
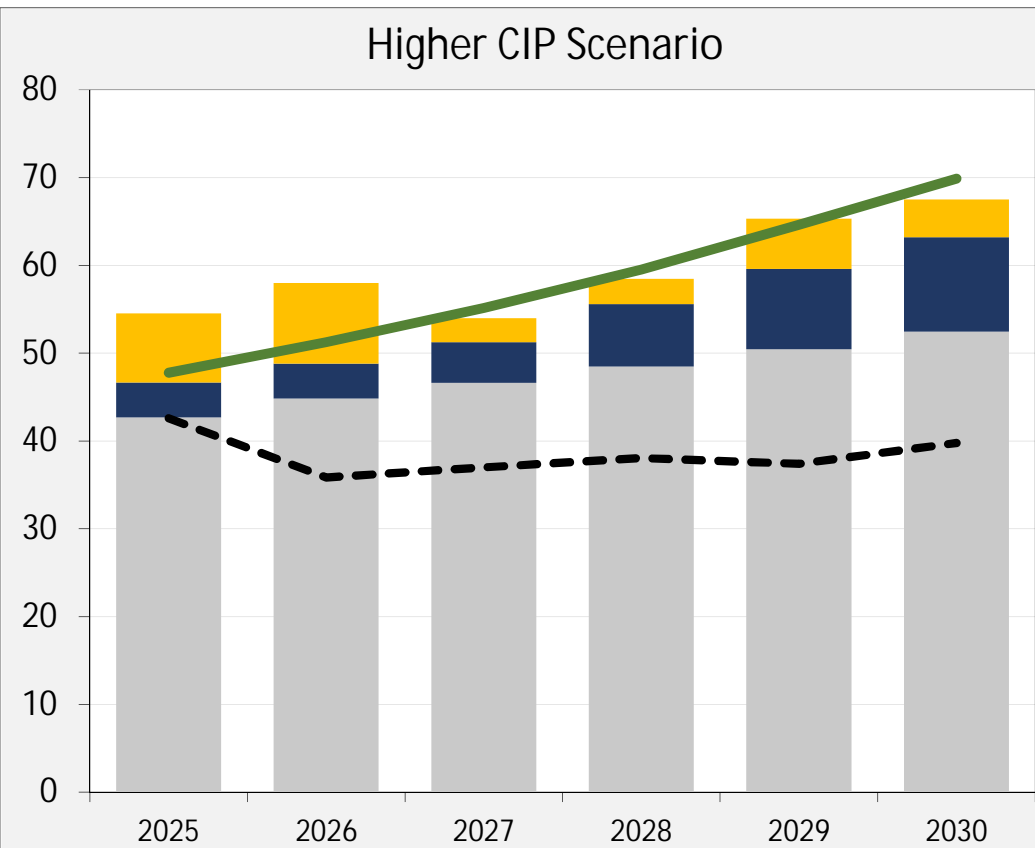
Scenario 1: Higher CIP					
Rates Effective	2026*	2027	2028	2029	2030
Net Rate Revenue Increase, FY (\$)	3,444,500	3,875,125	4,359,500	4,904,500	5,517,625
Rate Revenue Increase (%)	12.5%	12.5%	12.5%	12.5%	12.5%
Scenario 2: Lower CIP					
Rates Effectives	2026*	2027	2028	2029	2030
Net Rate Revenue Increase, FY (\$)	2,617,820	2,866,530	3,138,895	3,437,100	3,565,530
Rate Revenue Increase (%)	9.5%	9.5%	9.5%	9.5%	9.0%

*Initial bill impacts will vary based on customer class and usage due to rate structure adjustments realigning rates with cost of service.

Rate Structure Modifications and Proposed Rates

Two Cash Flow Scenarios
 Nevada Irrigation District Financial Projections (\$ millions)

■ Rate Funded Capital
 ■ Debt Service
 ■ O&M
 — Revenue
 - - - Reserves



Rate Structure Modifications and Proposed Rates

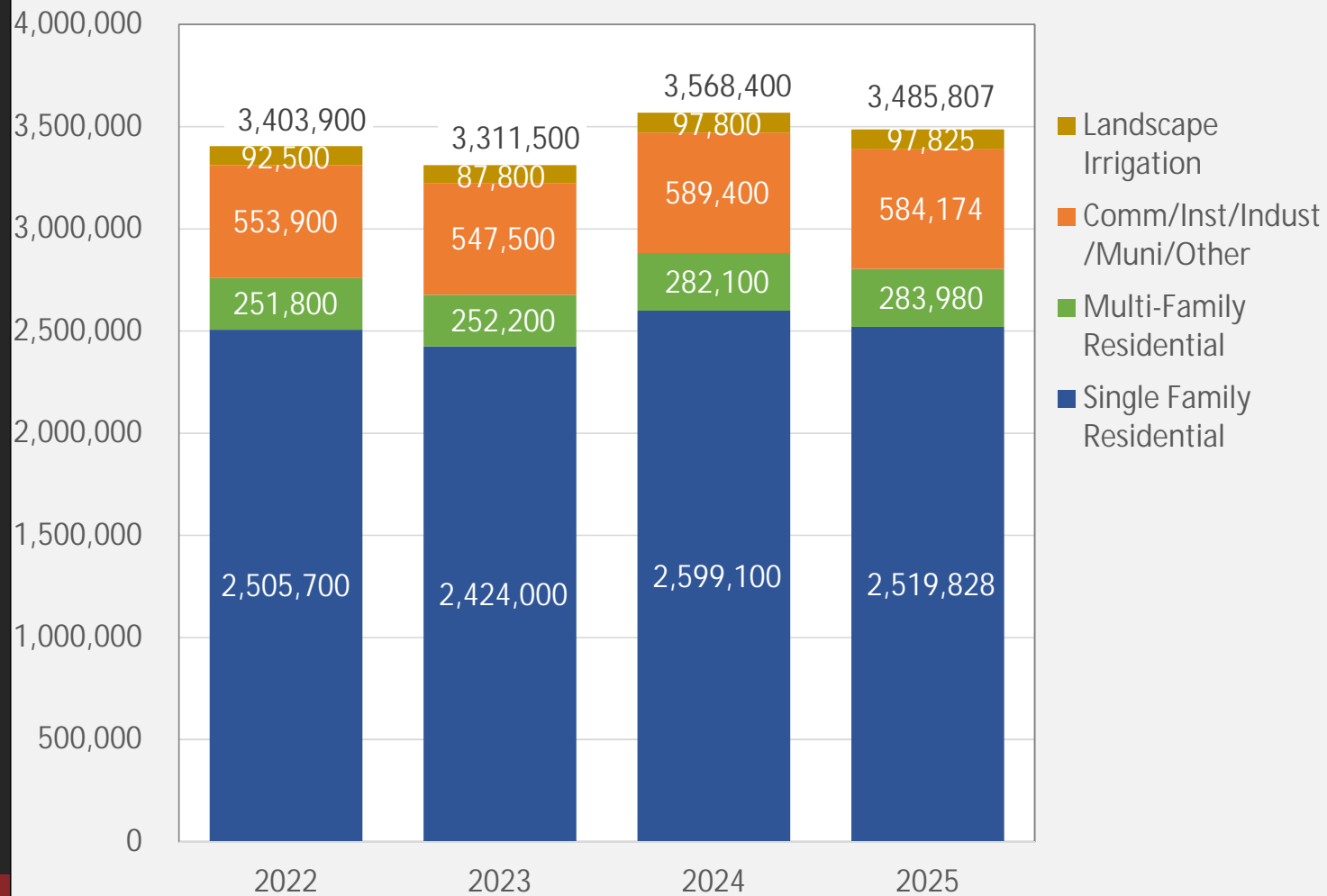
Potable Water Overview



Potable Water

Customers and Demand

Nevada Irrigation District
Annual Water Use (CCF)



Potable Water

Cost of Service Recommendations

1

Move volumetric rates from two tiers to one tier (uniform)

2

Only allocate property tax benefit to inside District connections (reflects customers paying property tax)

3

Include source of supply costs in outside District rates

Potable Water

Proposed Water Rates Inside District Higher CIP Scenario

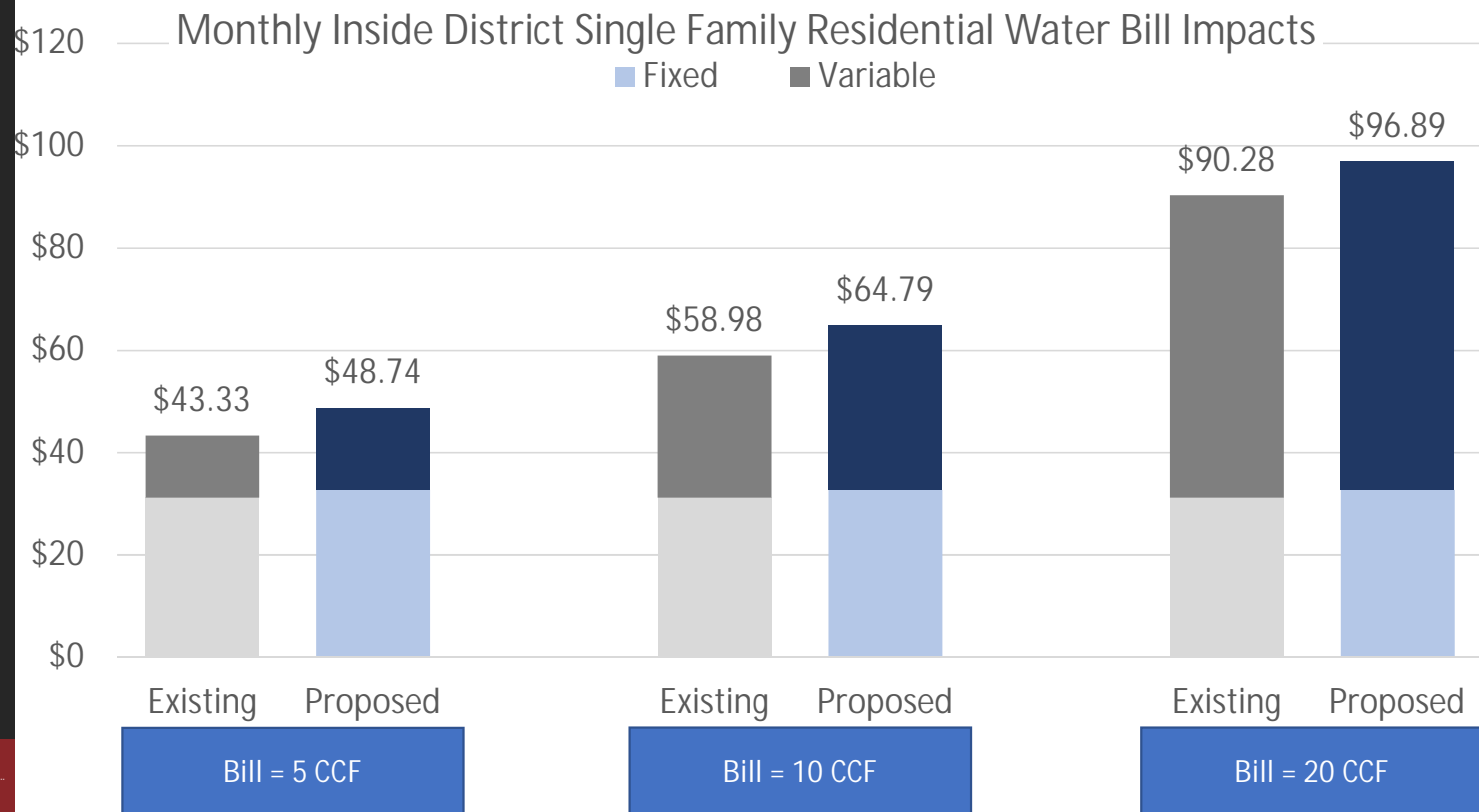
	2025	2026	2027	2028	2029	2030
Treated Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Inside District Monthly Fixed Service Charges						
5/8inch	\$29.33	\$32.69	\$36.78	\$41.38	\$46.55	\$52.37
3/4inch	44.00	49.05	55.18	62.08	69.84	78.57
1inch	73.34	81.74	91.96	103.46	116.39	130.94
1.5 inch	146.67	163.49	183.93	206.92	232.79	261.89
2 inch	234.68	261.57	294.27	331.05	372.43	418.98
3 inch	469.35	523.16	588.56	662.13	744.90	838.01
4inch	733.36	817.44	919.62	1,034.57	1,163.89	1,309.38
6inch	1,466.72	1,634.86	1,839.22	2,069.12	2,327.76	2,618.73
8inch	2,346.75	2,615.78	2,942.75	3,310.59	3,724.41	4,189.96
Additional Monthly Regulatory Fee						
All Treated Customers	1.90	0.00	0.00	0.00	0.00	0.00
Inside District Volumetric Rates, \$ per CCF						
Tier 1 (0-5 CCF)	2.42	3.21	3.61	4.06	4.57	5.14
Tier 2 (>5 CCF)	3.13	3.21	3.61	4.06	4.57	5.14

Potable Water

Proposed Bill Impacts Inside District Higher CIP Scenario

Treated Inside 5/8" Meter

Billed Volume (CCF)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
5.00	43.33	48.74	5.41	12.5%
10.00	58.98	64.79	5.81	9.9%
20.00	90.28	96.89	6.61	7.3%



Potable Water

Proposed Water Rates Outside District Higher CIP Scenario

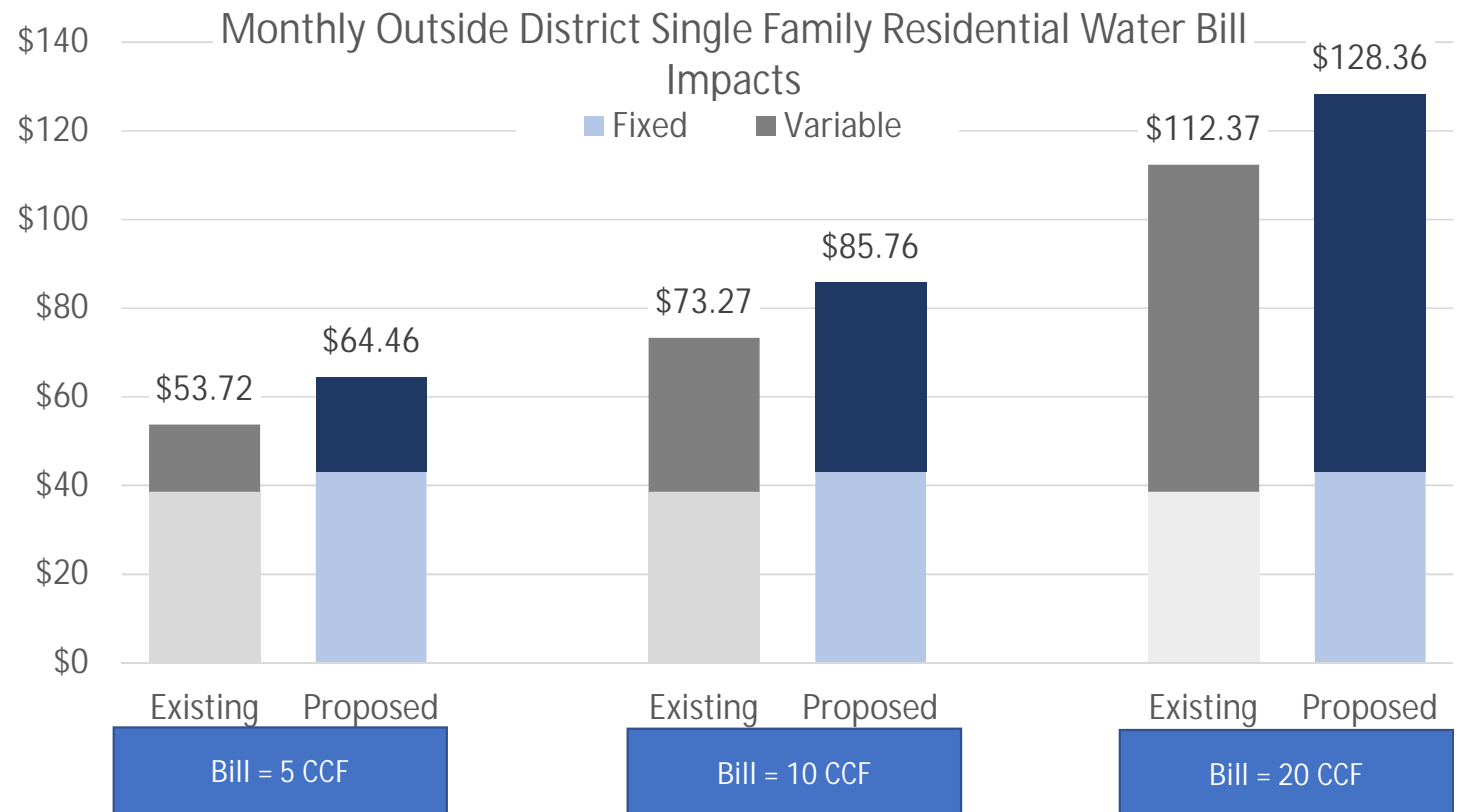
	2025	2026	2027	2028	2029	2030
Treated Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Outside District Monthly Fixed Service Charges						
5/8inch	36.67	43.16	48.56	54.63	61.46	69.14
3/4inch	55.00	64.73	72.82	81.92	92.16	103.68
1inch	91.67	107.89	121.38	136.55	153.62	172.82
1.5 inch	183.34	215.76	242.73	273.07	307.20	345.60
2 inch	293.34	345.22	388.37	436.92	491.54	552.98
3 inch	586.69	690.45	776.76	873.86	983.09	1,105.98
4inch	916.70	1,078.82	1,213.67	1,365.38	1,536.05	1,728.06
6inch	1,833.40	2,157.64	2,427.35	2,730.77	3,072.12	3,456.14
8inch	2,933.44	3,452.22	3,883.75	4,369.22	4,915.37	5,529.79
Additional Monthly Regulatory Fee						
All Treated Customers	1.90	0.00	0.00	0.00	0.00	0.00
Outside District Volumetric Rates, \$ per CCF						
Tier 1 (0-5 CCF)	3.03	4.26	4.79	5.39	6.06	6.82
Tier 2 (>5 CCF)	3.91	4.26	4.79	5.39	6.06	6.82

Potable Water

Proposed Bill Impacts Outside District Higher CIP Scenario

Treated Outside 5/8" Meter

Billed Volume (CCF)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
5.00	53.72	64.46	10.74	20.0%
10.00	73.27	85.76	12.49	17.0%
20.00	112.37	128.36	15.99	14.2%



Potable Water

Proposed Water Rates Inside District Lower CIP Scenario

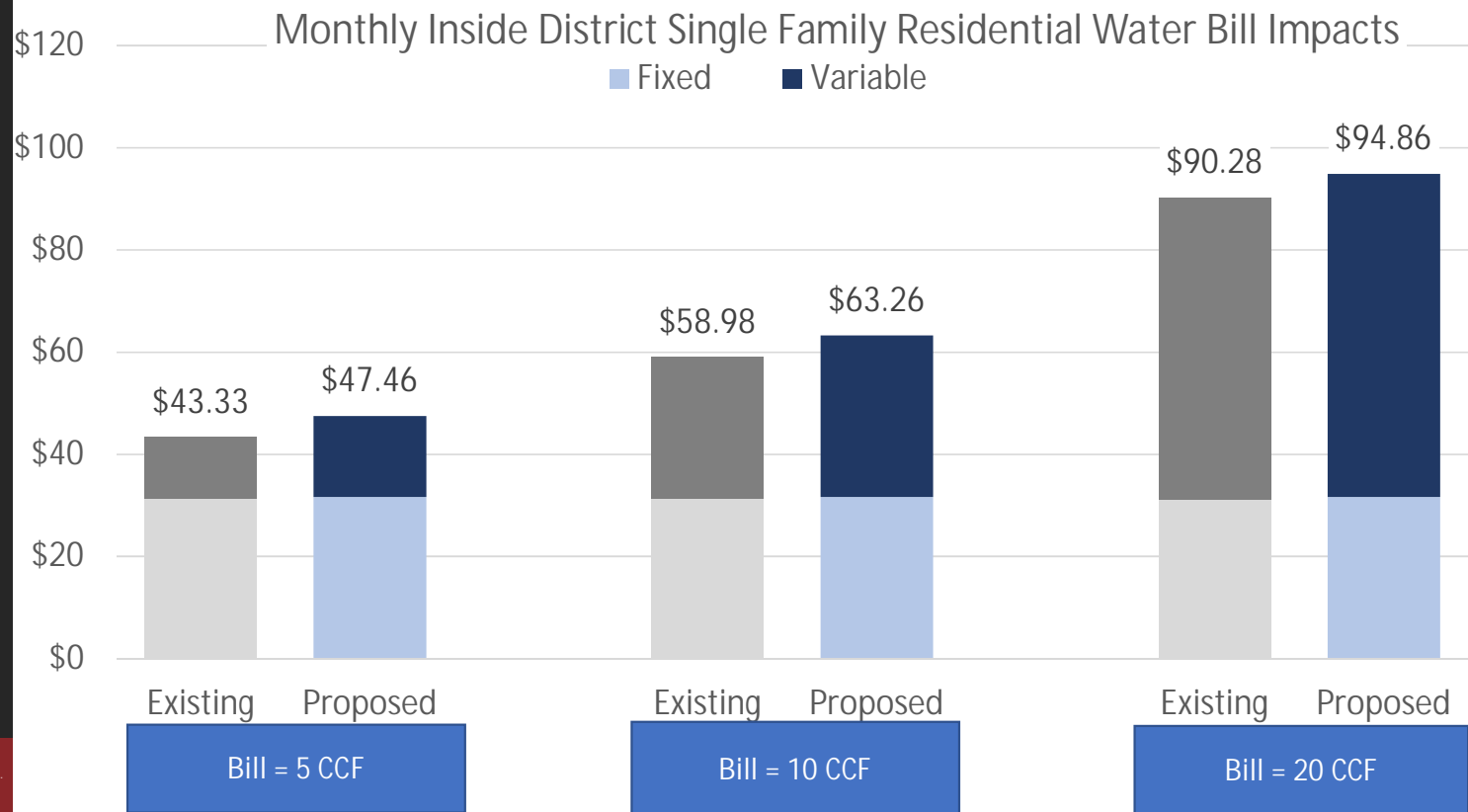
	2025	2026	2027	2028	2029	2030
Treated Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Inside District Monthly Fixed Service Charges						
5/8 inch	\$29.33	\$31.66	\$34.67	\$37.96	\$41.57	\$45.31
3/4 inch	44.00	47.49	52.00	56.94	62.35	67.96
1 inch	73.34	79.15	86.67	94.90	103.92	113.27
1.5 inch	146.67	158.28	173.32	189.79	207.82	226.52
2 inch	234.68	253.25	277.31	303.65	332.50	362.43
3 inch	469.35	506.51	554.63	607.32	665.02	724.87
4 inch	733.36	791.42	866.60	948.93	1,039.08	1,132.60
6 inch	1,466.72	1,582.86	1,733.23	1,897.89	2,078.19	2,265.23
8 inch	2,346.75	2,532.57	2,773.16	3,036.61	3,325.09	3,624.35
Additional Monthly Regulatory Fee						
All Treated Customers	1.90	0.00	0.00	0.00	0.00	0.00
Inside District Volumetric Rates, \$ per CCF						
Tier 1 (0-5 CCF)	2.42	3.16	3.46	3.79	4.15	4.52
Tier 2 (>5 CCF)	3.13	3.16	3.46	3.79	4.15	4.52

Potable Water

Proposed Bill Impacts Inside District Lower CIP Scenario

Treated Inside 5/8" Meter

Billed Volume (CCF)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
5.00	43.33	47.46	4.13	9.5%
10.00	58.98	63.26	4.28	7.3%
20.00	90.28	94.86	4.58	5.1%



Potable Water

Proposed Water Rates Outside District Lower CIP Scenario

	2025	2026	2027	2028	2029	2030
Treated Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Outside District Monthly Fixed Service Charges						
5/8 inch	36.67	42.65	46.70	51.14	56.00	61.04
3/4 inch	55.00	63.98	70.06	76.72	84.01	91.57
1 inch	91.67	106.63	116.76	127.85	140.00	152.60
1.5 inch	183.34	213.26	233.52	255.70	279.99	305.19
2 inch	293.34	341.22	373.64	409.14	448.01	488.33
3 inch	586.69	682.45	747.28	818.27	896.01	976.65
4 inch	916.70	1,066.32	1,167.62	1,278.54	1,400.00	1,526.00
6 inch	1,833.40	2,132.64	2,335.24	2,557.09	2,800.01	3,052.01
8 inch	2,933.44	3,412.23	3,736.39	4,091.35	4,480.03	4,883.23
Additional Monthly Regulatory Fee						
All Treated Customers	1.90	0.00	0.00	0.00	0.00	0.00
Outside District Volumetric Rates, \$ per CCF						
Tier 1 (0-5 CCF)	3.03	4.28	4.69	5.14	5.63	6.14
Tier 2 (>5 CCF)	3.91	4.28	4.69	5.14	5.63	6.14

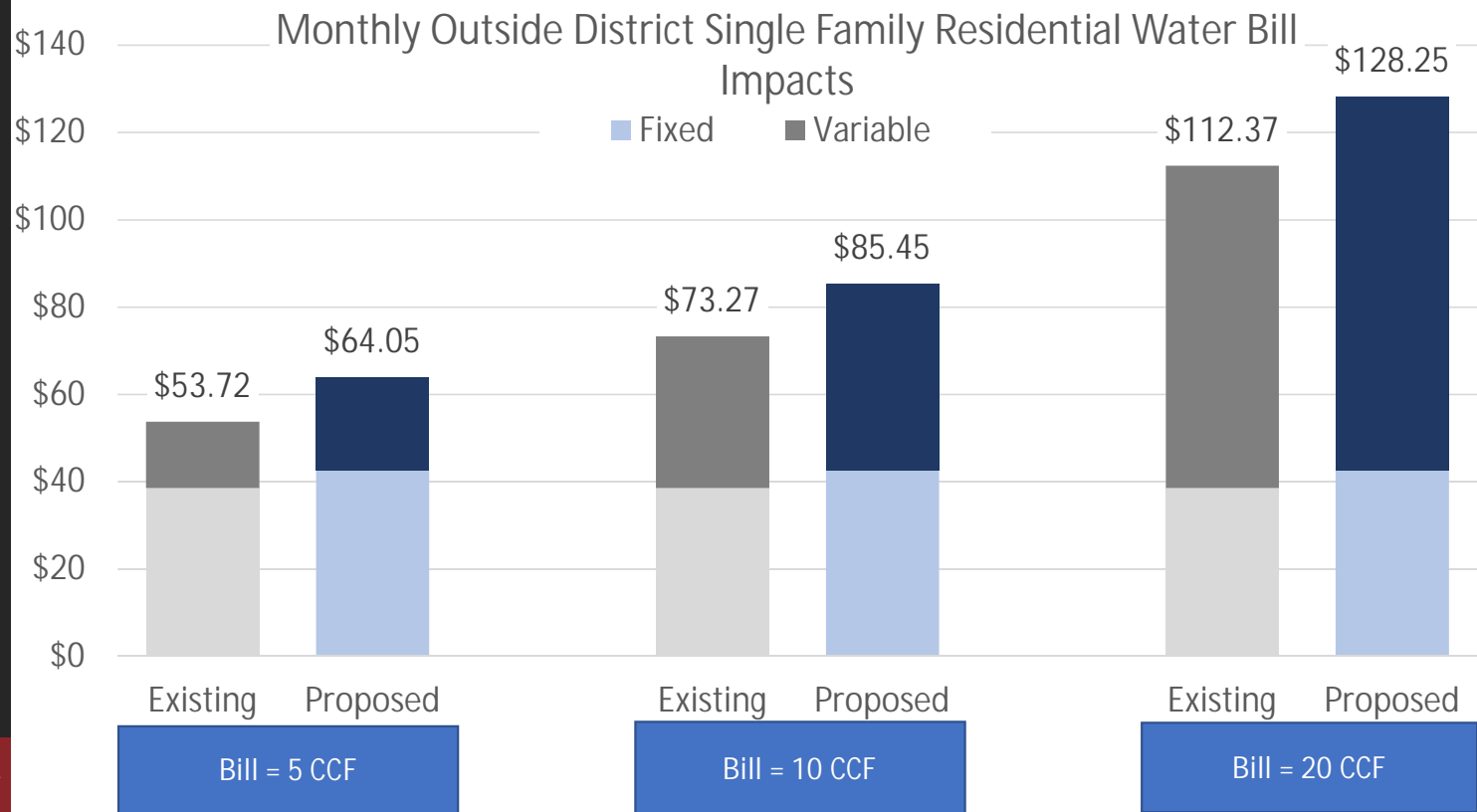


Potable Water

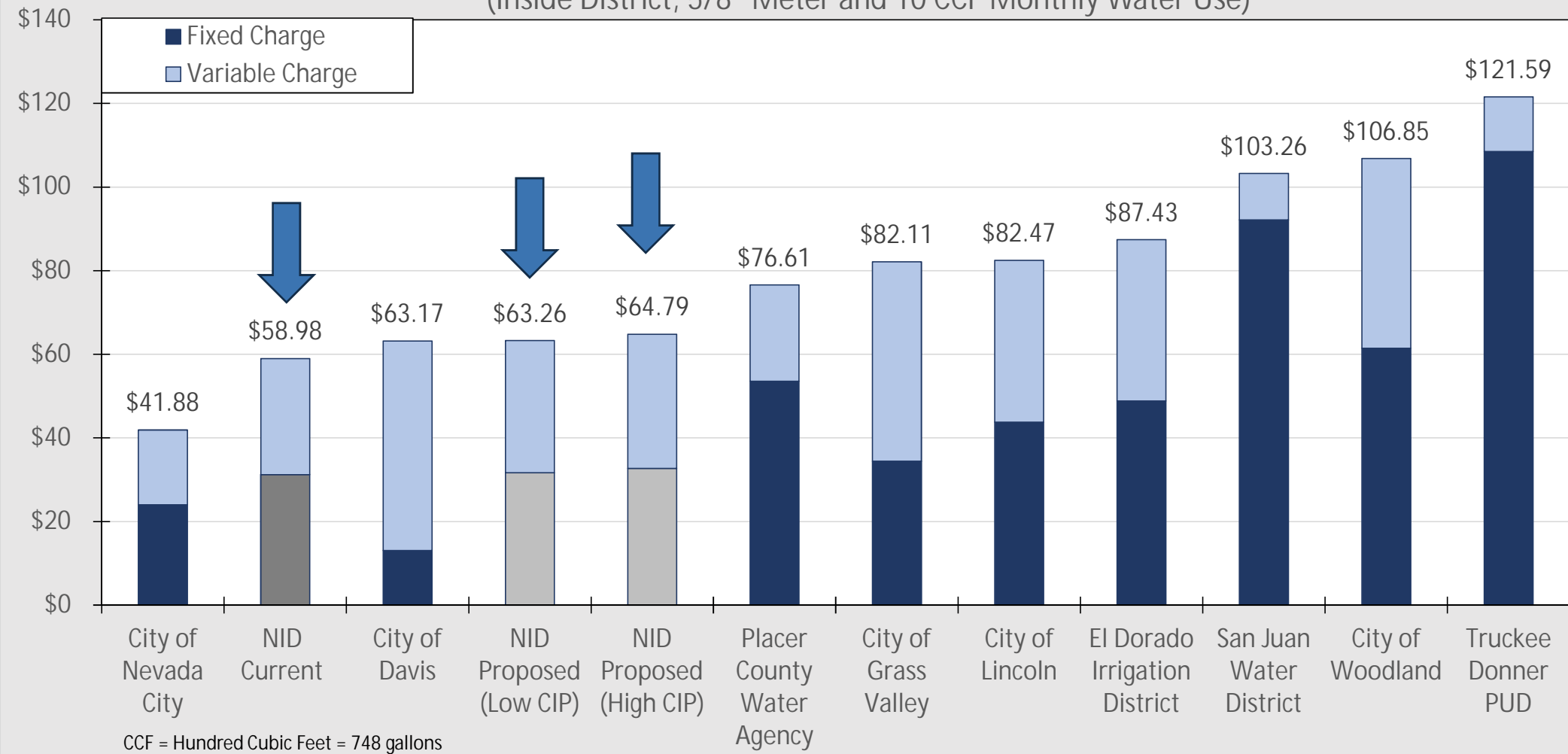
Proposed Bill Impacts Outside District Lower CIP Scenario

Treated Outside 5/8" Meter

Billed Volume (CCF)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
5.00	53.72	64.05	10.33	19.2%
10.00	73.27	85.45	12.18	16.6%
20.00	112.37	128.25	15.88	14.1%



Single Family Residential Treated Water Rate Survey (Inside District, 5/8" Meter and 10 CCF Monthly Water Use)



Rate Structure Modifications and Proposed Rates

Raw Water



Raw Water

Customers, Demand and Cost of Service Recommendations

NID provides raw (non-potable) water service to:

Season	Inside		Outside	
	Accounts	Usage (Miners Inches)	Accounts	Usage (Miners Inches)
Summer	4,536	10,987	82	276.0
Winter	590	536	7	4.0
Annual	237	184		

- Cost of Service Recommendations:
 - Only allocate property tax benefit to inside District connections (reflects customers paying property tax)
 - Include source of supply costs in outside District rates
- Policy Considerations:
 - 5% Prepayment discount
 - Discount increases customer service cost

Raw Water

Proposed Water Rates Inside District Higher CIP Scenario

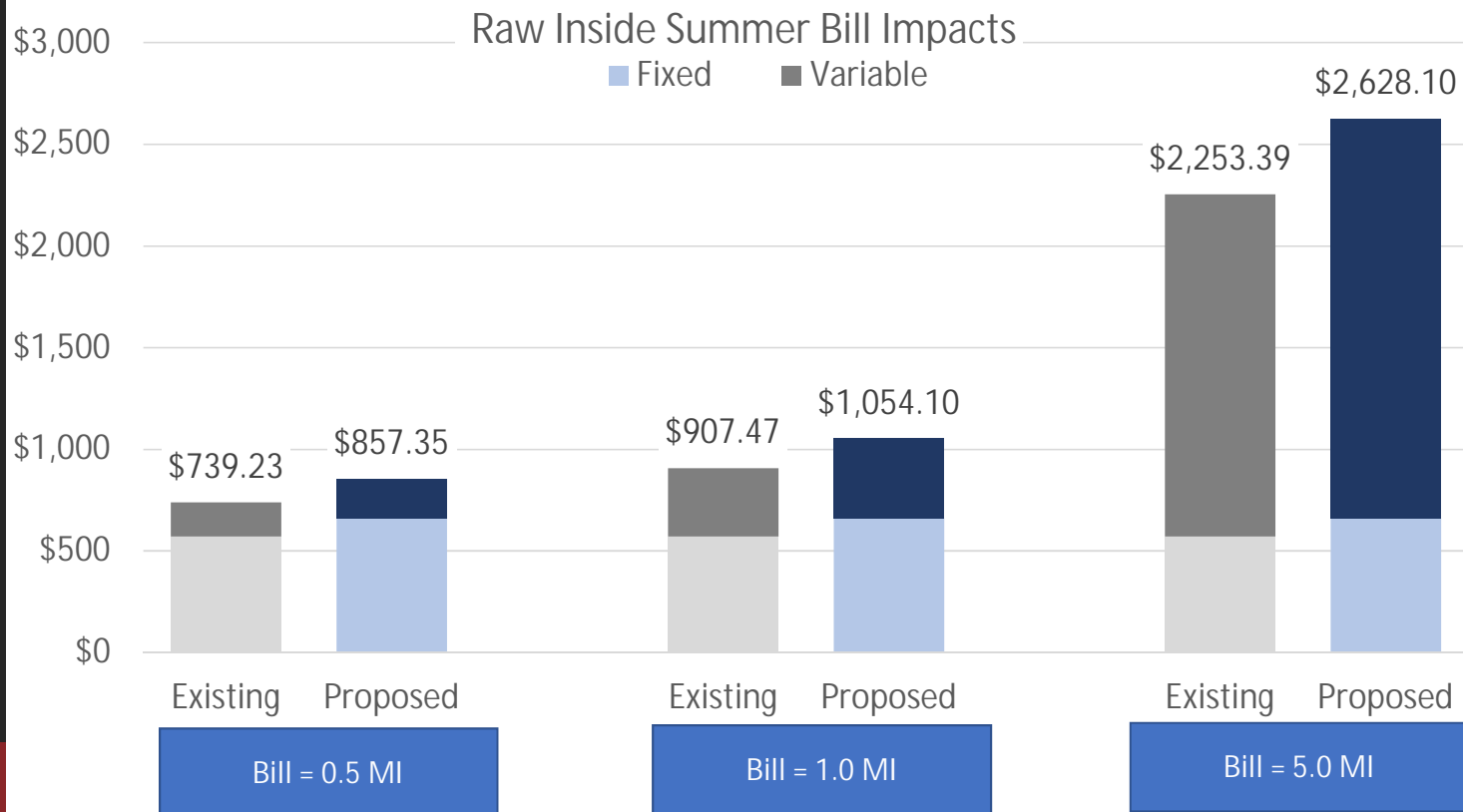
	2025	2026	2027	2028	2029	2030
Raw Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Fixed Service Charges						
In-District						
Summer	570.99	660.60	743.18	836.08	940.59	1,058.16
Winter	713.73	807.14	908.03	1,021.53	1,149.22	1,292.87
Annual	1,284.72	1,467.74	1,651.21	1,857.61	2,089.81	2,351.04
Volumetric Rates (\$ per Miners Inch)						
In-District						
Summer	336.48	393.50	442.69	498.03	560.28	630.32
Winter	420.61	478.78	538.63	605.96	681.71	766.92
Annual	757.09	872.28	981.32	1,103.99	1,241.99	1,397.24

Raw Water

Proposed Bill Impacts Inside District Higher CIP Scenario

Raw Inside Summer

Billed Volume (Miners Inches)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
0.5	739.23	857.35	118.12	16.0%
1.0	907.47	1,054.10	146.63	16.2%
5.0	2,253.39	2,628.10	374.71	16.6%



Raw Water

Proposed Water Rates Outside District Higher CIP Scenario

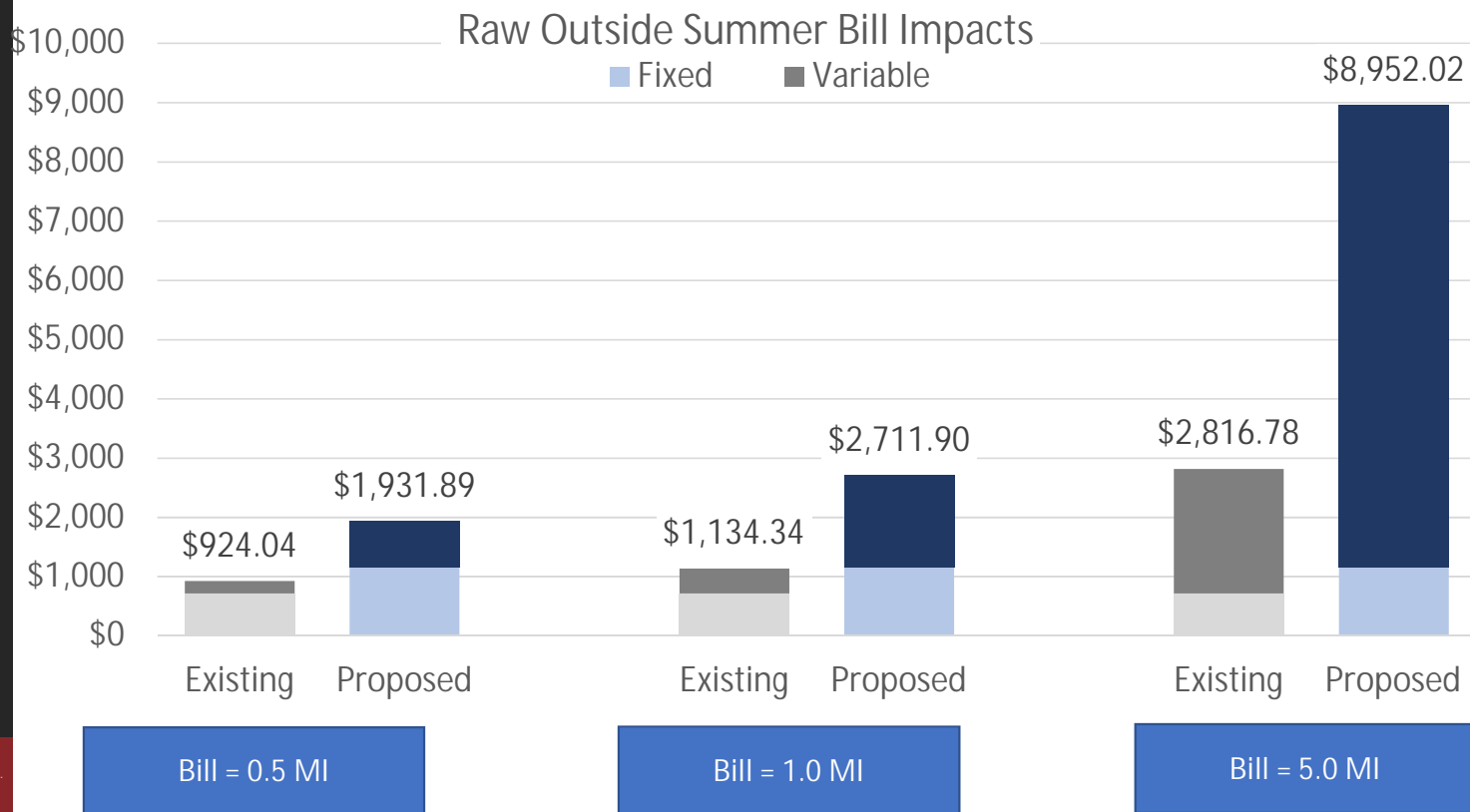
	2025	2026	2027	2028	2029	2030
Raw Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Out-District Raw Water						
Summer	713.73	1,151.87	1,295.85	1,457.83	1,640.06	1,845.07
Winter	890.74	1,298.41	1,460.71	1,643.30	1,848.71	2,079.80
Volumetric Rates (\$ per Miners Inch)						
Out-District Raw Water						
Summer	420.61	1,560.03	1,755.03	1,974.41	2,221.21	2,498.86
Winter	524.91	1,639.73	1,844.70	2,075.29	2,334.70	2,626.54

Raw Water

Proposed Bill Impacts
Outside District
Higher CIP Scenario

Raw Outside Summer

Billed Volume (Miners Inches)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
0.5	924.04	1,931.89	1,007.85	109.1%
1.0	1,134.34	2,711.90	1,577.56	139.1%
5.0	2,816.78	8,952.02	6,135.24	217.8%



Raw Water

Proposed Water Rates Inside District Lower CIP Scenario

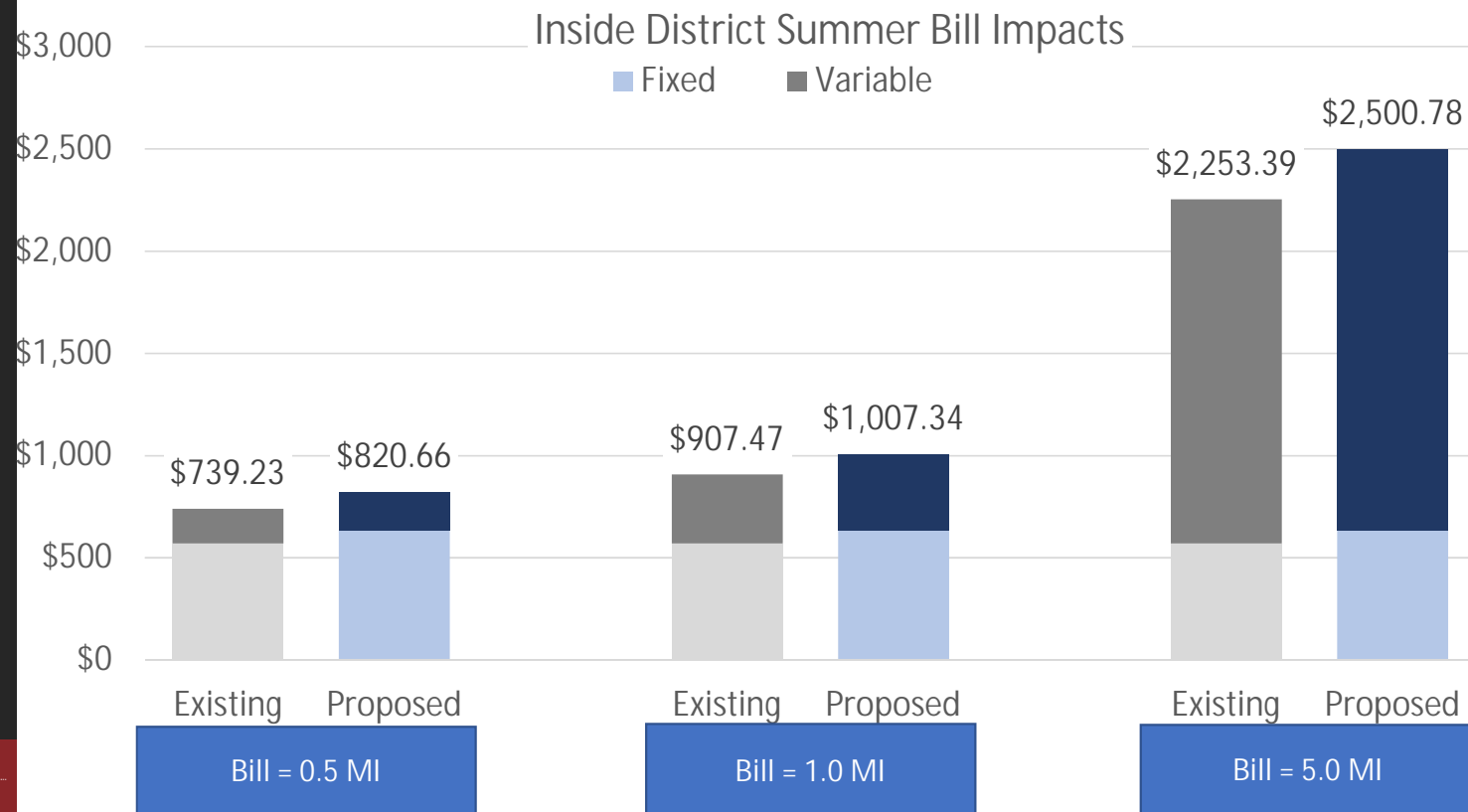
	2025	2026	2027	2028	2029	2030
Raw Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Fixed Service Charges						
In-District						
Summer	570.99	633.98	694.21	760.16	832.38	907.29
Winter	713.73	792.24	867.50	949.91	1,040.15	1,133.76
Annual	1,284.72	1,426.23	1,561.72	1,710.08	1,872.54	2,041.07
Volumetric Rates (\$ per Miners Inch)						
In-District						
Summer	336.48	373.36	408.83	447.67	490.20	534.32
Winter	420.61	466.00	510.27	558.75	611.83	666.89
Annual	757.09	839.36	919.10	1,006.41	1,102.02	1,201.20

Raw Water

Proposed Bill Impacts Inside District Lower CIP Scenario

Raw Inside Summer

Billed Volume (Miners Inches)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
0.5	739.23	820.66	81.43	11.0%
1.0	907.47	1,007.34	99.87	11.0%
5.0	2,253.39	2,500.78	247.39	11.0%



Raw Water

Proposed Water Rates Outside District Lower CIP Scenario

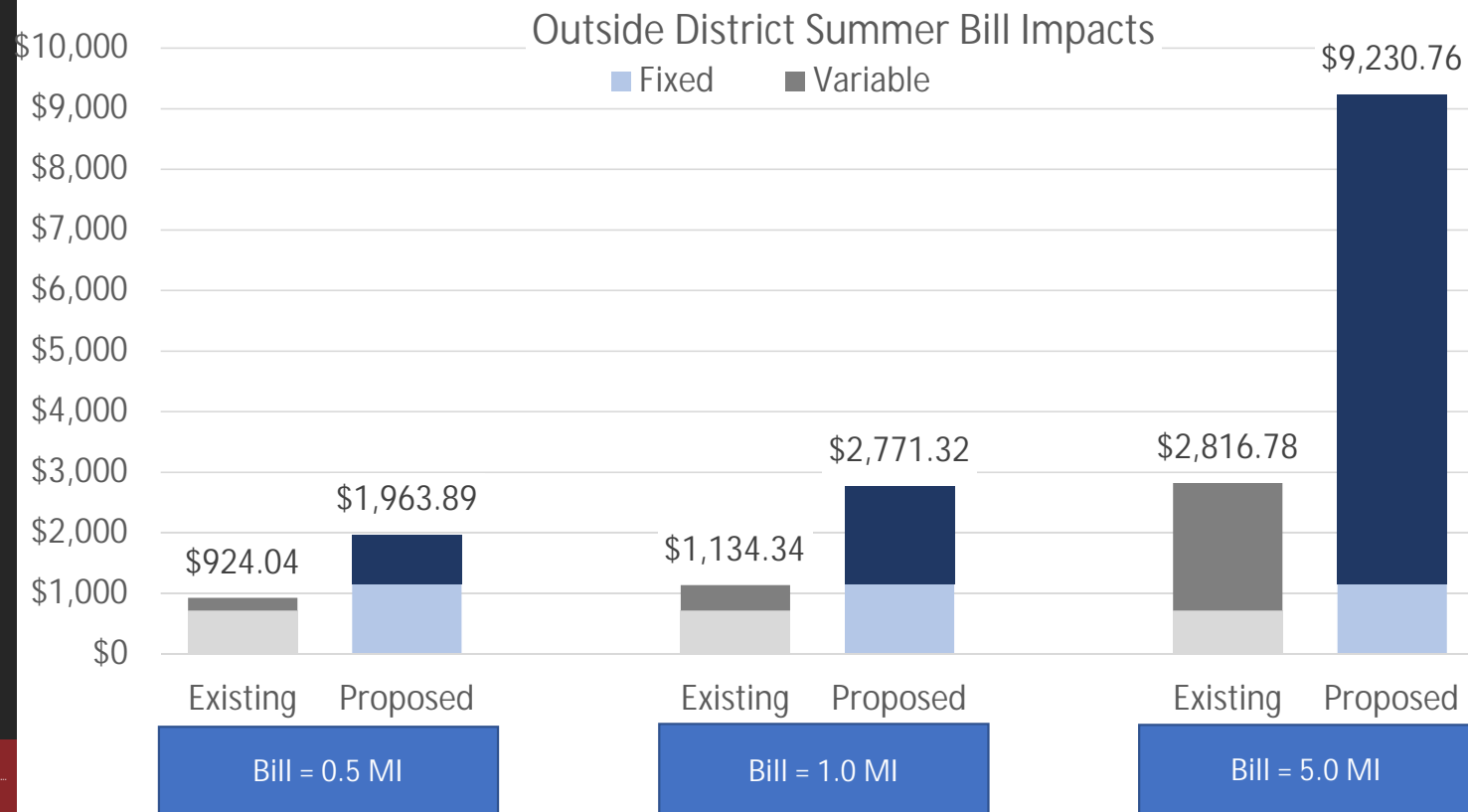
	2025	2026	2027	2028	2029	2030
Raw Water Rates	Existing	Projected	Projected	Projected	Projected	Projected
Out-District Raw Water						
Summer	713.73	1,156.46	1,266.32	1,386.62	1,518.35	1,655.00
Winter	890.74	1,314.72	1,439.62	1,576.38	1,726.14	1,881.49
Municipal	1,604.47	2,471.19	2,705.95	2,963.02	3,244.51	3,536.52
Out-District Raw Water						
Summer	420.61	1,614.86	1,768.27	1,936.26	2,120.20	2,311.02
Winter	524.91	1,701.49	1,863.13	2,040.13	2,233.94	2,434.99

Raw Water

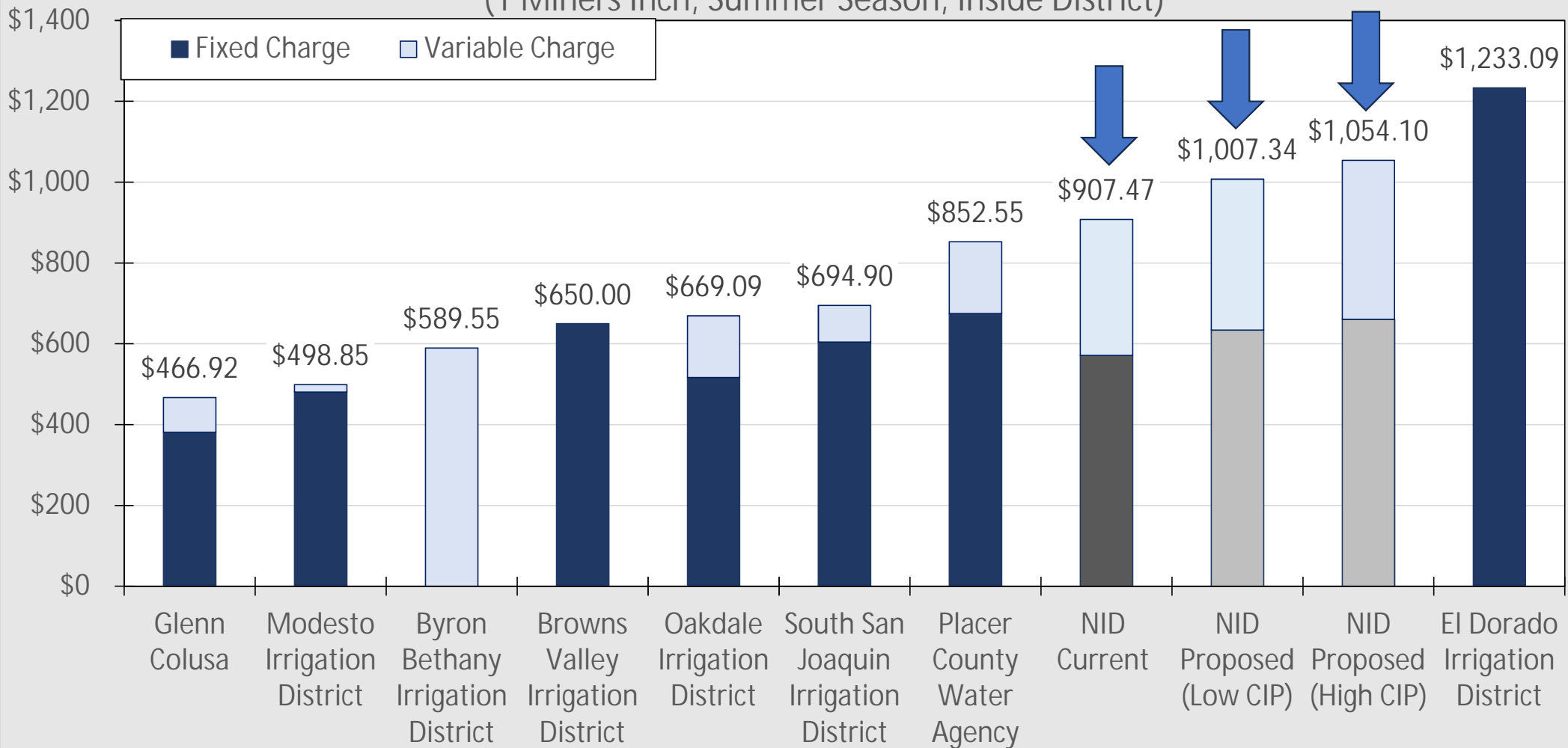
Proposed Bill Impacts Outside District Lower CIP Scenario

Raw Outside Summer

Billed Volume (Miners Inches)	Existing Monthly Bill	Proposed Monthly Bill	Change (\$)	Change (%)
0.5	924.04	1,963.89	1,039.86	112.5%
1.0	1,134.34	2,771.32	1,636.98	144.3%
5.0	2,816.78	9,230.76	6,413.98	227.7%



Irrigation Rate Survey (1 Miners Inch, Summer Season, Inside District)



Next Steps

Board
Workshop
2.11.26

Board
Meeting
3.11.26

Prop. 218 Notice Period

Rates
Effective
7.1.26

Board
Workshop
2.24.26

Mail
Notices
by
3.20.26

Public
Hearing
5.27.26

Questions & Discussion



BARTLE WELLS
ASSOCIATES