

Nevada Irrigation District
Board of Directors

MINUTES

February 26, 2025

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 February 2025, at 9 a.m.

Present were Ricki Heck, President (Division I) and Chris Bierwagen, Vice-President (Division II); and Directors Brad Fowler (Division III); 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; 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 Heck called the meeting to order
- President Heck led the Pledge of Allegiance
- Roll Call: 5 Members Present

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- None

Jennifer Hanson, General Manager, requested to pull and table the following Consent Agenda Item until a future meeting:

- Item 3B: 2025 Collection Agreement Financial Plan Between NID and the USFS

Public Comment: None

Director Johansen made motion to pull and table Item 3B - 2025 Collection Agreement Financial Plan with the U.S. Forest Service (USFS) until a future a meeting. Director Stephens seconded the motion, and it was unanimously approved.

CONSENT AGENDA

Public comment: None

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Director Bierwagen made a motion to approve the Consent Agenda, with the exception of item 3B. Director Stephens seconded the motion, and it was unanimously approved.

MINUTES FROM THE REGULAR MEETING ON FEBRUARY 12, 2025
M/S/C Bierwagen/Stephens, unanimously approved as submitted.

TYLER MUNIS ERP PROJECT #2295 CONTRACT AMENDMENT
Adopt Resolution No. 2025-16 - Authorizing an Amendment to the Tyler Munis ERP Contract and 2025 CIP Budget Amendment in the amount of \$69,348 and authorizing the General Manager to execute the necessary documents. M/S/C Bierwagen/Stephens, unanimously approved.

WARRANTS, PAYROLL FUND CERTIFICATE AND INVESTMENT REPORT
Ratified the issuance of warrants by receiving and filing the check registers and the Investment Transaction Report for the period February 1st, 2025 through February 14th, 2025. M/S/C Bierwagen/Stephens, unanimously approved.

GENERAL ORDERS

TRANSMISSION MAIN REPLACEMENT & LITTON ROAD PIPELINE EXTENSION PROJECT NO. 2690

Jennifer Hanson, General Manager, presented the item.

Board Discussion:

- Two main components
- Original alignment of backbone extension
- Confirmed size is sufficient
- Close bidding results

Public Comment: None

Adopted Resolution No. 2025-17 - Approval of 2025 Fund 55 Capital Budget Amendment and Award of Contract for Hughes Road Transmission Main Replacement & Litton Road Pipeline Extension Project No. 2690. M/S/C Johansen/Fowler, unanimously approved.

WORKSHOP ITEM

SURPLUS PROPERTY DECLARATION SPECIFIC TO THE PROPOSED CENTENNIAL RESERVOIR PROJECT

Jennifer Hanson, General Manager, presented the item, and Greg Jones, Assistant General Manager, provided a presentation.

Board Discussion:

- Budget for scoping – consulting services
- Identify Parker Ranch site

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- Municipal services on District-owned properties
- Map containing inundation zone in relation to properties with topographical overlay
- Dog Bar Bridge
- Possible reasons parcels would have been purchased outside of inundation zone
- Condition of houses, necessary repairs needed
- Ability to sell properties separately or bundled together
- Important to send request for proposal to local brokerages – and no sole-sourcing of brokerage services
- Appreciated properties
- Report out yesterday that California’s Plan for Affordable Housing has failed
- Surplus Land Act
- Insurance and any claims
- Return on investments
- Profitable venture – appreciated value and rental income
- Regular maintenance
- What happens if no response from Housing Community Development in 30 days
- District not to provide any financing
- Properties to sell at full market value or more
- Surplus Lands Act process and affordable housing
- Definition of project – CEQA obligations
- Confirming number of tenants that have expressed an interest in purchasing
- Appraisals and timing of appraisals
- Use of proceeds
- Confirm none of these properties have any foreseeable future use to the District
- Confirm all easements are in place on these properties for future maintenance and access to other District-owned lands and the river
- Request to see inundation map
- Deed restrictions
- Net positive cashflow generating revenue for the District and the risk of maintaining these properties
- Analyzing all-in costs
- Tenants’ insurance
- Investment returns vs. returns on these properties and additional risk
- Due diligence ensuring all contingencies and protective measures are in place
- Asset values
- Property tax on properties not in service territory
- Looking at a bigger picture to include other vacant lands
- Process of raising Rollins and understanding ramifications of FERC relicensing
- Learning more about restrictions and encumbrances that benefit the District
- District is not in the business of being a property manager or investor
- Understanding why proposing phasing of residential properties separately

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- Properties purchased for a proposed District project that no longer exists
- Investigating any access issues
- General direction was given to bring the item back providing additional information and a resolution related to these properties

Public Comment:

- Jeff Litton, member of the public:
 - Commented on the hard times previous owners went through during the process of NID acquiring these properties
 - Suggested the District offer properties back to previous owners at the same price purchased
 - Long-term vision and benefits to District and community
 - Opportunity to create regional educational park

GENERAL MANAGER'S REPORT

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

- PG&E repairs update and informed the Board of letter received from PG&E regarding potential cost sharing regarding Spaulding 1 repairs

BOARD OF DIRECTORS' ITEMS / REPORTS

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

- Commented on the great weather

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

- No report

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

- Still a mandarin grower

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

- Appreciated the coat rack in the Boardroom
- Thanked Chip Close, Director of Water Operations, and ditch tender for assisting one of his constituents who was having some issues

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

- No report

PUBLIC COMMENT ON ITEMS TO BE CONSIDERED IN CLOSED SESSION

- None

Dustin Cooper, District Counsel, announced that he anticipated public readout following Closed Session.

The meeting recessed at 10:53 a.m., and reconvened in Closed Session at 10:55 a.m.

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Closed Session was declared at 10:55 a.m., pursuant to Government Code § 54956.9(D)(1). regarding Existing Litigation - Westcon Construction Inc. v. Nevada Irrigation District, Nevada County Superior Court, Case No. CU0001475.

Board Action: Accepted the Settlement Agreement with Westcon Construction Inc. and authorized the Board President and the General Manager to execute the settlement agreement. M/S/C Johansen/Bierwagen, unanimously approved.

MEETING ADJOURNED at 10:59 a.m. The Board is scheduled to reconvene in regular session on Wednesday, March 12, 2025, 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