

Nevada Irrigation District
Board of Directors

MINUTES

February 11, 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 11th day of February 2026, at 9 a.m.

Present were Chris Bierwagen, President (Division II) and Brad Fowler, Vice-President (Division III); and Directors Ricki Heck, President (Division I) and 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

President Bierwagen announced that Item 4C:Water Rate Study Workshop would be moved on the agenda to the first workshop item.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- None

CONSENT AGENDA

Director Johansen made a motion to approve the Consent Agenda, Director Heck seconded the motion, and it was unanimously approved.

The following points of clarification were addressed:

- Item 3B: Watershed Department CIP Budget Amendment for the South Yuba Canal Wildfire Defense Project (CIP No. G0007)
 - Complimented staff for their work on working agreements and grant money with Cal Fire
 - Thankful for opportunity to walk the site
 - Clarified no maintenance provision in the grant and spoke about the importance of ongoing maintenance
 - Biomass

February 11, 2026

- Item 3E: Consulting Services for Rollins Reservoir Mapping and Bathymetry Survey
 - Glad to see taking account for sedimentation at Rollins and options

Public comment: None

MINUTES FROM THE REGULAR MEETING ON JANUARY 28, 2026

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

WATERSHED DEPARTMENT CIP BUDGET AMENDMENT FOR THE SOUTH YUBA CANAL WILDFIRE DEFENSE PROJECT (CIP NO. G0007)

Adopted Resolution No. 2026-09 - Approving a Budget Amendment to the Fund 70, FY 2026, for the South Yuba Canal Wildfire Defense Project (CIP No. G0007), and authorized the General Manager to execute the appropriate documents. M/S/C Johansen/Heck, unanimously approved.

COUNTY OF NEVADA TO CONVEY PARCEL FOR DEEDED ACCESS TO LAKE COMBIE TO THE DISTRICT

Adopted Resolution No. 2026-07 – Accepting the 1.09-Acre Strip of Land From Nevada County, Granting the District Deeded Access to Lake Combie From Combie Road. M/S/C Johansen/Heck, unanimously approved.

AMENDMENT TO THE FY 2026 CIP BUDGET

Adopted Resolution No. 2026-08 - Approving an Amendment to the FY 2026 Capital Budget in the Amount of \$1,497,550 to Carry Forward Unspent Appropriations From FY 2025 Capital Budget for Projects in Fund 15, Fund 55, and Fund 70. M/S/C Johansen/Heck, unanimously approved.

CONSULTING SERVICES FOR ROLLINS RESERVOIR MAPPING AND BATHYMETRY SURVEY

Awarded a consulting contract to PSOMAS Engineering, Inc. for survey services for the Rollins Reservoir Mapping and Bathymetry Survey (Project) in the amount of \$114,450, and a Contingency of \$11,445, and authorized the General Manager to execute the appropriate documents. M/S/C Johansen/Heck, 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 January 16, 2026, through January 27, 2026. M/S/C Johansen/Heck, unanimously approved.

February 11, 2026

WORKSHOP ITEMS

WATER RATE STUDY WORKSHOP

Jennifer Hanson, General Manager, introduced Erik Helgeson, Vice President of Bartle Wells Associates, who provided a presentation.

Board Comments:

- Annual debt and average interest rate
- Reserves
- Inflation
- Receiving input and direction from the Board
- Aging infrastructure and cost of repairs and replacement
- Two Proposition 218 deadlines
- Recreation rates
- Debt Service and additional debt
- Difference between scenarios
- Understanding what cannot be done with low CIP scenario
- Finance Committee if deeper review needed
- 5-Year CIP in place covered by low scenario
- South Yuba Canal and reserves needed
- Balancing costs with CIP scenarios
- Board's ability to change/reduce rates after they are set
- Water deliveries
- 5-year water rate revenue at high and low scenarios including inflation
- Actual cost to provide service and if short at lower revenue scenarios
- Using reserves to offset rates
- Increasing reserves and types of reserves
- FERC relicensing and options available to cover related costs
- Outside of District rates
- 2-Tier modification to one uniform rate
- Example of an 8" water user
- Assumptions used in models
- Base cost
- Confirmed CCF = Hundred Cubit Feet = 748 gallons
- Outside District potable water sold to the City of Grass Valley

The meeting recessed at 10:28 a.m. and reconvened at 10:38 a.m.

Board Comments continued:

- Inside District, 5/8" Meter and 10 CCF monthly water use – Slide 23
- Property rate increases in cities
- Number of treated users in District vs. treated users outside of District
- Cost of water treatment plants
- Raw winter water to Nevada County & Placer County
- Diversions vs. what was purchased
- Canals and studying who they serve
- Complexity of zoned methodology

February 11, 2026

- Discontinuing the 5% prepayment discount
- Different rate increase for each water class (treated & raw) with cost justification
- Hybrid scenario with low scenario for raw water and high scenario for treated water
- Low/Low scenario
- Winter water and constructive conveyance – discussion at future date
- Outside District raw water scenarios
- Lowering usage and impact to rates
- Irrigation Rate Survey 5 year averages – Slide 34
- Collaborate with others to help advocate for ag community
- Board consensus reached regarding the following:
 - 1-Tier only treated water
 - Roll-in \$1.90 regulatory fee into treated water base rate
 - Source of supply and property tax only benefit inside paying District customers
 - Escalation factor – see at 4,5 & 6 percent
 - Provide higher level revenue of capital scenarios
 - No lower/lower capital scenario
 - Hi/Low CIP on outside
 - Further analysis on elimination of 5% Prepayment Discount
 - Follow two optional legal procedures

Public Comment:

- Katie Casini, member of the public, addressed the Board regarding rate payers not getting inflation increases in their wages and taking that into consideration

IT/OT MASTER PLAN UPDATE WORKSHOP

Greg Jones, Assistant General Manager, presented the item.

Board Comments:

- Describe flume cable
- Becoming more productive and increasing security
- In-house vs outsourcing
- Operational tasks
- Rate study

Public Comment: None

UPDATE OF SALES OF SURPLUS PROPERTIES WORKSHOP

Greg Jones, Assistant General Manager, presented the item.

Board Comments:

- Staff time to reduce as properties are sold
- Security precautions
- Reducing costs
- Property vacancies
- Repair costs
- Rental losses / collections

February 11, 2026

Public Comment: None

GENERAL MANAGER'S REPORT

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

- Bay Delta Hearing update
- Placer County Water Agency/NID Water Committee meeting held
- Nevada County Farm Tour on May 6th
- Water Supply Update provided by Chip Close, Director of Water Operations

BOARD OF DIRECTORS' ITEMS / REPORTS

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

- Resilience Project meeting on Feb. 18th at the Love Building in Grass Valley

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

- Rain gauge same as two weeks ago and anticipated rain in next 10 days
- Attended and presented at Nevada County Farm Bureau meeting
- Attended PCWA/NID Water Committee meeting

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

- Attended PCWA/NID Water Committee meeting

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

- Went to the State Board and gave testimony in favor of Healthy Rivers
- Met with Congressman Ami Bera and shared highlights
- Working with a number of constituents
- Has been asked to be a voting member for LAFCo and is on budget committee

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

- No report

MEETING ADJOURNED at 12:05 p.m. The Board is scheduled to reconvene in regular session on Wednesday, February 25, 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