

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS

MINUTES

May 22, 2024

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 22nd day of May 2024, at 9 a.m.

Present were Rich Johansen, President (Division V); Ricki Heck, Vice President (Division I); and Directors Chris Bierwagen (Division II); Karen Hull (Division III); and Trevor Caulder (Division IV).

Staff members present included Jennifer Hanson, General Manager; Greg Jones, Assistant General Manager; Doug Roderick, Director of Engineering; Keane Sommers, Director of Power Systems; Steve Prosser, Director of Maintenance; 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 Johansen called the meeting to order
- President Johansen led the Pledge of Allegiance
- Roll Call: 5 Members Present

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- Deb Totoonchie, with Nevada County Farm Bureau, expressed her appreciation for the District's participation at the Ag Tour and shared the positive feedback received from others in attendance, primarily on hearing science and details.
- Michael Taylor, member of the public, expressed appreciation to the Board and expressed concerns heard from other members of the public regarding the use of RoundUp and requested notification to the public prior to the application of RoundUp.
- Jodi Rein, member of the public, expressed appreciation to the Board for all they do and for the work done on Rollins Lake and spoke about the importance of recreation.

CONSENT AGENDA

Public Comment: None

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MINUTES OF THE REGULAR MEETING ON MAY 8, 2024
M/S/C Hull/Heck, unanimously approved as submitted.

PLACING DELINQUENT ACCOUNTS ON DISTRICT ASSESSMENT ROLLS FOR COLLECTION

Adopted Resolution No. 2024-18 - Placing delinquent accounts on County Assessment Rolls for Collection for Placer County. M/S/C Hull/Heck, unanimously approved.

Adopted Resolution No. 2024-19 - Placing delinquent accounts on County Assessment Rolls for Collection for Nevada County County. M/S/C Hull/Heck, unanimously approved.

LAKE WILDWOOD TANK 1A RESTORATION PROJECT (PROJECT #2703)

Awarded the Lake Wildwood Tank 1A Restoration Project (Project No. 2703) to Olympus and Associates, Inc. of Reno, Nevada, in the amount of \$447,410.00, and authorized the General Manager to execute the appropriate documents. M/S/C Hull/Heck, unanimously approved.

PURCHASE OF A SKIP LOADER TO REPLACE A GRADER

Approved the purchase of one (1) 2024 CASE 570N EP Skip Loader in the amount of \$98,182.46 from Sonsray Machinery in Sacramento, California, and authorized the General Manager to execute the appropriate documents. M/S/C Hull/Heck, unanimously approved.

RESOLUTION OF APPRECIATION

Adopted a Resolution of Appreciation (S. Wood). M/S/C Hull/Heck, unanimously approved.

WARRANTS, PROJECT AND FACILITY REPORT, AND INVESTMENT REPORT

Ratified the issuance of warrants by receiving and filing the check registers, the Project and Facility Report, and the Investment Transaction Report for the period April 27, 2024 through May 10, 2024. M/S/C Hull/Heck, unanimously approved.

GENERAL ORDERS

BUDGET TO ACTUAL REPORTS - FY 2024 Q1, FOR THE PERIOD ENDING MARCH 31, 2024

Jennifer Hanson, General Manager, presented the item

The Board commended the General Manager on her great leadership and the Finance Department on a job well done.

Public Comment: None

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Received and filed the Budget to Actual Reports - FY 2024 Q1 for the period ending March 31, 2024. M/S/C Bierwagen/Heck, unanimously approved.

WORKSHOP ITEMS

PG&E UPDATE - WORKSHOP

President Johansen introduced Brandon Sanders, Senior Representative with Pacific Gas and Electric Company.

Board discussion ensued regarding the following:

- South Yuba Canal repair
 - o Anticipated completion now later part of August
 - o Thicker/stronger pipe requiring reinforced foundation
 - o Clarification regarding communications between engineers ordering pipe and those doing foundation work
- Request inspections made public
- Inquired if heavier reinforcement will provide greater protection in the future
- Inquiry if plans are in place to also replace the rest of pipe with stronger pipe
- Any schedule or scope changes on 2nd horn
- NID's complex system
- Delivery of water
- Production of hydropower
- Local control
- Treated water use
- Drought enforcement tools (fines) and scenarios
- Recreation assessment
- Typical water storage in Rollins
- Clarified where water flow is coming from during the outage period
- Impacts with Plan for Water Alternatives
- Projections impacted by projected repair completion date
- Fordyce PG&E repairs update
- Clarified if only one horn functioning while looking to refill Rollins and pulling from the District's storage, it likely impacts Jackson Meadows and Bowman carryover for 2025
- Faucherie Reservoir reservations

Public Comment:

- Kelly Buster, President of Stop PG&E:
 - o Voiced concerns about PG&E rates and people unable to afford
 - o Concerned PG&E is not transparent with maintenance records, and urged NID to keep requesting inspection records and to inspect them
 - o Stated in talks with San Francisco Water District, discussing purchasing PG&E infrastructure and shared about other agencies also in discussions regarding the same
 - o Spoke about opening communications

- Lynn Archer, business owner in the City of Grass Valley
 - o Inquired about mandatory reductions for treated water customers

- Brad Fowler, Member of the public:
 - o Unanticipated vulnerability (landslide) occurred
 - o Inquired what mitigations or proactive actions are being taken now to prevent this from happening again in the future

- Michael Taylor, member of the public:
 - o Concrete piers and 2-week wait time before applying any weight after poured
 - o Inquired if the rumor that PG&E is looking to NID to share in the cost of repairs, and if so, transparency should be provided by PG&E
 - o Please communicate as soon as possible with the public and the County OES departments where we will be with water levels at the end of June and July

FUND 15 (WATER CAPITAL) & FUND 55 (HYDROELECTRIC CAPITAL) 5-YEAR CAPITAL IMPROVEMENT PLAN - WORKSOP

Jennifer Hanson, General Manager, introduced the item, and Doug Roderick, Director of Engineering, provided a presentation.

Board Discussion:

- Hydroelectric power
- Proposition 218
- NID's rates are much lower compared to other counties
- Regulatory projects
- Clarification regarding administrative fees
- Average CIP expenditures
- Upper Division Capital Projects
- Hydro Power Revenue
- Hydroelectric subsidies:
 - o Can the District disproportionately apply subsidies for some customers but not all
 - o Legal analysis to hear arguments for and against
 - o Rate Setting
- Gauging Stations
- State finalizing online reporting system and pilot programs
- Timing of Lake Wildwood Water Treatment Plant
- Higher cost for Lake Wildwood Backbone Extension Project
- Importance of understanding rates are needed improvements/maintenance
- Zone-based rates
- 5-Year Capital Improvement Plan
- Average CIP Expenditures over 5 years
- Chicago Park Rewind
- Fund 55 Large Capital Projects
- Bonding or using cash

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- Reserves / Fed & State Funding available
- Financial/funding options calendar
- Construction timing
- Any other large capital projects outside of 5-years the Board should be looking at
- Clarify low-level outlet valve – Rollins
- South Yuba Canal
 - o Length of canal and flume
 - Accelerating schedule
 - Risk level on rest of canal
- Presentation of risk analysis
- Communication and messaging efforts and Yuba Net articles
- 5-10 years part of rate setting process
- Perception and feeling by the public that NID has not been doing regular maintenance and that customers now have to pay for aging infrastructure maintenance needed

Public Comment:

- Brad Fowler, member of the public:
 - o Reminded the Board that the only reason NID is in the hydroelectric business is to subsidize raw water rates
- Michael Taylor, member of the public:
 - o Educating the public on how hydroelectric power generated by the District has helped keep their rates down
 - o Providing farmers some confidence that water rates aren't going to go up

GENERAL MANAGER'S REPORT

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

- Participated in the Nevada County Farm Bureau's Ag Tour
- Presented at the Nevada County Contractor's Association
- Greg Jones, Assistant General Manager:
 - o Presenting at Lake of the Pines this evening
 - o Presented at Nevada County SIRS meeting

BOARD OF DIRECTORS' ITEMS / REPORTS

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

- Peaches are coming in

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

- Attended the Nevada County Farm Bureau's Ag Tour

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

- Attended the Nevada County Farm Bureau's Ag Tour

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

- Attended the Nevada County Farm Bureau's Ag Tour

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

- Attended the Nevada County Farm Bureau's Ag Tour
- Spoke about Conservation Water Monitoring on the Russian River
- Shared a stainless steel magnet for a ¾ inch hose that helps save water and energy

PUBLIC COMMENT ON ITEMS TO BE CONSIDERED IN CLOSED SESSION

- None

The meeting recessed at 11:42 a.m. and reconvened in Closed Session at 11:50 a.m.

Anticipated Litigation was declared at 11:50 a.m. pursuant to Government Code § 54956.9(d)(2) or (d)(3). Significant exposure to litigation; two potential cases.

Board Action:

Director Bierwagen made a motion to deny the claim of Wescon Construction Corp submitted by Murphy Austin, Adams, Austin, Shoenfield, LLP. The motion was seconded by Director Heck and unanimously approved.

MEETING ADJOURNED at 12.18 p.m. to reconvene in regular session on Wednesday, June 12, 2024, 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