

Staff Report

TO: Board of Directors

FROM: Peter Wade, P.E., Director of Power Systems

DATE: September 23, 2026

SUBJECT: Additional South Yuba Canal Material Purchase (Consent)

HYDROELECTRIC

RECOMMENDATION:

Adopt a Resolution:

- Approve additional funds for Capital Improvement Project South Yuba Canal Maintenance (Project #C0066) to the 2026 Annual Budget.
- Authorize the General Manager to execute the necessary documents required to implement the approved funding and material purchase.

BACKGROUND:

NID owns and operates 16.6 miles of the South Yuba Canal (SYC) which serves as the primary water conveyance asset between the Upper Division reservoirs to the Scotts Flat Reservoir. Water conveyed through the SYC originates from the Upper Division reservoirs including Jackson Meadows, French, Faucherie, Bowman, Jackson, Sawmill, and Milton. Deliveries from the SYC support treated water supplies to the City of Grass Valley and Nevada City as well as raw water deliveries to the lower canal system.

NID's portion of the SYC is made up of:

64,100 feet (12.1 miles) of embankment canal,
14,900 feet (2.8 miles) of elevated Lennon flume with wood support structure,
6,600 feet (1.25 miles) of wood box flume,
1,800 feet (0.34 miles) of benched concrete flume,

87,400 feet (16.6 miles) in total

As part of the ongoing maintenance program, annual capital expenditures are authorized for replacement of materials including wood timbers, lining materials, and associated hardware. Condition assessments and annual work planning are conducted in the fall, followed by material orders in January. Once ordered and received, the materials are

used to complete annual spring outage, typically conducted in March and April. Under the current process, materials are not intentionally maintained in inventory for approximately nine months following the annual maintenance work to provide contingency materials for an emergency.

For the 2026 Hydro Capital Budget, the Board approved \$300,000 on October 9, 2025. These funds and materials were allocated to the regular maintenance of the canal and were utilized during the spring outage work completed in March and April of 2026.

An opportunity exists to improve the efficiency and resiliency of the current material procurement process by maintaining an inventory of materials that can be used for both routine maintenance and emergency repairs. Procuring and storing these materials in advance would help mitigate potential cost increases and extended material lead times that could occur during an emergency. Maintaining a year-round inventory would also improve the availability of critical materials and reduce the potential duration of a canal outage resulting from emergency repairs.

To implement this approach, a second material purchase is proposed for 2026. The purchase would procure materials like those routinely used during the annual outage. These materials would be maintained as contingency inventory and managed using a first-in, first-out approach, whereby the oldest materials are used first and replaced as part of future annual maintenance purchases.

This proposed purchase is intended to be a one-time acquisition of additional materials to establish a contingency inventory and improve preparedness for a potential future emergency repair.

BUDGETARY IMPACT:

Approval of the proposed transfer to the 2026 Annual Budget will generate a \$220,000.00 increase to Fund 55 for fiscal year 2026. The allocated project funds will be utilized in 2026 to finance the purchase of materials.

Attachments: (1)

- Resolution 2026-38 – Approval of and Budget Amendment for the South Yuba Canal Maintenance Project (PN C0066)

PW



RESOLUTION NO. 2026-38
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

**APPROVAL OF AND BUDGET AMENDMENT FOR
THE SOUTH YUBA CANAL MAINTENANCE PROJECT
PROJECT NUMBER (PN) C0066**

WHEREAS, the Nevada Irrigation District (District) budget for the 2026 fiscal year reflects resources to meet the essential needs of the District and the District's customers; and

WHEREAS, the Board of Directors adopted the 2026 Annual Budget on October 9, 2025; and

WHEREAS, the South Yuba Canal Maintenance Project (PN C0066) was included in the FY 2026 Annual Budget, with funding requested in the amount of \$300,000

WHEREAS, the South Yuba Canal Maintenance Project (PN C0066) was carried out in March and April of 2026, and utilized the provided funding, and

WHEREAS, NID desires to procure additional materials to be stored and used in case of emergency, and

WHEREAS, the additional materials will be used as a emergency supply, but also function as a rotating supply for annual outage repair work,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Nevada Irrigation District:

1. The Board of Directors hereby approves adding funding in the amount of \$220,000 to the Capital Improvement Project Number (PN) C0066.

2. The Board of Directors hereby authorizes the General Manager to execute the documents necessary to cause the actions contemplated by this resolution.

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PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 23rd day of September 2026, by the following vote:

AYES:	Directors:
NOES:	Directors:
ABSENT:	Directors:
ABSTAINS:	Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors