

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS

MINUTES

November 9, 2022

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 9th day of November 2022, at 9 a.m.

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

Staff members present included Jennifer Hanson, General Manager; Greg Jones, Assistant General Manager; Doug Roderick, Director of Engineering; Chip Close, Director of Water Operations; 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 Bierwagen called the meeting to order
- President Bierwagen led the Pledge of Allegiance
- Roll Call: 5 Members Present

SPECIAL ORDERS

INVESTMENT PORTFOLIO REVIEW

Allison Kaune, with PFM Asset Management, provided a presentation for the Investment Performance Review for Quarter Ended September 30, 2022.

Board discussion ensued regarding the economy, interest rates, labor market, inflation, portfolio planning, and portfolio management fees.

Public Comment: None

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- Traci Sheehan, with Foothills Water Network, thanked Director Peters for her service to the District, in particular for her leadership and work on the Hemphill Diversion Structure Project and participation on the Ag Policy Ad Hoc Committee

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CONSENT AGENDA

President Bierwagen pulled the following items from the Consent Agenda for discussion at the request of members of the Board:

- Item 4D: 2023 Recreation Rates
- Item 4E: Harris Road District Financed Waterline Extension (DFWLE) Funding Agreements (Project #2650)

Public Comment: None

Director Hull motioned for approval of the Consent Agenda, excluding Items 4D and 4E. Director Peters seconded the motion, and it was unanimously approved.

The following Consent Agenda items were approved:

MINUTES OF THE REGULAR MEETING ON OCTOBER 26, 2022
M/S/C Hull/Peters, unanimously approved.

AB-361 COMPLIANCE - BROWN ACT/COVID-19 TELECONFERENCE AND REMOTE MEETING REQUIREMENTS

Adopted Resolution No. 2022-58 (Re-Authorizing Remote Meetings Consistent with AB-361) M/S/C Hull/Peters, unanimously approved.

RESOLUTION OF APPRECIATION

Adopted Resolution No. 2022-59 (Resolution of Appreciation - Kate Gunther). M/S/C Hull/Peters, unanimously approved.

RESIDENTIAL FIRE SPRINKLER CONNECTION CHANGES

Approved changes to NID's Water Service Regulations and Standard Detail 13 regarding new residential fire sprinkler connections as recommended at the Board Workshop on October 26, 2022. M/S/C Hull/Peters, unanimously approved.

WARRANTS, PROJECT AND FACILITY REPORT AND INVESTMENT TRANSACTION REPORT

Ratified the issuance of warrants by receiving and filing the check registers, Project and Facility Report and the Investment Transaction Report for the period October 8 to October 21, 2022. M/S/C Hull/Peters, unanimously approved.

Items pulled from the Consent Agenda for discussion:

2023 RECREATION RATES

Monica Reyes, Director of Maintenance, presented the item.

Board discussion ensued regarding fees needed to cover department costs, developing a full cost recovery fee schedule, vacancy rates, and District campsites being among the finest in the area and deserving higher rates.

Public Comment: None

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Director Johansen made an initial motion to approve the 10% increase in recreation rates, and make all rates equal by removing the senior discount. Director Hull seconded the motion.

Director Johansen amended the motion to table the item until a future Board meeting to consider approval of a 10% rate increase and removal of the senior discount. Director Hull seconded the amended motion, and it was unanimously approved.

HARRIS ROAD DISTRICT FINANCED WATERLINE EXTENSION (DFWLE) FUNDING AGREEMENTS (PROJECT #2650)

Doug Roderick, Director of Engineering, presented the item.

Board discussion ensued regarding agreement language pertaining to the cost of construction once bids are received, and the fifty percent threshold of property owner participation.

Public Comment: None

Approved Funding Agreements for the 22 participants of the Harris Road District Financed Waterline Extension. M/S/C Peters/Hull, unanimously approved.

The meeting recessed at 10:15 a.m. and reconvened at 10:23 a.m.

GENERAL ORDERS

ANNUAL COMPREHENSIVE FINANCIAL REPORT - 2021

Jennifer Hanson, General Manager, presented the item, introduced and acknowledged Finance Department staff, and introduced Justin Williams, with MUN CPAs, who provided a presentation.

2021 Audit Summary:

- Unmodified Opinion
- No Material Weaknesses
- No Compliance Exceptions
- No Significant Deficiencies
- 4 Management Letter comments
- 2 Audit Adjustments (Reclass entries)

Board discussion ensued regarding accounting estimates, debt coverage ratio, trends, investments, controls, and processes in place contributing to good audit results, and acknowledged staff for their hard work.

Public Comment: None

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WORKSHOP

PROPOSED CHANGES TO DISTRICT RULES & REGULATIONS SECTION 6.01

TERMS OF PAYMENT

Chip Close, Director of Water Operations, and Aurora Tipton, Customer Service Administrator, presented the item.

Board discussion ensued regarding staff safety and methods to message changes to the public. Board input was provided and direction was given to bring the item back to the Board at a future Board meeting for consideration.

Public Comment: None

GENERAL MANAGER'S REPORT

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

- Hemphill Diversion Structure Project update
- Chip Close, Director of Water Operations, provided a water update following recent snow and rain events

BOARD OF DIRECTORS' ITEMS / REPORTS

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

- Acknowledged Director Peters for her four years of service to the District

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

- Commended Director Peters for her service to the District
- Met with South Yuba River Citizens League at his farm - would like to provide a presentation to them in the spring
- Met with members of the Nevada County Energy Action Committee looking to form a Climate Transformation Alliance in Western Nevada County
- Spoke about supporting Lake Wildwood's Infrastructure and Evacuation Project, and providing a shaded fuel area around the District's water treatment plant
- Spoke about land management and U.S. Forest Service lands

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

- Acknowledged Director Peters for her contributions to the District
- Attending the Nevada County Farm Bureau dinner this weekend

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

- Acknowledged Director Peters for her service to the District and wished her well
- Attending the Nevada County Farm Bureau dinner this weekend

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

- Shared it has been a pleasure serving on the Board and plans to continue work on the Auburn Ravine
- Pleased that the 2022 Capital Improvement Plan will include looking at volumetric measurements
- Wishes the District all the best

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PUBLIC COMMENT ON ITEMS TO BE CONSIDERED IN CLOSED SESSION

- None

Dustin Cooper, District Counsel, announced that he did not expect any reportable Board action from Closed Session.

President Bierwagen closed the Open Session at 11:21 a.m. and opened the Closed Session.

Closed Session – Existing Litigation was declared at 11:21 a.m., pursuant to Government Code § 54956(d)(1). Nevada Irrigation District’s Yuba-Bear Hydroelectric Project (FERC Project No. 2266) and Response to Item 4 Schedule A – Additional Information – in FERC’s March 8, 2021, Letter as Revised by FERC’s May 17, 2022 Letter.

Board Action: None

Closed Session – Existing Litigation was declared at 11:21 a.m., pursuant to Government Code § 54956.9(d)(1). Application of PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) and PACIFIC GENERATION LLC for Approval to Transfer Certain Generation Assets, for a Certificate of Public Convenience and Necessity, for Authorization to File Tariffs and to Issue Debt, and for Related Determinations. California Public Utilities Commission, Application No. 22-09-018.

Board Action: None

MEETING ADJOURNED at 12:05 p.m., to reconvene in regular session on Wednesday, December 14, 2022, 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