

Nevada Irrigation District
Board of Directors

MINUTES
May 27, 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 27th day of May 2026, at 9 a.m.

Present were Chris Bierwagen, President (Division II) and Brad Fowler, Vice-President (Division III); and Directors Ricki Heck (Division I); 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 called for a moment of silence for David Straub, an NID employee who recently passed.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

- Robert Chavez, NID customer for over 35-years
 - Spoke about recent outage and interaction with his ditch tender
- Steve Tintle, NID customer at the end of Gold Blossom Canal
 - Problems when outages occur during weekends and not being notified
- Cheryl Haines, member of the public
 - Shared health issues experienced by her and her family and water problems
 - Expressed concerns about high levels of chlorine causing health problems and asked what the District is doing to clean the water
 - Inquired about pay increases
- Gary Flint, member of the public
 - Rate increase to build Parker Dam

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- Carl (no last name provided), member of the public and fisherman
 - Unable to fish and urged the Board to open the upper lakes

GENERAL ORDERS

WATER RATES, LEGAL OBJECTIONS

Dustin Cooper, Legal Counsel, presented the item.

Board Discussion:

- Clarifying the process to respond to objections received
- Confirmed voting to approve written responses to objections and to proceed to protest hearing

Public Comment:

- Tyler Blagg, member of the public
 - Inquired if Board members have reviewed the 40 objections received
- Lily Marie Mora, member of the public
 - Inquired about mediation vs. lawsuits to keep costs down
- Member of the public (no name provided)
 - Inquired if materials are online
- Trevor Caulder, past NID Board member and member of the public
 - Responses to each objection letter received
 - Clarified location of the responses in the resolution exhibits
- Matthew Marden, member of the public
 - Case law regarding objections
 - Discerning between a protest and an objection
 - Accepting objections also as protests
- Member of the public (no name provided)
 - PCWA knows how to run a water agency

Adopted Resolution No. 2026-25 - Responding to Timely Filed and Properly Submitted Written Objections to the Proposed Increases in Water Rates Pursuant to the Requirements of State Assembly Bill 2257. M/S/C Johansen/Fowler, unanimously approved.

WATER SERVICE RATES SCHEDULE, 2027 TO 2031

Jennifer Hanson, General Manager, introduced Erik Helgeson with Bartle Wells Associates, who provided a presentation regarding the proposed water rates for the 2027 to 2031 rate period.

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Board Discussion:

- Number of cost of service studies and public hearings performed by the consultant per year
- Cost to the District by pushing out the effective date for rate increases from July 1, 2026 to January 1, 2027
- Confirmed the item is to set the rate cap under Proposition 218
- Raw water and treated water each pay their own costs
- Confirmed raw water does not pay any costs related to backbone extensions

President Bierwagen opened the public hearing.

Public Hearing Comments:

- Steve Darden, member of the public, veteran and retired teacher
 - 38th season growing blueberries at Blueberry Hill Farm
 - Has always had a good relationship with NID and appreciates the opportunity to speak
 - Voiced concerns about increasing water rates for farmers
- Trevor Caulder, Past NID Board Director and District customer
 - Expressed his appreciation for the work done and thanked the General Manager and staff for strong financials
 - Requested the Board use financial tools, including bonding, reserves and asset sales and grants
 - Suggested re-establishing committees, including financial oversight committee
 - Urged strong guardrails and sunset clause
- Carl McCosker, Vice President of the Nevada County Farm Bureau and targeted grazer in the area
 - Grazes on properties that use 100's of inches of NID water
 - Learning experienced in the past 45-days about proposed increase
 - Proposal considers highest possible expenses and lowest incoming revenue without consideration of additional grants and other income
 - Committees and being part of the process
 - Not convinced the proposed increase is warranted
 - Urged the Board to reconsider the amount and a way forward
- David and Barbara Gallino, Gallino Ranch, NID customers for 49 years
 - Expressed concerns of the high rate proposed and how it will change the face of agriculture in our area
 - Urged the Board to approve a lower rate of 9%

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- Expressed concerns that proposed rates will change the dynamics and culture of Nevada County, and fabric of people who work in agriculture
- Thanked the Board for their efforts

- Sheryl Haines, homeowner and residence in Darkhorse
 - Water quality reports on the website are outdated
 - Inquired how increased rates will impact quality of water
 - Appreciates the Proposition 218 process and transparency
 - Hydro and large capital projects and how divided
 - Inquired if the District has applied for any large funding grants

- Michael Taylor, Resident in Division 1
 - Voiced concerns with the raw water rate increase proposed
 - Inquired if there could be an offset for raw water from Hydro
 - Urged the board to re-enact the 5% early payment discount, and to challenge staff to look at how proposed rate pencils-out accurately, responsibly and transparently

- Tyler Blagg, resident of Lodi, rancher & farmer in San Joaquin County and cattle in Nevada County
 - Purchases through leases 85" of ag water per year
 - Thanked the Cattlemen's Association and county Farm Bureaus
 - Expressed concerns about rates proposed
 - District gave up water rights on Centennial Dam
 - Urged Board members to not be directed by staff
 - Property taxes
 - Keeping water in our area
 - Property sales – including Colfax property
 - Upcoming elections and working to find candidates to run

- Itura (no last name provided), resident of Chicago Park
 - Purchases 2" of ag water
 - Member of a water collective with 20-30 families and they only get one vote to protest
 - Spoke about not having energy
 - Suggested the District get email addresses for all customers to better educate, communicate and receive feedback
 - Expressed concerns and spoke about protecting the community
 - Appreciates what the District does

- Joe Wellhoff, resident of Rough & Ready
 - Appreciates the opportunity to speak

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- Asked how long the District has known about Scotts Flat Spillway repairs needed and why it was not budgeted back then
 - Spoke about responsible budgeting
 - Lowering and communicating lower rates set as funding grants are received
 - 120 – Statute of limitations
 - Proposition 218 being created 50-60 years ago and is outdated
 - Communicating with customers
- Linda Holt, District customer with a small family farm
 - Purchases 1 miner's inch of ag water
 - Opposed to proposed rate increase, sharing that it would put them out of business
 - Ben Ogilvie, District customer with the Red Angus Ranch
 - Purchases 20" of ag water
 - Shared concerns about expenses in California, fire insurance, and the ability for his family to live on their property if rates increase as proposed
 - Thanked the Board for working with their customers
 - Lily Marie Mora, treated and raw water customer with the Personeni Ranch
 - Purchases 6" ag water
 - Voiced concerns about how agriculture can keep going if water rates increase
 - Reminded the Board of the importance of irrigated lands and fire protection, inquiring if there were funds available for fire suppression
 - Urged the Board to lower the cap rate proposed
 - Expressed her appreciation for the Board's time and service
 - Recently completed the Citizens Academy and encouraged the District to develop an NID academy or other similar educational program providing the public with the opportunity to learn and better understand
 - Robert Chavez, NID customer
 - Purchases 3" of ag water
 - Voiced concerns in opposition to the proposed rate increase
 - Urged the Board to not increase to 12%
 - Stressed that irrigation is needed to keep pasture green
 - Spoke about the job of a consulting firm and asking ratepayers what they can afford

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- Bill Gaffney, member of the public and ag water user
 - Followed up on a public comment made at the May 20th meeting regarding Hydro administration and straight administration costs and drop in Hydro reserves
 - Voiced concerns regarding NID putting priority on the hydropower division at the expense of water service

- Jeff Harter, member of the public
 - Expressed concerns, sharing he was very upset and felt rate increases were being forced on him
 - Urged the Board to do something different
 - Spoke in opposition to the proposed rate increase, sharing it seems the District got into this situation and now customers need to fix it
 - Told everyone to stop being so polite

- Shirley Osgood, member of the public
 - Appreciates the many well-informed members of the public who have spoken
 - Concerned that neighbors and other members of the community cannot afford the proposed rate increases
 - Urged the Board to consider what the public has said

- Gary Flint, NID customer, raw water user
 - Used to buy 24" and reduced to 15" due to rates
 - Voiced concerns about the proposed raw water rates and requested an explanation as to the amounts shown

- Bryan Kaminsky, member of the public
 - Purchases 13 miner's inches on 40-acre certified organic farm
 - Asked the Board if local agriculture is important to them
 - Congratulated the consultant and suggested a 2nd consultant
 - Urged the Board to not raise rates so high in order to keep agriculture in Nevada and Placer Counties

- Heidi Hansen, member of the public
 - Purchases 6 miner's inches and customer for 29-years
 - Concerned not seeing where NID took into consideration increased fire risk from those who will be unable to irrigate at increased rates and will stop buying water
 - Urged the Board to reconsider proposed rates

- Dean Farquar, resident of Auburn and District customer for 50 years
 - Purchases 12 miner's inches

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- Has had a great relationship with NID
 - Is in the cattle business and concerned cannot sustain with proposed rate increase
 - Also buys 1" of out of district water, requested clarification regarding proposed cost over 5 years
 - Thanked the Board for a great relationship and urged them to reconsider rate increase proposed
- Felicia Tracy, rancher with Emigrant Springs Ranch
- Need water and respect the need to maintain facilities that provide that service
 - Used to purchase 20 miner's inches and reduced to 10 miner's inches
 - Urged the Board to reconsider the proposed rate increase
 - Shared the history of Emigrant Springs Ranch, which has purchased water from the District since 1942, to irrigate half of its 100 acres
 - Spoke of the importance of irrigated lands
 - Stressed that the proposed rate increase would be a great burden to the environment and many people, and urged the board to compromise
- Linda Miller and Jennifer Miller Kohler, with the Personeni Ranch
- Purchases 9" of ag water
 - Personeni Ranch has been in operation for almost 100 years
 - Her father was an NID Board Director years ago
 - Spoke in opposition to the proposed rates
 - Shared concerns regarding the proposed rate increase and multitude of challenges for those in agriculture
 - Implored the Board to look for other avenues of revenue
 - Understands a rate increase is necessary, but hopes it will be something smaller than what is proposed
 - Fear of compounding high water rate increases putting those in agriculture out of business
- Jennifer Tindall, resident of Newcastle
- Purchases 2 miner's inches
 - Retired and grows vegetables, fruit and shares with her family and community
 - Clarified the proposed rate is 12.5%, not 12%
 - Inquired why the South Yuba Canal was bought as is
 - Requested clarification regarding how rate increase is applied to the bill
 - Expressed concerns about seeing agriculture dying
- Sue Barto, local realtor and cattle rancher
- Purchases almost 100" of irrigation water

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- Shared her experience with the District
 - Purchased property because of the water on the property
 - Understands the need for rate increases
 - Spoke of property rates and negative impacts
 - Expressed concerns regarding the proposed rate increase
 - Reported destruction and lack of care of her property by NID
 - Grants not pursued
 - Selling surplus properties
 - Urged the Board to consider other sources of revenue or lower the proposed increase
- Kathy Grimes, retired CPA
- Report based on information provided to District and no need to redo report as it costs money
 - Notice received did not look important, and many likely threw it away
 - Voiced concerns about fire prevention, not seeing inflation at 4%, the 5-year time frame, and if water will go to data centers if farmers are not provided with water
 - Spoke about expenses over 5 years
 - Concerned about increasing debt
 - Thanked the Board for their time
- William and Cinnamon Prior, property owners in Placer County
- Only received one notice and own multiple parcels in the NID District
 - Commented on votes per parcel and why property owners who are not current customers do not get the opportunity to vote
 - CPI 3.5 – 4%
 - PCWA does a CPI increase
 - Article that NID netted \$13 million in 2025, if true how much revenue was lost due to cutting back ag water
 - Revenue should increase since PG&E has repaired the canal
 - Voiced concerns regarding the District increasing fire risk by leaving cleared brush and trees on people's properties to dry, increasing rates for services not being provided and then taking the water to address the fire risk
 - Understanding where Board members stand on important matters by comments that they make and being enlightened by them
- Amy Dumas, resident of Newcastle and raw water user
- Voiced concerns about ability to stay in her home if rates increase and that ag water users will leave changing the quality of our life in the area
 - Improving efficiencies

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- Urged the Board to consider reducing the rates proposed, as those proposed are not sustainable

The meeting recessed at 11:03 a.m. and reconvened at 11:12 a.m.

- Ronda Pascoe, 4th generation rancher from Nevada County
 - Husband worked at NID for 36-years
 - Spoke in opposition to the proposed rate increase and its negative impact on agriculture
 - Voiced concerns about the protest system and how only one protest is allowed for each of the numerous manufactured home parks
- Coal Barker, with Siller Longhorns in Penn Valley
 - Spoke in opposition to the proposed rate increase
 - Voiced concerns about lasting negative impacts on agriculture and our community if the proposed rates are approved
- Peggy Fava, resident of Lake of the Pines
 - Voiced concerns of undue hardship to ag water users
 - Shared that schools are also feeling the crunch
 - Asked the Board to look at other revenue sources
 - Salary increases and the U.S. median salaries
 - Understands hard times, and hard decisions, but a 62% increase over 5 years will price everyone out and impact long-term stability
 - Spoke in opposition to the proposed rate increase
- Will Corbett, member of the public
 - Suggested a name change if trying to shut down irrigation
 - Shared issues he has been having on his property:
 - Ditch on his property was poorly managed until recently after communicating with maintenance person
 - Runoff easement has split property into two separate unreachable pieces and siltation caused downstream
 - Reported issues with several different ditch tenders while they were on his property
 - Commented on recalling elected Board members for what he believes is criminal action
- Laura Peters, former NID Board member
 - Thanked Director Fowler for paying attention to people
 - Stated she was re-districted off the Board because she asked a lot of questions

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- Encouraged the Board to look at overhead and consultant costs, tighten its belt and become more competitive with the market
- Matthew Marden, with the Clear Creek Water Association
 - Voiced concerns that a rate increase 12.5% per year for 5-years will hurt members and dismantle their water association
 - Spoke about increased fire risks, sharing that they lost their house to a fire in 2016, and since they were able to keep their pasture, upper property, and orchard green with NID water, the fire did not spread
 - Voters remembering what is said by Board members at the next election
- Phillip Starr, Sierra Starr Vineyard & Winery
 - Purchases 5 miner's inches
 - 31st harvest in Nevada County
 - Shared the history of his business, how they expanded to the location in Nevada County to include property on a ditch, and recent improvements made to his operation
 - Understands this is an incredibly difficult situation

Dustin Cooper, Legal Counsel, provided a reminder to members of the public that they still have the opportunity to submit a protest until the end of the public hearing.

- Coty White, Global Vineyards (old Indian Springs Vineyard)
 - Also represents a number of smaller vineyards
 - Voiced concerns about proposed rate killing agriculture
 - Spoke in opposition to the rate increase, proposing the Board approve smaller increments over a longer time
 - Purchases between 12-24 inches of ag water for vineyards, and 5 and 4 inches at his own properties
- Member of the public (no name provided)
 - Doesn't have a big farm, but has cattle and orchard, growing a lot of their food on their property
 - Voiced concerns about negative impacts to agriculture
 - Considering water used for agriculture focus vs. big water users utilizing water for lawns and landscape
- Michelle (no last name provided), member of the public
 - Purchases 1 miner's inch
 - Spoke about water waste and shared a few examples
 - Wasting money on continual paper billing when account is paid in full for the season

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- Barbara Gallino, local rancher
 - Expressed her appreciation for those who came out and shared their stories
 - Thanked Director Fowler for fighting for ranchers and farmers
 - Spoke about changes at upcoming election

- Laura Barhydt, local rancher
 - Spoke in opposition to the proposed item, sharing that it would be devastating for her family
 - Urged the Board to consider a lower rate and/or spread it out for a longer time
 - Growing crops and grass in our area is not like in the valley and costs cannot be compared
 - Expressed her appreciation for the Board and knows it is a very complicated system
 - Appreciates the service they have received from NID over the years, and asked the Board to please help them stay in business

- Brianna Bacon, Executive Director at Nevada County Resource Conservation District
 - Has been looking for a way to show how important agriculture is in our community and the amount of comments should not go unnoticed
 - Proud the county that she has grown up in is showing this amount of respect for the people who grow our food and take care of us during our fires, and knows the Board agrees
 - A parking lot full of people that are pro-ag is a big deal
 - Sitting in a position of supporting water that is the lifeblood of generations of ag should not go unnoticed

Public hearing closed at 11:40 a.m. and Dustin Cooper, District Counsel clarified the process and next steps.

Board Discussion:

- Clarification regarding one vote allowed per municipal accounts or mobile home park to only get one vote is set under Proposition 218

The Board recessed at 11:47 a.m., while a soft count was conducted of total protests. The meeting was called back into session at 1:02 p.m.

Dustin Cooper, Legal Counsel, announced that the gross number of unverified protests received was 3,105, which included objections and late protests received after the close of the public hearing.

Jennifer Hanson, General Manager presented the resolution and walked through the guardrails established.

Board Discussion:

- Confirmed this action will set the rate cap for the next five years
- Discussed cap rate in year six and if a new rate study would be required
- Potential sunset clarification
- Comments regarding guardrails on Resolution, Page 3, Item 6
 - Item 6 a)
 - Clarified would be working in tandem with the annual budget
 - Item 6 b)
 - Including public input in workshops, holding one meeting in the evening and one in Placer County
 - Item 6 d)
 - Exploring benefits to ag from hydro with encroachment permits
 - Modify “consider” to “discuss”
 - Item 6 e)
 - Clarified why rolling 5 years
 - Item 6 f)
 - Clarified if cost benefit analysis must be done for any capital improvement project – could be a hampering
 - Board Consensus was received to add the following:
Item 6 h) The Board of Directors hereby directs that unspent capital funds will not be spent on new projects that are not required to address an emergency repair, a required regulation, or critically needed to continue water delivery, or are related to a grant project that will have revenue that offsets grant expenditures.
- Conservation and grants
- Negative impacts to California agriculture if water becomes too expensive or infrastructure fails
- Planning for the worst and hoping for the best
- Problems with irrigation systems
- Constituent feedback over past few months
- RCD has potential ways to help ag users become more efficient
- Constituents meeting with elected state officials towards an ag exemption to Proposition 218 to allow different rates for ag users
- Sign up on website to support Proposition 4
- Obligation to provide water
- Appreciate guardrails
- Director Fowler proposed revisiting or approving on a 6% increase
- NID’s Mission Statement
- Collaborative work and menu of potential resources to help ag
- Building partnerships and finding solutions together

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- Guardrails
- Needing flexibility and to work together to make change
- Changing state policy for cap and trade
- Thanked managing directors for their work and for sharpening their pencils
- District undercapitalized since inception
- Problem from not implementing rate increases as needed in the past
- Guaranteeing good quality and reliable water
- Purchased South Yuba Canal to have control of the District's water
- Reducing rates does not allow District to continue to guarantee delivery of quality reliable water
- Possible additional guardrail
- Finding balance
- Looking at lower cap of 6% or 9% or 9.5%
- Inquired if Board is allowed to set different caps for each year
- Justifying how funds will be spent
- Scotts Flat Spillway timing and CIP in 2027
- Seeing adjustments every year

Director Fowler called for the question and President Bierwagen requested a motion.

Director Heck made a motion, and Director Johansen seconded the motion to adopt Resolution 2026-26 - Adopting New Water Service Rate Schedule, with the following amendments to guardrails:

- **Amend Resolution resolved paragraph 6d) to replace the word “consider” with “discuss”; and**
- **Add resolved paragraph 6h) “The Board of Directors hereby directs that unspent capital funds will not be spent on new projects that are not required to address an emergency repair, a required regulation, or critically needed to continue water delivery, or are related to a grant project that will have revenue that offsets grant expenditures.”**

Director Stephens made a substitute motion to the original motion, to adopt Resolution 2026-26 – Adopting New Water Service Rate Schedule, guardrails as modified in original motion and adding an additional amendment that the rate schedule for the first year will be capped at no more than a 9.5% increase. Director Fowler seconded the motion.

Board Discussion:

- Cost if rate cap reduced to 9.5% for the first year or 5 years
- Support for Proposition 4 funding
- Different rate cap for treated and raw water
- Inflation

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- Fuller Lake and Penstocks
- Hydro Projects
- Changing rates to cap at 10% for 5-years

The meeting recessed at 2:23 p.m. and reconvened at 3 p.m.

Dustin Cooper, Legal Counsel, reminded the Board of the substitute motion on the table and the procedure to first consider the substitute motion. If passed, the original motion is moot. If the substitute motion does not pass, then the Board will consider the original motion.

Substitute motion failed on the following roll call vote:

Heck, Division 1	No
Bierwagen, Division 2	No
Fowler, Division 3	Aye
Stephens, Division 4	Aye
Johansen, Division 5	No

Original motion passed on the following roll call vote:

Heck, Division 1	Aye
Bierwagen, Division 2	Aye
Fowler, Division 3	No
Stephens, Division 4	No
Johansen, Division 5	Aye

MEETING ADJOURNED at 3:15 p.m. The Board is scheduled to reconvene in regular session on Wednesday, June 10, 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