



# THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AGENDA

**SEPTEMBER 13, 2005**

**Yuba County Government Center  
Board of Supervisors' Chambers  
915 Eighth Street, Suite 109A  
Marysville, California**

**Unless otherwise indicated**

2:00 P.M. I

**CALL TO ORDER**

II **ROLL CALL** – Directors Rick Brown, Mary Jane Griego, Dan Logue, Richard Webb

III **ACTION ITEMS**

- A. **Memorandum of Understanding**: Approve Memorandum of Understanding between the United States Army Corps of Engineers, United States Fish and Wildlife Service and California Department of Fish and Game and authorize Chairman to execute upon submittal and review and approval of County Counsel.
- B. **Bear River Setback Levee Foundation /Feather River Tie-In**: Award contract to Envirocon Inc. and authorize Chairman to execute upon submittal and review and approval of County Counsel.
- C. **Director Stipend**: Approve amending Fiscal Year Budget 2005-2006 to increase Professional Services from \$499,000 to \$519,000 reflecting an increase in meeting stipend for Directors.
- D. **Phase 4 Levee Improvement**: Receive status report on Phase 4 Levee Improvement Project. (No Background Material)

Phase 4 Problem Identification Report

IV **BOARD AND STAFF MEMBERS' REPORTS**

V **PUBLIC COMMUNICATIONS**: Any person may speak about any subject of concern provided it is within the jurisdiction of the Levee Improvement Authority and is not already on today's agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than 5 minutes.

VI **ADJOURN**



# THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

Government Center  
915 Eighth Street, Suite 115  
Marysville, CA 95901-5273

Telephone: (530) 749-7575 Fax: (530) 749-7312

September 13, 2005

TO: Three Rivers Levee Improvement Authority (TRLIA) Board  
FROM: Charles K. McClain, Executive Director *Charles K. McClain*  
SUBJECT: Memorandum of Understanding with United States Army Corps of Engineers, United States Fish and Wildlife Service and California Department of Fish and Game.

**Recommendation:**

Approve draft Memorandum of Understanding between Three Rivers Levee Improvement Authority and United States Army Corps of Engineers, United States Fish and Wildlife Service and California Department of Fish and Game.

**Reason for Recommended Action:**

This agreement will put in place the financial assurance necessary to meet the mitigation requirement to allow the respective agencies to issue appropriate authorizations for levee construction work.

**Discussion:**

The United States Army Corps of Engineers, United States Fish and Wildlife Service and California Department of Fish and Game required a financial assurance agreement be prepared in order to provide for environmental habitat to be created or restored as part of the levee work.

**Fiscal Impact:**

\$12.1 million which will be initially paid by developer advance funds and subsequently reimbursed by the Department of Fish and Game

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY  
UNITED STATES ARMY CORPS OF ENGINEERS  
UNITED STATES FISH AND WILDLIFE SERVICE  
and  
CALIFORNIA DEPARTMENT OF FISH AND GAME**

This Memorandum of Understanding ("MOU") is entered into by and among the Three Rivers Levee Improvement Authority, the United States Army Corps of Engineers, the United States Fish and Wildlife Service, and the California Department of Fish and Game.

1. **Recitals.** This MOU is made in the context of the following facts:

1.1 The Three Rivers Levee Improvement Authority ("TRLIA") has developed and is implementing a comprehensive flood management project for portions of Yuba County. In developing and implementing the project, TRLIA is taking necessary actions to comply with the National Environmental Policy Act, the California Environmental Quality Act, the federal Endangered Species Act, the California Endangered Species Act, the Clean Water Act, and other relevant federal and state environmental and resource protection legislation.

1.2 On September \_\_, 2005, the United States Army Corps of Engineers ("Corps") issued a section 404 permit under the Clean Water Act to allow TRLIA to perform certain activities within jurisdictional waters of the United States. In order for the section 404 permit to be effective, TRLIA must provide certain financial assurances to the Corps to insure that all necessary mitigation will be performed by TRLIA.

1.3 On August 10, 2005, the United States Fish and Wildlife Service ("Service") issued a Biological Opinion (No. 1-1-05-F-0106) under the federal Endangered Species Act specifying reasonable and prudent measures and providing incidental take authorization for TRLIA's flood management work that could result in effects to the species covered in the Biological Opinion, all in compliance with the federal Endangered Species Act. On September \_\_, 2005, the Service, by letter, amended the mitigation provisions of the Biological Opinion (hereinafter collectively referred to as the "Biological Opinion"). In order for the Biological Opinion to be effective, TRLIA must provide certain financial assurances to the Service to insure that all necessary mitigation will be performed by TRLIA.

1.4 On September \_\_, 2005, the California Department of Fish and Game ("Department") issued a Consistency Determination under the California Endangered Species Act to allow TRLIA to perform certain flood management work, all in compliance with the California Endangered Species Act. In order for the Consistency Determination to be effective, TRLIA must provide certain financial assurances to the Department to insure that all necessary mitigation will be performed by TRLIA.

1.5 On September 6, 2005, TRLIA executed a Letter of Intent and two Mitigation Rights Purchase Agreements with Wildlands, Inc. wherein TRLIA obligates itself to purchase

certain mitigation credits, which credits when purchased will satisfy some or all of TRLIA's mitigation obligations under section 404 of the Clean Water Act, the federal Endangered Species Act, and the California Endangered Species Act.

1.6 TRLIA desires to enter into this MOU as a document guiding the creation of necessary financial assurances for the Corps, Service, and Department. The actual financial assurances will be provided by the escrow accounts to be created consistent with this MOU. The Corps, Service, and Department desire to enter into the MOU to provide certainty for TRLIA in establishing the escrow accounts required under this MOU.

2. **Definitions.** As used in this MOU the followings words shall have the following meanings.

2.1 "Effective Date" shall mean the date upon which this MOU has been signed by all four parties.

2.2 "Escrow Holder" shall mean [Capitol City Escrow] [U.S. Bank Government Banking Divison], located at \_\_\_\_\_ [address]\_\_\_\_\_.

3. **Mitigation and Financial Assurance Requirements.** The following mitigation, as also described in the matrix attached as Exhibit A, attached hereto and made a part hereof, is required for the work to be performed by TRLIA:

3.1 **Mitigation Required by the Corps.**

3.1.1 **Seasonal Wetlands and Seasonal Ponds.** The Corps has required mitigation to address Seasonal Wetlands and Seasonal Ponds. This mitigation, however, is subsumed within the mitigation required by the Service for Vernal Pool Crustaceans. Thus, no further financial assurance beyond what is described below in 3.2.1 is required for this mitigation.

3.1.2 **Willow Scrub, Riparian Scrub, Riparian Woodland, Emergent Wetland, Waterways/Drainages, and Valley Oak Forest.** The Corps has required mitigation to address these areas and habitat types. This mitigation is to take place on the Danna Property, property for which TRLIA has initiated a condemnation proceeding. However, financial assurances are required to ensure that TRLIA will construct and maintain the necessary mitigation on the Danna Property. Therefore, the Corps is requiring financial assurances to address these areas and habitat types in the amount of \$1,905,900.

3.2 **Mitigation Required by the Service.**

3.2.1 **Vernal Pool Crustaceans.** The Service has required mitigation to address project effects to Vernal Pool Crustaceans ("VPC"). Specifically, 27.42 acres of VPC habitat preservation is required, and a further 9.14 acres of VPC habitat creation is required.

3.2.1.1 **Reeds Creek Vernal Pool Preserve.** Of the 27.42 acres of VPC habitat preservation required, 9.65 acres is available in the Reeds Creek Vernal Pool Preserve, controlled by Wildlands, Inc. On September 6, 2005, TRLIA contracted with

Wildlands, Inc. for the purchase of those 9.65 acres of credit for the amount of \$1,447,500 (see Mitigation Rights Purchase Agreement, attached hereto as Exhibit B, and hereby made a part hereof), which purchase shall be referred to herein as the Reeds Creek Purchase. However, financial assurances are required to ensure that TRLIA will close on the Reeds Creek Purchase. Therefore, the Service is requiring financial assurances to address these 9.65 acres of VPC preservation habitat in the amount of \$1,447,500.

**3.2.1.2 Letter of Intent for VPC.** After the Reeds Creek Purchase, TRLIA is still required to provide 17.77 acres of VPC preservation habitat and 9.14 acres of VPC creation habitat. On September 6, 2005, TRLIA executed a Letter of Intent with Wildlands, Inc. for the eventual purchase of those 17.77 acres and 9.14 acres for the total amount of \$4,036,500 (see Letter of Intent, attached hereto as Exhibit C, and hereby made a part hereof), which agreement shall be referred to herein as the VPC Letter of Intent. However, financial assurances are required to ensure that TRLIA will execute a purchase agreement consistent with the VPC Letter of Intent once lands are acquired by Wildlands, Inc. Therefore, the Service is requiring financial assurances to address these 17.77 acres and 9.14 acres of VPC preservation and creation habitat, respectively, in the amount of \$4,036,500.

**3.2.2 Valley Elderberry Longhorn Beetle.** The Service has required mitigation to address impacts to the habitat of the Valley Elderberry Longhorn Beetle. This mitigation, however, will occur as part of project implementation. Thus, no further financial assurance is required for this mitigation.

**3.2.3 Giant Garter Snake.** The Service has required mitigation to address impacts to the habitat of the Giant Garter Snake. In particular, the Service has required the purchase of 134.37 acres of Giant Garter Snake habitat. On September 6, 2005, TRLIA contracted with Wildlands, Inc. for the purchase of those 134.37 acres of Giant Garter Snake Habitat for the amount of \$4,702,950 (see Mitigation Rights Purchase Agreement, attached hereto as Exhibit D, and hereby made a part hereof), which purchase shall be referred to herein as the Tule Basin Purchase. However, financial assurances are required to ensure that TRLIA will close on the Tule Basin Purchase. Therefore, the Service is requiring financial assurances to address these 134.37 acres of Giant Garter Snake habitat in the amount of \$4,702,950

### **3.3 Mitigation Required by the Department.**

**3.3.1 Swainson's Hawk.** The Department has required mitigation to address impacts to the habitat of the Swainson's Hawk. This mitigation, however, will occur as part of project implementation. Thus, no further financial assurance is required for this mitigation.

**3.3.2 Giant Garter Snake.** The Department has required mitigation to address impacts to the habitat of the Giant Garter Snake. This mitigation, however, is subsumed within the mitigation required by the Service for Giant Garter Snake habitat. Thus, no further financial assurance is required for this mitigation beyond what is provided in 3.2.3 above.

**4. Creation of Escrow Accounts.** In order to provide financial assurance for the mitigation identified in Section 3 above, TRLIA will create two escrow accounts as follows:

**4.1 Corps Mitigation Escrow Account.** TRLIA will create a first mitigation account ("Corps Mitigation Escrow Account") in the amount of \$1,905,900. The purpose of this account shall be to provide financial assurance that TRLIA will perform the mitigation required under the section 404 permit in regard to Willow Scrub, Riparian Scrub, Riparian Woodland, Emergent Wetland, Waterways/Drainages, and Valley Oak Forest. Except as may otherwise be provided in this Section 4.1, the Corps Mitigation Escrow Account shall be operated pursuant to Section 5 of this MOU. Where Section 5 requires two parties to sign for withdrawals from the Corps Mitigation Escrow Account, the Corps shall be the "co-party."

**4.2 Service Mitigation Escrow Account.** TRLIA will create a second mitigation account ("Service Mitigation Escrow Account") in the amount of \$10,186,950. The purpose of this account shall be to provide financial assurance that TRLIA will perform the mitigation required under the Biological Opinion in regard to VPC and Giant Garter Snake habitat. Except as may otherwise be provided in this Section 4.2, the Service Mitigation Escrow Account shall be operated pursuant to Section 5 of this MOU. Where Section 5 requires two parties to sign for withdrawals from the Service Mitigation Escrow Account, the Service shall be the "co-party."

**5. Operation of the Escrow Accounts.** This Section 5 shall apply to operation of both the Corps Mitigation Escrow Account and the Service Mitigation Escrow Account. The parties hereby acknowledge that the escrow accounts will be drawn-down in order to make the mitigation purchases and expenditures identified above.

**5.1 Interest Bearing and Costs.**

**5.1.1 Interest Bearing.** The Corps Mitigation Escrow Account and the Service Mitigation Escrow Account shall be invested so as to be interest bearing, at the discretion of TRLIA; provided, that funds are invested so as to assure the preservation of capital and so as to make cash available within 15 days in furtherance of this MOU. To the extent that interest is earned on such accounts, such interest shall first be used to satisfy TRLIA's obligations under this MOU, and only thereafter shall be disbursed by the Escrow Holder to TRLIA. For taxation purposes, such interest shall be considered to have accrued to TRLIA.

**5.1.2 Costs.** TRLIA shall fund all costs of maintaining the escrow accounts, but such obligation shall terminate 24 months after the original deposit of funds consistent with Section 5.2.2.

**5.2 Disbursements.**

**5.2.1 Co-Authorizations Required for First 18 Months.** Beginning with the initial deposit by TRLIA and concluding 18 months following such deposit, all disbursements from the escrow accounts shall require signatures from TRLIA and the Co-party. Such disbursements shall only be in furtherance of the mitigation obligations described in Section 3 above.

**5.2.2 Failure of TRLIA to perform Within 18 Months.** If TRLIA fails to disburse the funds contained within the escrow accounts for the purposes identified above within 18 months of deposit, then consistent with Regulatory Guidance Letter No. 05-1 (February 14, 2005) exclusive control over the escrow accounts shall vest with the Service for both the Corps

Mitigation Escrow Account and the Service Mitigation Escrow Account. Upon such vesting, the Service shall use the funds within the escrow accounts to fulfill the required mitigation. In the case of the Corps Mitigation Escrow Account, the Service shall consult with the Corps regarding the proper use of the escrowed funds. If the escrow accounts are terminated while still holding funds, such funds shall be disbursed to the Service.

**5.3 Insufficient Funds in Escrow Account.** Should the actual cost of mitigation outlined herein exceed the amount in the escrow account, TRLIA agrees to pay the difference in order to ensure that the mitigation requirements are fully implemented consistent with the section 404 permit and Biological Opinion.

**5.4 Schedule and Timing of Disbursements.** The parties acknowledge that monies will not be disbursed from the two escrow accounts under any particular schedule. The parties further understand that \_\_\_ business days of notice must be provided to Escrow Holder to assure timely disbursement.

**5.4.1 Reeds Creek Purchase.** The parties expect that funds will be disbursed from the Service Mitigation Escrow Account prior to October 15, 2005, for the Reeds Creek Purchase. The Service agrees to cooperate in good faith and in a timely manner with TRLIA to assure timely disbursement consistent with the Mitigation Rights Purchase Agreement for the Reeds Creek Purchase. Disbursement of funds consistent with this Section are hereby pre-approved by the Co-party.

**5.4.2 Tule Basin Purchase.** The parties expect that funds will be disbursed from the Service Mitigation Escrow Account prior to October 15, 2005, for the Tule Creek Purchase. The Service agrees to cooperate in good faith and in a timely manner with TRLIA to assure timely disbursement consistent with the Mitigation Rights Purchase Agreement for the Tule Basin Purchase. Disbursement of funds consistent with this Section are hereby pre-approved by the Co-party.

**5.4.3 VPC Letter of Intent.** The parties expect that funds will be disbursed from the Service Mitigation Escrow Account prior to \_\_\_\_\_, 200\_\_, in furtherance of the VPC Letter of Intent. The Service agrees to cooperate in good faith and in a timely manner with TRLIA to assure timely disbursement consistent with the mitigation rights purchase agreement to be executed consistent with the VPC Letter of Intent.

**5.4.4 Corps Mitigation.** The parties expect that funds will be disbursed from the Corps Mitigation Escrow Account prior to \_\_\_\_\_, 200\_\_, for the Willow Scrub, Riparian Scrub, Riparian Woodland, Emergent Wetland, Waterways/Drainages, and Valley Oak Forest mitigation. The Corps agrees to cooperate in good faith and in a timely manner with TRLIA to assure timely disbursement.

**5.5 Verification of Funds and Reports.** Escrow Holder shall make available to all parties, upon written request, an accounting of the funds held in escrow and any disbursements therefrom. In addition, Escrow Holder shall provide a monthly statement of the activity of the escrow accounts to TRLIA as follows: TRLIA, 915 8th Street, Suite 125, Marysville, CA 95901, Attention: Kevin Mallen.

5.6 **Termination of Escrow.** Each escrow account shall terminate upon the earliest of the following: (1) failure of TRLIA to continue to pay the costs of maintaining the fund after 24 months, which term is required by Section 5.1.2; (2) removal of all funds from the escrow account; or (3) joint instruction by TRLIA and the applicable Co-party to terminate the escrow account, in which case all remaining funds not designated for mitigation shall be disbursed to TRLIA.

6. **Authorized Signatories for Communication with Escrow Holder; Notice.**

6.1 **TRLIA.** All notices or other documents containing a signature represented to be that of the chair or Executive Director of TRLIA may be accepted. Any notice to be provided to TRLIA shall be provided as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.2 **Corps.** All notices or other documents containing a signature represented to be that of \_\_\_\_\_ or \_\_\_\_\_ may be accepted. Any notice to be provided to the Corps shall be provided as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.3 **Service.** All notices or other documents containing a signature represented to be that of \_\_\_\_\_ or \_\_\_\_\_ may be accepted. Any notice to be provided by the Service shall be provided as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6.4 **Department.** All notices or other documents containing a signature represented to be that of \_\_\_\_\_ or \_\_\_\_\_ may be accepted. Any notice to be provided by the Department shall be provided as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



7. **Rights of the Escrow Holder.** The parties hereby agree that any escrow instructions executed in furtherance of this MOU shall be consistent with the following rights of the Escrow Holder:

7.1 Escrow Holder shall have no duties or responsibilities except those expressly set forth in this MOU.

7.2 No person, firm or corporation will be recognized by Escrow Holder as a successor or assignee of this MOU unless and until written evidence is presented to Escrow Holder which is satisfactory to Escrow Holder of such succession or assignment.

7.3 Except as to assuring compliance with Section 6, Escrow Holder shall not be responsible for confirming the identity, authority or rights of any person or entity to exercise rights under this MOU.

7.4 Escrow Holder may rely upon any instrument in writing referenced in this MOU and believed by Escrow Holder to be genuine, sufficient, and properly presented, and shall not be liable or responsible for any action taken or omitted in accordance with the provisions thereof.

7.5 In the event any property held by Escrow Holder hereunder shall be attached, garnished or levied upon under any court order, or if the delivery of such property shall be stayed or enjoined by any court order, or if any court order, judgment or decree shall be made or entered affecting such property or affecting any act by Escrow Holder, Escrow Holder shall as soon as practicable send, by fax and overnight courier, written notice of the same to TRLIA and shall obey and comply with all writs, orders, judgments or decrees so entered or issued, notwithstanding any provisions of this MOU to the contrary. If Escrow Holder obeys and complies with any such writs, orders, judgments or decrees, it shall not be liable to any other parties hereto or to such other person, firm or entity by reason of such compliance, notwithstanding that such writs, orders, judgments or decrees may be subsequently reversed, modified, annulled, set aside or vacated.

7.6 Consistent with Section 5.1.2, TRLIA shall pay Escrow Holder \$\_\_\_\_ per month starting with the initial deposit of funds and concluding with the termination of the escrow accounts. Escrow Holder may withdraw compensation from the escrow account if not paid directly by TRLIA within thirty (30) days of receipt of invoice.

7.7 Escrow Holder may resign on 30 days' notice to TRLIA. Upon receipt of such notice, TRLIA and the relevant Co-party shall jointly appoint a successor Escrow Holder, and shall designate such Escrow Holder in a writing delivered to Escrow Holder. Thereupon, Escrow Holder shall immediately deliver all assets in its custody to such successor Escrow Holder, and all future performance obligations of Escrow Holder under this MOU shall terminate; provided, however, that Escrow Holder's obligations under this MOU shall not terminate until delivery of the assets to the successor Escrow Holder. TRLIA may also remove Escrow Holder on 30 days' notice to all parties to this MOU. If TRLIA fails to appoint a successor Escrow Holder, Escrow Holder shall deliver all assets in its custody to a court of competent jurisdiction.

7.8 The duties and responsibilities of Escrow Holder shall be limited to those expressly set forth in this MOU; provided, however, that, with Escrow Holder's written consent,

the duties and responsibilities in this MOU may be amended at any time or times by an instrument in writing signed by the other parties. With the exception of this MOU and its exhibits, Escrow Holder is not responsible for, or chargeable with, knowledge of any terms or provisions contained in either the underlying documents referred to in this MOU.

**8. General Provisions.**

**8.1 Governing Law and Venue.** This MOU shall be governed by the laws of the State of California.

**8.2 Entire Agreement; Amendment.** This MOU, and Exhibits A, B, C, and D, attached hereto, constitute the entire agreement among the parties with respect to its subject matter and supersedes all prior and contemporaneous agreements and understandings of the parties regarding the subject matter hereof. This MOU may not be amended except by the mutual written consent of all of the parties.

**8.3 Headings.** The headings of this MOU are included for convenience only and shall not affect the construction or interpretation of the MOU.

**8.4 Counterparts.** This MOU may be executed in one or more counterparts, including facsimile, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to constitute one and the same instrument.

**8.5 Successors.** This Agreement shall bind the successors and permitted assigns of the parties in the same manner as if they were expressly named.

IN WITNESS WHEREOF, the parties agree to the provisions set forth herein as evidenced by the signature of their authorized representatives below:

DATED: \_\_\_\_\_, 2005

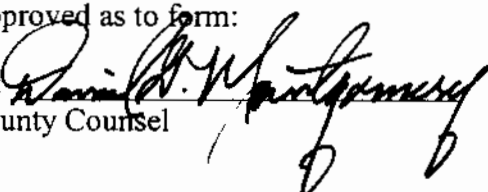
THREE RIVERS LEVEE  
IMPROVEMENT AUTHORITY

by: \_\_\_\_\_,  
\_\_\_\_\_, Chair

Attest:

by: \_\_\_\_\_  
Clerk of the Board of the  
Three Rivers Levee  
Improvement Authority

Approved as to form:

by:   
County Counsel

U.S. ARMY CORPS OF ENGINEERS

U.S. FISH AND WILDLIFE SERVICE

CALIFORNIA DEPARTMENT  
OF FISH AND GAME

September 13, 2005

TO: Three Rivers Levee Improvement Authority Board  
FROM: Ani Bhattacharyya, Project Manager/Engineer  
SUBJECT: Consider awarding Contract No. PH3-2005/06-01, for Three Rivers Levee Improvement Authority Bear River Setback Levee Foundation and Feather River Tie-In Construction Project, to Envirocon, Inc., Sacramento

**Recommended Action**

Award Contract No. PH3-2005/06-01, for Three Rivers Levee Improvement Authority Bear River Setback Levee Foundation and Feather River Tie-In Construction Project, to Envirocon, Inc., Sacramento

**Reason for Recommended Action**

The deadline for submittal of construction bids was 4 PM on August 12, 2005. A total of four contractors submitted bids for the proposed construction within this deadline, of which Envirocon's bid amount of \$3,388,460 was the lowest. The other contractor bids submitted were as follows:

<u>Contractor</u>	<u>Total Bid Amount</u>
Nordic Industries, Inc.	\$3,788,025
Soletanche-Inquip Joint Venture	\$4,648,000
Teichert Construction	\$8,695,350

The engineer's estimate for this phase of work, prepared by BE/GEI, TRLIA's civil engineering consultants for the setback levee project, was \$7,688,900.

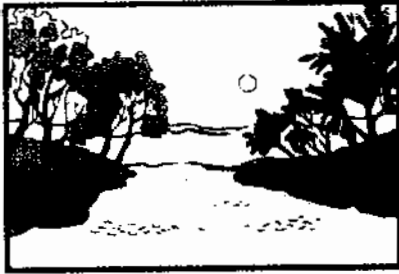
TRLIA project staff has verified Envirocon's bid package, and has determined that the information provided within the package is appropriate and that the bid package matches the project requirements. Construction was scheduled to start in late August 2005 and completed prior to December 31, 2005, but land acquisition/right of way issues delayed the start of construction. These issues have now been resolved, and construction is expected to start from September 16, 2005, upon issuance of a notice-to-proceed to the contractor by TRLIA.

### **Discussion**

Envirocon, Inc., is well experienced in this type of work, and has a good track record in completion of project work within budget while working within the constraints of a tight schedule. The firm also possesses the resources and staff necessary to complete this work under the compact timeframe.

### **Fiscal Impact**

Envirocon's total bid amount for the Bear River Setback Levee Foundation and Feather River Tie-In Construction Project is \$3,388,460. TRLIA has submitted to the Department of Water Resources (DWR), a grant application for appropriation of \$12,445,950 of Prop 13 implementation funds to cover construction and land acquisition/right of way costs associated with the Phase 3 – Bear River Setback Levee project. Prop 13 funds will cover a total of 70 percent of the overall construction and land acquisition expenses, with the remaining 30 percent being a local match that will come from TRLIA levee impact fees. The aforementioned sum of \$12,445,950 represents the 70 percent that will be available from Proposition 13 funds, upon DWR's approval of TRLIA's grant application.



# THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

Government Center  
915 Eighth Street, Suite 115  
Marysville, CA 95901-5273

Telephone: (530) 749-7575 Fax: (530) 749-7312

September 13, 2006

TO: Three Rivers Levee Improvement Authority Board (TRLIA)  
FROM: Charles K. McClain, Executive Director *CKM*  
SUBJECT: Stipend for Directors

## **Recommendation**

Amend the Three Rivers Levee Improvement Authority (TRLIA) Budget for fiscal year 2005-06 to increase the professional services budget from \$499,900 to \$519,900 reflecting an increase in meeting expenses for the Directors.

## **Reason for Recommended Action**

Policy direction was given from your Board to increase the number of meetings for which Board members would be eligible to receive a \$50 meeting stipend.

## **Discussion**

During the TRLIA budget hearings in June, the Board adopted a \$50 per meeting stipend for each director with a limit of two meetings per month. At the September 6<sup>th</sup> Board meeting, the Board directed staff to come back with a proposal allowing for a \$50 per meeting stipend up to a maximum of ten meetings per month. Staff recommends that stipends be provided to Board members when their attendance as officers of the Three Rivers Levee Improvement Authority is required, such as Board meetings; interagency meetings with local, state or Federal agencies; or as may be otherwise approved in advance by the TRLIA Board.

## **Fiscal Impact**

Approval of this budget amendment would require a maximum of \$20,000 for the balance of the fiscal year, assuming five board members receive the maximum stipend amount between September 2005 and June 2006.

**Three Rivers Levee Improvement Authority**  
**Revised Final Budget FY 2005 - 2006**

**Appropriation**

<b>Account Number</b>	<b>Account Description</b>	<b>Amount</b>
805-3350-425-15-00	Insurance	\$20,000
805-3350-425-20-00	Membership	\$1,000
805-3350-425-23-01	Special Projects	\$68,051,955
805-3350-425-23-02	Professional Services	\$519,900
805-3350-425-29-00	Travel	\$10,000
		<b>\$68,602,855</b>

**Estimated Revenue**

<b>Account Number</b>	<b>Account Description</b>	<b>Amount</b>
805-0000-361-62-36	Prop 13	\$32,830,000
805-0000-371-97-30	Developers Fees	\$3,000,000
805-0000-371-97-31	Advanced Funding Charge (AFC)	\$34,806,438
805-0000-371-98-99	Miscellaneous (FEMA Grant)	\$1,500,000
	Fund Balance	\$3,663,000
		<b>\$75,799,438</b>

**Estimated Fund Balance 6/30/06                      \$7,196,583**

The Fund Balance will carry over and be used in fiscal year 2006-2007. The revenue is greater than the expenditures because of using the Advanced Funding from developers until Prop 13 money comes in.