

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AGENDA

FEBRUARY 7, 2006

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

Unless otherwise indicate d

3:30 P.M. I **ROLL CALL** – Directors Rick Brown, Mary Jane Griego, Dan Logue, Richard Webb

II ACTION ITEMS

- A. Adopt resolution approving CSAC Excess Insurance Authority Liability Insurance Program. (Continued from January 17, 2006)
- B. Approve minutes of the special meetings of January 17 and 24, 2006.
- C. Adopt resolution formally agreeing to enter contract with California Department of Fish and Game to facilitate environmental mitigation, restoration, an other activities related to the Three Rivers Levee Improvement Project.
- D. Adopt procedures for sale of excess property.
- E. Appoint Bender-Rosenthal, Incorporated, Disposal Agent for three properties acquired during Phase Three Right-of-Way Acquisitions.
- F. Consider CEQA Addendum for temporary increase in Pump Station Number 6 capacity and take action as appropriate.
- G. Approve Contract Amendment Number 4 with Bookman-Edmonston (GEI) and authorize Chairman to execute same.
- H. Consider acceleration of levee improvements of the Yuba River levee between Union Pacific Railroad Bridge and Simpson Lane and take action as appropriate.

III CORRESPONDENCE

IV BOARD AND STAFF MEMBERS' REPORTS

V <u>PUBLIC COMMUNICATIONS</u>: 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

The County of Yuba

PERSONNEL / RISK MANAGEMENT OFFICE

BEVERLY J. BARNES, PERSONNEL DIRECTOR / RISK MANAGER



915 8th STREET, SUITE 113 MARYSVILLE, CA 95901

(530) 749-7860 - Phone (530) 749-7864 - Fax

TO: Three Rivers Levee Improvement Authority

FROM: Beverly J. Barnes, Personnel Director/Risk Manager Duruly / Barnes

DATE: January 17, 2006

RECOMMENDATION: Adopt the attached Resolution to approve the County of Yuba extending CSAC excess Insurance Authority Liability Insurance Programs to Three Rivers Levee Improvement Authority

DISCUSSION: In April of 2004, the County entered into a Joint Powers Agreement with Reclamation District 784, Three Rivers Levee Improvement Authority to provide an ambitious capital improvement program to enhance flood protection for Yuba County residents. Liability insurance coverage has been placed on the market, but denied. The underwriting concern was based on insuring Three Rivers as a stand-alone entity. Since the County is a member of the JPA and has significant coverage through CSAC-EIA programs, it has been determined that the most viable option is to add Three Rivers Levee Improvement Authority as a named insured under the County of Yuba. The CSAC-EIA programs are a pool layered structure. The County participates to the \$15,000,000.00 limit. Having Three Rivers under this large umbrella spreads the risk. In the event of a catastrophe, both the County and Three Rivers will be under the same policy and limits. Because of the County CSAC-EIA relationship, this commitment is retroactive to July 1, 2005.

On December 20, 2005, the Yuba County Board of Supervisors adopted a resolution extending CSAC excess Insurance Authority Liability Insurance Programs to Three Rivers Levee Improvement Authority. The County of Yuba will accept responsibility for the self-insured retention obligation, \$100,000.00 and charge Three Rivers accordingly. Three Rivers will also be billed for the applicable annual premium.

FISCAL IMPACT: \$289,052 premium.

BEFORE THE THREE RIVERS LEVEE

	IMPROVEMENT AUTHOITY		
IN RE:			
	RESOLUTION TO APPROVE THE COUNTY OF YUBA EXTENDING CSAC EXCESS INSURANCE AUTHORITY LIABILITY INSURANCE PROGRAM TO THREE RIVERS LEVEE IMPROVEMENT AUTHORITY))))	No

WHEREAS, Reclamation District 784 and the County of Yuba entered into a Joint Powers Agreement, Three Rivers Levee Improvement Authority, to provide an ambitious capital improvement program to enhance flood protection for Yuba County residents: and

WHEREAS, the County of Yuba obtains various forms of insurance coverage from CSAC Excess Insurance Authority (CSAC-EIA); and

WHEREAS, diligent efforts to obtain independent insurance coverage for Three Rivers Levee Improvement Authority have been unsuccessful, and avenues for independent coverage will remain closed for the foreseeable future; and

WHEREAS, it is imperative that additional insurance coverage be in place for Three Rivers Levee Improvement Authority; and

WHEREAS, the County of Yuba desires for purposes of liability insurance, to consider Three Rivers Levee Improvement Authority and its activities in a manner equal to other County activities,

NOW, THEREFORE, BE IT RESOLVED that the Three Rivers Levee Improvement Authority approves The County of Yuba extending CSAC excess Insurance Authority Liability Insurance Programs to Three Rivers Levee Improvement Authority and

BE IT FURTHER RESOLVED that the County of Yuba does accept responsibility for any applicable self-insured retention obligation and premium and that Three Rivers Levee Improvement Authority will reimburse the County of Yuba for such costs and

BE IT FURTHER RESOLVED that this commitment is retroact 2005, to the extent permitted by CSAC Excess Insurance Authority.	ive to July 1,
PASSED AND ADOPTED at a regular meeting of the Three Rivers Le	vee Improvement
Authority, State of California, on the day of	, 2006, by the
following vote:	
AYES:	
NOES:	
ABSENT:	
Chairman	
ATTEST: Donna C. Stottlemeyer Secretary	
By:	
APPROVED AS TO FORM: Daniel G. Montgomery County Counsel By: har A. Wantermery	

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES – BOARD OF DIRECTORS

JANUARY 17, 2006 - SPECIAL MEETING

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at 2:02 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Mary Jane Griego, Dan Logue, and Richard Webb. Also present were Executive Director Kent McClain, Counsel Daniel Montgomery, and Clerk of the Board of Supervisors/Secretary Donna Stottlemeyer. Chairman Webb presided.

ACTION ITEMS

- A. <u>Minutes</u>: Upon motion of Director Logue, seconded by Director Brown, and unanimously carried, the Board approved the minutes of the regular meeting of January MINUTES 3, 2006, as written.
- B. <u>EPS Contract Amendment</u>: Upon motion of Director Logue, seconded by Director APPROVE Brown, and unanimously carried, the Board approved a contract amendment in the amount of \$25,000 with EPS to provide funding analysis for financing Phase IV Levee Improvements and authorized the Chairman to execute same.
- C. <u>Organizational Structure</u>: Following a recap of the proposed organizational chart including appointment of Program Manager Ric Reinhardt from Special Counsel Scott REORGAN. Shapiro and Board inquiries, upon motion of Director Logue, seconded by Director Brown, and unanimously carried, the Board approved the revised organizational chart to move majority of functions out of Yuba County staff positions.
- D. <u>Correspondence</u>: The Board received correspondence from the California *INFO* Department of Fish and Game dated January 5, 2006 regarding application for Incidental *ONLY* Take permit for the Feather-Bear-Western Pacific Interceptor Canal Levee Improvements Project Stage 2.
- E. <u>CSAC Excess Insurance Authority Liability Insurance Programs</u>: Following CONTINUE presentation by Risk Management Director Beverly Barnes and Board inquiries, TO 2/7/06 Chairman Webb continued the matter to February 7, 2006.

Director Griego left the meeting at 3:15 p.m. and did not return.

BOARD AND STAFF REPORTS

Reports were received on the following:

Assistant County Administrator Randy Margo

- Received consensus for correspondence to State Senators and Congressman Herger supporting Federal Emergency Management Agency remapping A99 designation
- Delegation of Three Rivers representatives traveling to Washington, DC to meet with representatives regarding A99 designation

Secretary Donna Stottlemeyer:

• Public Authority Director applications

FORM AD HOC

Chairman Webb formed an advisory committee appointing Director Logue and himself to review applications and provide appointment recommendation.

ADJOURNMENT

There being n	o further	business	to come	before t	the Three	Rivers	Levee	Improvement
Authority the 1	meeting w	as adjour	ned at 3:	24 p.m. l	by Chairn	nan Web	b.	

		Chairman

ATTEST: DONNA STOTTLEMEYER CLERK OF THE BOARD OF SUPERVISORS AND SECRETARY OF THE PUBLIC AUTHORITY

	Ammorradi
· · · · · · · · · · · · · · · · · · ·	Approved:

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES - BOARD OF DIRECTORS

JANUARY 24, 2006 – SPECIAL MEETING

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at 4:02 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Mary Jane Griego, Dan Logue, and Richard Webb. Also present were Executive Director Kent McClain and Clerk of the Board of Supervisors/Secretary Donna Stottlemeyer. Chairman Webb presided.

CLOSED SESSION

The Board retired into closed session at 4:02 p.m. to discuss personnel pursuant to Government Code §54957 – Public Employment/Executive Director.

The Board returned from closed session at 4:51 p.m. with all Board and staff members present as indicated above.

There was no announcement.

ADJOURNMENT

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 4:51 p.m. by Chairman Webb.

ATTEST: DONNA STOTTLEMEYER CLERK OF THE BOARD OF SUPERVISORS AND SECRETARY OF THE PUBLIC AUTHORIT		Chairman
	Approved:	



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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

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

DATE: February 7, 2006

TO: Three Rivers Levee Improvement Authority Board

FROM: Charles K. McClain, Executive Director

SUBJECT: Consider resolution formally agreeing to enter into contract with the

California Department of Fish and Game to facilitate environmental mitigation, restoration and other activities related to the Three Rivers

Levee Improvement (TRLIA) Project.

Recommended Action

Adopt resolution formally agreeing to enter into contact with the California Department of Fish and Game (DFG) to facilitate environmental mitigation, restoration and other activities related to the TRLIA Project.

Reason for Recommended Action

The TRLIA is in the process of entering into a contract with DFG to acquire Proposition 13 funds to the tune of approximately \$19 million, for use in the ongoing levee improvement project. The TRLIA Board's adoption of this resolution is required by DFG as a precondition for the execution of the subject contract and subsequent release of funds to TRLIA.

Discussion and Fiscal Impact

The aforementioned grant contract is expected to provide to TRLIA, funds on the order of \$11.2 million in fiscal year 2005/06. An additional \$7.8 million is expected to be included in fiscal year 2006/07, for use in environmental mitigation, restoration and other activities related to the ongoing levee improvement project.

OF THE COUNTY OF YUBA

In Re:	
) RESOLUTION NO
RESOLUTION AGREEING TO ENTER INTO CONTRACT	·)
WITH THE CALIFORNIA DEPARTMENT OF FISH AND	
GAME TO FACILITATE ENVIRONMENTAL MITIGATION)
AND RESTORATION ACTIVITIES RELATED TO THE)
THREE RIVERS LEVEE IMPROVEMENT PROJECT)
	j

WHEREAS, on March 23, 2004, the Board of Supervisors of the County of Yuba adopted Resolution No. 2004-32, thereby authorizing the execution of a Joint Exercise of Powers Agreement with Reclamation District No. 784, creating the Three Rivers Levee Improvement Authority (TRLIA).

WHEREAS, on April 6, 2004, the Board of Trustees of Reclamation District No.

784 adopted a resolution authorizing the execution of the aforementioned Joint Exercise of Power Agreement creating TRLIA.

WHEREAS, a form of Joint Exercise of Powers Agreement creating TRLIA is on file with the County Clerk of the Board.

WHEREAS, TRLIA was created to address concerns with the flood control levee system within Reclamation District No. 784 by supervising the overall levee improvement effort, including funding, preliminary studies, design, permitting, construction and environmental mitigation/restoration activities.

WHEREAS, TRLIA intends to enter into a contract with the California Department of Fish and Game (DFG) to execute, in accordance with a mutually agreed plan, environmental mitigation, restoration and other work related to the ongoing levee improvement project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AS FOLLOWS:

- 1. The foregoing recitals are true and correct.
- 2. The TRLIA Board of Directors agree to enter into a contract with DFG, and designate the Executive Director of TRLIA (and, in the absence of the Executive Director, his/her authorized TRLIA representative) as the Board's representative to execute the contract and related documents, and function as TRLIA's official representative in future negotiations with DFG.

3.

PASSED AND ADOPTED at a regular meeting	g of the Board of Directors of the Three
Rivers Levee Improvement Authority, on the _	day of February, 2006, by the
following vote:	
AYES:	
NOES:	
ABSENT:	
	RICHARD WEBB, CHAIRPERSON
ATTEST: DONNA STOTTLEMEYER Clerk of the Board of Supervisors	
By	
	APPROVED AS TO FORM



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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

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

February 7, 2006

TO: Three Rivers Levee Improvement Authority Board

FROM: Ric Reinhardt, Program Manager

SUBJECT: Consider Adopting a Sales Procedure for Liquidating Assets Acquired

during Right of Way Acquisitions

Recommended Action

Approve a standard sales procedure so that TRLIA can liquidate assets that are acquired during right of way (ROW) acquisitions for levee remediation work. The procedure is detailed in the attached document. (i.e. Procedure for the Sale of Surplus Property Acquired By TRLIA)

Discussion

During acquisition of ROW for the levee remediation work, TRLIA will come into possession of certain assets. Examples are mobile homes and housing structures from which occupants have been relocated. TRLIA has no plans to store or maintain these assets and the best management approach would be to liquidate them as soon as possible after they are acquired. The TRLIA Board has no procedure for doing this. The procedure being considered for adoption is based on the procedure which is currently used by the County of Yuba for the same actions. Adoption of the proposed procedure will allow liquidation actions to occur when needed.

Fiscal Impact

Total fiscal impact is unknown. In general, liquidation of assets will allow TRLIA to recoup some of the costs of acquisition and will eliminate any storage or maintenance costs for the assets.

BUYER:

16-150-007 (add 2d APN) APN: Project: Three Rivers Levee

Improvement Project

PROCEDURE FOR THE SALE OF SURPLUS PROPERTY ACQUIRED BY TRLIA

1. Purpose of Procedure/ Appointment of Disposal Agent

The purpose of this procedure is to set forth the method by which to dispose of property, both real personal, acquired by TRLIA as part of its acquisition of property for the Yuba County Flood Control Project. The Executive Director is authorized to take such steps as are necessary to implement this procedure.

The Board of TRLIA will, from time to time, appoint an agent to dispose of property ("Disposal Agent").

2. Inventory

The Disposal Agent shall, from time to time, inventory the surplus property to be disposed of by TRLIA. The Executive Director may authorize the Disposal Agent to sell all, or any portion, of such property from time to time.

3. **Disposal Procedure**

Disposal Agent shall dispose of surplus property as provided herein.

3.1. **Sealed Bids**

Except in cases in which the Board of Directors authorizes surplus property to be given to another public agency or a non-profit charitable organization, sale of surplus property shall be by sealed bids.

3.2. Procedures for Advertising and Receiving Bids

Disposal Agent shall take such steps as are reasonably necessary to make it known to the general public the availability of the surplus property to be sold, including, but not limited to, advertising in a newspaper of general circulation within Yuba County.

Disposal Agent shall establish the date, time and location at which sealed bids will be received and all rules and regulations pertaining to the receipt of sealed bids and the award to the successful bidder...

Bids shall be made on forms prepared by the Disposal Agent. Bids received on other forms shall be disregarded.

Among other things, the bid form shall include a statement of the minimum bid (if any), the fact that the successful bidder must enter into a written agreement regarding the purchase of the property, information regarding when the surplus property must be taken away by the successful bidder, a statement that the Authority shall not pay fees for recording, escrow, title insurance, documentary stamp tax, or any other charges involved in the transfer of title to the property, and all material information known by TRLIA concerning the property.

Except when otherwise directed by the Board of Directors, all property shall be sold "As Is, Where Is" without any warranty or guarantee of any kind or nature and the bid form shall so indicate.

The bid form shall state when and where the property may be inspected prior to the date sealed bids are received.

3.3. Minimum Bids

Bids that are below any published minimum shall be rejected.

3.4. Bid Registration and Deposit

A prospective bidder must submit a deposit of one percent (1%) of the bid amount as a registration fee with the bid form. The registration fee must be by cashier's check, certified check, or money order made payable to TRLIA. The successful bidder may use the registration fee as part of his/her purchase price. All unsuccessful bidders will be refunded their registration fees via certified U.S.mail, or equivalent, within ten (10) business days following the bid opening.

A successful bidder who fails to enter into a written agreement to purchase the property within ten (10) business days of being notified that he/she is the successful bidder shall forfeit the bid registration fee and shall have no further claim to purchase the property. The Executive Director is authorized to sign, on behalf of TRLIA, any such agreement. A prospective bidder shall, upon request, be given a sample of the agreement prior to the opening of bids.

3.5. Opening Bids

At the date, place and time prescribed by the Disposal Agent, bids shall be unsealed in the presence of prospective bidders. The Disposal Agent shall tabulate all bids and announce the name of the highest bidder and the amount bid. The Disposal Agent shall notify the successful bidder by certified mail unless, at the bid opening, the successful bidder waives further notice.

3.6. Authority Reservations

TRLIA reserves the right to reject any or all bids and to waive any informality or irregularity in any bid, and to accept any bid deemed to be in the best interest of TRLIA.

4. Prohibition of Purchase by Officers, Agents and Employees

Any officer, agent or employee of TRLIA, or any of its constituent agencies, shall not, either directly or indirectly, submit a bid or purchase surplus property. This policy shall be liberally construed to prohibit any appearance of impropriety and TRLIA Counsel shall be consulted for an opinion whenever there is a question of possible conflict.

5. Sale to Next Highest Bidder

Should a successful bidder fail to purchase the property, the Disposal Agent may sell the property to the next highest bidder willing to purchase the property if the agent deems it in the best interests of TRLIA to do so.



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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

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

February 7, 2006

TO:

Three Rivers Levee Improvement Authority Board

FROM:

Ric Reinhardt, Program Manager

SUBJECT:

Consider Appointing Bender Rosenthal, Inc as Disposal Agent for Phase 3

Surplus Property

Recommended Action

Approve the appointment of Bender Rosenthal, Inc (BRI) as disposal agent for surplus property acquired during Phase 3 of the levee work.

Discussion

If the Board adopts the procedure for disposing of surplus property acquired during right of way acquisitions, a Disposal Agent will need to be identified. Three properties acquired during Phase 3 activities are currently surplus to TRLIA needs and must be sold and removed prior to work commencing on the Phase 3 Embankment planned to commence in late spring. The adopted procedure requires a Disposal Agent be appointed to dispose of surplus property. BRI is currently under contract to accomplish this effort. The Board is asked to appoint BRI the Disposal Agent for surplus property acquired as part of Phase 3 activities.

Fiscal Impact

No increase in fiscal commitment as BRI is already under contract to do the Phase 3 work. In general, liquidation of assets will allow TRLIA to recoup some of the costs of acquisition and will eliminate any storage or maintenance costs for the assets.



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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

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

February 7, 2006

TO: Three Rivers Levee Improvement Authority Board

FROM: Ric Reinhardt, Program Manager

SUBJECT: Consider Passing Resolution to Adopt the Addendum to the Final

Environmental Impact Report (FEIR) for the Bear River and Western

Pacific Interceptor Canal Levee Improvements Project

Recommended Action

Consider passing attached resolution to adopt the Addendum to the FEIR for the Bear River and Western Pacific Interceptor Canal Levee Improvements Project.

Discussion

Temporary increase in the capacity of Pump Station #6 required consideration of environmental impacts. These have been assessed and described in an addendum to the FEIR. A Jones & Stokes Memorandum, attached, describes in more detail the changes proposed and need for the addendum. This addendum will keep the FEIR up to date and meets CEQA requirements.

Fiscal Impact

No fiscal impact would occur from adoption of this Resolution.

OF THE COUNTY OF YUBA

In Re:)) Resolution
RESOLUTION TO ADOPT THE ADDENDUM TO THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) FOR THE BEAR RIVER AND WESTERN PACIFIC INTERCEPTOR CANAL LEVEE IMPROVEMENTS PROJECT))))

WHEREAS, the Three Rivers Levee Improvement Authority proposed the Upper Bear River and Western Pacific Interceptor Canal (WPIC) Levee Improvements Project to bring deficient levee sections up to standards to achieve certifiable 100-year flood protection. Specifically, most of the northern levee of the Bear River and several reaches of the WPIC have insufficient height to provide the desired level of flood protection. Additionally, some levee reaches have problems associated with levee stability and susceptibility to erosion. The flood control improvements would include seepage protection, reconstruction of levee reaches that failed as a result of 1997 overtopping, erosion protection, the relocation of Pump Station No. 6, and raising the height of the levee; and,

WHEREAS, the Board ratified the certified Bear River and WPIC Levee Improvements Project FEIR, and adopted the Findings of Fact and a Mitigation Monitoring Program for the Project which were all in compliance with the California Environmental Quality Act (CEQA) on August 12, 2004; and,

WHEREAS, the Three Rivers Levee Improvement Authority modified the project as an Addendum to the FEIR to include installing 13 temporary pumps,

expanding riprap at the Pump Station No. 6 outlet channel, and cleaning out the culverts passing under Feather River Boulevard.

WHEREAS, the Authority Board of Directors must adopt the Addendum to the FEIR in order to begin implementation of the modifications of the Project.

NOW, THEREFORE, BE IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AS FOLLOWS:

- 1. The foregoing recitals are true and correct.
- The Addendum to the FEIR (SCH#2004032118) for the project was
 prepared in accordance with CEQA. In addition, the Findings of Fact
 and Mitigation and Monitoring Program of the FEIR formally adopted
 August 12, 2004 are appropriate for the actions proposed in the
 Addendum.
- 3. The Authority Board of Directors authorizes and directs Authority staff to prepare and file a CEQA Notice of Determination within 5 working days following the date of adoption of this Resolution with the County Clerk of the County of Yuba and with the State of California.
- By adopting this Resolution, the actions of the Addendum are hereby approved.

PASSED AND ADOPTED at a regular meeting of the B	Board of Directors of
the Three Rivers Levee Improvement Authority, on the	day of January
2006, by the following vote:	

AYES:

NOES:	
ABSENT:	
ATTEST: DONNA STOTTLEMEYER Clerk of the Board of Supervisors	Chairperson
Ву	
	APPROVED AS TO FORM
By: augil & Mongelon	DANIEL G. MONTGOMERY, County Counsel

Memorandum

Date: January 31, 2006

To: Board of Directors of the Three Rivers Levee Improvement Authority

From: Chris Elliott

Subject: Addendum to the Final Impact Report for the Bear River and Western

Pacific Interceptor Canal (WPIC) Project

TRLIA seeks approval to authorize the proposed modifications to the Bear River and WPIC Levee Improvements Project through an Addendum to the Bear River and WPIC Levee Project Improvements Final Environmental Impact Report (FEIR).

The original project included the construction of levee improvements along the WPIC west levee and Bear River north levee to reduce the risk of flooding in southern Yuba County. The ultimate goal of the project is to maintain and increase flood protection to a level greater than the calculated 200-year event, consistent with goals of The Reclamation Board of the State of California. Specific actions of the project include:

- Reconstructing a portion of the Bear River levee,
- Constructing slurry cutoff walls along the Bear River and WPIC levees,
- Installing erosion protection on portions of the Bear River and WPIC levees,
- Raising and widening the Bear River and WPIC levees,
- Filling portions of the borrow ditch along the WPIC levee, and
- Relocating Pump Station No. 6.

Since certifying the FEIR, TRLIA has made minor design changes to two specific areas of the project. The specific changes analyzed in the Addendum to the FEIR are:

- Installing 13 temporary pumps and the expansion of riprap at the outlet channel at Pump Station No. 6; and
- Cleaning out the culverts passing under Feather River Boulevard.

The modifications proposed in the Addendum are necessary for the following reasons:

- The temporary increase in pumping capacity is an interim measure to accommodate increased runoff from development until the drainage master plan can be implemented for this drainage basin. Once the new pump station and detention basin proposed at Ella Avenue are constructed the temporary pumps will be removed no later than September 2008; and,
- Cleaning out the culverts passing under Feather River Boulevard to maintain the channel capacity of the Algodon Canal.



THREE RIVERS LEVEE **IMPROVEMENT AUTHORITY**

GOVERNMENT CENTER – 915 8TH STREET, SUITE 115 **MARYSVILLE, CA 95901-5273** (530) 749-7575 (530) 749-7312 Fax

February 7, 2006

Three Rivers Levee Improvement Authority Board TO:

FROM: Ric Reinhardt, Project Manager

BE/GEI Change Order Request No. 4 to amend the existing Agreement between SUBJECT:

TRLIA and BE/GEI to accommodate additions to previously approved scope of services to carry out design and construction of the Bear River Setback Levee, and

related environmental requirements

Recommended Action

Approve Change Order Request No. 4, dated December 30, 2005, submitted by BE/GEI, Inc., to accommodate additions to previously approved scope of services to carry out design and construction of the Bear River Setback Levee, and related environmental requirements.

Reason for Recommended Action/Discussion

The additional services carried out by BE/GEI are detailed in the attachment to this report. These services are needed in order to carry out the design and construction of the proposed Bear River Setback Levee, and related environmental requirements.

Fiscal Impact

Prior Change Orders: TRLIA's original contract with BE/GEI for the design of the Bear River Setback Levee was for a total amount of \$2,671,000. Change Order 1 to the contract (in the amount of \$222,160) was approved by the TRLIA Board on March 15, 2005, raising the total estimated contract cost to \$2,893,160. On July 5, 2005, the TRLIA Board approved Change Order 2 to BE/GEI's contract (amounting to \$822,845) increasing the total estimated design costs to \$3,716,005. Following this, on October 11, 2005, the Board approved Change Order 3 to the contract, adding to the scope of work, construction management and environmental monitoring services to be provided by BE/GEI through the construction of the Bear River Setback Levee (estimated at \$2,484,900), and increasing the total contract price to \$6,200,905.

Current Change Order: In their current change order request (Change Order Request No. 4, dated December 30, 2005), BE/GEI has asked for an increase in design cost estimate of \$481,214, bringing the total estimated design costs to \$4,197,219. Adding the estimated costs for design, construction management and environmental monitoring, the total amended contract amount (that is, the original contract amount plus the four amendments) comes to \$6,682,119.

Attachment: BE/GEI Change Order Request 4, dated December 30, 2005



Georgenmeni Franconventifiand Water Resources Interneering December 30, 2005 050110

Mr. Charles K. McClain, Executive Director Three Rivers Levee Improvement Authority 915 Eighth Street, Suite 115 Marysville, CA 95901

Dear Mr. McClain:

Re: Change Order Request No. 4, Agreement between TRLIA and B-E/GEI dated January 8, 2005

As communicated to TRLIA staff, we have been performing engineering and environmental services for out-of-scope items, and have been tracking the costs and assessing the impacts to our approved budget. At this time we believe it is necessary to increase our budget to absorb these out-of-scope costs and restore the budget to allow completion of remaining Phase 3 activities. Specifically, B-E/GEI requests an additional \$481,214 be added to our contract (original agreement dated January 18, 2005) for a new contract amount of \$6,682,119.

The basis for the requested change in scope is described below, and the estimated budget is summarized in Table 1.

Additional Assignments

TRLIA has requested that B-E/GEI add additional work tasks to our current scope of work. These additional work tasks include the following:

- Environmental Mitigation Management With the entry of Wildlands in the land acquisition and environmental restoration/mitigation process, TRLIA requested that Herb Greydanus assist TRLIA in coordination of the restoration and mitigation projects. The additional coordination requirements to date have included arranging and attending meetings and planning sessions, and preparation of memorandums. Change Order No. 2 addressed some of this additional coordination, but the labor effort included in that change order (80 hours) was not sufficient for the level of effort required. We anticipate that additional coordination for this activity will be required. The requested additional budget for this activity is \$25,200.
- Elderberry Relocation In September TRLIA requested that River Partners, through
 their subcontract with B-E/GEI, relocate, maintain, and monitor the elderberry shrubs
 related to the Phase 2 and Phase 3 work. In September 2005 River Partners relocated the
 two shrubs requiring relocation for the Setback Levee foundation contract, and in
 October 2005 River Partners relocated the five remaining elderberry bushes requiring
 relocation for the Phase 2 work. As part of the Stage 2 permitting, one additional shrub

will need to be relocated in 2006. The scope of work also includes irrigation, weed control, monitoring and reporting (per the USFWS "Conservation Guidelines for the Valley Elderberry Longhorn Beetle") from October 2005 to September 2006. The total budget for this activity is estimated to be \$45,898.

- Seed Collection In order to be able to begin restoration activities in fall 2006, TRLIA requested in August 2005 that River Partners, through their subcontract with B-E/GEI, collect native plant seeds from the project vicinity in preparation of nursery propagation beginning winter 2005/06. The total budget for this activity is estimated to be \$7,525.
- Phase 1 ESA/Borrow Area Sampling and Chemical Analysis CEQA compliance for the setback levee project required that TRLIA perform a Phase 1 environmental site assessment for the setback area and levee foundation, and also perform environmental sampling and analysis of the setback levee embankment borrow material. At the June 2005 TRLIA Management meeting, TRLIA requested that B-E/GEI perform this work. This work, which involved assessment of about 700 acres of land over 10 parcels plus evaluation of 13 abutting parcels, was conducted in July 2005. The total budget for this activity is \$45,103.
- Archaeological Investigations Discovery of human remains on the eastern end of the setback levee project area (site CA-Yub-1313 east of Road 512) required archaeological site testing and reporting, and treatment of the human remains. Coordination was conducted with Most Likely Descendant/tribal elders and with several representatives of the Coroner's office and the Sheriff's Department. Site testing has been completed and the report is currently being prepared. Note that work related to the cultural resource discovered during inspection of the trench excavation (site CA-Yub-1312 in the western portion of the site at approximate Sta. 22+00) was addressed under Change Order No. 3. The total budget for this activity is estimated to be \$73,260.
- 2006 Preconstruction Surveys and Training, and Construction Monitoring –
 Preconstruction surveys and training, and construction monitoring for the 2005
 construction season were included in B-E/GEI's budget under Change Order No. 2.
 These activities for the 2006 construction season are not in our current contract. The
 following permitting activities are required, in compliance with Corps, USFWS, and
 DFG permits, prior to and during the 2006 construction:
 - Preconstruction surveys of biological resources
 - Awareness training for construction workers
 - Construction monitoring for sensitive biological resources
 - Construction monitoring for cultural resources when work is conducted near site CA-Yub-1313 (east of Road 512)

The budget does not include testing and reporting in the unlikely event that additional cultural resources are discovered. The estimated cost also does not include costs for the Native American monitor since we believe there are sufficient funds remaining from the 2005 work (approved under Change Order No. 2). The total budget for this activity is estimated to be \$88,154.

Project Levee Designation – B-E/GEI has been assisting TRLIA with planning efforts, including coordination with the Reclamation Board and Corps, related to securing

permits for degradation of the existing levees and certification of the setback levee as the federal Project Levee. To date, efforts have included planning meetings, discussions and meetings with the DWR, Reclamation Board and Corps, and preparation of memorandums and draft letters. The primary lead for B-E/GEI on this effort has been Ray Hart. This activity is in progress. The permit process has been much more complicated than expected and continues to date. Additional budget needed to complete this activity is estimated to be \$33,600.

- Assist TRLIA in Budget Allocation for DFG Funding Herb Greydanus has been leading the TRLIA effort in developing the mechanism for DFG implementation funding, including coordination with DFG, developing the cost allocation, and preparation of a funding proposal for TRLIA submittal to DFG. Because DFG does not have precedents or regulations for administering grants of this type, the process is an evolving one with uncertain costs to completion. It is estimated that a total of 160 hours (including about 100 hours already expended) will be required. Additional budget needed to complete this activity is estimated to be \$33,600.
- Grant Application Revisions TRLIA has requested that B-E/GEI prepare revised
 design and implementation grant applications, and coordinate with DWR in grant
 application revisions. Revised implementation and design grant applications, including
 supplemental information, were prepared and issued to TRLIA for submittal to DWR.
 This effort is being lead by Herb Greydanus and is in progress. Additional budget needed
 to complete this activity is estimated to be \$14,400.

Project Acceleration - Drawings and Specifications for Second Contract

• TRLIA requested that B-E/GEI proceed with an accelerated schedule that would allow for construction of the setback levee foundation and Feather River tie-in in 2005, and a separate contract for setback levee construction in 2006. While acceleration impacts to the project management and permitting budgets were included in Change Order No. 2, impacts to design activities were not included at the time. Project acceleration required splitting the construction package into two construction contracts. The two construction contracts required preparation of two sets of contract drawings and specifications. The total number of contract drawings is 18 percent greater than originally budgeted assuming a single construction contract, and the total number of specifications is 10 percent higher than budgeted for. While some of the drawings and specifications were similar for both contracts, even those that are similar required extensive modifications to tailor them to the specific construction contract. The cost impact is estimated to be about 4 percent of the budget for drawings and specifications. Additional budget needed to complete this activity is estimated to be \$40,500.

New Data / Design Concepts / Developments

As the setback levee project has progressed, new data, concepts and developments have evolved that will require additional budget to resolve. These include:

- PG&E Design Fee A \$5,000 design fee was required to initiate PG&E processing of the relocated electrical powerlines and raised power poles. In June 2005 TRLIA requested that B-E/GEI include the fee in our design costs and pay PG&E.
- Additional Investigations Along Levee Alignment per Board of Consultants (BOSC)
 Meeting Stemming from concerns related to the transition from the relatively stiff

Modesto Formation to the relatively soft soils to the east, the Corps and BOSC requested during the October 21, 2005 BOSC meeting that additional geotechnical investigations be conducted along the levee alignment just east of the Modesto Formation. The purpose of the investigation was to determine the lateral extent of soft clay soils and refine the soil properties in order to finalize the lateral extent and height of the stability berm. Investigations included drilling four borings, Shelby tube sampling, laboratory analysis of undisturbed samples, and field vane shear testing in the softer soils observed in the borings. An addendum to the Geotechnical Data Report was prepared to present the results of these investigations. This work enabled the design team to gain confidence with the characterization of the foundation conditions and reduce the proposed berm length by about 300 feet. Additional budget to cover the supplemental investigation is \$26,750.

- Additional Borrow Area Investigations Additional geotechnical investigations and laboratory testing were required to evaluate borrow material suitability. These additional investigations were required for several reasons:
 - Detention basin capacity studies determined that the south detention basin would need to be expanded to develop the required detention capacity. Geotechnical investigations and laboratory testing were conducted in the expanded south detention basin to assess the suitability of the material for levee embankment construction.
 - 2. Due to the uncertainty in obtaining Reclamation Board and Corps approval for using existing levee material for setback levee construction, a more detailed investigation was performed in the setback levee area (as the preferred alternate borrow source) with the goal of more precisely delineating the usable material. In addition, other alternate borrow sources are being investigated in the event that there is not sufficient suitable material in the setback area for levee construction.

Additional budget to cover the supplemental investigation is \$42,225.

A summary of the additional costs which cannot be absorbed in our budget is included in the attached table. We request that you approve a contract increase in the amount of \$481,214 for a new amount of \$6,682,119. We will continue to manage the project to respond to TRLIA's needs, minimize cost increases to the extent practical, and communicate issues of concern to TRLIA as they occur.

Please call me, Alberto Pujol, or Dan Wanket if you have any questions.

Sincerely,

BOOKMAN-EDMONSTON

Raymond D. Hart Senior Vice President

Enclosure

AMENDMENT NO. 4

AGREEMENT FOR PROFESSIONAL SERVICES FOR BEAR RIVER LEVEE SETBACK DESIGN

BETWEEN THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AND BOOKMAN-EDMONSTON/GEI CONSULTANTS

THIS AMENDMENT TO AGREEMENT is made effective January _, 2006, by and between Three Rivers Levee Improvement Authority ("TRLIA") and Bookman-Edmonston/GEI Consultants ("Consultant"), who agree as follows:

- 1. **Recitals.** This Amendment is made with reference to the following background recitals:
 - 1.1. Effective January 18, 2005, the parties entered into the Agreement for Professional Services relating to TRLIA's Bear River Levee Setback design.
 - 1.2. Effective February 23, 2005, the parties entered into Amendment No. 1 to the Agreement for Professional Services relating to TRLIA's Bear River Levee Setback design for a total of \$2,893.160.
 - 1.3. Effective May 25, 2005, the parties entered into Amendment No. 2 to the Agreement for Professional Services relating to TRLIA's Bear River Levee Setback design for a total of \$3,716,005.
 - 1.4. Effective October 11, 2005, the parties entered into Amendment No. 3 to the Agreement for Professional Services relating to TRLIA's Bear River Levee Setback design for a total of \$6,200,905.
 - 1.5. The parties now desire to amend the Professional Services Agreement to expand scope of services and contract fee.
- 2. **Fourth Amendment to Agreement.** The Professional Services Agreement is herby amended as follows:
 - 2.1. The scope of services (Attachment A to the Agreement for Professional Services between TRLIA and B-E/GEI, dated January 18, 2005) is amended to expand and supplement the scope of work as described by letter dated December 30, 2005 (Exhibit A) to include the following:

Item	Total
Environmental Mitigation Management	\$25,200
Elderberry Relocation, 2005	\$41,248
Elderberry Relocation, 2006	\$4,650
Seed Collection	\$7,525
Phase 1 ESA / Borrow Area Sampling and Chemical	\$45,103
Analysis	

Archaeological Investigations	\$73,260
2006 Biological surveys and monitoring	\$88,154
Project Levee Designation	\$33,600
Assist TRLIA in Budget Allocation for DFG Funding	\$33,600
Grant Application Revisions	\$14,400
Drawings and Specifications for Second Contract	\$40,500
PG&E Design Fee	\$5,000
Additional Borrow Areas Investigations	\$26,750
Additional Investigations Along Levee Alignment per	\$42,225
BOSC Meeting	
Total	\$481,214

- 2.2. The payment, budget, and not-to-exceed amounts (Professional Services Agreement Attachment B) are amended to include the additional amounts of \$481,214 for a total contract of \$6,682,119.
- 3. **No Effect on Other Provisions.** Except for the amendments in Section 2, the remaining provisions of the Professional Services Agreement shall be unaffected and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on , 2006.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY OF YUBA COUNTY

Charles K. McClain Executive Director

ATTEST: DONNA STOTTLEMEYER SECRETARY, THREE RIVERS BOOKMAN-EDMONSTON, A DIVISION OF GEI CONSULTANTS, INC.

Raymond D. Hart Senior Vice President

APPROVED AS TO FORM: DANIEL G. MONTGOMERY COUNTY COUNSEL

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Table 1 Bear River Setback Levee Project Change Order Request No. 4 Draft 12/29/05

Task	Item					Estimated Cost	1 Cost					Scope Item Basis
			ļ	Subconsultants	ts		s,ogo	l I	GEI Labor		Total	
		EDAW	RP	Drilling	Geot Lab	Subtotal		Hours La	Labor Rate	Cost		
Additional Assignments	នទំនួពកាមកនេ											
												 assist TRLtA to manage mitigation, including
												meetings, memos (task completed)
							•					 coordinate with Wildlands/JSA to development
25	Environmental Mitigation Management					0\$	\$0	120	210	\$25,200	\$25,200 HMMP	HMMP
								-				 Based on actual costs incurred for relocation
												 includes projected costs for monitoring and
25	Elderberry Relocation, 2005		\$30,650			\$30,650	\$4,598	40	150	\$6,000	\$41,248	reporting (in progress)
25	Elderberry Relocation, 2006		\$3,000			\$3,000	\$450	8	150	\$1,200	\$4,650	
25	Seed Collection		\$5,500			\$5,500	\$825	8	150	\$1,200	\$7,525	
												 activity requested by TRLIA at May
	Phase 1 ESA / Borrow Area Sampling											management meeting
40	and Chemical Analysis					\$0	\$0	360	115	\$45,103	\$45,103	 Actual costs - (task completed)
												- 2005 Investigations east of Road 512
												 Investigations for 2006 construction
40	Archaeological Investigations	\$60,365				\$60,365	\$9.055	24	160	\$3,840	\$73,260	 per EDAW estimate (task in progress)
												 Scope not included in original RFP
												- 2005 surveys and monitoring included in
												budget adjustment #2
												Includes 2006 pre-construction surveys and
4	2006 Biological surveys and monitoring	\$71.090				\$71.090	\$10 664	40	180	\$6.400	\$88 154	training and construction monitoring
2	Bullouing states and morning	2001			1	200,100	100,01	+	3	20,40	to one	Simple of the boundaries of the second of th
												- Estimated level of effort (0 88sist 1 Rule in
						į		-	;			coordination with Corps and Rec Board for
51	Project Levee Designation					\$0	\$0	160	240	\$33,600	\$33,600	project leves designation (task in progress)
ŧ	Assist TRLIA in Budget Allocation for						•	-	-	000	400	
2	Ure runaing					90	O.S	160	210	\$33,600	\$33,600	- estimated level of effort (task in progress)
												 assist TRLIA in preparing implementation and
												design grant revisions / coordinate with DWR
23	Grant Application Revisions					တ္တ	0\$	80	<u>\$</u>	\$14,400	\$14 400	(task in progress)
		\$131,455	\$39,150	20	0\$	\$170,605	\$25,591	1,000	1	\$170,543	\$366,739	
Acceleration												
									•			and the second s
7.6	Confract					ě	Ş	020	150	640 500	640 500	- estimated adolitorial cost to prepare drawings
Š	Subfotal	U#	₩	0	S	g g	3	270	3	\$40.500	640 FOO	and specification of second contract
Mow Cats / D	Now Date / Design Concepts / Developments	3			2	9	•	212		200,000	000'04	
	B									ľ		PG&E required a \$5000 fee for power relocation
56	PG&E Design Fee					\$0	\$5,000			0\$	\$5,000	designs
												 estimate level of effort for test pit logging
										<u>. </u>		(complete), laboratory analysis (in progress),
56	Additional Borrow Areas Investigations				\$5,000	\$5,000	\$750	120	175	\$21,000	\$26,750	borrow area evaluation, reporting
ç	Additional Investigations Along Levee			6	i d			•	ŗ			- requested by BOSC and Corps
ę	Cubicial per poor intenting	·	•	*	000,00	\$21,300	027,00	202	2/	000,714	_	- COST HIGHDRY PROBES actuals
	Subrorial	0\$	20	gL\$		\$26,500	\$8,975	220		_	\$73,975	
	l Otal	\$131,455	\$39,150	\$16,500	\$10,000	\$197,105	\$34,566	1490	1	\$249,543	\$481,214	
ļ											Ì	



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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

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

February 7, 2006

TO: Three Rivers Levee Improvement Authority Board

FROM: Ric Reinhardt, Program Manager

SUBJECT: Consider acceleration of levee improvements on the Yuba River levee between

the Union Pacific Railroad Bridge and Simpson Lane.

Recommended Action

Approve acceleration of levee improvements on the Yuba River levee between the Union Pacific Railroad Bridge (UPRR) and Simpson Lane. This would require approving an amendment in the amount of \$120,000 to the recently issued contract with HDR for the TRLIA Phase 4 - Yuba River Design and Construction Documents and approve an amendment to the existing contract with Bender Rosenthal, Inc. (BRI) for the TRLIA Phase 4 - Yuba River Right of Way Acquisition in the amount of \$397,878. The specific contract terms will be brought back to the Board on February 14, 2006 if the decision is made to accelerate the levee improvements.

Discussion

The reach of the Reclamation District No. 784 (RD 784) Yuba River levee between the UPRR and Simpson Lane is included in the TRLIA Phase 4 project and a design contract has been awarded to HDR to develop alternatives, comply with CEQA and develop plans and specifications to remediate identified problems. The current schedule will result in completion of construction of this reach in October 2007.

Accelerating the improvements to the Yuba River levee between the UPRR and Simpson Lane should be considered to reduce the potential for levee failure and protect the lives and property of the residents within RD 784. In addition, completing this work in 2006 will provide additional support for TRLIA and Yuba County's request that the Federal Emergency Management Agency (FEMA) consider an A-99 floodplain designation as part of their efforts to map RD 784 into the 100 year floodplain. The A-99 designation is critical to the finance plan that TRLIA and the landowners are developing to fund Phase 4 and provide additional funding to address potential cost increases for Phases 2 & 3. A draft finance plan is scheduled to be completed in March with a final plan completed in April. The finance plan will need to be in place before a construction contract can be awarded for the accelerated phase. Accelerating this work will also be helpful in our negotiations with the Reclamation Board on an encroachment permit for the entire Phase 4 program.

The current construction program will result in levee improvements being completed for the Western Pacific Interceptor Canal levee, Bear River levee and Yuba River levee downstream of Simpson Lane. These improvements will significantly reduce the risk of levee failure in RD 784. Accelerating the Yuba River levee improvements between the UPRR and Simpson Lane will complete the last component of levee repairs needed to prevent deep flooding of Linda and most of Olivehurst and result in most of the RD 784 levees meeting FEMA certification criteria, potentially significantly reducing the areas that would be mapped into the FEMA 100 year floodplain.

TRLIA staff has asked HDR to consider the feasibility of separating and accelerating the design of the cutoff wall needed between the UPRR and Simpson Lane so that construction of that portion of Phase 4 can be accomplished in 2006. Effort would need to be restructured to facilitate two construction contracts; one for the cutoff wall between the UPRR and Simpson Lane in 2006, and one for the construction of the remaining levee repairs in 2007. Separate efforts for pre-design, environmental compliance and permits, PS&E, utilities coordination and pre-bid assistance and construction support will be required for each construction project. HDR has estimated that the additional cost associated with preparing bid packages for two construction projects plus the costs associated with accelerating the design for the cutoff wall will be approximately \$120,000.

In addition to HDR's costs, Bender Rosenthal, Inc. (BRI) contracts would need to be amended to provide right of way acquisition support. BRI's effort is currently scheduled for late 2006/early 2007. There is no incremental cost increase associated with acceleration of BRI's effort.

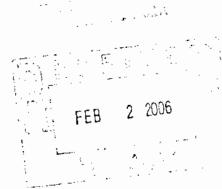
Fiscal Impact

The HDR contract amendment would increase the existing contract by \$120,000 for services on a time-and-expenses basis, to a maximum amount not exceeding \$1,295,084 without prior authorization by TRLIA.

The BRI contract amendment would increase the existing contract by \$397,878 for services on a time-and-expenses basis, to a maximum amount not exceeding \$1,247,878 without prior authorization by TRLIA.

Staff will present midyear budget summary to the Board on March 7, 2006.

Steven & Jackie Raetz 849 S. Walton Ave. Yuba City, CA 959936 (530) 674-1767



February 1, 2006

Three Rivers Levee Improvement Agency Government Center Richard Webb, Director Mary Griego, Director Dan Logue, Director Rick Brown, Director 915 8th Street, Suit 109 Marysville, CA 95901

RE: 881 N. Beal Rd., Marysville, CA Eminent Domain Seizure

Dear Directors:

My wife and I would like to settle the matter of our property that was taken by eminent domain proceedings on September 26, 2005. We are expecting just compensation for our property as per the U.S. Constitution and California State Law. As the Board of Directors, we are asking you to settle this issue on February 7, 2006 in your meeting.

We have tried to negotiate in good faith with your agents Bender and Rosenthal. This has come to no avail. In October of 2005 we made a counter offer to the agencies' last offer of \$252,000 and we received no response. Again we made another counter offer in December 2005, and received no response. Three River Levee Improvement Agency has the ultimate responsibility for settling this issue of just compensation and fair market value. We request you do so at once.

Bender and Rosenthal, your agents, communicated to us that the agency would rather negotiate than litigate. We would also prefer to avoid court proceedings.

Three Rivers Levee Improvement Agency Government Center Richard Webb, Director Mary Griego, Director Dan Logue, Director Rick Brown, Director February 1, 2006 Page 2

My wife and I have commissioned Frank La Bella Inc. of 5623 Freeport Blvd., Sacramento, CA, 95822, to appraise the property in question. Enclosed you will find a copy of his appraisal and conclusions. Mr. La Bella is considered an expert in the Real Estate Appraisal field.

We Request that you consider this matter of just compensation and fair market value at the February 7, 2006, meeting. If not, you will force us to immediately pursue every legal remedy available.

Very Truly Yours,

Steven Ractz

Steven Ractz

FRANK LA BELLA DAVID LA BELLA GINA LA BELLA KATHERINE ECKERT DARYL GRACIA



FRANK LA BELLA, INC.

APPRAISERS • REAL ESTATE 5623 FREEPORT BLVD. SACRAMENTO, CA 95822 (916) 421-4774 422-7900 FAX 421-4802 BUSINESS EVALUATIONS PERSONAL PROPERTY REAL PROPERTY RECEIVERSHIPS TRUSTEESHIPS

January 31, 2006

Steve Raetz 849 S Walton Avenue Yuba City, CA 95993

Re: Raetz property - 881 N Beale Road, Marysville

Dear Sir:

Below is a list of the improvements which have been condemned in eminent domain proceedings along with the property's actual rent compared to market rent. Market rents were determined to be substantially higher than actual rents. The market rents have vacancy and expenses deducted, then capitalizing the net income into an opinion of value.

	ACTUA	L RENT	MARKET	RENT
3/1.5 residence:		\$ 630.00		\$ 750.00
2 units (1/1) wall heat/air:	\$425 x 2 =	850.00	\$475 x 2 =	950.00
2 units (1/1) central heat/air:	\$425 x 2 =	850.00	\$495 x 2 =	990.00
3 storage units (2) 170 sf; (1) 200 sf:	\$60 x 2 =	120.00	\$75 x 3 =	225.00
Garage storage (1) 400 sf; (1) 200 sf:		0	\$200 \$75	275.00
	Total	\$2,450.00	Total	\$3,190.00
\$3,190 X 12 =			\$ 38,280	
Vacancy (10%)			<u>- 3,828</u>	
			\$ 34,452	
Expenses (25%)			<u>- 8,613</u>	
NOI			\$ 25,839	

CAP RATE - 7.5%

\$344,520

8.0%

\$322,988

The capitalized income indicates a range of value of approximately \$323,000 to \$345,000.

If you require any further assistance, please do not hesitate to contact me.

Sincerely,

FRANK LA BELLA, INC.

DAVID LA BELLA

1 Bedroom 1 Bath in Yuba County

Street #	Street Name	Unit #	Unit Type	Current Rent	Resident Name	Status
419 1/2	4th Street	,	l Bedroom, l Bath	\$495.00	Kurowski, Robert	Оссиріес
419 1/2	4th Street	2	1 Bedroom, 1 Bath	\$495.00	•	Occupied
528	9th Street	1	l Bedroom, I Bath	\$495.00		Occupiec
528	9th Street	2	l Bedroom, l Bath	\$495.00	Flowers, Ronald	Occupied
528	9th Street	4	l Bedroom, 1 Bath	\$ 495.00	Ramirez, Griselda	Occupied
528	9th Street	3*	1 Bedroom, 1 Bath	\$495.00	Woods, Monique	Occupied
5626	Arboga	b	1 Bedroom, 1 Bath	\$450.00	Salas, Jesus	Occupied
632	D Street	4	1 Bedroom, 1 Bath	\$475,00	Schoonmaker, Paul	Occupied
632	D Street	5	l Bedroom, l Bath	\$475.00	Perez, Mary	Occupied
632	D Street	6	1 Bedroom, 1 Bath	\$475.00	Spruce, Robert	Occupied
632	D Street	Α	l Bedroom, l Bath	\$ 475.00	Heard, Gordon	Occupied
1027	F Street	2	1 Bedroom, 1 Bath	\$495.00	York, Andrew	Occupied
1027	F Street	4	l Bedroom, 1 Bath	\$495.00	Pacheco, Henry	Occupied

Total 13 \$6,310.00

3 Bedrooms 1 Baths in Yuba County

Street #	Street Name	Unit#	Unit Type	Current Rent	Resident Name	Status
4263	Ardmore Ave	•	3 Bedroom, I Bath	\$850.00	Batterton, Lorrie	Occupied
222	Ellth Street	•	3 Bedroom, 1 Bath	\$895.00	Silva, Raina	Occupied
1823	Freeman Street	•	3 Bedroom, 1 Bath	\$895.00	Carmichael, Michelle	Occupied
1741	Huston Street	*	3 Bedroom, 1 Bath	\$945.00	Ramus, Henry	Occupied
4379	Martel	•	3 Bedroom, 1 Bath		Reed, Jess	Occupied
5792	Montclair	•	3 Bedroom, 1 Bath		Guzman, Victor	Occupied
5794	Montelair	•	3 Bedroom, 1 Bath		Gonzales, Ofelia	Occupied
5957	Wiget	*	3 Bedroom, 1 Bath		Tugend, Stacie	Occupied

Total 8 \$7,015.00

FRANK LA BELLA DAVID LA BELLA GINA LA BELLA KATHERINE ECKERT DARYL GRACIA



FRANK LA BELLA, INC.

APPRAISERS • REAL ESTATE 5623 FREEPORT BLVD. SACRAMENTO, CA 95822 (916) 421-4774 422-7900 FAX 421-4802 BUSINESS EVALUATIONS PERSONAL PROPERTY REAL PROPERTY RECEIVERSHIPS TRUSTEESHIPS

QUALIFICATIONS OF FRANK LA BELLA, JR.

EXPERIENCE:

Have qualified as an expert witness in real estate valuations in the following courts in California:

CALIFORNIA SUPERIOR COURT:

ALAMEDA AMADOR BUTTE CALAVERAS COLUSA CONTRA COSTA EL DORADO LOS ANGELES MARIN MENDOCINO MERCED MONTEREY NAPA **NEVADA** ORANGE PLACER PLUMAS **SACRAMENTO** SAN FRANCISCO SAN JOAQUIN SAN LUIS OBISPO SANTA CLARA SHASTA SISKIYOU SOLANO SUTTER **TUOLUMNE** YOLO YUBA VENTURA

U. S. DISTRICT COURT:

LOS ANGELES MODESTO ORANGE SACRAMENTO SAN FRANCISCO

U. S. COURT OF CLAIMS:

PASADENA SACRAMENTO

CALIFORNIA SUPERIOR COURT:

Have served as Judge Pro-Tem.

Have qualified as an expert witness in the following states:

STATE OF NEVADA - CLARK COUNTY
STATE OF PENNSYLVANIA - ALLEGHENY COUNTY

TRUSTEESHIPS - RECEIVERSHIPS - COMMISSIONS:

Have acted as special trustee for the U. S. Bankruptcy Court for properties, businesses, management of personal properties, appraisals, sale and accounting to the courts for properties ranging in excess of one-million dollars.

Have acted as arbitrator in numerous cases, including appointment under Section 1273.01 et seg. and Section 1280 et seg. of the California Code of Civil Procedure. Have acted as court appointed appraiser under Corporation Code 2000 for several Superior Court jurisdictions.

GEOGRAPHICAL AREAS:

COUNTIES WHERE APPRAISAL WORK HAS BEEN DONE:

ALAMEDA ALPINE AMADOR BUTTE CALAVERAS COLUSA CONTRA COSTA DEL NORTE EL DORADO FRESNO **GLENN** HUMBOLDT KERN LAKE LASSEN LOS ANGELES MADERA MARIN MARIPOSA MENDOCINO MERCED MONTEREY MODOC NAPA NEVADA **ORANGE** PLACER **PLUMAS** RIVERSIDE SACRAMENTO SAN BENITO SAN BERNARDINO SAN DIEGO SAN FRANCISCO SAN JOAQUIN SAN LUIS OBISPO SAN MATEO SANTA BARBARA SANTA CLARA SANTA CRUZ SHASTA **SIERRA** SISKIYOU SOLANO SONOMA STANISLAUS SUTTER **TEHAMA** TULARE TUOLUMNE **VENTURA** YOLO YUBA

OTHER STATES WHERE APPRAISAL WORK HAS BEEN DONE:

ARIZONA HAWAII NEVADA (CLARK, WASHOE, AND OTHER COUNTIES) OREGON

OIL COMPANIES:

DOUGLAS OIL
GETTY OIL
GOLDEN GATE PETROLEUM
RINN OIL
SHELL OIL
TEXACO, INC.

FINANCIAL INSTITUTIONS:

AMERICAN SAVINGS AND LOAN
BANK OF AMERICA
BELL SAVINGS AND LOAN
CAMINO REAL SAVINGS AND LOAN
CROCKER BANK
FIRST COMMERCIAL BANK
FIRST INDEPENDENT TRUST
FIRST NATIONAL BANK OF PHILADELPHIA
POINT WEST BANK
SECURITY PACIFIC BANK
SENATOR SAVINGS AND LOAN
STATE SAVINGS AND LOAN
WELLS FARGO BANK

INSURANCE AND TITLE COMPANIES:

ALLSTATE INSURANCE COMPANY
AMERICAN EXPRESS INSURANCE
ARGONAUT INSURANCE COMPANY
CENTRAL MUTUAL
CRAVENS, DRAGAN AND COMPANY
FEDERAL DEPOSIT INSURANCE COMPANY (FDIC)
FOUNDERS TITLE COMPANY
FEDERAL SAVINGS & LOAN INSURANCE COMPANY (FSLIC)
INDUSTRIAL CLAIMS
INTERNATIONAL SURPLUS AND ADJUSTING SERVICES
TITLE INSURANCE AND TRUST
TRANSAMERICAN TITLE
TRAVELERS INSURANCE
ZURICH-AMERICAN

CLIENTS - REPRESENTATIVE SAMPLING:

ANGELO TSAKOPOULOS ARGONAUT REALTY - GENERAL MOTORS **BUZZ OATES** CAMILLIA SHOPPING CENTER CATHOLIC DIOCESE OF SACRAMENTO CENTRAL MUTUAL CLUNIE HOTEL CRAVENS, DRAGAN & COMPANY DESMOND, MILLER & DESMOND DIEPENBROCK, WULFF, PLANT & HANNEGAN DISTRICT COURT JUDGE PHILIP WILKINS ELDON LAKE MOBILE HOME PARK FEATHER RIVER INN & GOLF COURSE FIRST INDEPENDENT FORT SUTTER SHOPPING CENTER FRASINETTI WINERY

CLIENTS - REPRESENTATIVE SAMPLING (continued):

GALLO BROTHERS

HANDY ANDY PROFIT SHARING

HEFNER, STARK & MAROIS

HOWARD HUGHES TRUST FUND

JAMES CORDANO

J. C. PENNEY COMPANY

HUBACHER CADILLAC, INC.

LAWYERS TRUST

MC CURRY'S CAMERAS

NIELLO BMW, PORSCHE, AND VOLKSWAGON

NORTH SACRAMENTO LAND COMPANY

PARK CORPORATION (CAESARS TAHOE)

POTERE, INC.

POINT WEST CORPORATE CENTER

RICHARD BENVENUTI

ROSEVILLE HOSPITAL

ROYAL CROWN

SACRAMENTO FARMERS MARKET

SEARS & ROEBUCK COMPANY

SECURITY EXCHANGE COMMISSION, WASHINGTON, D.C.

SENATOR HOTEL

SMALL BUSINESS ASSOCIATION

SOUTHGATE SHOPPING CENTER

SOUTHERN PACIFIC

SUMMA CORPORATION

TRAINOR, ROBERTSON, SMITS & WADE

U. S. SUPREME COURT JUSTICE ANTHONY KENNEDY

PUBLIC AND GOVERNMENTAL AGENCIES:

CITRUS HEIGHTS IRRIGATION DISTRICT

CITY OF DAVIS

CITY OF FOLSOM

CITY OF ROSEVILLE

CITY OF SACRAMENTO

COUNTY OF BUTTE

COUNTY OF NEVADA

COUNTY OF SACRAMENTO

EL DORADO IRRIGATION DISTRICT

ELK GROVE UNIFIED SCHOOL DISTRICT

FAIR OAKS WATER DISTRICT

FRUITRIDGE VISTA WATER COMPANY

NORTH SACRAMENTO SCHOOL DISTRICT

PACIFIC GAS AND ELECTRIC

SACRAMENTO UNIFIED SCHOOL DISTRICT

SACRAMENTO MUNICIPAL UTILITY DISTRICT

SOUTH SUTTER COUNTY IRRIGATION

TOWN OF LOCKE

UNIVERSITY OF NEBRASKA

UNIVERSITY OF THE PACIFIC

WILLOWS SCHOOL DISTRICT

WHEATLY COLLEGE

JUDGES I HAVE DONE WORK FOR OR BEEN APPOINTED BY:

FEDERAL COURT:

HONORABLE LOREN DAHL
HONORABLE LAWRENCE K. KARLTON
HONORABLE DAVID E. RUSSELL
HONORABLE MILTON L. SCHWARTZ
HONORABLE PHILIP C. WILKINS
HONORABLE ROBERT E. WOODWARD

JUVENILE COURT:

HONORABLE WILLIAM MORGAN

MUNICIPAL COURT:

HONORABLE JOHN V. STROUD

SUPERIOR COURT:

HONORABLE HARRY A. ACKLEY

HONORABLE JOSEPH J. BABICH - RETIRED

HONORABLE A. RICHARD BACKUS

HONORABLE JOHN J. BOSKOVICH

HONORABLE HORACE CECCHETTINI

HONORABLE ANTHONY DE CRISTOFORO, JR.

HONORABLE JOSEPH A. DE CRISTOFORO

HONORABLE GEORGE M. DELL - LOS ANGELES

HONORABLE BENJAMIN A. DIAZ - RETIRED

HONORABLE HUGH EVANS

HONORABLE ALLEN P. FIELDS

HONORABLE TERRANCE M. FINNEY - EL DORADO

HONORABLE JAMES T. FORD

HONORABLE WILLIAM M. GALLAGHER

HONORABLE JAMES D. GARBOLINO

HONORABLE MICHAEL GARRIGAN - SAN JOAQUIN

HONORABLE SHELDON GROSSFELD

HONORABLE EUGENE T. GUALCO

HONORABLE SUSAN HARLAN

HONORABLE WILLIAM H. LALLY - RETIRED

HONORABLE JAMES L. LONG

HONORABLE FRED W. MARLER, JR.

HONORABLE LAWRENCE W. MARVIN

HONORABLE CAROL MILLER

HONORABLE GEORGE PARAS

HONORABLE RICHARD K. PARK

HONORABLE IRVING H. PERLUSS - RETIRED

HONORABLE LLOYD A. PHILLIPS, JR. - RETIRED

HONORABLE STANLEY RECKERS - RETIRED

JUDGES I HAVE DONE WORK FOR OR BEEN APPOINTED BY (continued):

SUPERIOR COURT (continued):

HONORABLE GORDON SCHABER

HONORABLE JAMES L. STEVENS

HONORABLE RONALD W. TOCHTERMAN

HONORABLE MICHAEL VIRGA

HONORABLE ROGER K. WARREN

HONORABLE WILLIAM A. WHITE

CALIFORNIA SUPREME COURT:

HONORABLE FRANK RICHARDSON - RETIRED

UNITED STATES SUPREME COURT:

U. S. SUPREME COURT JUSTICE ANTHONY KENNEDY

SELECTED PROJECTS:

555 CAPITOL MALL

DELTA SHORES

DIAL ONE OF NORTHERN CALIFORNIA

DOWNTOWN PLAZA

FARRELL'S ICE CREAM - (Air Crash)

GARDELLA SQUARE

ISLETON FLOODS - (1972)

HIGHWAY 65 EXPANSION

HIGHWAY 70 EXPANSION

HIGHWAY 90 EXPANSION

"J" STREET LIBRARY PROJECT

MARYSVILLE FLOOD - (1986)

MC CLELLAN AIR FORCE BASE - (Contamination)

MOUNT DIABLO

NUT TREE AIRPORT

OROVILLE AIRPORT

PEACH TREE MALL

R & J COOK WINERY

RANCHO SECO - (Contamination)

SACRAMENTO METRO AIRPORT - (Expansion)

SACRAMENTO UNION

SHASTA INN

STANFORD HOUSE

SUNSET WHITNEY COUNTRY CLUB

TEHAMA - COLUŞA CANAL

BUSINESSES:

Have appraised and qualified in both State and Federal Courts in the evaluation of businesses including both hard assets and the value of goodwill.

BUSINESS CLIENTS:

BEL AIR

CAPITAL OFFICE FURNITURE

CORTI BROTHERS

DAVID'S BRASS RAIL AND GRILL

EPPIE'S RESTAURANTS

GREBITUS & SONS JEWELERS

LATHAM LUMBER COMPANY

PIP PRINTING

PRESTO LOGS

RALEY'S

RAYMOND VAIL & ASSOCIATES

SACRAMENTO SEVEN-UP BOTTLING COMPANY

SCHAAP-BRENNER TIRE & CAR CARE CENTERS

STRAW HAT PIZZA

SUNSET LANES

VACA BOWL

OTHER TYPES OF BUSINESSES APPRAISED:

ACCOUNTANTS ARCHITECTS
ATTORNEYS CARPET

CEMETERIES CHIROPRACTORS

CONTRACTORS COPYING DELICATESSEN DENTISTS

FLORISTS INSURANCE AGENCIES

MARINAS MOTELS
PEST CONTROL PHYSICIANS

ANESTHESIOLOGY, CARDIOLOGY, FAMILY AND GENERAL PRACTICE, GYNECOLOGY, HEMOTOLOGY,

INDUSTRIAL MEDICINE,

INTERNAL MEDICINE, NEPHROLOGY,

PODIATRY, RADIOLOGY

PLASTICS PLUMBING
REAL ESTATE ROOFING
SHEET METAL SURGEONS

GENERAL, THORASIC, CARDIAC

TENNIS CLUBS TRAVEL AGENCIES

VETERINARIANS

Qualifications - Page 8

EDUCATION:

B. A. BETHANY COLLEGE, WEST VIRGINIA - 1952
J. D. MC GEORGE SCHOOL OF LAW, UNIVERSITY OF THE PACIFIC - 1974
PASSED BAR - 1975
APPRAISAL COURSE, UNIVERSITY OF CALIFORNIA EXTENSION
AMERICAN SOCIETY OF APPRAISERS CONFERENCE
STATE INHERITANCE TAX SEMINARS

WORK EXPERIENCE - RELATED:

CALIFORNIA REAL ESTATE SALESMAN - 1955-1959
CALIFORNIA REAL ESTATE BROKER - 1959-PRESENT
CALIFORNIA INHERITANCE TAX APPRAISER - 1967-1975
CALIFORNIA INHERITANCE TAX APPRAISER CONTRACT WORK - 1975-PRESENT
FEE APPRAISER - 1966-PRESENT (REPORTS FOR 53 OF 58 CALIF. COUNTIES)

MEMBERSHIPS:

CALIFORNIA REAL ESTATE ASSOCIATION
CALIFORNIA STATE BAR ASSOCIATION
AMERICAN BAR ASSOCIATION
NATIONAL REAL ESTATE ASSOCIATION
SACRAMENTO ASSOCIATION OF REALTORS
SACRAMENTO COUNTY BAR ASSOCIATION

FRANK LA BELLA DAVID LA BELLA GINA LA BELLA KATHERINE ECKERT DARYL GRACIA



FRANK LA BELLA, INC.

APPRAISERS • REAL ESTATE 5623 FREEPORT BLVD. SACRAMENTO, CA 95822 (916) 421-4774 422-7900 FAX 421-4802 BUSINESS EVALUATIONS PERSONAL PROPERTY REAL PROPERTY RECEIVERSHIPS TRUSTEESHIPS

QUALIFICATIONS - DAVID T. LA BELLA

EXPERIENCE:

I have been a real property appraiser since 1983, performing real estate appraisal analysis and valuation for Frank La Bella, Incorporated.

Real estate appraised includes commercial, industrial, urban, rural, residential of all types, and special use properties.

Have prepared appraisals, and assisted with appraisals for the following clients, among others:

Financial Institutions:

Bank of California River City Bank Golden One Credit Union Wells Fargo Bank

Other Entities:

AKT Development Cincinatti Milicron Corp. City of Stockton Latham Lumber Pappas Investments

Willows Unified School District

Buzz Oates Enterprises City of Sacramento Fair Oaks Water District

North Sacramento Land Company

Raley's

Numerous individuals, attorneys and corporations.

Geographical Areas:

Have appraised in these California counties;

Alameda Amador Butte Calaveras Colusa Contra Costa El Dorado Glenn Lake Mendocino Merced Modoc Napa Nevada Placer Riverside Sacramento San Francisco San Joaquin Shasta Siskiyou Solano Stanislaus Sutter

Tehema Yuba Yolo

and the Nevada counties of Douglas and Washoe.

Qualifications - Page 2

FORMAL EDUCATION:

Bachelor of Science Degree, Business Administration - California Lutheran University.

LICENSES:

California Department of Real Estate Licensed Salesperson #01493127

SPECIALIZED EDUCATION:

Appraisal Principles - Sacramento City College
Real Estate Principles - Sacramento City College
Advanced Appraisal - Sacramento City College
Real Estate Law - American River College
National Uniform Standards of Professional Appraisal Practice (USPAP) - January 2005

COURT TESTIMONY:

Have qualified as an expert witness in real estate valuation in the Superior Courts of Sacramento, San Joaquin and Yolo Counties and the United States Bankruptcy Court.