



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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March 6, 2013

Kent Zenobia, Chief
Early Implementation Program
Department of Water Resources
3310 El Camino Ave., Room 180
Sacramento, CA 95821-9000

Re: TRLIA Feather River Levee Improvement Project 21st Quarterly Work Plan (QWP), Dated March 6, 2013

Dear Mr. Zenobia:

Attached is the TRLIA 21st QWP (original and 2 copies) covering the time period April, May, and June 2013.

These issues are identified in the QWP:

- **Issue 1:** Segment 1 Crack monitoring (e.g. inclinometers) continues at expense to both TRLIA and RD784. Recent monitoring reports identified minimal movement in the inclinometers. On October 20, 2011 TRLIA asked CVFPB to reduce the monitoring from monthly to quarterly and after any large flood events. While some movement is still discernible, it is very small and the section is considered stable by TRLIA. The CVFPB has refused to reduce the requirements. TRLIA proposes to monitor monthly through the 22nd Quarter to discern movement trends. TRLIA will evaluate the movement at the end of the 22nd Quarter and discuss monitoring frequency with CVFPB staff.

Recommended Resolution: DWR intercede with the CVFPB staff and work out a solution agreeable to all parties.

- **Issue 2:** During the 18th quarter TRLIA requested DWR allow TRLIA to extend leases 1 to 7 for a long term (20 to 30 years) to provide farmers the ability to plan future maintenance and replacement investments for the leased orchards. DWR is considering this request and may be agreeable, but for a shorter time period. This item is now critical because the leases begin to expire in 2013. Farmers need to know if they will be able to use the orchards for the next harvest season!

Recommend Resolution: DWR agree to extend the leases for an extended time period; a minimum of 5 years; preferably at least 10 to 15 years.

- **Issue 3:** Finalizing the Final Accounting Packages (FAPs) for both Features 1 and 2 is a critical item to complete so that TRLIA can transfer the property to the State. The state cadastral requirements have become an issue for the Feather FAPs. In the 19th quarter, TRLIA surveyor (Kevin Heeney/CTA) met with state cadastral staff (Bob Chesner) and came up with a method for the Feather FAPs to be modified to comply with state cadastral requirements. The process is described in Mr. Heeney's attached memo (attachment 1). This issue is still unresolved as this quarterly work plan is being prepared. Agreement on cadastral approach needs to be reached by the 21st quarter so that the FAFs can be completed and land transferred to the state.

Recommend Resolution: DWR agree with approach outlined in Mr. Heeney's memo, attachment 1.

- **Issue 4:** Retention: On January 3, 2013, TRLIA requested an Additional Release of Retention held by DWR on the State Cost Share for the Project. The State has not responded to this request. The State continues to withhold in excess of \$3,000,000 of State cost sharing on expenses incurred through the 18th Quarter (September 30, 2012). TRLIA continues to incur costs on the project adding to the amount of retention held. TRLIA estimates that the State is withholding well over 50% of the remaining costs of the project which is in excess of any reasonable amount of retention needed to ensure the completion of the project. Within TRLIA's January 3rd request, TRLIA demonstrated that it has provided documentation satisfying the funding agreement's criteria for the release retention.

Recommend Resolution: DWR should process the requested retention release requested by TRLIA as soon as possible.

Please feel free to contact me, if you have questions or comments. My phone numbers are: 530-749-5679 (office), and 916-765-4981 (cell).

Sincerely,



Paul G. Brunner, P.E.
Executive Director

Attachments: 21st Quarterly Work Plan, dated March 6, 2013 (original and 2 copies)

cc: Eric Koch/DWR w/o attachments
Fucciolo, Kelly/DWR w/o attachments
Liz Bryson/DWR w/o attachment
Seth Wurzel/TRLIA w/o attachment
Ric Reinhardt & Larry Dacus/TRLIA w/o attachment