



TRLIA
39th QUARTERLY WORK PLAN
FOR
FEATHER RIVER LEVEE
IMPROVEMENT PROJECT

- 1. 39th Quarterly Work Plan for quarter: October 1 – December 31, 2017**
- 2. Date of Report: November 29, 2017**
- 3. 39th Quarter Work Plan Summary:**

Per DWR's direction provided on December 23, 2015, because there are no outstanding construction elements and DWR is no longer releasing advances for the FRLIP, analysis of projected costs have been excluded from this Report. In addition, Section 5 of this report has been reduced to reflect fact that there is no longer a need to provide a request for advances.

4. Project Element Information:

- **Project Element Information:**

- All Project Elements and Features: On July 17, 2017 DWR approved the 5th Amendment to the Feather funding agreement which extends the agreement to June 30, 2018.
- All Project Elements and Features: On November 3, 2016 DWR approved the 4th amendment to the Feather EIP funding agreement which extends the Funding Agreement to June 30, 2017.
- All Project Elements and Features: The 3rd Funding Agreement Amendment was approved on May 28, 2014, which extended the Funding Agreement date to June 30, 2016.
- *Effective the 29th quarter the narrative text for completed Elements and Features have been deleted from the report. The deleted items will continue to be shown in the schedule and financial update portions of the report.*

- **Engineering and construction matters:**

- **Element 1 - Land Acquisition:**
 - **Feature 1 (Segment 2/Setback Levee)**

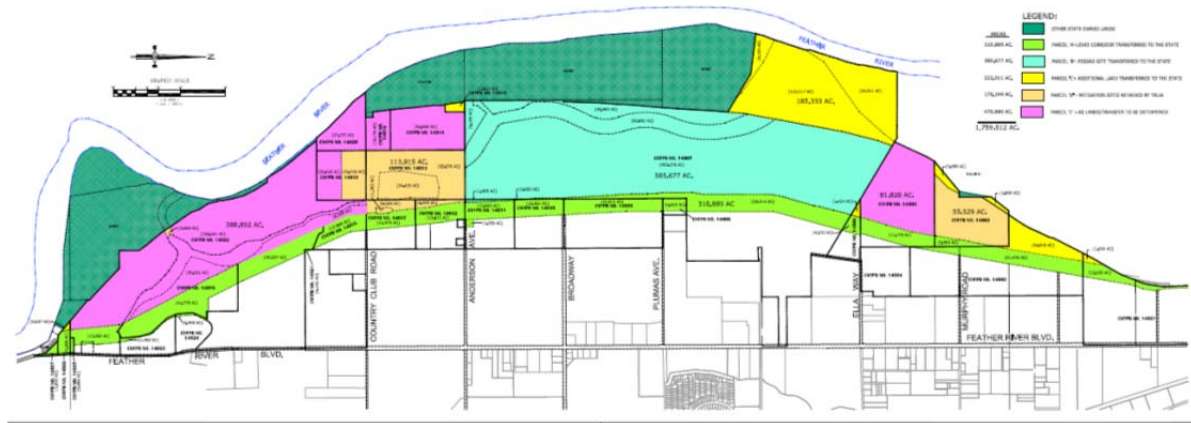
- **Land Transfer:** Real Property actions will continue during this quarter. The spreadsheet and graphic below reflects the proposed disposition of the various parcels in segment 2.

DWR informed TRLIA in the 32nd quarter that TRLIA will not transfer the Feather Setback mitigation sites (Wetlands/Swale area, FRET, and Cultural) to the state; but instead retain ownership. TRLIA was instructed to modify the Feather EIP real estate plan (3rd Amendment) to reflect this change, which TRLIA submitted on June 29, 2016. DWR approved the 3rd Amendment to the Real Estate Plan in the 35th quarter (October 7, 2016).

During the 38th quarter DWR indicated that it was possible for TRLIA to retain ownership of the Feather Agricultural properties. To do this TRLIA needs to purchase DWR's land interest in the property at negotiated price.

This item is listed in the Issues/Concerns portion of this report.

On November 1, 2016 TRLIA submitted draft land transfer documents to DWR to review for Parcel A shown in the graphic below. TRLIA now anticipates transferring Parcel A in fee during the 39th quarter. The length of time it is taking for DWR and the CVFPB to agree upon an approved land transfer process is causing long delays in completing funding agreements requirements.



*Feather River Levee Improvement Project
39th Quarterly Work Plan
November 29, 2017*

TRLIA Feather EIP Setback Area								
Transfer Parcel #	Land Map Area #	Category of Properties	Fee	Conservation Easement (CE)	Flood Easement	Other Easement	Acreage	Notes
A	1	Levee Footprint Properties	SSIDD (RD to maintain)	None	None	RD784 Access and Maintenance Access	310.03	Reclamation District 784 to maintain. Includes access corridors and Vegetated Wind Wave Buffer
	3	RD784 Storage Area	SSIDD	None	None	RD784 Maintenance Area	1.036	Property acquired originally for the Feather Setback levee for borrow and is now RD784 used for storage of levee maintenance and flood emergency materials by RD784. The property will be transferred in fee to SSIDD with and easement to RD 784 maintenance use.
B	2	TRLIA/State FESSRO Advanced Mitigation Area	SSIDD	Sacto Valley Conservancy (SVC)	Reflected in CE	TRLIA Access	383.196	SVC will address flood control requirements as outlined in CE/BEI. DWR flood operations will not perform flood management on these properties. Portion of property within Advanced Mitigation Area to be managed by SVC via land use easement. Purpose of easement is to ensure habitat and flood control activities do not impact mitigation benefit.
C	3,4	Other Areas	SSIDD	None	None		222.006	
D	11	Cultural Site Area	TRLIA	SVC	To be reflected in CE	O&M Easement SVC	1.382	The CE will Recognize flood control as a reserved right. The O&M Easement pursuant to which SVC will manage the land will provide for vegetation control for flood management. SVC will address flood control requirements in a similar way as outlined in proposed CE/BEI. DWR flood operations will not perform flood management on these properties.
	8,10	Wetland Area	TRLIA	SVC	To be reflected in CE	O&M Easement SVC	112.333	The CE will Recognize flood control as a reserved right. The O&M Easement pursuant to which SVC will manage the land will provide for vegetation control for flood management. SVC will address flood control requirements in a similar way as outlined in proposed CE/BEI. DWR flood operations will not perform flood management on these properties.
	12	Drainage Swale Area	TRLIA	SVC	To be reflected in CE	O&M Easement SVC	0.805	The CE will Recognize flood control as a reserved right. The O&M Easement pursuant to which SVC will manage the land will provide for vegetation control for flood management. SVC will address flood control requirements in a similar way as outlined in proposed CE/BEI. DWR flood operations will not perform flood management on these properties.
	9	Elderberry Mitigation Site	TRLIA	SVC	To be reflected in CE	O&M Easement SVC	33.329	The CE will Recognize flood control as a reserved right. The O&M Easement pursuant to which SVC will manage the land will provide for vegetation control for flood management. SVC will address flood control requirements in a similar way as outlined in proposed CE/BEI. DWR flood operations will not perform flood management on these properties.
E	6,7	Agricultural Lease Area	SSIDD	None	None	Easement language requiring the swale through the southern Ag lease properties to be maintained by DWR to ensure the wetlands can connect to the river and avoid fish trapping.	470.688	TRLIA and DWR are working on Interim Plan where TRLIA would keep these properties for now. TRLIA is still advocating that TRLIA retain these areas currently leased for farming operations. TRLIA would use the revenues received from the leases for management of the properties and for development of future restoration and recreation projects along the levee
	12	Drainage Swale Area	SSIDD (already)	SVC	None		6	

- **Final Accounting Packages (FAPs) and Cadastral Requirements:** During the 39th quarter TRLIA will continue to work with the state to finalize FAPS as indicated in Table 1.

Table 1 – List of FAPs and Cadastral Approval Status

Number	CVFPB #	Owner	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
1	14001	J.M. Smith	2	Approved 8-20-2015	Pending
2	14002	Danna	3	Approved 11/5/15	Approved 4-8-14
3	14003	Mann	1	Approved 1-7-2015	Approved 3-27-14

Number	CVFPB #	Owner	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
4	14004	Mann	1	Approved 11-14-2014	Approved 4-8-14
5	14005	Davit	1	Approved 8-28-2015	Approved 4-8-14 8-28-2015
6	14006	Terry	1	Approved 9/22/15	Approved 2-2-2015
7	14007	Naumes	4 (2 in Sutter County)	Approved 4-14-2010	Approved 4-10-14
8	14008	T. Rice	1	Approved 6-25-2014	Approved 4-10-14
9	14009	B. Heir	1	Approved 3-6-2012	Approved 4-8-14
10	14010	Dang	1	Approved 2-22-2013	Approved 4-8-14
11	14011	Uppal	1	Approved 6-25-2014	Approved 3-27-14
12	14012	Anderson	2	Approved 6-25-2014	Approved 3-27-14
13	14013	Nordic	1	Approved 12-12-2012	Approved 3-27-14
14	14014	Johl	1	Approved 3-4-2010	Approved 3-27-14
15	14015	Webb	1	Approved 3-4-2010	Approved 3-27-14
16	14016	H&H Trenching	1	Approved 3-4-2010	Approved 3-27-14
17	14017	P.F. Rice	1	Approved 6-25-2014	Approved 3-27-14
18	14018	Hadley	1	Approved 10-16-2013	Approved 3-27-14
19	14019	T. Miller	1	Approved 1-7-2013	Approved 3-27-14
20	14020	Maxey	1	Approved 3-4-2010	Approved 3-27-14

Number	CVFPB #	Owner	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
21	14021	P. Heir	1	Originally Approved 3-9-2012	Originally Approved 4-8-2014
21 Amended	14021	P. Heir Amended		Approved	Approved
22	14022	Foster Residence	1	Approved 1-7-2015	Conditionally Approved 1-28-2015
23	14022	Foster	5	Approved 1-7-2015	Conditionally Approved 1-28-2015
24	14023	L. Nieschulz	1	Approved 10/23/15	Conditionally Approved 1-28-2015
25	14024	Souza	1	Approved 1-3-2013	Conditionally Approved 1-28-2015
26	14025	Herold	1	Approved 6-25-2014	Conditionally Approved 4-8-14
27	14026	Flores	1	Approved 6-15-2011	Approved
28	14027	Foster, et al bar property	1	Approved 6-25-2014	Conditionally Approved
29	14078	S. Nieschulz	1	Approved 11/5/15	Conditionally Approved
			40	29/29	28/29

- Tables 2 – 4 provide the FAP status. All FAPs have been submitted. One FAP for parcel CVFPB 14021 was amended to correct the legal description and sent to DWR in February 2017.

Table 2 – Final Accounting Packages at DWR for Approval

Number	CVFPB #	Owner	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
1	14001	J.M. Smith	2	Approved 8-20-2015	Pending

Table 3 – Final Accounting Packages APPROVED by DWR

CVFPB	APN	OWNER	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	STATE REMAINING BALANCE
14001	013-010-046; 013-010-026	J.M.Smith, et al.	\$289,900.00	\$235,967.29	\$125,810.29
14002	013-010-010; 013-010-035	Danna Investments	\$1,301,597.17	\$1,078,042.65	\$(140,293.78)
14003	013-010-013	Joga S. Mann, et ux	\$1,458,474.69	\$1,207,975.83	\$172,668.33
14004	013-010-016	Joga S. Mann, et ux	\$11,200.00	\$9,276.36	\$9,276.36
14005	013-010-014	Satinder N. Davitt, et ux	\$2,975,063.08	\$2,464,084.10	\$(7,192.49)
14006	014-240-022	Nora Lee Terry Trust	\$128,800.00	\$106,678.08	\$1,649.03
14007	014-250-028; 014-250-027	Naumes, Inc.	\$17,548,012.12	\$14,534,070.85	\$(4762.41)
14008	014-250-029	T. Rice, et. ux.	\$211,721.00	\$175,357.07	\$38,294.09
14009	014-290-004	B. Heir, et al.	\$546,122.12	\$452,323.46	\$(1.07)
14021 amended	014-290-004	P. Heir	N/A	N/A	N/A
14010	014-290-033	Quinn X. Dang	\$330,000.00	\$273,321.18	\$(717.80)
14011	014-290-034	R.S. Uppal, et. ux.	\$731,350.00	\$605,737.71	\$302,886.02
14011	014-290-034	R. S. Uppal (excess land sale)	\$(388,321.00)	\$(321,625.31)	\$(321,625.31)
14012	014-370-039; 014-370-006	Gene R. Anderson	\$536512.24	\$444,364.12	\$173,782.11
14013	014-370-036	Nordic Industries, Inc.	\$1,125,000.00	\$931,776.75	\$(317,556.30)
14014	014-370-037	Jaspal S. Clar, et ux (Johl)	\$781,000.00	\$646,860.13	\$825.13
14015	014-370-026	R. E. Webb, et ux	\$785,000.00	\$650,173.11	\$0
14016	014-037-003	H&H Trenching, Inc.	\$293,500.00	\$243,090.20	\$4,140.08

CVFPB	APN	OWNER	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	STATE REMAINING BALANCE
14017	014-370-007	P.F. Rice, et ux	\$382,500.00	\$316,804.10	\$(2,164.88)
14018	014-370-033	Harold D. Hadley, Jr., Trust et al.	\$432,154.40	\$357,930.15	\$36,767.81
14019	014-370-033	T. Miller	\$1,020,000.00	\$844,810.92	\$0
14020	014-370-024	Steve Maxey, et ux	\$495,000.00	\$409,981.77	\$0
14021	014-370-017	P. Heir	\$18,500.00	\$15,322.55	\$0
14022	016-010-008	Foster Residence	\$51,404.99	\$42,575.98	\$22,830.03
14022	014-370-030; 014-370-029; 016-010-002; 016-010-007; 016-020-005	Foster Ranch	\$4,946,084.19	\$4,096,574.45	\$49,863.80
14023	016-010-006	Lloyd R. Nieschulz, et al.	\$43,771.96	\$36,253.95	\$21,495.63
14024	016-010-015; 016-010-016	F.D. Souza Trust	\$900.00	\$745.42	\$745.42
14025	016-010-009	Eleanor Herold	\$419,524.50	\$347,469.49	\$297,309.76
14026	016-010-010	Herminita Flores and Mark Aldrin Flores	\$167,000.00	\$138,317.08	\$(0.39)
14027	016-010-001	Foster et al Bar Property	\$105,000.00	\$86,965.83	\$1,113.88
14078	016-010-016	Susanna M. Nieschulz Trust	\$1,406,403.88	\$1,164,848.39	\$19,362.66

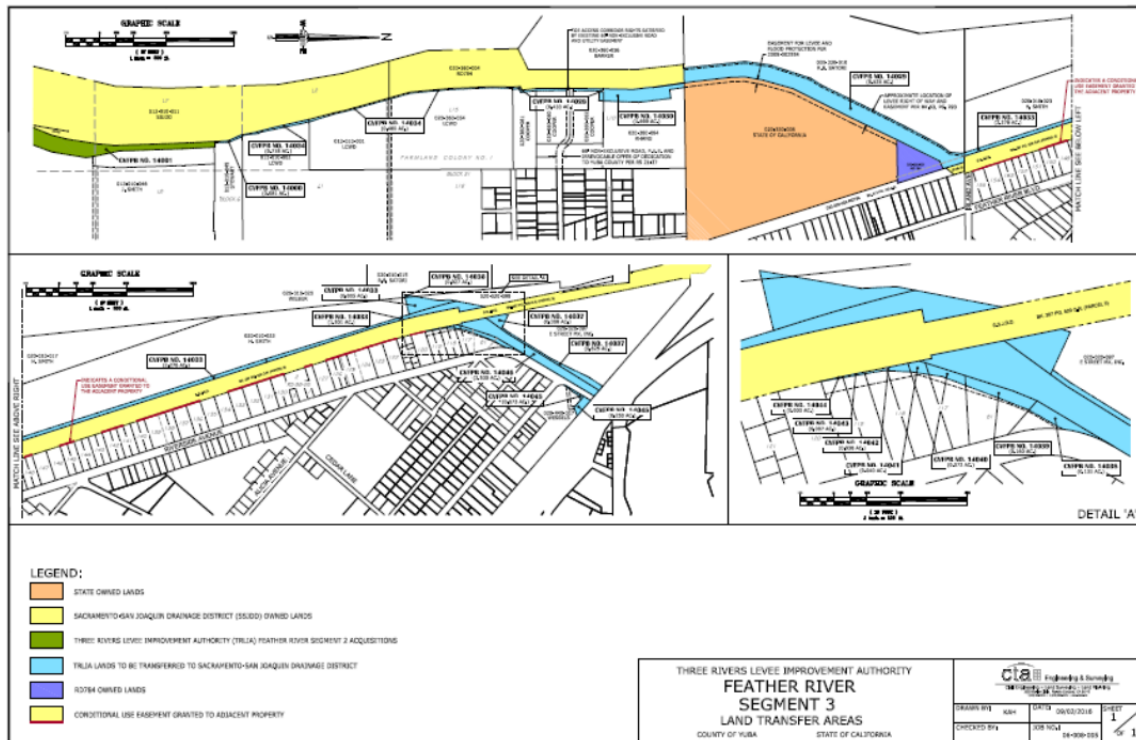
Table 4 – Relocation Final Accounting Packages Approved by DWR

CVFPB	OWNER	SETTLEMENT AMOUNT	STATE SHARE	F.A.P. APPROVED	STATE REMAINING BALANCE
14002	Eden (Danna)	\$126,218.86	\$94,881.06	1/17/2013	\$(14,592.82)
14014	Mincher (Johl)	\$21,238.91	\$17,591.04	3/16/2012	\$(105,086.48)
14014	Johl	\$1,882.75	\$1,559.38	3/21/2012	\$ see Mincher above

14015	Webb	\$307,767.36	\$155,296.13	10/7/2013	\$99,610.91
14016	Timmins (H & H)	\$26,331.00	\$21,808.55	3/21/2012	\$(21,674.37)
14017	Cummings (P.F.Rice)	\$900.00	\$745.42	11/8/2012	\$745.42
14019	Miller	\$149,688.50	\$123,978.90	1/17/2013	\$(31,317.23)
14025	Herold	\$195,000.00	\$161,507.97	8/15/2012	\$161,507.97

○ **Feature 2 (Segment 3):**

- **Land Transfer:** During the 39th quarter TRLIA and the state will continue to have discussions pertaining to land transfer. The graphic below reflects the draft proposed disposition of the various parcels in segment 3.



- **FAPs and Cadastral:** During the 39th quarter TRLIA will continue to work with the state to finalize FAPs and cadastral requirements. The information below in Tables 5 to 11 reflect the recent Real Estate actions and lists the status of the Segment 3 Final Accounting Packages:

Table 5: Segment 3 - List of FAPs and Cadastral Approval Status

*Feather River Levee Improvement Project
39th Quarterly Work Plan
November 29, 2017*

Number	CVFPB #	OWNER	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
1	14000	Steven Stewart, et ux	1	Approved 7-7-2014	Pending
2	14001	J.M. Smith	1	Approved 10/21/14	Pending
3	14028	Trumon G. Cooper Trust	3 different acquisitions. 2 resulted in Eminent Domain Action. The 3rd was a small portion of previously abandoned Virginia Avenue was granted willingly.	Approved 10/29/15	Pending
4	14029	RB Sartori (formerly Wilbur)	2	Approved 10/30/15	Approved 10-22-2015
5	14030	Jourbee Khang, et ux	1	Approved 2-5-2013 & 4-17-2013	Approved
6	14031	State of California	1	Approved 5-24-2011	Approved 10-22-2015
7	14032	R.D. 784	1	Pending	Approved 10-22-2015
8	14033	Henry P. Smith	2	Approved 10/30/15	Approved 10-22-2015
9	14034	Linda County Water District	3	Approved 9/24/14	Approved 10-22-2015
10	14036	Richard G. Wilbur Trust	1	Approved 10/30/15	Approved 11/24/15
11	14037	E Street MX, Inc.	1	Approved 8-10-2015	Approved 11-24-2015
12	14038	John Roth	1	Approved 7-7-2014	Approved 11-24-2015
13	14039	California Capital Loans	1	Approved 7-7-2014	Approved 11-24-2015
14	14040	John Roth	1	Approved 7-7-2014	Approved 11-24-2015
15	14041	Carolyn J. & Gary D. Tindel	1	Approved 7-7-2014	Approved 11-24-2015
16	14042	Salvation Army	2	Approved 11/5/15	Approved 1/15/16

Number	CVFPB #	OWNER	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
17	14043	Forrest Ray Miller	1	Approved 8-10-2015	Approved 1/15/16
18	14044	Vernon Adams	1	Approved 7-7-2014	Approved 1/15/16
19	14045	Ronald R. & Marcia E. Wessels	1	Approved 9/1/16	Pending
20	14046	Roadway	1	Pending	Approved 1/20/16
			27	18/20	16/20

Table 6 – Segment 3 – Parcels Not Yet Acquired

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	COMMENTS
None							

Table 7– Segment 3 – Parcel Acquisitions and Final Accounting Packages being completed by BRI

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance
14032		RD 784	Completed				Deed was recorded 7/17; sent to DWR for reference
14046		Roadway	Completed				Final order of condemnation recorded April 21, 2017.

Table 8– Segment 3 – Parcel Acquisitions and Final Accounting Packages at Downey Brand for Review

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance	COMMENTS
None								

Table 9 – Segment 3 – Final Accounting Packages at DWR for Approval

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance
None							

Table 10 – Segment 3 – Final Accounting Packages Approved by DWR

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance
14000	013-010-045	Steven Stewart, et ux	Complete	Approved	\$1,650.00	\$1,155.00	\$875.00
14001	013-010-046; 013-010-026	J.M. Smith, et al.	Complete	submitted	\$22,000.00	\$15,400.00	\$15,400.00
14036	020-330-010	Richard G. Wilbur Trust	Completed	submitted	\$5,480	\$3,836	\$3,836
14028	020-360-060; 020-360-061; 020-360-062	Trumon G. Cooper Trust	Escrow Closed	submitted	\$21,500.00	\$15,050.00	\$4,550.00
14029	020-330-007	RB Sartori (formerly Wilbur)	Escrow Closed	Approved			
14031	020-330-008	State of California	Complete	Approved	\$7,100.00	\$4,970.00	\$(7,539.00)
14030	020-360-022	Jourbee Khang, et ux	Complete	Approved	\$72,500.00	\$50,750.00	\$41,790.00
14033	020-010-023	Henry P. Smith	Escrow Closed	submitted	\$46,300.00	\$32,410.00	\$32,410.00

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P. (target to be submitted to DWR)	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance
14034	020-360-054; 013-010-001; 013-010-002; 013-010-045	Linda County Water District	Complete	Approved	\$6,800.00	\$4,760.00	\$4,760.00
14037	020-091-026	E Street MX, Inc.	Complete	Approved	\$2,550.00	\$1,785.00	\$1,785.00
14038	020-091-028	John Roth	Complete	Approved	\$750.00	\$525.00	\$525.00
14039	020-091-027	California Capital Loans	Complete	Approved	\$1,000.00	\$700.00	\$700.00
14040	020-091-026	John Roth	Complete	Approved	See 14038		
14041	020-091-002	Carolyn J. & Gary D. Tindel	Complete	Approved	\$5,580.00	\$3,906.00	\$3,906.00
14042	020-091-004; 020-091-005	Salvation Army	Complete	Approved	\$62,600.00	\$43,820.00	\$43,820.00
14043	020-091-006	Forrest Ray Miller	Complete	Approved	\$1,650.00	\$1,155.00	\$1,155.00
14044	020-091-007	Adams	Complete	Approved	\$1,000.00	\$700.00	\$700.00
14045	020-440-017	Max Hoseit (acquired by foreclosure from Ronald R. & Marcia E. Wessels)	Complete	Approved	\$7,000	\$4,900	FAP Approved 9/1/16; waiting for geodetic approval

Table 11 – Segment 3 - Relocation Final Accounting Packages Approved by DWR

CVFPB	OWNER	SETTLEMENT AMOUNT	STATE SHARE	F.A.P. APPROVED	STATE REMAINING BALANCE
14042	Salvation Army	\$1,295.00	\$906.50	1/17/2014	\$906.50

➤ **Element 2: Feather River Segment 2 setback levee w/o tie-ins and new levee construction requiring federal action (except as noted in features):**

- Feature 1.2 Permitting:

- The OMRR&R Agreement was approved and signed by CVFPB, TRLIA and RD784 in August 2011. TRLIA will continue to perform its obligations under this Agreement during the 39th quarter.
- Feature 1.3 Right of Way Support:
 - Both legal and real estate activity will continue during the 39th quarter to support the ongoing land acquisition activities associated with Project Element 1 Feature 1.
 - During the 39th quarter TRLIA will continue to work with DWR on transferring property to the state. This action is also necessary for Project Element 1 Feature 2, and Project Element 8 Feature 1 property transfers. TRLIA will capture the cost of this effort for all three Project Element Features in this feature.
- Feature 4 Environmental and Cultural Mitigation:
 - Elderberry Mitigation Area maintenance and monitoring will continue in the 38th quarter. Encroachment permit #18637 for the Feather River Elderberry Transplant (FRET) Mitigation Area was approved by the CVFPB. River Partners performed O&M work under a TRLIA contract. Much of the FRET is now into long term maintenance, which generally requires only debris removal. Biological Opinions issued for the FRET by the USFWS require monitoring for at least 10 years after each area has been planted. This monitoring generally occurs in May and June.

DWR informed TRLIA during the 32nd quarter that TRLIA will not transfer the FRET mitigation site to the state; but instead retain ownership (see Project Element 1 Feature 1). The long term care of the FRET is planned to be incorporated into the third party management plan being created for the FESSRO advanced mitigation project planned in the Feather Setback area as a separate independent element.
 - Environmental Mitigation/Restoration: Environmental monitoring of the Wetlands Mitigation, Swale Mitigation Areas will continue in the 39th quarter. The 404 permit requires monitoring and maintenance to be performed until June 2019 and evidence that the mitigation area has been self-sustaining for three years.

DWR informed TRLIA during the 32nd quarter that TRLIA will not transfer the Wetlands and Floodplain Swale mitigation sites to the state; but instead retain ownership (see Project Element 1 Feature 1). The long term care of the wetlands and swale is planned to be incorporated into the third party management plan being created for the FESSRO advanced

mitigation project planned in the Feather Setback area as a separate independent element.

- Cultural Mitigation: Monitoring of the planting at the Cultural Site will continue during the 39th quarter.

DWR informed TRLIA during the 32nd quarter that TRLIA will not transfer the Cultural mitigation site to the state; but instead retain ownership (see Project Element 1 Feature 1). The long term care of the Cultural Site is planned to be incorporated into the third party management plan being created for the FESSRO advanced mitigation project planned in the Feather Setback area as a separate independent element.

- Feature 5 O&M Manual:

- This Feature is **considered completed** – This item has very little costs allocated to the Feature, a separate retention request would not be efficient and worthwhile to process. Retention release for this item will be requested later with another separate larger milestone.

A comprehensive O&M Addendum for Segments 1, 2, and 3 was issued on December 12, 2011. RD 784 has the Segments 1, 2, and 3 manual and is using it to perform O&M. USACE requested that one combined O&M Addendum which includes all Addendums for the RD 784 Levee System be prepared. A draft Combined Addendum was submitted to the CVFPB on January 8, 2014. USACE has completed an internal review of the combined Addendum. USACE has concerns with elements that they do not consider to be part of the Federal Project being in a federal version of a combined manual. USACE is preparing their draft version of what the combined addendum should be and will submit that to CVFPB as the manual to follow for maintenance of the Federal Project. The USACE Project Manager is addressing internal review comments on the combined manual. The draft combined O&M Addendum submitted to USACE included O&M for areas for which TRLIA has committed to provide O&M. These portions of the draft Manual will need to be captured, presented in a separate supplement to the federal version of the combined O&M Manual, and followed in order to meet past commitments. RD 784 continues maintenance for the levee system following the directions contained in the Combined RD 784 O&M Manual. USACE provided TRLIA a draft version of their revised combined manual in the 31st quarter. TRLIA reviewed this draft and submitted comments to USACE in the 32nd quarter. TRLIA will work with the CVFPB to ensure that important features that may have been left out of the USACE version continue to receive the maintenance they require. TRLIA will continue coordination with USACE in the 39th Quarter to assist USACE in

revision of the Federal O&M Manual Supplement. TRLIA will ensure that any maintenance actions that USACE eliminates but are considered critical by the State and TRLIA are captured in a Local Addendum to the Federal O&M Manual Supplement. TRLIA desires to complete the Section 408 process for the FRLIP. Completion of the O&M revision is delaying this completion. TRLIA requested that USACE complete the Section 408 process even though it continues to complete its O&M Manual revision. RD 784 has a manual to follow to guide its O&M responsibilities for the FRLIP and the final version that USACE will eventually develop will not significantly alter the current O&M practices. USACE responded that they were close to completing the O&M Revision and did not agree to separate the action. The revision is still incomplete and USACE has announced that they have no funding for Section 408 reviews until October 2017. TRLIA will continue coordination with USACE on this action in the 39th Quarter.

➤ **Element 5:** Feather River Segment 3 levee improvement:

- Feature 1.2 Permitting:
 - See Element 2, Feature 1.2 for additional information
- Feature 1.3 Right of Way Support:
 - Both legal and real estate activity will continue during the 38th quarter to support the ongoing land acquisition activities associated with Project Element 1 Feature 2.

➤ **Element 6:** Feather River Land Management:

- Feature 1 Environmental Maintenance Activities: Environmental monitoring of the Elderberry Mitigation Area, Wetlands, and Swale will continue in the 39th quarter.
- Feature 2 Lease Back Activities (e.g. farming):
 - Lease Back Activities will continue in the 39th quarter. During the quarter funds will be received and reported to DWR within the quarterly progress reports, and the State share of these funds will be used to offset the remaining funding due to TRLIA through the EIP funding agreement. Lease revenues are held in separate funds at Yuba County and interest earned on these funds is accounted for as well.

As part of the June 11, 2014 notice of retention release, the State has deducted a total of \$286,783.13 for lease revenues received through March 31, 2014 from the retention release. March 31, 2014 is the new

baseline for accumulated Ag revenues that are due to DWR. See the Quarterly Financial Report included with Quarterly Progress Reports for the listing of lease payments received.

- **Agriculture Leases:** TRLIA has 7 farming leases in the Feather Setback area. Management of farm leases will continue in the 35th quarter.

The leases are listed below. During the 18th quarter the acreages of the parcels were found to be off based on survey information. The updated acreages are shown below in red if a change was found.

1. Foster (016-020-005, 014-370-030, 014-370-029, 016-010-002, 016-010-007) - 248 (239.6) Acre Walnut Orchard. Term of lease January 1, 2009 through December 31, 2014. Rent is 10% of the Adjusted Gross Income. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.
2. T. Miller (014-370-033) – 20 Acre Walnut Orchard. Term of lease August 16, 2008 to August 15, 2013. Rent is 10% of the Gross Sales. During the 22nd quarter TRLIA- extended the lease to June 30, 2014. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.
3. Maxey (014-370-024) – 27.38 (28.8) Acres Walnut, persimmons, mandarins, chestnuts and jujube Orchards. Term of lease August 16, 2008 to August 15, 2013. Rent is 10% of the Gross Income on walnuts and 10 % of the Adjusted Gross Income for other crops. During the 22nd quarter TRLIA extended the lease to June 30, 2014. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.
4. Hadley (014-370-020) – 9 (6.3) Acre Walnut Orchard. Term of lease November 1, 2008 to November 30, 2013. Rent is 10% of the Gross Sales. During the 22nd quarter TRLIA is extended the lease to June 30, 2014. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.
5. Davit (013-010-014) – 99 (81.9) Acre Walnut & Peach Orchard. Term of lease October 21, 2009 to December 31, 2014. Rent is 10% of the Adjusted Gross Income. Davit was allowed to remove the peach orchard (found to be too old) and replace with walnuts at his own risk, since there is no guarantee the state will extend the lease. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.

6. F. Miller (014-370-003 and 014-370-037) – 66 Acres Walnut Orchard. Term of lease July 21, 2010 through December 31, 2013. Rent is 30% of the Gross Income. During the 22nd quarter TRLIA extended the lease to June 30, 2014. During the 25th quarter the state approved a three year lease extension and the lease was extended to December 31, 2017.
7. Nieschulz (016-010-016) – 35.07 (30.3) Acres of Orchard trees. Term of lease retroactively to January 1, 2009 and terminating at the end of the 2011 crop year. The lease was executed in September 2010. After the 3-year term, the lease is automatically extended each Jan 1. For the 2010 crop year and all subsequent years Tenant shall pay the amount of 15% of the Gross Income from the property over the course of the applicable prior twelve-month period. During the 25th quarter the state approved a three-year lease extension and the lease was extended to December 31, 2017. This latest extension terminated the automatic extension clause in the lease.

A schedule of payments is shown below for the 39th Quarter: (Note: A Summary of Ag Lease Payments received is also included within the Financial Report of the corresponding QPR submitted during this quarter, the 36th QPR. The payments included within the 37th QPR report reflect agricultural lease revenues received since May 31, 2014.)

- ✓ Foster – A 10% lease payment is past due since June 30, 2016. And a payment of 10% was due on June 30, 2017 and is still outstanding.
 - ✓ T. Miller – No lease payment is due.
 - ✓ Maxey – No lease payment is due.
 - ✓ Hadley – No lease payment is due.
 - ✓ Davit – No lease payment is due.
 - ✓ F. Miller – A 30% lease partial payment is due on December 31st.
 - ✓ Nieschulz – A 10% lease payment is due on December 1st.
- **Interim non-renewable row crop leases:** In the 39th quarter TRLIA will have one interim nonrenewable to the Knights Grapevine Nursery (“Nursery”) for the cultivation of wine grapes on approximately 26.349 acres in the Feather Setback Area. TRLIA approved this interim lease on April 18, 2017. The key terms and conditions of the lease are as follows: the property will be leased to the Nursery for cultivation of wine grapes for a term of 2 years; the lease may be terminated by TRLIA at any time

on 60 days' notice; the lease is nonrenewable; and the rent will be \$500 per acre per year, for a total yearly rental amount of \$13,175.

A schedule of payments is shown below for the 39th Quarter: (Note: A Summary of Ag Lease Payments received is also included within the Financial Report of the corresponding QPR submitted during this quarter, the 35th QPR. The payments included within the 36th QPR report reflect agricultural lease revenues received since May 31, 2014.)

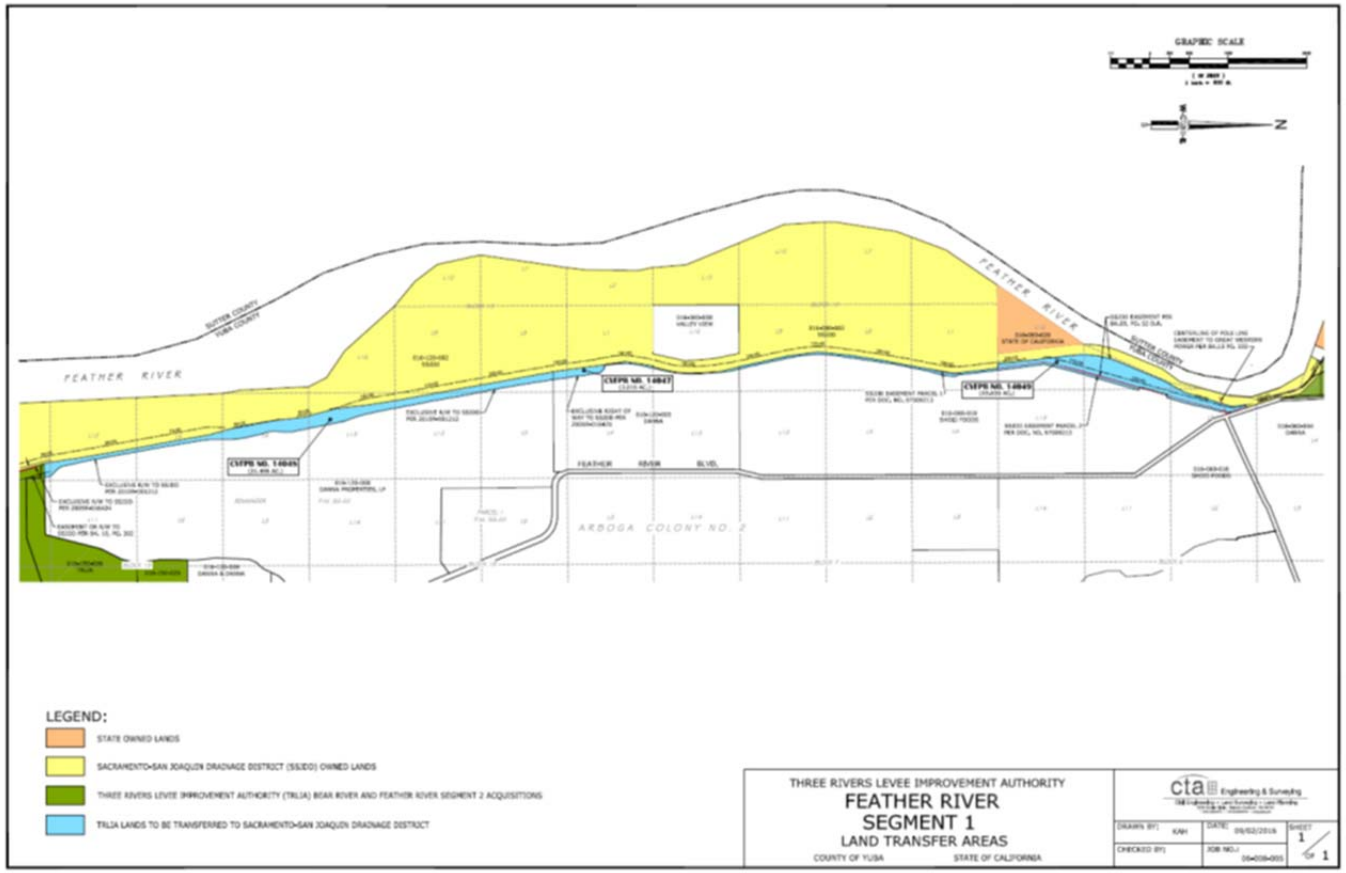
✓ Knights Grapevine Nursery – The second installment of the yearly rental is due on December 1st in the amount of \$6,587.50

- Feature 3 Land Maintenance of Setback area (e.g. security and land management activities) post construction and prior to transfer of property to State: TRLIA will continue to manage activities within the 1600 acres during the 39th quarter. High flows in the Feather River from heavy rain and increased discharges from Oroville Dam caused Public access to be stopped during the 36th quarter. Access/security roadways/orchards were damaged by the high flows, which were repaired in the 37th through the 39th quarters. Three onsite cameras will be operating (PS 3, Broadway Ramp, near Star Bend) in the 36th quarter. A fourth onsite camera is being planned for the Interim Country Club entrance.

TRLIA will continue to perform interim land operations and maintenance activities for the Feather Setback area per the Setback Area O&M Plan in the 39th quarter. The plan included short-term and long-term operations and maintenance of the agricultural areas, security/maintenance road, onsite mitigation areas (wetlands, swale, and elderberry area), farm leases, security of setback area, and trash pickup.

- **Element 7:** Project Management, legal support, community relations support, land management support, and overhead
 - Activity is anticipated in all Features during the 38th quarter.
 - As reported in the 26th QWP TRLIA will continue to use in the 39th quarter the revised allocation of its administration and overhead expenses to reflect an apportionment of these expenses to additional work TRLIA has underway throughout the basin. The revised projections for expenses allocated to the FRLIP have been reduced to reflect a lower allocation.
- **Element 8:** Feather River EIP Land Acquisition; formally Associated Element 1
 - Feature 1 Feather Segment 1: The TRLIA Segment 1 Real Estate Plan was approved in November 2011.

- **Land Transfer:** During the 39th quarter TRLIA and the state will continue to have discussions pertaining to land transfer of Segment 1. On March 6, 2017 (36th quarter) TRLIA submitted proposed transfer documents to DWR for review and comment. The graphic below reflects the draft proposed disposition of the various parcels in segment 1.



- Below are tables that reflect the estimated acquisition costs reflected in the Segment 1 Real Estate Plan:

Table 12: Segment 1- List of FAPs and Cadastral Approval Status

Number	CVFPB #	OWNER	Number of Parcels	DWR RE Approval Status	DWR Cadastral Approval Status
1	14047	Danna Properties, LP	2	Pending	Pending
2	14048	Danna Properties, LP	1	Pending	Pending
3	14049	Shoei Food USA, Inc.	1	Approved 10/30/15	Approved 1/20/16
N/A	14076	Valley View Packing Co.	0	Parcel eliminated in Amended Real Estate Plan	Parcel eliminated in Amended Real Estate Plan

	3	1/3	1/3
--	---	-----	-----

Table 13: Final Accounting Packages at BRI

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P.	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	COMMENTS
14047	016-120-015; 016-120-016	Danna Properties, LP	Completed				Escrow closed 4/11/17; waiting for Final Policy of Title to submit FAP
14048	016-120-008	Danna Properties, LP	Completed				Escrow closed 4/11/17; waiting for Final Policy of Title to submit FAP

Table 14: Properties Acquired & FAP Status

CVFPB	APN	OWNER	STATUS OF ACQUISITION	STATUS OF F.A.P.	SETTLEMENT AMOUNT / TOTAL CLAIMED	STATE SHARE OF SETTLEMENT	State Remaining Balance
14049	016-060-019	Shoei Food USA, Inc.	closed	approved	\$166,543.17	\$116,580.22	\$116,580.22

- **Element 9:** Feather River Segment 1 Levee Improvement (formally Associated Project Element 2)
 - Feature 1.3 Right of Way Support:
 - Both legal and real estate activity will continue during the 39th quarter to support the ongoing land acquisition activities associated with Project Element 8 Feature 1.
- **Element 10 (Added by Amendment 2): Closeout Process post June 30, 2012:**

- 10.1 Feature 1: Closeout Process post June 30, 2012:
 - In April 2012, DWR released a portion, \$5,000,000 of the retention held on the State's share of funding for cost incurred by TRLIA. In support of this partial retention release, on August 16, 2012 TRLIA delivered to DWR all of the requested hard copy documentation related to the partial release of retention. TRLIA will supplement the closeout documentation when the final closeout of the project occurs as noted within the closeout documentation report provided with the hard copy transmission of documentation.
 - On January 3, 2013, TRLIA provided DWR with a request for the release of additional retention of the State Cost share for the project. Specifically, TRLIA requested the release of an additional \$1,153,562 of retention based upon additional costs incurred since the April 2012 release of retention and additional progress made toward the completion of project through the 18th Quarter. DWR reviewed this request and in response to meetings with TRLIA, TRLIA refined the request and DWR made a determination to release \$2,078,412.40. TRLIA received this retention release on June 25, 2014.
 - While the primary outstanding issues associated with closeout are related to Right of Way, the financial closeout of the project will also require additional coordination with DWR. TRLIA will continue to work with the State in the 37th quarter to work toward the final project closeout. In the interim, due to cash flow concerns, TRLIA will be working with DWR to provide additional funding either through an additional partial release of retention based on the completion of outstanding items to date, or true-up payments made for work completed since the last retention release. During the 31st quarter, on November 16, 2015, TRLIA received \$462,780 representing State Share funding through the 29th Quarter. During the 32nd Quarter TRLIA also received another \$109,792 representing funding through the 30th Quarter. During the 33rd Quarter TRLIA received \$100,659 representing funding through the 31st Quarter. Finally, in January 2017 TRLIA received \$81,572 representing funding for the 32nd quarter. TRLIA expects that the State will continue to make similar true-up payments as additional costs are incurred. Continued true-up payments such as these are critical as TRLIA advances toward construction on other projects in partnership with DWR. To date, no additional True-Up payments have been provided for work completed in the 33rd through 36th Quarters.

- **Environmental matters:**

- Project Element 2:

- River Partners will continue to maintain the Feather River Elderberry mitigation area, wetlands, and drainage swale.
- **Status of permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies:**
 - **Project Elements 2, 3, 4, 5, 5A, 9, & 9A:**
 - No permit changes are anticipated
 - TRLIA will continue to perform its obligations under the OMRR&R Agreement during the 39th quarter.
 - **Major accomplishments planned for the quarter (i.e. tasks to be completed, milestones to be met, meetings to be held or attended, etc.):**
 - Element 1 Feature 1: Parcel A will be transferred in fee to the SSJDD via DWR.
- **Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter:**

Issue 1: There is great concern that if TRLIA transfers to the Agricultural properties to DWR/CVFPB that these agencies will need to remove the orchards due to the DWR identified issue with Prop 1E funds being used by the state to purchase the property. The Agricultural leases expire in December 2017, which means TRLIA needs to notify current lease holders if the orchards will remain or not, and if they should continue to invest in the properties.

To keep the orchards viable, TRLIA has requested DWR allow TRLIA to retain ownership of the Feather Setback Agricultural properties, via purchasing the property. The purchase price would be based on the property being in the floodway and heavily restricted due to the flood easement that would be placed on the property. Keeping agriculture within the floodway corridor is consistent with the State Flood Conservation Plan.

Recommended Resolution: Modify the Funding Agreement to allow purchase, or approve an amended real estate that this action to occur.
- **Describe differences between the work to be performed and the work outlined in the Overall Work Plan, including anticipated change orders:**

➤ None

- **Any litigation, proceedings or claims relating to the Project:**

➤ Elements 1 thru 10: None at this time

5. Cost Information by Project Element:

Per DWR's direction provided on December 23, 2015, because there are no outstanding construction elements and DWR is no longer releasing advances for the FRLIP, analysis of projected costs have been excluded from this Report.

- **List of changes planned to Overall Work Plan Budget and revised Overall Work Plan Budget (if needed) :**

No changes are planned at this time. This report reflects modifications provided as part of the modified Overall Work Plan Budget submitted with the 24th QPR.

- **Projected costs compared to Overall Work Plan Budget:**

This analysis has been excluded per DWR's direction in this and future Quarterly Work Plans. In the future, the associated QPR's will provide an analysis of the actual costs as compared to the Overall Work Plan Budget.

6. Schedule Information by Project Element: Shown in the figure below is the Amendment 5 schedule

Project Elements and Features	Project Elements and Features																																																																							
	2013												2014												2015												2016												2017												2018											
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Element 1: Land Acquisition (see real estate Acquisition Plan)	[Green]																																																																							
Feature 1: Feather Segment 1	[Green]																																																																							
Element 2: Feather River Segment 2 (walkway levee up to line, new levee construction including lateral section, and levee upgrades (except as noted in features))	[Green]																																																																							
Feature 2.1: all segment 2 Design Completed	[Green]																																																																							
Feature 2.2: all segment 2 Permitting	[Green]																																																																							
Feature 2.3: all segment 2 ROW Support	[Green]																																																																							
Feature 2: all Construction Mgmt. Completed	[Green]																																																																							
Feature 2.1: Foundation Construction Completed	[Green]																																																																							
Feature 2.2: Embankment Construction Completed	[Green]																																																																							
Feature 2: Environmental & Cultural Mitigation	[Green]																																																																							
Feature 2: all C&M Manual Segment 2 Completed	[Green]																																																																							
Element 3: Feather River Segment 2 (levee and new levee construction including lateral section)	[Green]																																																																							
Feature 3: Construction Completed	[Green]																																																																							
Element 4: Feather River Segment 2 (levee degradation)	[Green]																																																																							
Feature 4: Segment 2 Building Area Complete Completed	[Green]																																																																							
Element 5: Feather River Segment 3 (levee improvement)	[Green]																																																																							
Feature 5.1: Design Completed	[Green]																																																																							
Feature 5.2: Permitting	[Green]																																																																							
Feature 5.3: ROW Support	[Green]																																																																							
Feature 5: Construction Mgmt.	[Green]																																																																							
Feature 5: Construction	[Green]																																																																							
Feature 5: C&M Manual Completed	[Green]																																																																							
Element 6A: Feather River 2	[Green]																																																																							
Feature 6A.1: Design Completed	[Green]																																																																							
Feature 6A.2: Permitting Completed	[Green]																																																																							
Feature 6A.3: ROW Support Completed	[Green]																																																																							
Feature 6A: Construction Mgmt. Completed	[Green]																																																																							
Feature 6A: Construction Completed	[Green]																																																																							
Feature 6A: C&M Manual Completed	[Green]																																																																							
Element 6B: Feather River Land Management	[Green]																																																																							
Feature 6B: Erosion Maintenance	[Green]																																																																							
Feature 6B: Lease/land activities	[Green]																																																																							
Feature 6B: Land Management	[Green]																																																																							
Element 7: Project Management, legal support, community relations support, and management support, and outreach	[Green]																																																																							
Feature 7: TRIA Administration	[Green]																																																																							
Feature 7: TRIA Consultant Fee	[Green]																																																																							
Feature 7: TRIA Legal Support	[Green]																																																																							
Feature 7: TRIA Travel Expenses	[Green]																																																																							
Feature 7: TRIA General Expenses	[Green]																																																																							
Feature 7: TRIA Insurance	[Green]																																																																							
Feature 7: TRIA Travel	[Green]																																																																							
Feature 7: TRIA Membership	[Green]																																																																							
Element 8: Feather River BP Land Acquisition (see real estate Acquisition Plan)	[Green]																																																																							
Feature 8: Segment 1	[Green]																																																																							
Element 9: Feather River Segment 1 (levee improvement)	[Green]																																																																							
Feature 9.1: Design Completed	[Green]																																																																							
Feature 9.2: Permitting	[Green]																																																																							
Feature 9.3: ROW Support	[Green]																																																																							
Feature 9: Construction Mgmt. Completed	[Green]																																																																							
Feature 9: Construction Completed	[Green]																																																																							
Feature 9: C&M Manual Completed	[Green]																																																																							
Element 10: Feather River Segment 1 (levee repair)	[Green]																																																																							
Feature 10.1: Design & Permitting Completed	[Green]																																																																							
Feature 10: ROW Support Completed	[Green]																																																																							
Feature 10: Construction Completed	[Green]																																																																							
Feature 10: C&M Manual Completed	[Green]																																																																							
Element 11: Channel Process prior June 10, 2017	[Green]																																																																							
Feature 11: Channel Process prior June 10, 2017	[Green]																																																																							

Green: Amendment 4 & Prior; Yellow: Proposed Amendment 5

Yellow: Amendment 5 **Green:** Amendment 4 and Prior

- **A discussion on how the projected schedule compares to original or last reported schedule:**
 - Approved Amendment 5 schedule incorporated into work plan