



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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August 15, 2011

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

Subject: TRLIA Request of Partial Retention release of State Cost Share for the Feather River Levee Improvement Project

Based upon the significant progress and completion of a vast majority of the work on TRLIA's Feather River Levee Improvement Project (Project), pursuant to Section 17 of DWR Funding Agreement No. 4600008049 between TRLIA and State for the Project (Funding Agreement), TRLIA requests that the State release the 10% withholding of its cost share on those Features and Elements that TRLIA now deems complete.

Section 17 of the Funding Agreement outlines 4 criteria that must be met in order for the State to release retention. TRLIA has evaluated the criteria and with this transmittal, coupled with prior information submitted to the State, meets the criteria as described below;

1) *That the work on such Feature or Element has been completed to the State's Satisfaction;*

All Quarterly Work Plans and Progress Reports have been submitted that demonstrate the significant progress on the items deemed completed. The State has reviewed these reports (or is currently reviewing the documents) and no issues have been identified that would constitute work not being completed to the State's satisfaction

2) *A Final Statement of Cost has been submitted for Eligible Project Costs for the Elements and Features deemed complete;*

Attached to this letter is a detailed analysis and Final Statement of Cost providing supporting for the request of the partial retention release. TRLIA has determined that for the completed Features and Elements, as of the costs submitted through the 13th Quarter, the State is withholding \$8,522,924.

Furthermore, TRLIA has been notified that as part of any retention release request, that State requires a detailed accounting of any items that would generate credits toward future funding from the State. TRLIA has previously documented in its regular quarterly transmittals to the State the credits the State has built up with TRLIA that would offset future funding due pursuant to the Agreement. The attached detailed analysis also provides a recap of that supporting information as it relates to Real Estate condemnation settlement credits, interest accrued on State advance funding as well as Agricultural Lease payments received on land funded by the State. These credits total \$351,998.75.

Electronic versions of the attached Final Statement of Cost analysis have been posted on the TRLIA FTP site.

3) *As-built drawings satisfactory to the State have been submitted to the State;*

On June 23, 2009, TRLIA submitted its Construction Completion Report for Segments 1 & 3. Included within this package as Appendix F are the record drawings of construction. On May 20, 2010, TRLIA submitted its Construction Completion Report for Segment 2. Included within this package as Appendix XX are the record drawings of construction.

4) *For a Project Element, a certification of a Registered Civil Engineer that the Project has been built in compliance with the plans approved by the State pursuant to paragraph 13.*

As noted above, Construction Completion Reports for all 3 Segments of the Project have been submitted. The Conclusions of the Reports, which are both stamped by Registered Civil Engineers, state that the projects have been built in compliance with the approved plans and specifications with few field modifications. Those plans and specifications have been approved by the State.

Please review the attached analysis and above information and begin the process of releasing the retention withheld pursuant to Section 17 of the Funding Agreement.

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: CD of Memorandum TRLIA Feather River EIP Retention Release Request & Partial Final Statement of Cost, dated August 15, 2011 prepared by SWC

cc: Noel Lerner/DWR
Charles Rabamad/DWR
Seth Wurzel/TRLIA
Ric Reinhardt – Larry Dacus/TRLIA