



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

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January 11, 2018

Daniel Bremerman
Urban Flood Risk Reduction (UFRR) Program
Department of Water Resources
3464 El Camino Ave., Room 200
Sacramento, CA 95821-6340

Re: TRLIA 1st 200-yr Goldfields Levee Project Quarterly Progress Report (QPR) dated January 11, 2018 for UFRR Funding Agreement # 4600012115

Attached for your review and approval is the 1st UFRR QPR for the time period of October to December 2017. A paper copy of the attached documents has also been mailed to your office.

This 1st QPR requests a two-quarter advance of \$1,257,604, which is based on the projected costs of Quarters 1 & 2 costs.

The 1st QPR also requests the approval of the \$597,062.03 credit request that was submitted to DWR on October 23, 2017.

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

Attachment:

TRLIA 1st UFRR QPR, dated January 11, 2018

cc: Robert Scarborough/DWR
Seth Wurzel/TRLIA
Ric Reinhardt – Claire Marie Turner/TRLIA

Three Rivers Levee Improvement Authority (TRLIA)

200-year Goldfields Levee Project

Urban Flood Risk Reduction (UFRR) Funding Agreement #4600012115

Dated: October 4, 2017

Quarter 1 Report

October – December 2017

Submitted by:

Paul G. Brunner, P.E.

Executive Director



January 11, 2018

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1. Background

As part of its 200-Year Goldfields Levee Project (Project), the Three Rivers Levee Improvement Authority (TRLIA) is constructing a new levee, approximately 3.6 miles long, to replace the deteriorating conditions of the high ground at the termination of the State Plan of Flood Control (SPFC) facility at the Yuba Goldfields. The Project is being funded by the State of California Urban Flood Risk Reduction (UFRR) Program via Funding Agreement #4600012115, which became effective on October 4, 2017. The cost of the Project, as reflected in the UFRR Funding Agreement, is \$41,265,000, with the State's cost share being \$32,600,000.

TRLIA finalized California Environmental Quality Act (CEQA) documentation and adopted a Mitigation Monitoring and Reporting Program (MMRP) on September 15, 2015. Teichert Inc. filed a CEQA lawsuit, and TRLIA subsequently entered into a CEQA settlement agreement in February 2017. Based on the settlement agreement, TRLIA is adjusting a portion of the selected alternative alignment and is completing a supplement to the original CEQA document.

A condition of the UFRR Funding Agreement is that, due to the requirements of the Proposition 1E General Obligation Bond (Pub. Resources Code, § 5096.821), the Project must be added to the SPFC. The California Department of Water Resources (DWR) has identified paths for the Project to be added to the SPFC, as well as activities that can be started, prior to the Project's inclusion into the SPFC. Specifically, as long as a clear path is identified and progress is made towards one of the paths identified, the Project will be conditionally funded for design, real estate support, CEQA/National Environmental Policy Act (NEPA) activities, and other related expenses. DWR will not commit funds for real estate acquisition or any construction activities prior to the Project's inclusion into the SPFC. If at any time Federal authorization is not reasonably foreseeable, all committed funding will be withdrawn and the Funding Agreement will be terminated. Given the time limitations of the bond funding, and the required duration for right-of-way acquisition, permitting, and construction activities, adequate progress on securing a path to the SPFC will need to be established by December 2018.

2. Summary

Ongoing erosion of the upstream high ground in the Goldfields area, which allows flood flows from the Yuba River to flank the existing TRLIA levee improvements, creates an urgent and critical need for this Project to be completed as quickly as possible. Therefore, TRLIA began work on tasks within Elements 2, 3, and 4 immediately after the submittal of the UFRR application. TRLIA submitted an initial credit request on October 23, 2017, covering eligible Project expenses that were incurred through August 31, 2017. The State's share of these

eligible expenses is \$597,062.03. TRLIA will be submitting a supplemental request, covering expenses incurred prior to October 4, 2017, once all costs are accounted for.

As shown in Table 1 and further detail in Section 9, TRLIA is requesting an advance payment in the amount of: \$1,257,604, covering the period of October 4, 2017, through March 2018.

Table 2-1. TRLIA- 200-Year Goldfields Levee Project: Quarter 1 and Quarter 2 Advance Summary

Description	Amount
90% of State Share for Elements 1-7	\$1,051,439
Local Credit Requested / Advance	\$206,165
Total Quarterly Advance Request	\$1,257,604

During Quarter 1 (October 2017 – December 2017), TRLIA will be: working to finalize the levee alignment; collecting geotechnical field data; accomplishing levee design work; interacting with property owners regarding property acquisition; working with the U.S. Army Corps of Engineers (USACE), DWR, and the Central Valley Flood Protection Board (CVFPB) to add the Project to the SPFC. These actions would occur in addition to preparing the CEQA supplement.

3. Project Scope of Work

Quarter 1 Report: This report covers the following

- Previous Quarter: Prior to October 4, 2017 (Credit Period)
- Current Quarter: October 4, 2017 – December 2017 (Quarter 1)
- Next Quarter: January 2018 – March 2018 (Quarter 2)

The following is a discussion of the work completed, prior to the execution of the UFRR agreement (Credit Period), and work planned for Quarter 1. Subsequent quarterly reports will be broken out as work initiated, completed, and/or planned during the previous quarter, the current quarter, and the next quarter. For clarity, the timeframes covered by the Quarter 2 Report will be:

- Previous Quarter: October 4, 2017 – December 2017 (Quarter 1)
- Current Quarter: January 2018 – March 2018 (Quarter 2)
- Next Quarter: April 2018 – June 2018 (Quarter 3)

3.1. Element 1: Grant Application

Credit Period: Work was performed for the Grant Application from the time of initial application submittal in June 2015 until the execution of the final agreement in October 2017. The eligible expenses related to the Grant Application were listed on the initial credit request.

Quarter 1: This Element is completed.

3.2. Element 2: Program Management

Credit Period: TRLIA began environmental, design, and right-of-way efforts immediately after the submittal of the UFRR application. These efforts resulted in management expenses that are captured in the initial credit request.

Quarter 1: TRLIA will support program implementation, which includes advancing design; acquiring permits; right of acquisition; performing public outreach; adding the Project to the SPFC; working towards execution of an Operation, Maintenance, Repair, Replacement, and Rehabilitation (OMRR&R) agreement; financial reporting; and grant and funding agreement administration, throughout the duration of the Project.

Quarter 2: TRLIA will support program implementation including advancing Design; CEQA and NEPA compliance, permitting, and right-of-way acquisition; performing public outreach; adding the Project to the SPFC, working towards execution of an OMRR&R agreement, financial reporting, and grant and funding agreement administration throughout the duration of the Project.

3.3. Element 3: Design and Right-of-Way Support

Credit Period: The credit request reflects both Design and Right-of-Way Support work:

Design: The design team worked on the adjusted levee alignment due to the CEQA settlement agreement. Geotechnical field investigations were conducted along the proposed levee alignment. Hydraulic modeling was performed in order to develop preliminary design water surface elevations.

Right-of-Way Support: Construction of the Project will require right-of-way support on up to 18 properties, which includes residential, agricultural, and property used for mineral extraction. TRLIA has contacted property owners in order to discuss the Project, and to begin the acquisition process. Concurrently, rights of entry were obtained from property owners in order to conduct environmental and geotechnical field investigations. Initial appraisals were

conducted in order to establish property values (especially mining property) that could be used for Project cost estimates.

Quarter 1:

Design: The TRLIA team will incorporate results from the field investigations into their design analyses and make the necessary adjustments to the levee design, alignment, and borrow requirements. The first Safety Assurance Review (SAR) meeting is scheduled for December 5, 2017.

Right-of-Way Support: The TRLIA team will continue to quantify right-of-way needs for the Project (levee footprint, borrow site(s), ecological, and construction). TRLIA will continue to meet with the impacted property owners. TRLIA plans on submitting a property acquisition strategy to DWR during Quarter 1. This strategy is a precursor to the UFRR's Real Estate Plan agreement that will be submitted in 2018.

Due to the family circumstances of the Chris and Sarah Ludwick, TRLIA is actively pursuing the acquisition of the Ludwick property, prior to the December 2018 UFRR Real Estate Plan agreement date. TRLIA understands that acquiring the property early is at TRLIA's risk, and the State will not cost share now and may opt not to cost share in the future.

Quarter 2:

Design: The TRLIA team TRL will continue to advance preliminary design of the Project. Activities will include planning for Phase 2 geotechnical investigations, performing additional seepage and stability analyses to identify an effective levee cross-section, evaluating borrow needs and sources, identifying and evaluating utility, irrigation and transportation challenges, and incorporating feedback from the first SAR meeting, conducted on December 5, 2017. Additional geotechnical field investigations are anticipated.

Right-of-Way Support: The TRLIA team will continue to quantify right-of-way needs for the Project (levee footprint, borrow site (s), ecological, and construction). TRLIA will continue to meet with the impacted property owners. The Chris and Sarah Ludwick acquisition is anticipated to be completed. As the levee alignment and borrow site locations become more formalized, TRLIA will begin preparation of the UFRR Real Estate Plan.

3.4. Element 4: Environmental Review and Permitting

Credit Period: The credit request reflects both Environmental Review and Permitting work:

Environmental Review: The TRLIA team settled the Teichert Inc. CEQA lawsuit, and began gathering information and preparing the CEQA supplement for the adjusted alignment. NEPA discussions occurred with the USACE.

Permitting: The TRLIA team gathered data and performed field investigations needed for State and Federal permits. Discussions occurred with the State and the USACE about the feasibility of using the Section 408 permission as a path toward adding the Project to the SPFC.

Quarter 1:

Environmental Review: The TRLIA team will continue to prepare the draft supplemental Environmental Impact Report (EIR). The TRLIA team will continue to work with the USACE on the NEPA documentation for the planned Section 404 permit and Section 408 permission.

Permitting: Discussions will continue with USACE about using the Section 408 permission as a path toward adding the Project to the SPFC. Additional discussions will occur about using State authority solely to add to the SPFC. The TRLIA team will continue to gather State and permit data, and will prepare applications.

Quarter 2:

Environmental Review: The TRLIA team will continue to prepare the draft supplemental EIR. A joint CEQA/NEPA Scoping meeting is anticipated to take place during February 2018. The TRLIA team will continue to work with the USACE on the NEPA documentation for the planned Section 404 permit and Section 408 permission.

Permitting: Discussions will continue with USACE about using the Section 408 permission as a path toward adding the Project to the SPFC. Additional discussions will occur about using State authority solely to add to the SPFC. The TRLIA team will prepare permit applications and supporting technical documentation.

3.5. Element 5: Right-of-Way Acquisition (Post Addition to SPFC)

Credit Period: No Activity

Quarter 1 and Quarter 2: No Activity. Acquisition of the Ludwick property, discussed in Section 3.3, is expected to be completed in Quarter 2.

3.6. Element 6: Construction, Mitigation, and other Project activities (Post Addition to SPFC)

Credit Period: No Activity

Quarter 1 and Quarter 2: No Activity

3.7. Element 7: Closeout Process (Post Addition to SPFC)

Credit Period: No Activity

Quarter 1 and Quarter 2: No Activity

4. Project Schedule

The UFRR Funding Agreement included a schedule that was developed in early 2017. As previously discussed, TRLIA settled a CEQA lawsuit in February 2017 that resulted in an adjustment to the levee alignment. This adjustment, and the subsequent outreach to affected property owners, has affected the timeline for implementation of the Project. In addition, the negotiations and conditions of the UFRR Funding Agreement have, in and of itself, delayed Project progress and created procedural challenges. Despite these challenges, TRLIA anticipates delivering the Project within the original timeframe (2021), and prior to the expiration of the UFRR Funding Agreement (2022).

5. Project Budget

The current Overall Work Plan Budget is summarized in Table 2. There are no changes to the budget proposed within this Quarterly Report.

Table 5-1. TRLIA - 200-Year Goldfields Levee Project: Overall Work Plan Budget Summary

Element	Description	Funding Agreement Budget	Current Budget	State Share \$ [1]
1	Grant Application	\$25,100	\$25,100	\$19,829
2	Program Management	\$2,250,000	\$2,250,000	\$1,777,501
3	Design & ROW Support	\$5,892,300	\$5,892,300	\$4,654,920
4	Environmental Review & Permitting	\$1,015,700	\$1,015,700	\$802,403
5	ROW Acquisition (Post Add to SPFC)	\$8,327,100	\$8,327,100	\$6,578,413
6	Construction, Mitigation, & Other Project Activities	\$23,659,900	\$23,659,900	\$18,691,331
7	Closeout Process (Post Add to SPFC)	\$95,700	\$95,700	\$75,603
Total		\$41,265,800	\$41,265,800	\$32,600,000

[1] State cost share is 85%. State Budget shown here is reduced to reflect State share of eligible portion of Total Budget capped proportionately reduced to reflect the funding Agreement Limit of \$32,600,000.

6. Deviations in Scope, Schedule, and Budget

There are no deviations at the time of this report. The Project schedule and costs will be evaluated during the quarter, and any deviations will be reported in the next quarterly report.

7. Risk Analysis and Impact Discussion

The UFRR Funding Agreement requires TRLIA to identify a clear path for adding the proposed levee to the SPFC by December 2018. The Section 408 process is a path that both TRLIA and the State believe should work; however, USACE representatives have been reluctant to allow the use of the Section 408 process to accomplish this action. The State (DWR & CVFPB) and TRLIA are exploring other options, including the option that the State add the Project to the SPFC using its own authority.

8. Legal Issues

No past, current, or future legal issues to report on at this time.

9. Actual and Projected Costs

Credit Period: On October 23, 2017, TRLIA submitted a credit request totaling \$597,062.03 for the State's review and approval. A detailed statement of actual costs and a signed invoice were provided in the October 2017 TRLIA credit request. This initial request covered costs incurred through August 2017. A supplemental request will be provided when all costs incurred, prior to October 4, 2017, are accounted for.

Quarter 1: Table 9-1 on the following page provides a summary of the projected costs for Quarter 1 and Quarter 2 for the 200-yr Goldfields project.

Table 9-1. TRLIA - 200-Year Goldfields Levee Project Quarter 1 and Quarter 2 Projected Cost

Element Description	Projected Costs		Advance State	Local Share of	Total Advance
	[1]	State Share 85%	Share Funding Requested	Projection	Requested
	A	B	C = B * 90%	D = A - B	E = C + D
1 Grant Application	\$0	\$0	\$0	\$0	\$0
2 Program Management	\$242,386	\$206,028	\$185,425	\$36,358	\$221,783
3 Design & ROW Support	\$920,365	\$782,310	\$704,079	\$138,055	\$842,134
4 Environmental Review & Permitting	\$211,679	\$179,927	\$161,935	\$31,752	\$193,687
5 ROW Acquisition (Post Add to SPFC)	\$0	\$0	\$0	\$0	\$0
6 Construction, Mitigation, & Other Project Activities	\$0	\$0	\$0	\$0	\$0
7 Closeout Process (Post Add to SPFC)	\$0	\$0	\$0	\$0	\$0
Total	\$1,374,430	\$1,168,266	\$1,051,439	\$206,165	\$1,257,604

[1] Covers period from 10/4/2017 through 3/31/2018

10. Payment Requested and State Disbursements

Since this is the Quarter 1 Report, there are no State disbursements. In the future, this section of the report will include an accounting of quarterly costs incurred and any requested true-up funding. This requested funding will be summarized in a consolidated table, and will include a comparison to the State's budget for the Project.

On October 23, 2017, TRLIA submitted a \$597,062.03 credit request for the State's review and approval.

Based on the projected costs for Quarter 1 and Quarter 2, TRLIA requests a \$1,257,604 two-quarter advance. See Table 10-1 on the following page.

Table 10-1. TRLIA - 200-Year Goldfields Levee Project: Summary of Payment Request and Comparison to State Share Budget

Element	Description	True-Up Funding	Advance Request	Projected Total	Prior State Payments	State Share Budget	Remaining Budget
				Requested Funds		[1]	
		A	B	C = A + B	D	E	F = E - D - C
1	Grant Application	\$0	\$0	\$0	\$0	\$19,829	\$19,829
2	Program Management	\$0	\$221,783	\$221,783	\$0	\$1,777,501	\$1,555,718
3	Design & ROW Support	\$0	\$842,134	\$842,134	\$0	\$4,654,920	\$3,812,786
4	Environmental Review & Permitting	\$0	\$193,687	\$193,687	\$0	\$802,403	\$608,717
5	ROW Acquisition (Post Add to SPFC)	\$0	\$0	\$0	\$0	\$6,578,413	\$6,578,413
6	Construction, Mitigation, & Other Project Activities	\$0	\$0	\$0	\$0	\$18,691,331	\$18,691,331
7	Closeout Process (Post Add to SPFC)	\$0	\$0	\$0	\$0	\$75,603	\$75,603
Total		\$0	\$1,257,604	\$1,257,604	\$0	\$32,600,000	\$31,342,396

[1] Net of approved Local Credit.

11. Tracking Tables and Deliverables Table

11.1. Table 11-1: Earned Value Report by Element

Table 10-1 on the following page, provides a summary of the costs expended to date, as compared to earned value.

11.2. Chart 11-1: Earned Value

Chart 10-1 tracks the planned costs, earned value, and actual costs for the Project. Commencing with start of Quarter 1, the Planned Cost, Earned Value, and Actual Costs, as shown in the chart, have been aligned as a starting point for tracking. Moving forward, the chart will show the Earned Value and Actual Costs incurred, relative to Planned Costs over time.

11.3. Table 11-2: 200-Year Deliverables

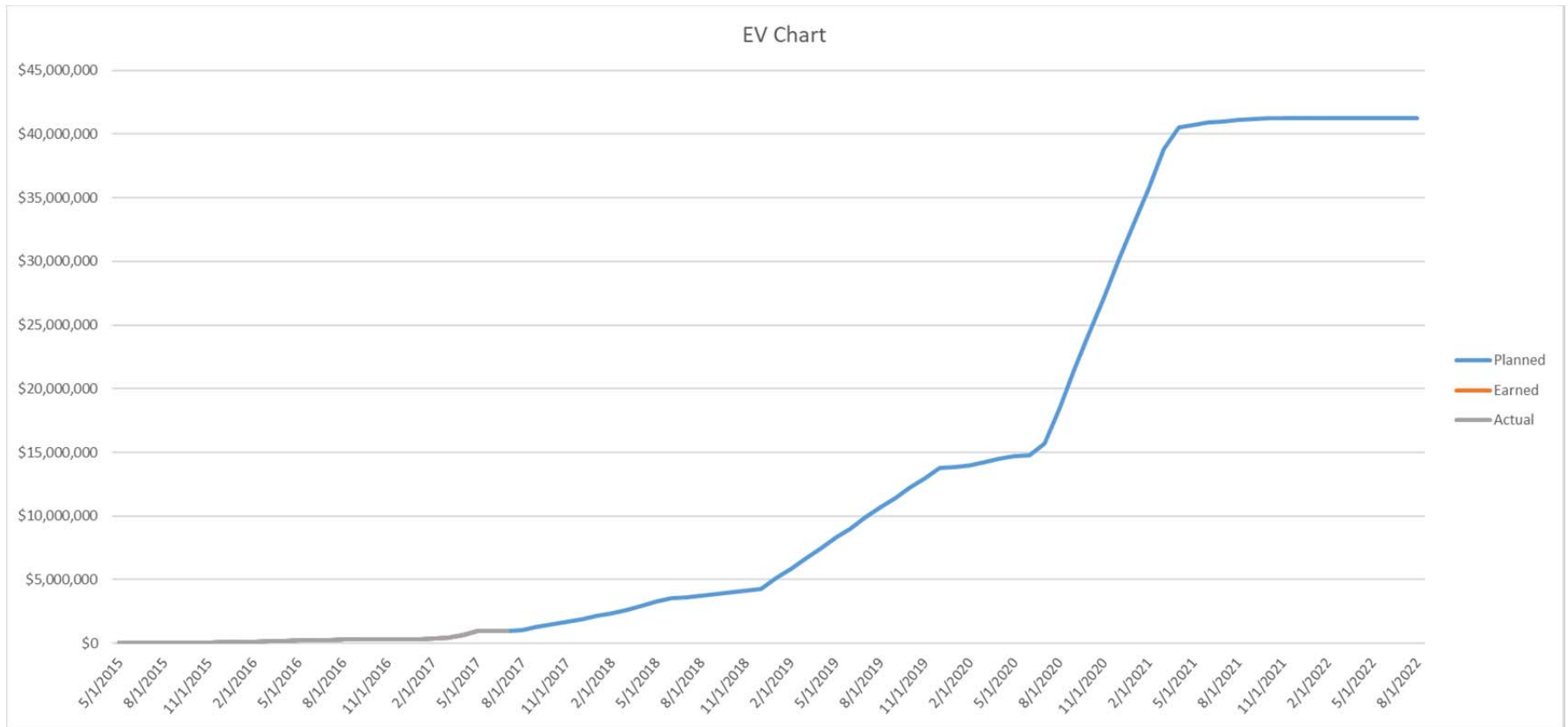
Table 11-2 lists the deliverables associated with the project and each deliverables planned date of submittal. The final two columns indicate placeholders for each deliverables' projected date of submittal and acceptance to DWR.

Table 11-1. Earned Value Report by Element

Element	Description	OAWP Budget	Cost incurred [1]	% Spent	% Progress	Planned Value	% Schedule Elapsed	Earned [1] Value	Cost Estimate at Completion
1	Grant Application	\$25,100	\$25,040	99.8%	99.8%	\$25,040	99.8%	\$25,040	\$25,100
2	Program Management	\$2,250,000	\$137,046	6.1%	6.1%	\$137,046	6.1%	\$137,046	\$2,250,000
3	Design & ROW Support	\$5,892,300	\$326,103	5.5%	5.5%	\$326,103	5.5%	\$326,103	\$5,892,300
4	Environmental Review & Permitting	\$1,015,700	\$214,237	21.1%	21.1%	\$214,237	21.1%	\$214,237	\$1,015,700
5	ROW Acquisition (Post Add to SPFC)	\$8,327,100	\$0	0.0%	0.0%	\$0	0.0%	\$0	\$8,327,100
6	Construction, Mitigation, & Other Project Act	\$23,659,900	\$0	0.0%	0.0%	\$0	0.0%	\$0	\$23,659,900
7	Closeout Process (Post Add to SPFC)	\$95,700	\$0	0.0%	0.0%	\$0	0.0%	\$0	\$95,700
		\$41,265,800	\$702,426	1.7%	1.7%	\$702,426	1.7%	\$702,426	\$41,265,800

[1] As of August 2017

Chart 11-1. Earned Value



[1] As of August 2017 Planned, Earned, and Actual Costs are aligned.

Table 11-2. 200-Year Deliverables

Required Deliverable	Planned Date of Submittal	Date Submitted to DWR	Date DWR Accepted
Project Real Estate Plan	Q3. 2018	Not Submitted	Not Submitted
Real Estate Appraisals	Rolling. Q3-Q7. 2018-2019	Not Submitted	Not Submitted
Real Estate Environmental Site Assessments	Q7. 2019	Not Submitted	Not Submitted
Final Real Estate Accounting Packages (FAP's)	Rolling. Q6-Q17. 2019-2021	Not Submitted	Not Submitted
Property Transfer to SSJDD (via DWR & CVFPB)	Rolling. Q14-Q19. 2021-2022	Not Submitted	Not Submitted
Section 221 Credit MOU	Not applicable	Not Submitted	Not Submitted
Basis of Design Report	Q5. 2018	Not Submitted	Not Submitted
65% Design Drawings	Q7. 2019	Not Submitted	Not Submitted
90% Design Drawings	Q9. 2019	Not Submitted	Not Submitted
Final Design Drawings and Specifications	Q10. 2020	Not Submitted	Not Submitted
Construction Bid Documents	Q10. 2020	Not Submitted	Not Submitted
CEQA Supplement	Q7. 2019	Not Submitted	Not Submitted
AB 52 Consultation	Q7. 2019	Not Submitted	Not Submitted
RWQCB 401 Permit	Q9. 2019	Not Submitted	Not Submitted
DFW 1602 SAA	Q9. 2019	Not Submitted	Not Submitted
2081 Permit	Not Anticipated.	Not Submitted	Not Submitted
USFWS Section 7	Q8. 2019	Not Submitted	Not Submitted
SHPO Section 106	Q8. 2019	Not Submitted	Not Submitted
USACE NEPA Document	Q8. 2019	Not Submitted	Not Submitted
404 Permit	Q8. 2019	Not Submitted	Not Submitted
408 Permission	Q10. 2020	Not Submitted	Not Submitted
Encroachment Permit	Q10. 2020	Not Submitted	Not Submitted
Clear Path to Satisfying SPFC Requirement	Q5. 2018	Not Submitted	Not Submitted
Addition to the SPFC	Q9. 2019	Not Submitted	Not Submitted
OMRR&R Agreement		Not Submitted	Not Submitted
Interim OMRR&R Manual	Q12. 2020	Not Submitted	Not Submitted
OMRR&R Draft Manual	Q12. 2020	Not Submitted	Not Submitted
OMRR&R Final Manual	Q15. 2021	Not Submitted	Not Submitted
As-Built Drawings	Q15. 2021	Not Submitted	Not Submitted
Construction Completion Report	Q15. 2021	Not Submitted	Not Submitted
Project Completion Report	Q16. 2021	Not Submitted	Not Submitted
Flood Risk Resolution	Q4. 2018	Not Submitted	Not Submitted
Safety and Emergency Response Plan ("Flood Safety Plan")	Q15. 2021	Not Submitted	Not Submitted