



February 17, 2010

To: YLFA Financial Committee

From: Paul Brunner, TRLIA Executive Director

RE: TRLIA Project Summary Report

➤ **Feather EIP Project Status:**

- Original Feather River EIP Agreement total project cost \$191.4 million (State share \$138.5 million)
- Modified Feather River EIP Agreement total project cost \$200.5 million (State Share \$154.8 million) – See Feather Prop 1E Funding Section of this report.
- Project Costs:
 - Real Estate - 19 of 28 property acquisitions completed
 - Original EIP Budget: \$59.5 Million
 - Current EIP Budget: \$49.7 Million
 - Current Estimated Cost: \$43 Million
 - Total Capital Outlay to Date: \$37.3 Million
 - Realigned \$16.5 million to Non Real Estate Work
 - Non Real Estate Work – 90% complete:
 - Original EIP Project Budget: \$130.2 Million
 - Current EIP Project Budget (pending Modified FA): \$157.5 Million
 - Estimated Project Cost (per Cash Flow): \$154.8 Million
 - ✓ Work added to project since EIP Agreement signed: \$5.755 Million
 - Erosion Site 2: \$855,000
 - Regulatory Design Changes: \$4.9 Million
 - ✓ Real Estate Borrow Site Budget realigned to Construction: \$3 Million
 - ✓ Original Budget Changes: \$9.8 Million
 - Eminent Domain Consultant and Legal Costs: \$3 million
 - Extended Project Duration (Consultants, Overhead, etc): 1.3 Million
 - Segment 1 Crack Repair: \$2 Million
 - Segment 2 Cultural Site Modifications: \$1 Million
 - Segment 2 Wetlands Mitigation Expenses: \$700,000
 - Segment 1, 2, & 3 Quantity Adjustments: \$1,100,000
 - Segment 3 Slurry Wall Repair: \$350,000
 - Segment 3 Remove Concrete Obstruction: \$380,000
 - ✓ Current Contingency (For All Feather River Non-RE Work): \$6.0 Million

➤ **Upper Yuba EIP Project Status:**

- Original Upper Yuba River EIP Agreement total project cost \$67.8 million of which \$7.7 million is prior work (State share \$47.4 million)
- Upper Yuba River EIP Agreement – 9% complete
 - Original EIP Budget: \$ 60.14 Million (Agreement Budget for Non-Creditable Items, i.e. Future Work)
 - Current Estimated Cost (per Cash Flow): \$37 Million
 - Design adjustments recently made, cost will increase
 - Regulatory review has not occurred
 - Current Contingency: \$ 6.2 Million

➤ **Projected Overall Funding Status on February 28, 2010:**

- Cash Balance 805 and Remaining Authorized 813 Funds: \$2.2 Million
- Cash Balance 813 (County/YLFA Bond Sale): \$ 6.64 Million (after projected Feb. drawdown of \$6.6 Million)
- Cash Balance 816 (Feather Prop 1E): \$984.10
- Cash Balance 817 (Yuba Prop 1E): \$0.00

➤ **Local Bond Funding (813):**

- No additional YLFA authorization is needed beyond the \$7,000,000 prior authorization approved in January.

➤ **Feather Prop 1E Funding:**

- To date, DWR has provided a total of \$115.2 M of the \$138.5M (83%)
 - \$84.3 M for non-real estate work
 - \$30.9 M for real estate
- Status of Feather Prop 1E payments for the next months ahead
 - Through TRLIA's work with the State to resolve State funding issues, DWR is currently processing true-up and advance funding for construction of approximately \$4.0 million. DWR's processing time for funding is approximately 60 days, therefore TRLIA is forecasting to receive additional funding for the Feather River Project, pending processing approvals, in April.
 - DWR will pay their share of Segment 1 expenses incurred to date, (approx \$ 8.5 Million) once the Amended Feather Agreement is approved by DGS and payment is processed – anticipate payment in May.
 - DWR will pay their share of Real Estate Settlements Expenses (not subject to retention or project element close out)
- In December 2009 DWR approved the TRLIA cost sharing proposals listed below. DGS approval of the modified funding agreement is anticipated in February/March 2010. These changes allow the State to provide funding above \$138.5M up to \$154.8M should eligible state share costs exceed \$138.5M.

- Segment 1 (including crack) cost – 70/30 cost share of \$16.6 million. State is agreeable to direct reimbursement to TRLIA for their share.
- Regulatory Setback design changes – Approx 82.5/17.5 cost share of \$4.9M
- Segment 3 Erosion Site 2 – 70/30 cost share of \$855,000
- Balance of Landowner levee local share payment is still pending

➤ **Upper Yuba Prop 1E Funding:**

- To date, DWR has provided a total of \$0.00 of the \$47.43M
- DWR has approved the 1st Quarter (Oct – Dec 09) Advance of \$862,590 (\$451,818 state share, and \$410,772 local credit) – Anticipate payment in February or March 2010
- TRLIA has submitted 2nd Quarter (Jan-Mar 10) Advance of \$189,000
- State funding is restrained until CEQA determination is made – anticipated in Mar/April 10.
- Local funds are needed to pay expenses including a portion of the State share until CEQA determination is made. *Bond Counsel clarification regarding the use of COP Bond Proceeds was made on January 28, 2010. Bond proceeds can be used to fund the local share of Upper Yuba costs. The Local funding authorization of \$7,000,000 approved in January is sufficient.*

➤ **Feather River Work Overview & Schedule Update:**

- Feather Segment 2 construction work:
 - Levee embankment work is completed and is considered ready for flood season – relief wells, and gate work continues.
 - Existing levee is approximately 60% degraded. Teichert has stopped all degrade until spring due to weather.
 - Real Estate: Naumes settlement reached.

➤ **Yuba River Work Overview & Schedule Update:**

- Work between Simpson Lane and Goldfields is scheduled for 2010.
 - HDR has issued the 60% design for the work between Simpson Land to the Goldfields
 - Downey Brand and BRI are continuing real estate actions
 - MWH report on impact of proposed slurry wall on groundwater is completed – Conclusion is no significant impact
 - EIS vs. EA with mitigated FONSI discussions with Corps continue – if EIS is needed then construction work will most likely not begin until 2011.
 - Draft IS/MND was issued on February 11, 2010 for public review

● **Levee Certification Status:**

- GEI preparing certification documents for Segment 1, 2 and 3 work and reviewing Corps certification on Bear River Setback levee
- HDR is reviewing Corps certification on Yuba River, and WPIC levee.
- MHM is preparing internal drainage certification documents.

YLFA Financial Committee
TRLIA Project Summary Report
February 17, 2010

- MBK is preparing Operations and Maintenance and Hydraulics certification documents.
- System wide certification to FEMA with Yuba PAL in April/May 2010.
- MBK (Ric Reinhardt) will provide system wide engineering certification.

➤ **Future Potential Cost Elements:**

- TRLIA continues to participate on DWR sub committee's that are developing a new 200 year Senate Bill 5 certification criteria.

➤ **TRLIA Assessment District Status:**

- Revenues from first assessments were received and were distributed to RD784 for levee maintenance.