

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES – BOARD OF DIRECTORS

JULY 17, 2007

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at 2:00 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Jerry Crippen, Mary Jane Griego, and Dan Logue. Director Richard Webb was absent. Also present were Executive Director Paul Brunner, County Counsel Daniel Montgomery, and Clerk of the Board of Supervisors/Secretary Donna Stottlemeyer. Vice-chairman Logue presided.

CONSENT AGENDA

Director Webb joined the meeting at 2:07 p.m.

Upon motion of Director Griego, seconded by Director Crippen, and unanimously carried, the Board took the following actions:

- A. Minutes: Approved the minutes of the regular meeting of June 19, 2007.
- B. Newsletter: Approved newsletter and authorized release to South Yuba County Residents.

APPROVE
MINUTES
APPROVE
NEWSLTR.

ACTION ITEMS

- A. Economic Planning Services/First Amendment/\$45,000: Executive Director Paul Brunner recapped the amendment and responded to Board inquiries.

Upon motion of Director Logue, seconded by Director Griego, and unanimously carried, the Board approved the First Amendment to an agreement with Economic Planning Services in the amount of \$45,000 for technical support and authorized the Executive Director to execute same.

APPROVE
AMNDMNT.

- B. Cooperation Agreement/Indemnify the State: Executive Director Paul Brunner and Counsel Scott Shapiro recapped the agreement and responded to Board inquiries.

Following Board discussion, upon motion of Director Griego, seconded by Director Brown, and carried with Director Logue voting in opposition, the Board approved a Cooperation Agreement through which the County would be agreeing to indemnify the State for improvements to Feather River Levee Segments 1 and 3 and Site 7 so that the Authority can proceed to repair those segments, subject to any conforming or clarifying changes by Counsel and authorized the Chairman to execute same.

APPROVE
AGRMNT.

C. Nordic Industries, Inc./Partial Award/\$200,000: Program Manager Ric Reinhardt and Executive Director Paul Brunner recapped proposed work provided for in the agreement and responded to Board inquiries.

Upon motion of Director Logue, seconded by Director Griego, and unanimously carried, the Board awarded a contract to Nordic Industries, Inc. in an amount not exceed \$200,000 to provide "long lead" items of work to the Feather River Levee Repair Project, Segments 1 and 3 and authorized the Executive Director to execute upon submittal and review and approval of General Counsel.

AWARD
CONTRACT

D. Land Owner Funding Proposal/Feather River Levee: Mr. Ron Ernie, landowner of Rio Del Oro Project and representing interests of Nordic Industries, felt it was critical completion of segments one and three and site seven of Feather River Phase 4 project be completed within this construction year. Mr. Ernie recapped the costs project and outlined a proposal to finance 100 percent of the costs through February 1, 2008 with monthly invoices to be submitted and interest to accrue on the unpaid balance at a rate of 7.25 percent until paid. Mr. Ernie further outlined necessary steps to move the request forward to the Board of Supervisors for consideration of payment guarantee and responded to Board inquiries.

Program Manager Ric Reinhardt responded to specific inquiries regarding acquisition of the 408 permit and 104 credits.

Mr. Brunner responded to specific inquiries regarding financial and landowner review and local share of costs.

Counsel Scott Shapiro responded to specific inquiries regarding expected funding revenue and repayment.

Upon motion of Director Logue, seconded by Director Griego, and unanimously carried the Board approved in principal the landowner funding proposal concept and forward to the Board of Supervisors for consideration.

APPROVE
FUNDING
PRINCIPAL

BOARD AND STAFF MEMBERS' REPORTS

Reports were received on the following:

Director Webb left the meeting at 3:26 p.m.

Executive Director Paul Brunner:

- Request from State Reclamation Board for Feather River Setback Levee alignment change

Director Webb returned at 3:35 p.m.

Counsel Scott Shapiro:

- July 19, 2007 meeting with Olivehurst Public Utility District regarding levee projects and funding
- Correspondence to Corps of Engineer regarding streamlining 408 permits

CLOSED SESSION

The Board retired into closed session at 3:43 p.m. to discuss the following, except Director Webb:

A. Conference with Real Property negotiator pursuant to Government Code 54956.8 Property and Negotiating Parties: See List below for property and TRLIA/Bob Morrison/Tom Neely/Deryl Neal/Tanita Neal/Cathie Ormsby Negotiation: Price and Terms of Payment

- | | |
|-----------------------------------|---------------------------|
| • APN 014-240-022 - Terry | • APN 014-290-033 - Dang |
| • APN 014-250-028 & -027 – Naumes | • APN 014-290-034 - Uppal |

B. Personnel pursuant to Government Code §54957 – Executive Director Evaluation

The Board returned from closed session at 4:16 p.m. with all Board and staff members present as indicated above, including Director Webb.

Right of way Agent Bob Morrison made the following announcement:

"The Board has directed to make adjustments to the property owners' budget as appropriate. The Second outcome is the Board has directed to make an offer to property owners upon receipt of grant award letter from Department of Water Resources for available funding. No further direction."

ADJOURNMENT

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 4:18 p.m. by Chairman Webb.

Richard E. Webb
Chairman

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS
AND SECRETARY OF THE PUBLIC AUTHORITY

Donna Stottlemeier Approved: August 7, 2007