

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES – BOARD OF DIRECTORS

SEPTEMBER 16, 2008 – SPECIAL MEETING

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, Don L. Graham, Mary Jane Griego and Dan Logue. Director Jerry Crippen was absent. Also present were Executive Director Paul Brunner, Counsel Scott Shapiro, and Deputy Clerk of the Board of Supervisors Rachel Ferris. Chair Griego presided.

CONSENT AGENDA

Minutes: Upon motion of Director Logue, seconded by Director Brown and carried with Director Crippen being absent the Board approved the minutes of the special meeting of September 9, 2008, as written. APPROVE MINUTES

ACTION ITEMS

A. North Star Construction and Engineering/Lease Agreement: Following Executive Director Paul Brunner providing a brief recap, Mr. Bob Morrison, Real Estate Manager, recapped the Right of Way Plan and responded to Board inquiries.

Mr. Sarb Basrai, North Star Construction and Engineering, recapped crop varieties to be farmed and the development of a detailed farming plan.

Ms. Cynthia Cairnes, Sunrise Orchards, provided a letter concerning the Naumes property agriculture lease, which is identified as Exhibit "A" and attached to and made a part of the minutes. EXHIBIT A

Following Board discussion, upon motion of Director Logue, Seconded by Director Brown, and carried with Director Crippen being absent, the Board approved a five year term lease agreement with North Star Construction and Engineering and authorized the Executive Director to negotiate final terms and execute agreement upon review and approval of Counsel. APPROVE AGRMNT.

B. Survey for Levee and Flood Control Assessment District: Executive Director Paul Brunner and Mr. Thomas Brightbill, SCI Consulting Group, recapped the pending survey and responded to Board inquiries.

Following Board discussion, upon motion of Director Logue, seconded by Director Brown, and carried with Director Crippen being absent, the Board approved a survey as amended for a Levee and Flood Control Assessment District, and authorized the Executive Director to finalize and issue survey. AUTHORIZE SURVEY

BOARD MEMBERS AND STAFF REPORT:

Reports were received on the following:

Director Griego:

- USA Today article commending Yuba County on \$78 million savings on the financing of the levee project

Executive Director Paul Brunner:

- Various upcoming meetings and construction tours
- Finalizing of Environmental Impact Statement
- Hydraulic analysis review by Corp of Engineers

Counsel Scott Shapiro:

- Central Valley Flood Protection Board meeting in October
- Central Valley Flood Control Association meeting Wednesday, September 17, 2008 at 1:00 p.m.

CLOSED SESSION

The Board retired into closed session at 2:52 p.m. to discuss the following:

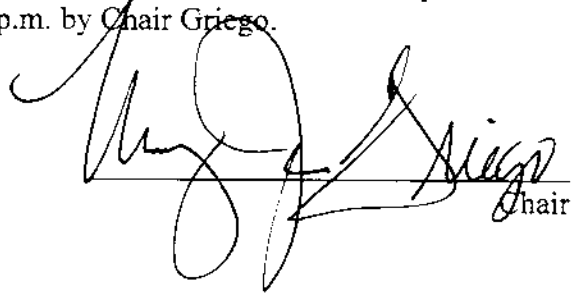
Conference with Counsel and Real Property Negotiator pursuant to Government Code 54956.9 – Property: APN 013-010-014/Parties: Davit, TRLIA, Stacey Sheston, Bob Morrison/Negotiation: Price and Terms of Payment

The Board returned from closed session at 3:20 p.m. will all Board and staff members present as included above.

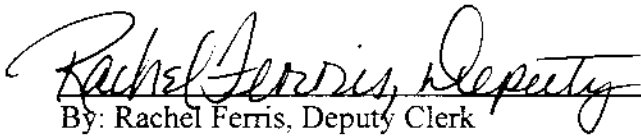
There was no reportable action from closed session.

ADJOURNMENT

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 3:21 p.m. by Chair Griego.


Chair

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


By: Rachel Ferris, Deputy Clerk

Approved: Oct 21, 2008



Sunrise Orchards

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September 16, 2008

Three Rivers Levee Improvement Authority
Yuba County Government Center
915 Eighth Street, Suit 109A
Marysville, Ca 95901

RE: Naumes Property Agricultural Lease

Dear Directors,

I presently have a 20-year lease with DWR on farmland surrounded by the Naumes Property. I have invested over a million dollars to plant that property into peach and walnut orchards. As you are negotiating a 5-year agriculture lease on the Naumes property, I would like to remind you of the need to respect the farming being done around that piece of property. There are four different options being considered for that lease. There are different concerns to consider for each option, whichever one is chosen.

If option one is chosen, there must be a deadline at which time the pears will be removed if they do not get a contract. All cultural practices must be performed in the meantime, including but not limited to insect sprays, weed sprays, etc. I would like to get copies of the spray reports that show the timing and chemicals applied. I do not want to see abandoned orchards next to me that are going to be a host for pest infestation and could ruin my crops.

If option three is selected and they chose to grow row crop, I want to let you know that it takes over \$1,500.00 per acre to install a solid set sprinkler system that the majority of this orchard has. If the contract to market pears is not available, and they have to go into row crop farming for a rent of about 50,000 for the next 5 years, we do not want to get over \$300,000 worth of sprinkler system ruined when removing the trees. It should be part of the agreement that all irrigation systems should be in the same working order at the end of the lease period as they are today.

EXHIBIT "A"/ 9-16-08 MINUTES

PAGE 1 of 2

If option two is approved, our offer was better. We offered to pay \$25.00 per acre even at the development stage when the walnut trees were young and would not produce any income. They did not offer any income for the first seven years.

Option four was not even a part of the RFP.

Please take careful consideration of the above concerns when you are constructing the lease. If normal farming practices are not performed and sprays are not done in a timely fashion that could ruin the crops and can constitute a big liability for IRLIA other involved agencies in this transaction and a huge wastage and misuse of public funds.

Sincerely,


Raj Kumar Sharma