



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MAY 18, 2010

MINUTES

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority (TRLIA) 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, Don L. Graham, Mary Jane Griego, and John Nicoletti. Also present were Executive Director Paul Brunner, Counsel Scott Shapiro, and Deputy Clerk of the Board of Supervisors Rachel Ferris. Chair Griego presided.

- I ROLL CALL – Directors Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti – All present
- II CLOSED SESSION – The Board retired into closed session at 2:01 p.m. to discuss the following:
 - A. Pending litigation pursuant to Government Code §54956.9(a) regarding TRLIA versus the following:
 - i) Rice YCSCCVED 07-000063
 - ii) Heir Family YCSCCVED 08-0000242
 - B. Conference with Real Property Negotiators pursuant to Government Code §54956.8 - Property: APN 018-140-041(Naumes) Negotiating Parties: Mike Churchill/Max Steinheimer/Scott McElhern/Bob Morrison/TRLIA Negotiation: Price and Terms of Payment
 - C. Conference with Real Property Negotiators pursuant to Government Code §54956.8 - Property: APN 018-190-085(Rahul) Negotiating Parties: Mike Churchill/Max Steinheimer/Scott McElhern/Bob Morrison/TRLIA Negotiation: Price and Terms of Payment

The Board returned from closed session at 2:38 p.m. with all members present as indicated above. Council Scott Shapiro advising the matter of TRLIA vs. Rice, the Board accepted the final demand regarding terms of two additional years of lease; in the matter of TRLIA vs. Heir, the Board instructed counsel on how to proceed; and on items B and C, both properties have been added to the real estate plan and counsel has been instructed on how to proceed.

- III PUBLIC COMMUNICATIONS: No one came forward.
- IV CONSENT AGENDA: All matters listed under the consent agenda are considered to be routine and can be enacted by one motion.
 - A. Approve minutes of the meeting of May 4, 2010.

MOTION: Move to approve MOVED: Jerry Crippen SECOND: John Nicoletti
AYES: Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: None ABSENT: None

V ACTION ITEMS

- A. Approve lease agreement with Yuba County Office of Education in the approximate amount \$32,605.80 through December 2011 and authorize the Chairman to execute lease upon review and approval of Counsel.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Don Graham
AYES: Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: None ABSENT: None

- B. Approve Amendment No. 12 to agreement with GEI in the amount of \$860,948 for construction and project management and authorize the Executive Director to execute same.

Executive Director Paul Brunner recapped the project and the necessity of the amendment to extend construction and responded to Board questions.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Rick Brown,
AYES: Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: Don Graham ABSENT: None

- C. Receive Financial Statement dated June 30, 2009.

Executive Director Paul Brunner provided a brief recap of the financial statement. Following Board discussion, Mr. Brunner advised he would request the Independent Auditor place a footnote clarifying the purchase amounts listed for the Phase 4 Feather River Right of Way - Direct Purchase, as the amount listed does not accurately reflect the total amount spent.

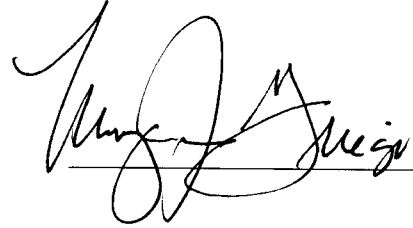
VI BOARD AND STAFF MEMBERS' REPORTS

In response to Director Nicoletti disclosing a possible conflict of interest regarding the Yuba County Office of Education, Counsel Scott Shapiro advised there was no conflict of interest.

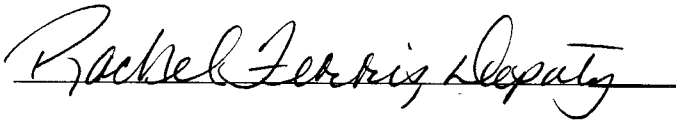
Executive Director Paul Brunner:

- Submittal of certification package
- New web page design to include more information readily available to the public to ensure transparency
- Not renewing contract for consulting services with Peterson and Reed at this time
- 100 percent design status for the Upper Yuba River Project available May 21, 2010
- Developers agreed to continue paying flood insurance premium through the end of December 2010
- Video documentary of construction and repairs of Yuba County levees and provided a draft TRLIA event timeline which is identified as Exhibit A and attached to and made a part of the minutes

VII ADJOURN: 3:25 p.m. by Chair Griego.


Chair

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



Approved: June 15, 2010

DRAFT

TRLIA EVENT TIMELINE

- 1908 RD 784 was established, and operates under the authority of the CVFPB and the California Department of Water Resources (DWR).
- **1917 Congress Authorized the Sacramento River Flood Control Project (SRFCF) – Federal Control**
- From 1920 to 1964 the Corps constructed upgrades to portions of the levee system, either through reconstruction of existing levees or construction of new setback levees.
- **1950 Flood from Goldfields area (Yuba River) – man made flood**
- **In 1953 the SRFCF works were turned over to the State of California.** A MOU confirmed the state's obligation to operate and maintain all completed works for the SRFCF and hold the federal government harmless. The State turned the levees over to the local reclamation districts (e.g. RD 784) for maintenance and operation but maintained responsibility for the project.
- **1955 Flood (Feather River – Sutter County)**
- 1968 Oroville Dam Completed
- 1969 Bullards Bar Dam Completed. The construction of two reservoirs, Oroville and New Bullards Bar, helped reduce the flood risk to the RD 784 levee system.
- **1982 FEMA maps finalized for South Yuba County**
- **1986 Yuba River Flood Event.** The Yuba River levee failed near the communities of Linda and Olivehurst when flows were well below design levels. The 1986 breach led to flood flows traveling south and southwest through RD 784 flooding large portions of Linda and West Linda. Because the breach occurred after the peak of the flood had passed, flood volumes through the breach were small and the lower portion of the RD 784 area escaped significant flooding. Flood waters inundated 10,700 acres, killed one person, and damaged or destroyed more than 4,000 homes and businesses. Damages, and the liability associated with this flood, cost the State of California \$450 million.
- **After the floods of 1986, the Corps initiated the Sacramento River Flood Control System Evaluation Project (System Evaluation).** This project evaluated the integrity of the Sacramento River Flood Control Project levees and was intended to restore the design level of flood protection provided by the levees. The System Evaluation was divided into five phases. Phase II included the populated Marysville/Yuba City areas. 1986 Paterno Case filed
- **In 1993, following the initiation of the System Evaluation Project and the Yuba Basin Project, and before the most recent devastating flood (in 1997), Yuba County**

approved the Plumas Lake Specific Plan, a mixed-use development which provides for 12,000 homes on 5,200 acres in the southern portion of the RD 784 area.

- In the mid 90's the results from the Sacramento River Flood Control System Evaluation (System Evaluation) were published. This study evaluated the integrity of the Sacramento River Flood Control Project levees and was intended to restore the design level of flood protection provided by the levees. The System Evaluation was divided into five phases. Phase II included the populated Marysville/Yuba City areas. The results of the System Evaluation indicated that sections of project levees along the Feather and Yuba Rivers were susceptible to seepage problems and did not provide the level of protection originally believed.
- **In 1997 the Feather River East Levee failed near the community of Arboga at Country Club Road.** The 1997 floodwaters inundated 16,000 acres in Yuba County, killed three people, and damaged or destroyed more than 850 homes and businesses.
- Also during 1997, Yuba River flows infiltrated the Yuba Goldfields. In 1997 flows from the Yuba River that went into the Goldfields, exited the Goldfields through its contact point with the upstream end of the YRSL. There is no available information indicating that flood flows from the Goldfields have ever escaped from this location before. The exiting flows were concentrated along the waterside toe of the YRSL, and eroded a portion of the YRSL embankment for a distance of approximately 1,200 feet downstream of the Goldfields.
- Following the 1997 flood, the Yuba County Water Agency (YCWA) formed a flood control study team and initiated a study of measures that could provide a higher level of protection to supplement the flood protection system for Yuba County.
- **In 1998, concurrently with studies conducted by the YCWA, the Corps completed a feasibility study that recommended a project that would reduce the flood risk in the project area. This project is referred to as the Yuba River Basin Investigation or, in short, the Yuba Basin Project.** Additional improvements were planned to the existing levee system to decrease the probability of flooding. An environmental impact statement/environmental impact report for the Yuba River Basin Investigation was completed by Corps and the California Reclamation Board (now referred to as the CVFPB) in 1998.
- **1998 - Most of the System Evaluation Project levee reconstruction work in RD 784 was completed in 1998.** The additional seepage problems identified following the 1997 flood led to the Corps' System Evaluation Site 7 Extension project, which was completed in 2004.
- ✓ **1998 the Yuba Basin Project led to a Corps project designed to achieve what was then considered to be a "200-year" level of protection for RD 784 levees. The Corps in 1998 completed a feasibility study, Congress authorized the project in the Water Resources Development Act of 1999, and a construction start was authorized in 2003. The authorized project included levee modifications on two levee sections**

along the Yuba and Feather Rivers, as well as a large portion of the Marysville ring levee north of the RD 784 area. The objective of the project was to reduce the risk of flooding in RD 784's service area in a given year to less than the 1 in 200 year storm event and in Marysville to less than the 1 in 300 year storm event. The Cost of this Project was \$28 million.

- 2000 with passage of the Water Act of 2000, the efforts of the YCWA flood control study team (formed in 1997) focused on those measures that could be achieved within the budget provisions of this act. This ongoing effort, funded through State Water Act of 2000 grant monies, is the Yuba-Feather Supplemental Flood Control Project (Y-FSFCP).
- **2002 Development was initiated in the Plumas Lake Specific Plan area.** To date, primarily residential land uses have been developed in the plan area, with approximately 3,200 of the approximately 12,000 planned homes being built. There are also three elementary schools, a fire station, and a small amount of retail development in the Plumas Lakes area.
- **2002 DWR and the Corp initiated a reevaluation of the ability of the RD 784 levees to withstand the 100-year event.** This study is called the Lower Feather River Floodplain Mapping Study
- **May 2003 the DWR and Corps Lower Feather River Floodplain Mapping Study, identified deficiencies with the RD 784 levees on the Bear River, WPIC, and the lower Yuba River in May 2003.** DWR informed RD 784, Yuba County, and YCWA that study results would be provided to the Federal Emergency Management Agency (FEMA). The study identified several deficiencies including freeboard on the Bear River and WPIC levees that prevented these levees from meeting the FEMA accreditation requirements for protecting RD 784 from a "100-year" flood event. (The top of the levee must be at least 3 feet higher than the 100-year event.) This information was unexpected by Yuba County officials because the 1998 Corps Yuba River Basin study did not recommend any work for the Bear River and WPIC levees to achieve a 200-year level of protection for the RD 784 area. In addition, it was found that a 2,800-foot stretch of the Yuba River levee on the upstream side of SR 70 did not meet slope stability requirements. The results of the 2003 Corps floodplain mapping study indicate that the people and property in the RD 784 area, including homes that had already been built in the Plumas Lake Specific Plan area before the release of the Corps study, are subject to a much higher flood risk than previously believed. These issues were seen as a major setback to the long-term plan to increase the level of flood protection to a 200-year and eventually greater level of protection.

In turn, FEMA would map areas protected by the deficient levee sections as a flood hazard zone (i.e., within the 100-year floodplain) unless corrective measures were implemented.

- ✓ **2003 - As a result of the DWR and Corps Feather River Floodplain Mapping Study, Yuba County conducted problem identification studies for the Lower Yuba and**

Bear River levees and the WPIC levee. Based on these studies, **additional deficiencies** were subsequently identified on the Lower Yuba River, Bear River, and WPIC.

- ✓ **2003, the Corps issued new levee criteria for underseepage, which lead to the reevaluation of the Yuba Basin Project's design. The Corps' new underseepage guidelines in 2003 led to the reevaluation of the project, which substantially increased the estimated cost to \$65 million.** Because of this cost increase, the Yuba River Basin Project must be reauthorized by Congress. A General Reevaluation Report (GRR) is currently being prepared by the Corps to obtain a new project authorization.
- 2003 the Local economy is doing well and there is pressure to build in South Yuba County (e.g. Plumas Lake). Developers are open to participating in paying portions of the levee cost in order to build homes.
- **2004 TRLIA Program funded by Local money – mostly developer (Total cost \$65 Million)**
- 2004 Developers, Yuba County, RD784, and YCWA enter into a funding agreement.
- 2004 the additional seepage problems identified following the 1997 flood led to the Corps' System Evaluation for Feather River Segment 1 Site 7 Extension project was completed.
- ***In 2004 TRLIA was created by RD784 and Yuba County as a Joint Powers Authority to focus on the completing all the required levee improvements for South Yuba County that are needed for 100-yr and 200-year storm events. YCWA opted to not participate in the JPA due to liability issues associated with re-licensing Bullards Bar Dam power facilities.***
- **~~2004 a portion of the Yuba River Levee improvement (Phase 1) was completed~~**
- **2005 TRLIA Program funded by Local money – mostly developer (Total cost \$85 million)**
- ✓ **January 2005, the Corps issued a letter that the Feather River left (east) bank levee and the Yuba River left (south) bank levee above the Southern Pacific Railroad crossing did not meet 100-year requirements.** In response to the Corps' January 2005 letter, TRLIA performed additional evaluations of the Feather and Yuba River left bank levees in 2005. These evaluations document extensive reaches of the Feather and Yuba River left bank levees that do not meet regulatory seepage and stability criteria under 1:100 annual exceedance probabilities flood event conditions. The impact of the findings was not fully understood. TRLIA created phase 4 and initially budgeted an additional **\$20 million** for this effort making the total program cost **\$85 million**.
- 2005 County Ordinance and State Implementation Agreement were signed that places restriction on development in South Yuba County.

- 2005 first Developer funding agreement is signed. Projected funding is \$37.8 million
- June 2005 TRLIA budget estimates the total cost of the Levee Improvements to be \$85 million. TRLIA has 3 phase program, with phase 4 undefined.
- ~~2005 Western Pacific Interceptor Canal (WPIC), portions of the Bear River Levee and Yuba Levee (1936 failure area) improvements were completed (all Phase 2)~~
- 2006 TRLIA Program funded by local funding, Developer, and State (Prop 13) (Total cost \$260 million)
- 2006 TRLIA was approved for \$63 million (\$44.4 DWR and \$18.6 F&G) under the State Waster bond Act of 2000 (commonly referred to as Prop 13).
- ✓ **2006 the cost to improve the Feather River and Yuba River levees became better understood. The Total cost of the program grew to \$260 million due to the needed Feather River and Yuba River improvements identified 2005.**
- 2006 2nd State Implementation Agreement was signed to accommodate the increase work and cost needed for phase 4
- 2006 Developer 2nd funding agreement was signed to deal with phase 4 cost increases. To provide \$135 million from developers.
- 2006 Local, and State economy slowing down. Developers having a hard time making levee payments.
- **2006 State Prop 1E Bond is passed by voters, which provides local agencies the opportunity to receive major levee improvement funding from the State.**
- 2006 FEMA begins remapping process and issues Preliminary Maps for Yuba County
- ~~2006 Olivenist Detention Basin (Phase 2), Bear River Setback Levee (Phase 3), and portion of Yuba Levee Improvements (Phase 4) and completed~~
- 2007 TRLIA Program funded by local funding, Developer, and State (Prop 13)(Total cost \$360 million)
- ✓ **Feb 2007 the TRLIA Board decided to build the Feather River Setback levee, since it provides much greater benefits to the local and regional communities. The setback levee also provides the best alternative that the State will approve major Prop 1E funding. The cost of the Levee program increased to \$360 million, which included the Feather River Setback levee. \$60 million of the \$360 million was for land purchase.**
- 2007 negotiations with Developers to continue levee funding become very difficult due to local and state economy issues. The Develop group becomes smaller and smaller as

companies shrink or go out of business, which makes it difficult on those developers remaining since they need to make up for the companies that have departed the group.

- 2007 the Corps certified 11 miles of completed levees (Bear Setback, WPIC and portions of the Yuba River levee) to FEMA (100-year storm event flood protection).
- 2007 TRLIA makes a \$191.8 million Feather River application to the State for Prop 1E funding. \$138.5 million is proposed to be state funding, the balance to come from local sources (mostly developers)
- ~~2007 Bear River Setback environmental mitigation/restoration 600 acre area (Phase 3)~~
- 2008 TRLIA Program funded by local funding, limited Prop 13, and State (Prop 1E) (Total cost \$400 million)
- 2008 TRLIA modifies the Feather River Prop 1E funding application to show that Yuba County, YCWA, RD784, and local landowner will provide local share in lieu of developers. Developers were going out of business due local, state, and national economic problems.
- ✓ 2008 Feather River State Prop 1E Early Implementation Funding Agreement was executed. Provided *\$138.5 million* in State funding for the Feather River Improvements, especially the Feather River Setback.
- ✓ 2008 Yuba County and YCWA sell bonds that generate *\$46 million* in funding to support TRLIA's Prop 1E Feather River application. Local landowner and RD784 contribute funding to local share.
- ✓ 2008 a change to the hydraulic analysis for upper Yuba River levee led to levee deficiencies being identified between Simpson Lane up to the Goldfields. These deficiencies increased the project cost by an estimated *\$40 million*. The total project cost was now *\$400 million*.
- 2009 TRLIA Program funded by local funding and State (Prop 1E) (Total cost \$400 million)
- 2009 TRLIA O&M levee Benefit Assessment District was approved by the South Yuba County property owners
- ✓ 2009 TRLIA makes a *\$67 million* Upper Yuba River application to the State for Prop 1E funding. *\$48 million* is proposed to be state funding, the balance to come local sources. TRLIA is able to provide local share funding by negotiating with the state a way for state to reimburse and also credit TRLIA for prior levee work that has been accomplished.

- ~~2009 Feather River Segments 1, 2 (Setback), and 3 levee improvements were completed~~
- 2010 TRLIA Program funded by local funding and State (Prop 1E) (Total cost \$400 million plus potentially Goldfields solution)
- ✓ 2010 Upper Yuba River State Prop 1E Early Implementation Funding Agreement executed. Provided \$48 million in State funding for the Upper Yuba River Improvements.
- 2010 TRLIA FEMA Levee certification with PAL for the Upper Yuba Levee
- 2010 Anticipate FEMA System Levee Accreditation with PAL for Upper Yuba Levee
- ✓ 2010 Corps of Engineers identifies 200-yr storm event overflow from the Goldfields. Solution and cost to be determined
- ~~2010 Anticipate degradation of existing Feather River Levee (previous Segment 2) completed (Phase 4)~~
- ~~2010 Anticipate Feather River Setback environmental mitigation areas completed (Phase 4)~~
- 2011 TRLIA Program funded by local funding and State (Prop 1E) (Total cost \$400 million plus potentially Goldfields solution)
- ~~2011 Anticipate Completion of Upper Yuba Levee improvements~~
- 2011 Anticipate TRLIA FEMA Levee Certification for Upper Yuba Levee
- 2011 Anticipate FEMA System Levee Accreditation to incorporate Upper Yuba Levee construction
- ~~2011 Anticipate State and TRLIA land management plan for 1600 acre Feather River Setback area~~
- ✓ 2011 Anticipate Goldfields 200-year storm event overflow solutions to be available. Cost TBD