THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AGENDA

No other business shall be conducted at this meeting. The public shall have an opportunity to address the Authority only with respect to items set forth in this agenda. Each individual or group will be limited to no more than five minutes. Prior to this time, speakers must fill out a “Request to Speak” card and submit it to the Clerk of the Board

AUGUST 29, 2006 – SPECIAL MEETING
Yuba County Government Center
Board of Supervisors’ Chambers
915 Eighth Street, Suite 109A
Marysville, California*
Unless otherwise indicated

8:30 A.M. I CALL TO ORDER

II ROLL CALL – Directors Rick Brown, Mary Jane Griego, Dan Logue, Richard Webb

III ACTION ITEMS

A. Approve term sheet pledging up to $10 million from Road Impact Fees to provide temporary cash flow needs pertaining to South Yuba Basin levee improvements, contingent upon all other conditions being met pertaining to the Second Advance Funding Agreement and direct Auditor-Controller to perform disbursements.

B. Accept $2,000,000 Gap Loan from Yuba County Water Agency under terms contained on term sheet and delegate authority to Executive Director to take all actions necessary in support of loans.

C. Adopt resolution approving addendum to the final environmental impact report for the Bear River Western Pacific Interceptor Canal Levee Improvement Project.

IV ADJOURN
August 29, 2006

TO: Board of Supervisors & Three Rivers Levee Improvement Authority

FROM: Robert Bradford, County Administrative Officer & Paul Bruner, TRILA Executive Director

By Randy Margo, Assistant County Administrator

SUBJECT: Bridge Loan to Three Rivers Levee Improvement Authority (TRILA)

Recommended Action

Approve attached term sheet pledging up to $10 million from flood impact Fees collected for the Plumass Lake Specific Plan area to provide for temporary cash flow needs pertaining to South Yuba Radio levee improvements, contingent upon all other conditions being met pertaining to the Second Advance Funding Agreement.

Purpose of Recommended Action

To ensure timely payment for levee construction work and related expenses to keep the accelerated construction program on track, staff recommends a bridge loan of up to $10 million. This loan would come from impact fees already paid by Plumass Lake developers into the road program.

Discussion

Reimbursement for levee expenses paid by the California Department of Water Resources has been taking 3-4 months. Consequently, timely payment of levee construction work is an important concern as Phases 2 and 3 levee work is in full swing and Phase 4 levee work is about to begin on the Yuba River levee.

In order to ensure that the accelerated construction schedule can continue as planned, staff recommends that impact fees already paid by Plumass Lake developers into the road program be loaned on a temporary basis if needed to cover any cash shortfalls that might be experienced by the construction program during the next six months. The loan amount would not exceed $10 million with loan disbursements subject to approval by the County's Finance Review Committee. Any loans made from this source would be repaid by the California Department of Water Resources' Proposition 13 funds. Loans made are intended to be repaid no later than February 28, 2007, so that work on the Algona Interchange can commence.
Committee Action

Due to time constraints this item was not taken to committee for action.

Fiscal Impact

Under the terms of the bridge loan, the Road Fund would be reimbursed any lost interest at the current rate. If repayment of any significant loans did not occur in a timely manner, it could affect the schedule and perhaps the cost of the Algodon interchange work for the scheduled to begin next spring. Any cost increase for roads would be borne by developers within the Thomas Lake Specific Plan.
TERM SHEET FOR TRLIA $10 MILLION BRIDGE LOAN

Purpose: To cover potential cash flow needs and unanticipated TRLIA levee construction work for Phases 2, 3, and 4. This loan would be used only on an as needed basis. Phases 2 and 3 work are eligible for State reimbursement under existing contracts with the Department of Water Resources; however, expenses for Phase 4 work are not eligible for reimbursement at this time.

Loan Amount: $10,000,000

Interest Rate: Pool Rate as established by Yuba County to secure only as to funds actually drawn by TRLIA.

Fund Availability: Funds from Plumas Lake Road Impact Fee Program are to be placed in a segregated account, which may be called upon by TRLIA for use for Phases 2, 3, and 4 levee work. TRLIA agrees to call upon these funds only after use of all Landowner funds from the first and second capital calls are made, and those funds received from Department of Water Resources Proposition 13 reimbursements are utilized.

Fund Repayment: Funds made available by Yuba County would be repaid from Department of Water Resources Proposition 13 reimbursements.

Repayment Timing: Complete repayment would occur no later than February 28, 2007. Periodic payments will be made based on the availability of Department of Water Resources Proposition 13 funds.

Loan Process: TRLIA Executive Director would meet with County Financial Review Committee to determine the amount and timing of loan disbursements. TRLIA Board members would be informed of any loan disbursements.

Value of Loan: This loan allows TRLIA to address potential cash flow issues and unanticipated expenses pertaining to levee work being performed between now and the end of 2006.
TO: TRLIA Board
FROM: Paul G. Bruuner, TRLIA Executive Director
SUBJECT: Gap Loan from Yuba County Water Agency

Recommended Action

Accept $2,000,000 loan from Yuba County Water Agency under terms contained on term sheet and delegate authority to Executive Director to take all actions necessary in support of loan.

Purpose of Recommended Action

The Second Implementation Agreement requires that a $20,000,000 first capital call be available to TRLIA in order to proceed under the agreement. The unexpected and additional costs for Feather River levee repair at Pump Station #3 resulted in some members of the Landowner group declining to participate. This resulted in increased costs for the remaining participating Landowners. Due to the short period in which these additional costs need to be covered for the first capital call, there is a need for YCWA to loan funds toward the first capital, which will be repaid from an increased second capital call to be covered by the participating Landowners.

Discussion

This $2,000,000 represents a loan to the Levee Improvement Program. YCWA would be entitled to priority repayment. In the event that any landowner elects to become an Original Participant during the Open Enrollment Period, the funds from such election would first be used to satisfy any outstanding obligation to YCWA under the loan. In the event that any such obligation to YCWA remains at the time of the second Capital Call, the second Capital Call would be increased by the amount necessary to repay such obligation to YCWA. The various documents showing the financial obligations of the landowners have been revised to show this repayment. In addition, the funds available under this loan would be used only after funds available to TRLIA from other sources (including the $10,000,000 Bridge Loan from the county) were first used.

Fiscal Impact

By accepting this loan, and thus allowing the Second Funding Agreement to proceed, TRLIA will have the funding to both complete Phases 2 and 3 and proceed with Phase 4. Without this loan, and the ability of the Second Funding Agreement to proceed, TRLIA risks having expenses for Phases 2 and 3 for which it has no funds.
Purpose: The unexpected and additional costs for Feather River levee repair at Pump Station #3 resulted in some members of the Landowner group declining to participate. This resulted in increased costs for the remaining participating landowners. Due to the short period in which these additional costs need to be covered for the first capital call, there is a need for YCWA to loan funds toward the first capital, which will be repaid from an increased second capital call to be covered by the participating landowners.

Loan amount: $2,000,000.

Fund availability: Funds to be placed in a segregated account, that may be called upon by TRILIA for use for Yuba River Phase 4, as required by the Second Implementation Agreement. TRILIA agrees to only call upon these funds after use of all landowner funds, Proposition 13 reimbursement funds, and cash-flow line of credit being provided by Yuba County.

Fund repayment: Funds made available by YCWA would be reduced/repaid from one of two sources: (1) any fees paid by additional landowners that join the program during the open enrollment period would reduce, dollar for dollar, the funds made available by YCWA, and (2) any funds not otherwise reduced, but actually withdrawn from the segregated account, would be repaid out of the Second Capital Call, which will be increased by this amount.

Repayment timing: Repayment would be made from the Second Capital Call, which is currently scheduled for the third week of November. Repayment of these funds would be a higher priority than repayment of the cash-flow line of credit being provided by Yuba County.

Value of loan: This loan of $2,000,000 helps assure raising the necessary funds to perform the Yuba River Phase 4 work, currently estimated at approximately $14,000,000.
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
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MARYSVILLE, CA 95901-5273
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August 22, 2006

TO: Three Rivers Levee Improvement Authority Board
FROM: Ric Reinhardt, Program Manager
SUBJECT: Consider Passing Resolution to Adopt an Addendum to the Final Environmental Impact Report (FEIR) for the Bear River and Western Pacific Interceptor Canal Levee Improvements Project

Recommended Action

Consider passing attached resolution to adopt the Addendum to the FEIR for the Bear River and Western Pacific Interceptor Canal Levee Improvements Project.

Discussion

The Corps of Engineers raised a concern about shallow sand layers in the foundation of the Bear River North levee on both sides of Highway 70. To address this concern and achieve verification of the levee, it has been decided to construct riprap berms on the landside of the levee on both sides of Highway 70. The riprap berm is approximately 10 feet high, 75 feet wide and 300 feet long. The combined berm is approximately 10 feet high, 50 feet wide and 460 feet long. These project enhancements required consideration of environmental impacts. These impacts have been assessed and described in an addendum to the FEIR. This addendum updates the FEIR and fulfills the CEQA requirements for the proposed action.

Fiscal Impact

No fiscal impact would occur from adoption of this Resolution.
BEFORE THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
OF THE COUNTY OF YUBA

IN RE: ____________________________________________

RESOLUTION TO ADOPT AN ADDENDUM TO THE
FINAL ENVIRONMENTAL IMPACT REPORT (FEIR)
FOR THE BEAR RIVER AND WESTERN PACIFIC
INTERCEPTOR CANAL LEVEE IMPROVEMENTS
PROJECT

WHEREAS, the Three Rivers Levee Improvement Authority proposed the
Upper Bear River and Western Pacific Interceptor Canal (WPIC) Levee
Improvements Project to bring deficient levee sections up to standards to achieve
credible 100-year flood protection. Specifically, most of the northern reaches of
the Bear River and several reaches of the WPIC have insufficient height to
provide the desired level of flood protection. Additionally, some levee reaches
have problems associated with levee stability and susceptibility to erosion. The
flood control improvements would include seepage protection, reconstruction of
levee reaches that failed as a result of 1997 overtopping, erosion protection, the
relocation of Pump Station No. 6, and raising the height of the levee.

WHEREAS, the Board ratified the certified Bear River and WPIC Levee
Improvements Project FEIR, and adopted the Findings of Fact and a Mitigation
Monitoring Program for the Project which were all in compliance with the
California Environmental Quality Act (CEQA) on August 12, 2004; and,
WHEREAS, the Three Rivers Levee Improvement Authority modified the project as an Addendum to the FEIR to include two seepage berms along the Bear River Levees just east and west of Highway 70; and,

WHEREAS, the Authority Board of Directors must adopt the Addendum to the FEIR in order to begin implementation of the modifications of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The foregoing recitals are true and correct.

2. The Addendum to the FEIR (SCH#2004032118) for the project was prepared in accordance with CEQA. In addition, the Findings of Fact and Mitigation and Monitoring Program of the FEIR formally adopted August 12, 2004 are appropriate for the actions proposed in the Addendum.

3. The Authority Board of Directors authorizes and directs Authority staff to prepare and file a CEQA Notice of Determination within 6 working days following the date of adoption of this Resolution with the County Clerk of the County of Yuba and with the State of California.

4. By adopting this Resolution, the actions of the Addendum are hereby approved.
PASSED AND ADOPTED at a regular meeting of the Board of Directors of
the Three Rivers Levee Improvement Authority, on the ___ day of September
2006, by the following vote:

AYES:

NOES:

ABSENT:

__________________________
Chairperson

ATTEST: DONNA STOTLEMEYER
Clerk of the Board of Supervisors

By ___________ ___________ ___________

APPROVED AS TO FORM

__________________________
DANIEL G. MONTGOMERY
County Counsel
Addendum to Certified Environmental Impact Report
SCH number 2004032118

Level Agency: Three Rivers levee Improvement Authority
415 Eighth Street
Maryville, CA 95951

Contact: Brian D. Brown, AICP
Telephone: (916) 375-4860

Project Title: Fourteen-Ditch WPIC Levee Improvements Project

Project Location (nearest town): Yuba City

Project Background: The Three Rivers levee Improvement Authority (TRILA) is a joint powers agency with the mission of advancing the flood safety of Yuba County, California. TRILA's member agencies include Real Property Division (RPD) and the County of Yuba (County). The county is subject to seasonal flood threat from many rivers and creeks, including the Yuba River, Feather River, Bear River, American River, and the Pacific Interstate Canal (PIPC) and the Feather River. Because of the flood risk, many local plans have been certified by structural levees.

The U.S. Army Corps of Engineers (USACE) has established criteria for levees that specify for height, width, permeability, and other factors needed to provide adequate protection for a given flood event (stage and exchange) based on geotechnical, hydraulic, and hydrological conditions. Most of the levee systems in Yuba County were built during the 1930s using construction practices of that era. Recent studies conducted by Yuba City (January 2000) and Yuba City (November 2003) have concluded that structural aspects of some levees do not meet current USACE protection standards for a 100-year event. Insufficient height, permeability, and structural integrity need to be remedied to meet the USACE criteria.

Deficiencies in these levee segments have been recently demonstrated by the floods of 1986 and 1997. In 1997, approximately 10,700 acres were inundated, more than 1,600 homes and businesses were damaged or destroyed, and one human life was lost. In 1997, approximately 18,000 acres were inundated, more than 800 homes and businesses were damaged or destroyed, and two human lives were lost.

TRILA developed the Yuba/feather MPIC Levee Project (Project) to modify the levee systems in Yuba County to address the deficiencies described above, as well as the backwater effects and type of flood damage that occurred in the 1997 flood event. The purpose of this project is to provide reasonable flood protection greater than the uncontrolled 100-year flood event in the overall RPD 784 area and meet 50-year standards where improvements are implemented.
(i.e., where levee work is underway), it will meet or exceed criteria for the calculated 200-year flood event.

- avoid increasing downstream flow and stage during peak-flow conditions; and
- enhance and preserve fish, wildlife, and riparian habitat.

**Original Project Description:** The project was needed to bring deficient levee sections up to standard to achieve the project objectives. Specifically, most of the northern levee of the New River was under several reaches of the WPC levee improvement project to provide the desired level of flood protection. Additionally, these levee reaches have problems associated with levee stability and susceptibility to erosion. The possibility of Pump Station No. 6, adjacent to the New River north levee, decreased the stability of this levee. The project design includes the pump station and its existing features. Other flood control improvements include sewage treatment, reconstruction of levee reach that failed as a result of 1997 overtopping, toe protection, and raising the height of the levee. The levee improvements include segments of the New River north levee and WPC west levee, including existing land-use designations, existing streams, and existing levees, and existing erosion (Figure 1).

**Previously Certified EIR:** An environmental impact report (EIR) was prepared to evaluate potential project effects and was circulated for public review (SCH number 26440211). TRCA certified the draft EIR in August 2004 and TRCA adopted the project in March 2005.

**Refinements to the Project:** Since certification of the final EIR, the design of the project has been slightly modified based on additional engineering analysis and USACE recommendations. The modified element of the project description is provided in the following sections and shown in Figures 1 and 2.

As the landward of the New River levee, between stations 141.00 and 144.50 and between stations 148.00 and 153.00, sewage berms need to be constructed to allow adequate water and sewage treatment (Figure 2). The berms would be located west and east of State Route 70 (SR 70). The berms would be approximately 200 feet long and an average 50 feet wide. Construction of the sewage berm was to occur between October 1, 2006, and October 1, 2007. Eight thousand four hundred sixty cubic yards of fill would be excavated from a permitted site.

A complete technical description and analysis of potential environmental effects were included in the certified EIR. However, not specifically for this refinement. This technical adequacy applies the approved findings and mitigation from the certified EIR for the proposed action in the levee segment. It should be noted that this refinement of the project does not constitute a change to the study areas or type of improvements covered in the certified EIR, as this area was subject to other treatments.

**Analysis of Refinements:** The impacts associated with the design refinements of the New River would result in the removal of six valley oak trees. The construction of the berm west of SR 70 would require the removal of three valley oak trees and the construction of the berm east of SR 70 would require the removal of three valley oak trees. As presented in the certified EIR, the project will have several significant impacts on vegetation involving these two valley oak forests. All of these significant impacts

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can be mitigated to a less than significant level through the implementation of mitigation measures already adopted by TRLA. In 2006, a site visit was conducted at the upgradient bank site and no rapids' nests were observed in the lower portion of the reach.

The impact of the loss of valley oak woodland would be mitigated as part of the easement plan in the setback and floodplain area of the Bear River. The setback/extension area would create 298 acres of valley oak forest. The original project affected 11 acres of valley oak woodland, thus, the plantings within the setback/extension area would adequately mitigate for the loss of the six valley oak trees due to sediment from construction.

The work on the Bear River levee would not result in any other resource effects beyond those already analyzed in the certified EIR. The Mitigation Measures listed below were adopted in the project as part of the original approval and would serve to mitigate any additional effects to a less than significant level; thus there is no need for further environmental review.

Mitigation Measure VEG-01-1 Minimize Impacts on Sensitive Biological Resources

TRLA will include the following mitigation measures to minimize indirect impacts on sensitive natural communities:

1. TRLA will provide a biological environmental monitor who will be responsible for monitoring implementation of the mitigation measures (e.g., ESA Section 7, 902, and 404 ESA Section 7, Fish and Game Code Section 16001, Surface Water Pollution Prevention Plan [SWPPP], and EIR mitigation measures).

2. The biological environmental monitor will flag the locations of any special-status plants identified during preconstruction surveys that are in proposed construction areas but outside of the levee improvement footprint.

3. TRLA will provide a worker environmental training program for all construction personnel prior to the start of construction activities. The program will educate workers about special-status species and sensitive habitats present and adjacent to the site and about the regulations and protocols for mitigating impacts on these sensitive biological resources.

4. Following construction of all levee improvement sites, the construction contractor will remove all trash and construction debris.

5. TRLA will compensate for the loss of valley oak forest caused by levee improvements. Although the valley oak forest is not considered a threatened community because it is geographically and hydrologically disconnected from the floodplain, the vegetation provides similar benefits. Therefore, compensation will include restoring or enhancing riparian habitat at a rate of 2 acres for each acre affected. The mitigation efforts will involve long-term replacement of habitat functions and values.

TRPA will perform preconstruction surveys to determine whether nesting birds, including migratory birds, raptors, and special status bird species, are present in or immediately adjacent to the proposed project area, borrow sites, mitigation sites, and associated staging and storage areas. If nests are found, construction will proceed.

If active nests of migratory birds are found within the boundaries of a construction area, TRPA will develop appropriate measures and will inform FG of the actions. Active migratory bird nests (excluding raptors) located outside the construction area will be preserved. If an active migratory bird nest is located outside an area, it will be removed before the start of the breeding season (approximately February 1).

If an active raptor nest is found outside the construction area, a buffer zone will be created around the nest. The recommended buffer, as identified by FGU, is 200 feet (Sections 2582 and 3585.5 of the California Fish and Game Code). A larger buffer zone will be established around significant and sensitive hawk nesting sites, as described under Mitigations Measure WILD-MM-5 in the EIR (Avoid and Minimize Construction-Related Disruptions Within 1/2 Mile of Active Swainson's Hawk Nest Sites).

Findings: The refinements to the project are considered minor technical changes and are within the geographic scope and type of actions, effects, and mitigation analyzed in the certified EIR. Pursuant to Section 15164(g) of the State CEQA Guidelines, in considering the project as a whole, there is no substantial evidence that the refinements to the project design would cause significant new environmental effects on a substantial increase in previously identified significant effects of the project.

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