CALL TO ORDER

ROLL CALL – Directors Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, Dan Logue

PUBLIC COMMUNICATIONS: Any person may speak about any subject of concern provided it is within the jurisdiction of the Levee Improvement Authority and is not already on today’s agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than 5 minutes.

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 regular meeting of May 20, 2008.

ACTION ITEMS

A. Approve First Amendment to Mitigation Purchase Agreement with Wildlands Inc., for Giant Garter Snake required at Gilsizer Slough Preserve in the amount of $3,412,500; authorize the Executive Director to execute same.

B. Approve First Amendment to Mitigation Purchase Agreement with Wildlands Inc. for Vernal Pool Crustaceans at Best Slough Preserve in the amount of $40,500; authorize the Executive Director to execute same.

C. Approve agreement with River Partners for restoration design for Feather River Setback project in the amount of $223,000 and authorize Executive Director to execute same upon review and approval of counsel and to implement.

D. Approve Amendment No. 8 with GEI Consulting for Feather River Levee Repair Project Phase 4 Segment 2 in the amount of $5,671,000 and authorize Chairman to execute same.

E. Approve Cost Contract with Pacific Gas and Electric for relocation of power line in the amount of $2,420,936; authorize Executive Director to execute same and issue payments for invoices.

F. Approve proposed Budget for Fiscal Year 2008-2009, direct Executive Director to make copies available for public inspection, and direct budget hearings be scheduled to begin on Tuesday, July 15, 2008, starting at 3:00 p.m.

BOARD AND STAFF MEMBERS’ REPORTS

A. Fair Political Practices Commission regarding responding to campaign mailers

B. Brown Act changes

C. FEMA correspondence denying grant application regarding south county floodplain property acquisition

D. Flood Insurance for Plumas Lake properties provided by Beazer Homes

E. Executive Director Report

F. Board/Staff comments

CLOSED SESSION

Conference with real property negotiators pursuant to Government Code §54956.8 – Property: APN 014-250-027 Negotiating Parties Agriculture Commissioner/Naumes and TRLIA/Rich Brown/Bob Morrison/Madison Wiggins

ADJOURN
A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Jerry Crippen, Don L. Graham, Mary Jane Griego, and Dan Logue. Director Rick Brown was absent. Also present were Executive Director Paul Brunner and Clerk of the Board of Supervisors/Secretary Donna Stottlemeyer. Chair Griego presided.

CONSENT AGENDA

Minutes: Upon motion of Director Logue, seconded by Director Crippen, and carried with Director Brown being absent, the Board approved the minutes of the regular meeting of May 6, 2008 as written.

1) Feather River Levee Set Back project Schedule B/Teichert Construction: Following a brief recap from Program Manager Ric Reinhardt regarding the proposed project, upon motion of Director Logue, seconded by Director Crippen, and carried with Director Brown being absent, the Board awarded a contract to Teichert Construction for the Feather River Levee Set Back Project, Schedule B of the bid proposal, in the amount of $24,964,729.50; authorized the Chair to execute upon review and approval of Counsel; and authorized the Executive Director to take the necessary actions to implement the contract.

2) Addendum No. 2 Feather River Levee Repair Project Final Environmental Impact Report: Following a brief recap from Executive Director Paul Brunner regarding the borrow area, waterside blanket, and landside seepage berm, upon motion of Director Logue, seconded by Director Crippen, and carried with Director Brown being absent, the Board adopted Resolution No. 08-27 which is entitled: "A RESOLUTION BY THE BOARD OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY APPROVING FINDINGS IN SUPPORT OF AN ADDENDUM AND APPROVING AN ADDENDUM TO THE FEATHER RIVER LEVEE REPAIR PROJECT FINAL ENVIRONMENTAL IMPACT REPORT, PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PUBLIC RESOURCES CODE, SECTION 21000 et seq.," as it relates to Addendum No. Two.

The Board retired into closed session at 2:06 p.m. to discuss the following:

Conference with real property negotiators pursuant to Government Code §54956.8 – Property: APN 014-250-027 Negotiating Parties Naumes and TRLIA/Rich Brown/Bob Morrison/Madison Wiggins

The Board returned from closed session at 2:30 p.m. with all Board and staff members present as indicated above, including Counsel Scott Shapiro.

There was no announcement from closed session.

BOARD AND STAFF MEMBERS' REPORTS

Reports were received on the following:

Director Dan Logue:
- Political flyer indicating Directors and himself are "stealing property"

Counsel Scott Shapiro indicated provisions could be added in future settlement agreements to address public comments.

Director Jerry Crippen:
- Publication of process regarding eminent domain process
Chair Griego requested an opinion from the District Attorney regarding determination as abuse of taxpayer funds to address the use of public funds to address the flyer.

Director Griego left the meeting at 2:42 p.m.

Director Logue was appointed Chair Pro Tem.

Consultant Kim Floyd:
- Groundbreaking ceremony on May 28, 2008 at 10:00 a.m. at Anderson Road

Executive Director Paul Brunner:
- Alternate Local Share Funding program for Phase Four levee Improvements and agreement with Yuba County Water Agency
- Corps of Engineers Draft Environmental Impact Statement comment period and 408 permit
- Present construction status of Segment One
- Agreement with EIP and funding

**ADJOURNMENT**

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 3:00 p.m. by Chair Pro Tem Logue.

______________________________
Chair

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

______________________________  Approved: ______________________
June 17, 2008

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
Anja Kelsey, Environmental Manager

SUBJECT: 1st Amendment to the Mitigation Purchase Agreement between Wildland’s Inc. and TRLIA for Giant Garter Snake

Recommended Action: Approve 1st contract amendment with Wildland’s Inc. to reduce the amount of Giant Garter Snake (GGS) Credits required at Gilsizer Slough Preserve and authorize the TRLIA Executive Director to sign amendment and then execute contract once General Counsel has reviewed and approved. The new proposed contract amount is $3,412,500.

Background: On November 6th, 2007, TRLIA entered into a contract with Wildland’s Inc. to purchase 137.6 acres of GGS mitigation credits at the Gilisizer Slough (South) Preserve for $5,332,000. This purchase was made in anticipation of the mitigation requirements needed for the Feather River Levee Repair Project (FRLRP), Segment 2 Setback construction. The majority of the impacts to GGS will occur as a result of flood inundation of the setback area from degradation.

Discussion: In May 2008, the U.S. Fish and Wildlife Service released a draft Biological Opinion detailing the requirements of actual mitigation need for TRLIA. At present, a total of 86 acres are required under this document as opposed to the original estimate of 137.6 acres. Since the Biological Opinion is in draft form, it is possible that the Service could increase the mitigation need should TRLIA’s project activities change, for example, the time, area, or duration of work on the Feather Setback. It is for this reason that this amendment provides some flexibility in the final acreage purchase.

Fiscal Impact

The funding for this effort will come from sources (e.g. Prop 1E, and Prop 13 F&G funds or other local funding) that are currently contained in the TRLIA overall program cash flow. This amendment represents an overall contract decrease of $1,919,500.
FIRST AMENDMENT TO MITIGATION PURCHASE AGREEMENT
(TRLIA-GGS)

This First Amendment to Mitigation Purchase Agreement ("First Amendment"), dated for reference purposes as June __, 2008, is entered into by and between WILDLANDS, INC., a Delaware corporation ("Wildlands"), and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY ("Authority").

Recitals

A. On or about November 6, 2007, Wildlands and Authority entered into that certain Mitigation Purchase Agreement ("Purchase Agreement"), wherein Authority agreed to purchase, and Wildlands agreed to sell, 137.6 acres of Mitigation Values (as such term is defined in the Purchase Agreement) from the Gilsizer Slough Preserve.

B. Wildlands and Authority desire to amend the Purchase Agreement pursuant to the provisions of this First Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals, and the mutual covenants contained herein, the parties agree as follows:

Agreement

1. Definitions. Except as otherwise provided herein, all capitalized terms set forth in this First Amendment shall be defined as provided in the Purchase Agreement.

2. Allocated Mitigation. The Allocated Mitigation is hereby reduced to 105 acres. The table set forth in Section 2.1 of the Purchase Agreement is hereby deleted and replaced with the following table:

<table>
<thead>
<tr>
<th>Preserve</th>
<th>Impacts Mitigated</th>
<th>Amount of Mitigation Values</th>
<th>Cost Per Mitigation Value</th>
<th>Total Cost</th>
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<tr>
<td>Gilsizer Slough</td>
<td>GGS</td>
<td>105 acres</td>
<td>$32,500.00</td>
<td>$3,412,500.00</td>
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<td>Purchase Price</td>
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<td>$3,412,500.00</td>
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</table>

3. Purchase Price. The Purchase Price referenced in Section 3 of the Purchase Agreement is hereby reduced to Three Million Four Hundred Twelve Thousand Five Hundred and No/100ths Dollars ($3,412,500.00).
4. **Payment of Purchase Price.** Sections 3.2, 3.3, 3.4 and 3.5 of the Purchase Agreement are hereby deleted in their entirety and replaced with the following provisions:

3.2 **Second Deposit.** Authority shall pay Wildlands the amount of Ninety-Five Thousand and No/100ths Dollars ($95,000.00) ("Second Deposit") on or before July 15, 2008. The Second Deposit shall be non-refundable upon payment and credited to the Purchase Price.

3.3 **Third Deposit.** Authority shall pay Wildlands the amount of One Hundred Thousand and No/100ths Dollars ($100,000.00) ("Third Deposit") on or before September 2, 2008. The Third Deposit shall be non-refundable upon payment and credited to the Purchase Price.

3.4 **Fourth Deposit.** Authority shall pay Wildlands the amount of Two Million Two Hundred Forty-Eight Thousand Seven Hundred Fifty and No/100ths Dollars ($2,248,750.00) (which is seventy percent (70%) of the Purchase Price, less the First Deposit, Second Deposit and Third Deposit) (the "Fourth Deposit") on the later of (a) fifteen (15) business days after the USFWS approves the Mitigation Values at the Preserve, or December 1, 2008. The Fourth Deposit shall be non-refundable upon payment and credited to the Purchase Price.

3.5 **Fifth Deposit.** Authority shall pay Wildlands the amount of Six Hundred Forty-Two Thousand Five Hundred and No/100ths Dollars ($642,500.00) (which is twenty percent (20%) of the Purchase Price, less the First Deposit, Second Deposit and Third Deposit) ("Fifth Deposit") within fifteen (15) business days after the date on which Wildlands sends Authority a notice that Wildlands is initiating mass grading activities on the Preserve. The Fifth Deposit shall be non-refundable upon payment and credited to the Purchase Price.

3.6 **Balance.** The balance of the Purchase Price ($321,250.00, which is ten percent (10%) of the Purchase Price, less the First Deposit, Second Deposit and Third Deposit) shall be paid by Authority to Wildlands within fifteen (15) business days after the date on which Wildlands sends Authority a notice that as-builts have been delivered to the USFWS.

5. **Ratification.** Wildlands and Authority hereby agree that, except as provided in this First Amendment, the Agreement is ratified, affirmed and remains in full force and effect and is incorporated herein by this reference.

6. **Recitals/Exhibits.** The Recitals herein, and any exhibits to this First Amendment, are hereby incorporated by reference into this First Amendment. The parties warrant that the Recitals are true and correct.
7. **Counterparts.** This First Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

8. **Facsimile Signatures.** In order to expedite the transaction contemplated herein, telecopied signatures may be used in place of original signatures on this First Amendment. Authority and Wildlands intend to be bound by the signatures on the telecopied document, are aware that the other party will rely on the telecopied signatures, and hereby waive any defenses to the enforcement of the terms of this First Amendment based on the use of a facsimile signature.
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the dates set forth below.

WILDLANDS, INC., a Delaware corporation

By: ________________________________

Mark B. Heintz
Vice President and General Counsel

Date: 5/14/2008

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

By: ________________________________

Its: ________________________________

Date: ________________________________

Approved as to form by:

Andrea P. Crouch for Scott Shapiro

Scott Shapiro, General Counsel
Three Rivers Levee Improvement Authority
June 17, 2008

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
       Anja Kelsey, Environmental Manager
SUBJECT: 1st Amendment to the Mitigation Purchase Agreement between Wildland’s Inc. and TRLIA for Vernal Pool Crustaceans at Best Slough Preserve

**Recommended Action:** Approve 1st contract amendment with Wildland’s Inc. to increase the purchased amount of Vernal Pool Crustaceans (VPC) mitigation credits at Best Slough Preserve and authorize the TRLIA Executive Director to sign amendment and then execute contract once General Counsel has reviewed and approved. The proposed cost of this amendment is $40,500.

**Background:** On August 28, 2007 the TRLIA Board approved a contract with Wildland’s Inc to purchase 9.14 acres of VPC mitigation credits at Best Slough for $1,371,000. The purchase was for the mitigation of certain impacts to vernal pool crustaceans (“VPC”) caused by the Bear and WPIC levee work.

**Discussion:** Due to additional work that was accomplished on the Bear River and WPIC levee improvements; the Service is requiring an additional 0.27 acres of VPC mitigation, which is represented in this contract amendment with Wildland’s Inc.

**Fiscal Impact:** The additional acreage results in a net increase to TRLIA’s cash flow of $40,500.00. The amount of remaining interest in the VPC escrow will be used to cover this environmental expense.
FIRST AMENDMENT TO MITIGATION PURCHASE AGREEMENT (TRILIA)

This First Amendment ("Amendment") is made and entered into on this the ___, day of __________, 2008, by and between WILDLANDS, INC., a Delaware corporation ("Wildlands") and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY ("Authority") who agree as follows:

1. **Background.**

1.1. **The Mitigation Purchase Agreement.** Wildlands and Authority have entered into that certain Mitigation Purchase Agreement dated August 28, 2007 (the "Agreement"). All capitalized terms used in this Amendment and not otherwise defined in this Amendment shall have the meaning ascribed to such terms in the Agreement.

1.2. **Best Slough Preserve.** The Agreement provides for, among other things, Wildlands' agreement to sell to Authority the Allocated Mitigation, which was 9.14 acres of Vernal Pool Creation from the Best Slough Preserve. To accommodate the Biological Opinion and the 404 Permit, the parties desire to provide for, among other things, the purchase and sale of an additional .27 acres of Vernal Pool Creation from the Best Slough Preserve, thereby selling Authority a total of 9.41 acres of Vernal Pool Creation.

1.3. **Purpose.** The purpose of this Amendment is to amend the Agreement to provide for the purchase and sale of an additional .27 acres Vernal Pool Creation from the Best Slough Preserve.

2. **Allocated Mitigation.** The parties hereby amend the Agreement to increase the Allocated Mitigation to 9.41 acres of Vernal Pool Creation from the Best Slough Preserve and the Purchase Price thereof to $1,411,500.

3. **Effect.** Except as expressly modified by this Amendment, the Agreement shall continue in full force and effect according to its terms, and Authority and Wildlands hereby ratify and affirm all their respective rights and obligations under the Agreement. In the event of any conflict between this Amendment and the Agreement, this Amendment shall govern.
4. **Counterparts.** This Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument.

**AUTHORITY:**
Three Rivers Levee Improvement Authority

By: ____________________________
Name:
Its:

Approved as to form by: ____________________________
Name: Scott Shapiro
Its: General Counsel

**WILDLANDS:**
WILDLANDS, INC.
a Delaware corporation

By: ____________________________
Name: ____________________________
Its: ____________________________
June 17, 2008

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
       Anja Kelsey, Environmental Manager
SUBJECT: River Partners Restoration Design Contract for Feather River Setback Project

Recommended Action: Approve a $223,000 contract with River Partners as contractor for the environmental mitigation and restoration of the floodway and setback area between the new Feather River Setback Levee and the Feather River and delegate authority to Executive Director to sign contract and implement the contract with multiple Notice to Proceeds as funding is available.

Background: River Partners has been contracted by TRLIA to create the environmental mitigation and restoration plan between the Bear River Setback Levee and the Bear River. River Partners created the plan and it was accepted by the appropriate regulatory agencies and was successfully implemented and continues to provide superior guidance for operations and maintenance of the area and continuing agency approval. TRLIA will be required to provide similar commitments throughout the Federal and State permit processes for the Feather River Levee Repair Project, specifically the Segment 2 setback. In order for TRLIA to begin preparing for these permit requirements, a concept plan must again be prepared, reviewed and implemented in order to satisfy the terms of its environmental permits.

Discussion: Attached is the proposed contract with River Partners to accomplish this work in phases over the next year. The contract establishes the overall scope of work and cost. However, the plan is to implement this effort in phases with a separate Notice to Proceed with each phase once funding for the phase is in place. TRLIA staff has reached agreement with River Partners regarding how to begin the concept plan, which would allow the first phase to begin immediately once the contract is executed.

It is the intent of this restoration concept plan to comply with the pending Clean Water Act Section 404 permit for TRLIA's Feather River levee improvement project and to meet the environmental requirements for this project that will be derived from:

• U.S. Army Corps of Engineers (Corps) – general habitat restoration and specific mitigation features for affected jurisdictional waters of the United States
• U.S. Fish and Wildlife Service (USFWS) – elderberry shrubs, the host plant of the federally protected valley elderberry longhorn beetle (VELB)
• National Marine Fisheries Service (NOAA Fisheries) – fish-protection features
• California Department of Fish and Game (DFG) – general habitat restoration
These are anticipated requirements and will fluctuate upon final approvals. River Partners is highly qualified to do this work and has accomplished numerous mitigation/restoration projects along the Sacramento and Feather Rivers. Their experience with the resource agencies and their knowledge of the restoration plan will ensure success of this important feature.

This work will largely include revegetative efforts along the setback levee embankment which is included as part of the overall work plan for the Feather setback levee. Although funding for restoration and enhancement was removed by the State in the current State/TRLIA funding agreement, based on the need for bank stabilization and borrow pit reclamation, these actions can reimbursed under the Prop 1E agreement. In addition, the use of State F&G Prop 13 funding or other local funds are purposed to be used to meet this need.

**Fiscal Impact**

The funding for this effort will come from sources (e.g. Prop 1E, and Prop 13 F&G funds or other local funding) that are currently contained in the TRLIA overall program cash flow.
AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT for Consulting services ("Agreement") is made as of the Agreement Date set forth below by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY of Yuba, a political subdivision of the State of California ("the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY"), and RIVER PARTNERS ("CONTRACTOR"), a California non-profit corporation.

In consideration of the Services to be rendered, the sums to be paid, and each and every covenant and condition contained herein, the parties hereto agree as follows:

OPERATIVE PROVISIONS

1. SERVICES.

The CONTRACTOR shall provide those services described in Attachment "A", Provision A-1. CONTRACTOR shall provide said services at the time, place and in the manner specified in Attachment "A", Provisions A-2 through A-3.

2. TERM.

Commencement Date: June 17th, 2008

Termination Date: December 31st, 2010

Notwithstanding the term set forth above, and unless this contract is terminated by either party prior to its termination date, the term of this Agreement shall be automatically extended from the termination date for ninety days. The purpose of this automatic extension is to allow for continuation of services, and to allow THREE RIVERS LEVEE IMPROVEMENT AUTHORITY time in which to complete a novation or renewal contract for CONTRACTOR and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY approval.

CONTRACTOR understands and agrees that there is no representation, implication, or understanding that the services provided by CONTRACTOR pursuant to this Agreement will be purchased by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY under a new agreement following expiration or termination of this Agreement, and CONTRACTOR waives all rights or claims to notice or hearing respecting any failure to continue purchase of all or any such services from CONTRACTOR.
3. **PAYMENT.**

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. CONTRACTOR shall submit all billings for said services to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY in the manner specified in Attachment "B".

4. **FACILITIES, EQUIPMENT AND OTHER MATERIALS AND OBLIGATIONS OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.**

CONTRACTOR shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement, unless an exception to this requirement is provided in Attachment "A", Provision A-4.

5. **GENERAL PROVISIONS.**

The general provisions set forth in Attachment "C" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other term or condition insofar as it is inconsistent with the general provisions.

6. **DESIGNATED REPRESENTATIVES.**

Paul Brunner, Executive Director, is the representative of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and will administer this Agreement for the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. John Carlon is the authorized representative for CONTRACTOR. Changes in designated representatives shall occur only by advance written notice to the other party.

7. **ATTACHMENTS.**

All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

- Attachment A - Services
- Attachment B - Payment
- Attachment C - General Provisions
8. TERMINATION.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CONTRACTOR shall each have the right to terminate this Agreement upon 30 days written notice to the other party.

Contractors are required by law to be licensed and regulated by the State Contractors License Board, which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within 4 years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board. P.O. Box 26000, Sacramento, CA 95826.

CONTRACTORS LICENSE #: 858059, C-27

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on ____________________________, 2008.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

______________________________
Executive Director

John Carlon, President

ATTEST:
DONNA STOTTMEMAILYER, SECRETARY

APPROVED AS TO FORM:
SCOTT SHAPIRO

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COUNSEL
A.1  SCOPE OF SERVICES AND DUTIES.

The services to be provided by CONTRACTOR and the scope of CONTRACTOR's duties include the following:

See Exhibit A.

A.2.  TIME SERVICES RENDERED.

See Exhibit A.

A.3.  MANNER SERVICES ARE TO BE PERFORMED.

As an independent contractor, CONTRACTOR shall be responsible for providing services and fulfilling obligations hereunder in a professional manner: THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall not control the manner of performance.

A.4.  FACILITIES FURNISHED BY THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

CONTRACTOR shall, at his/her sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.
EXHIBIT A

SCOPE OF SERVICES

GENERAL

River Partners shall participate as a team member with PBS&J and other subcontractors to provide the services required to complete the full scope of work of developing a land management plan for the Feather River Setback Levee Project. River Partners will undertake specific tasks and provide deliverables as described following in coordination with TRLIA, PBS&J and other subcontractors.

SPECIFIC TASKS

With oversight by PBS&J, River Partners shall have the lead responsibility for developing a land management plan for the Feather River Setback Levee Project.

The management plan will include the following:

- Site Description- location, land-use history, soils, topography, hydrology, existing vegetation and wildlife use.
- Conceptual Site Model- past environmental conditions, likely successional patterns, comparison to nearby vegetation (reference sites), restoration strategies and expected effects on wildlife.
- Project Implementation- regulatory compliance, planting design, plant material collection and propagation, site preparation, irrigation system design, weed control and irrigation scheduling, monitoring, reporting, flood/fire contingencies, implementation timeline and budget.
- Appendices, tables and figures that include survey data, GIS maps, specific plant design details and aerial photos.
- Cost Analysis- comparison of implementation strategies to maximize efficiency, success, and minimize long-term maintenance needs.
- Agricultural Analysis-evaluate economic life and lease options of current crops within phases of project construction and mitigation.
- Operations and maintenance needs-identifying and defining solutions to operations and maintenance needs.

River Partners shall participate in meetings with TRLIA, and other subcontractors to review plan development and define operation and maintenance criteria.
River Partners shall review and comment on work product of other subcontractors as appropriate to the tasks and as requested.

River Partners shall provide monthly progress reports with work description, percentage of completion, schedule concerns and budget status.

River Partners shall participate in up to 6 team coordination meetings in addition to meetings required for task work.

River Partners will work with MBK Engineers, who will conduct flood flow modeling for the setback levee project to ensure that the riparian restoration/enhancement plan is “flood neutral” and meets hydraulic criteria established by the Reclamation Board. River Partners will work with Phillip Williams & Associates and B-E/GEI design staff to incorporate geomorphologic analyses into the riparian restoration plan.

DELIVERABLES

- River Partners will provide 10 hard copies each of the draft and final Conceptual Management Plan for the Feather River Levee Setback Area.
- River Partners will provide 10 hard copies each of the draft and final Land Management Plan for the riparian habitat development and agricultural operations in the Feather River Levee Setback Area, including design maps.
- River Partners will provide 10 hard copies each of the draft and final operations and maintenance manual for the Feather River Levee Setback Area.

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<tr>
<th>Task</th>
<th>Deliverable Dates</th>
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<tbody>
<tr>
<td>Conceptual Management Plan</td>
<td>August 2008</td>
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<tr>
<td>Preliminary Draft Land Management Plan</td>
<td>October 2008</td>
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<td>2nd Draft Land Management Plan after comments</td>
<td>November 2008</td>
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<tr>
<td>Final Land Management Plan</td>
<td>June 2009</td>
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<tr>
<td>Draft Operations and Maintenance Manual</td>
<td>April 2009</td>
</tr>
<tr>
<td>Final Operations and Maintenance Manual</td>
<td>July 2009</td>
</tr>
</tbody>
</table>
ATTACHMENT B

PAYMENT

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONTRACTOR as follows:

B.1 BASE CONTRACT FEE. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONTRACTOR a contract fee not to exceed $223,000. CONTRACTOR shall submit requests for payment monthly no later than the tenth (10th) day of the month following attached payment schedule. In no event shall total compensation paid to CONTRACTOR under this Provision B.1 exceed $223,000 without an amendment to this Agreement approved by the Yuba THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Board of Supervisors.

B.2 AUTHORIZATION REQUIRED. Services performed by CONTRACTOR and not authorized in this Agreement shall not be paid for by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. Payment for additional services shall be made to CONTRACTOR by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY if, and only if, this Agreement is amended by both parties in advance of performing additional services.

See Payment Schedule in Exhibit B.
## PAYMENT SCHEDULE

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Attachment B
ATTACHMENT C

GENERAL PROVISIONS

C.1 INDEPENDENT CONTRACTOR STATUS. At all times during the term of this Agreement, the following apply:

C.1.1 All acts of CONTRACTOR shall be performed as an independent contractor and not as an agent, officer or employee of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. It is understood by both CONTRACTOR and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that this Agreement is by and between two independent contractors and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association.

C.1.2 CONTRACTOR shall have no claim against THREE RIVERS LEVEE IMPROVEMENT AUTHORITY for employee rights or benefits, including, but not limited to, seniority, vacation time, vacation pay, sick leave, personal time off, overtime, medical, dental or hospital benefits, civil service protection, disability retirement benefits, paid holidays or other paid leaves of absence.

C.1.3 CONTRACTOR is solely obligated to pay all applicable taxes, deductions and other obligations, including, but not limited to, federal and state income taxes, withholding and Social Security taxes, unemployment and disability insurance and Workers’ Compensation and Medi-Care payments.

C.1.4 As an independent contractor, CONTRACTOR is not subject to the direction and control of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY except as to the final result contracted for under this Agreement. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may not require CONTRACTOR to change its manner of doing business, but may require it to redirect its efforts to accomplish what it has agreed to do.

C.1.5 CONTRACTOR may provide services to others during the same period service is provided to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY under this Agreement.

C.1.6 If in the performance of this Agreement any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision and control of CONTRACTOR. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the CONTRACTOR.

C.1.7 As an independent contractor, CONTRACTOR hereby indemnifies and
holds THREE RIVERS LEVEE IMPROVEMENT AUTHORITY harmless from any and all claims that may be made against THREE RIVERS LEVEE IMPROVEMENT AUTHORITY based on any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

C.2 LICENSES, PERMITS, ETC. CONTRACTOR represents and warrants to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONTRACTOR to practice its profession. CONTRACTOR represents and warrants to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONTRACTOR to practice its profession at the time the services are performed. Failure of the CONTRACTOR to comply with this provision shall authorize the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY to immediately terminate this agreement notwithstanding Operative Provision No. 9.

C.3 TIME. CONTRACTOR shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of CONTRACTOR's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

C.4 INSURANCE. Prior to rendering services provided by the terms and conditions of this Agreement, CONTRACTOR or its subcontractors shall acquire and maintain during the term of this Agreement, insurance coverage, through and with an insurer acceptable to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, naming the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and any related agency governed by the Board of Supervisors which is letting the contract or for whom the services under the contract are being provided, and THREE RIVERS LEVEE IMPROVEMENT AUTHORITY’S, or related agency’s, officials, employees, and volunteers as additional insured, (hereinafter referred to as “the insurance”). The limits of insurance herein shall not limit the liability of the CONTRACTOR hereunder.

C.4.1 TERM. Policies of insurance shall be in effect during the term of this Agreement and shall provide that they may not be canceled without first providing THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with thirty (30) days written notice of such intended cancellation or in the event of cancellation for non-payment of premium ten (10) days written notice given to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. If CONTRACTOR fails to maintain the insurance provided herein, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may secure such insurance and deduct the cost thereof from any funds owing to CONTRACTOR.

C.4.2 MINIMUM SCOPE OF INSURANCE. CONTRACTOR shall procure insurance covering general liability, automobile liability, and workers’
compensation. Coverage shall be at least as broad as:

(a) Insurance Services Office (ISO) Commercial General Liability Occurrence form number CG0001 10-01 or equivalent ISO form. A non-ISO form must be reviewed and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Risk Manager prior to acceptance of the Agreement.

(b) Insurance Services Office Business Auto Coverage form number CA0001 10-01 covering Automobile Liability.

(c) Workers’ Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

(d) If this Agreement is for the provision of professional services, Professional Errors and Omissions Liability Insurance, with a coverage form subject to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY approval.

C.4.3 OTHER INSURANCE PROVISIONS. The policies are to contain, or be endorsed to contain the following provisions:

(a) General Liability and Automobile Liability Coverages.

(i) The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and the public entity awarding the contract if other than the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, and their officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the CONTRACTOR; products and completed operations of the CONTRACTOR; premises owned, leased, occupied, or used by the CONTRACTOR; or automobiles owned, leased, hired, or borrowed by the CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees or volunteers.

(ii) The CONTRACTOR’S insurance coverage shall be primary insurance as respects the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers and any

Attachment C
other insureds under this Agreement. Any
insurance or self-insurance maintained by the
THREE RIVERS LEVEE IMPROVEMENT
AUTHORITY, its officials, employees and
volunteers or other insureds shall be excess of the
CONTRACTOR'S insurance and shall not
contribute with it.

(iii) Any failure to comply with reporting provisions
of the policies shall not affect coverage provided to
the THREE RIVERS LEVEE IMPROVEMENT
AUTHORITY, its officials, employees and
volunteers or other insureds under this Agreement.

(iv) The insurance policy required by this clause
shall be endorsed to state that the
CONTRACTOR'S insurance shall apply separately
to each insured against whom claim is made or suit
is brought, except with respect to the limits of the
insurer's liability.

(b) Worker's Compensation and Employers Liability Coverage.
The insurer shall agree to waive all rights of subrogation against
the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY,
its officials, employees or other insureds under this Agreement.

(c) All Coverages. Each insurance policy required by this clause
shall be endorsed to state that coverage shall not be suspended,
voided, canceled by either party, reduced in coverage or in limits
except after thirty (30) days written notice given to the THREE
RIVERS LEVEE IMPROVEMENT AUTHORITY or in the event
of cancellation for non payment of premium ten (10) days written
notice given to THREE RIVERS LEVEE IMPROVEMENT
AUTHORITY.

C.4.4 ACCEPTABILITY OF INSURERS. Insurance is to be placed with
insurers with a current A.M. Best's rating of no less than A:VII.

C.4.5 MINIMUM LIMITS OF INSURANCE. CONTRACTOR shall maintain
limits no less than:

(a) Commercial General Liability: One Million Dollars
($1,000,000) combined single limit per occurrence for bodily
injury, personal injury and property damage. If Commercial
General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability: $1,000,000 combined single limit per accident for bodily injury or property damage.

(c) Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars ($1,000,000) per accident.

(d) Professional Errors and Omissions Liability (if required): Policy limits of not less than One Million Dollars ($1,000,000) per incident and One Million Dollars ($1,000,000) annual aggregate, with deductible or self-insured portion not to exceed Two Thousand Five Hundred Dollars ($2,500). Coverage may be made on a claims-made basis with a "Retro Date" either prior to the date of the Agreement or the beginning of the Agreement services. If claims-made, coverage must extend to a minimum of twelve-months beyond completion of the services. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a "Retro Date" prior to the Agreement effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of twelve (12) months after completion of services.

C.4.6 SUBCONTRACTORS. In addition to the above policies, if CONTRACTOR hires a subcontractor under this Agreement CONTRACTOR shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein. If CONTRACTOR requires subcontractors to provide insurance coverage, then CONTRACTOR shall be named as an additional insured under such policy or policies.

C.4.7 DEDUCTIBLES AND SELF-INSURED RETENTIONS. Except as otherwise provided in this Agreement, any deductibles or self-insured retentions must be declared to and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. At the option of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its officials, employees and volunteers; or, the
CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

C.4.8 VERIFICATION OF COVERAGE.

(a) CONTRACTOR shall furnish THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with Certificates of Insurance and with original endorsements effecting coverage required by this clause. The certificate(s) and endorsement(s) for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate(s) and endorsement(s) are to be on forms provided by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY or on forms received and approved by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY before work commences. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY reserves the right to require complete, certified copies of all required insurance policies at any time.

(b) CONTRACTOR shall not render services under the terms and conditions of this Agreement unless each type of insurance coverage and endorsement is in effect and CONTRACTOR has delivered the certificate(s) of insurance and endorsement(s) to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY as previously described. If CONTRACTOR shall fail to procure and maintain said insurance, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may, but shall not be required to, procure and maintain the same, and the premiums of such insurance shall be paid by CONTRACTOR to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY upon demand. The policies of insurance provided herein which are to be provided by CONTRACTOR shall be for a period of time sufficient to cover the term of the Agreement, including THREE RIVERS LEVEE IMPROVEMENT AUTHORITY'S acceptance of CONTRACTOR'S work. It is understood and agreed that thirty (30) days prior to the expiration of any policy of insurance, CONTRACTOR will deliver to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY certificate(s) and endorsement(s) evidencing a renewal or new policy to take the place of the policy expiring.

C.5 INDEMNITY. CONTRACTOR shall defend, indemnify, and hold harmless THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability for damage or claims for damage for personal injury, including death, as well as for property damage, which may arise.

Attachment C
from the intentional or negligent acts or omissions of CONTRACTOR in the performance of services rendered under this Agreement by CONTRACTOR, or any of CONTRACTOR'S officers, agents, employees, contractors, or subcontractors.

C.6 CONTRACTOR NOT AGENT. Except as THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may specify in writing, CONTRACTOR shall have no authority, express or implied, to act on behalf of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied, pursuant to this Agreement to bind THREE RIVERS LEVEE IMPROVEMENT AUTHORITY to any obligation whatsoever.

C.7 ASSIGNMENT PROHIBITED. CONTRACTOR may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.

C.8 PERSONNEL. CONTRACTOR shall assign only competent personnel to perform services pursuant to this Agreement. In the event that THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONTRACTOR to perform services pursuant to this Agreement, CONTRACTOR shall remove any such person immediately upon receiving written notice from THREE RIVERS LEVEE IMPROVEMENT AUTHORITY of its desire for removal of such person or persons.

C.9 STANDARD OF PERFORMANCE. CONTRACTOR shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONTRACTOR is engaged. All products of whatsoever nature which CONTRACTOR delivers to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY pursuant to this Agreement shall be prepared in a first class and workmanlike manner and shall conform to the standards or quality normally observed by a person practicing in CONTRACTOR'S profession.

C.10 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code, §107. For all purposes of compliance by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY with Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Assessor and the contracting parties hereto. A taxable possessory interest may be created by this contract; and if created, the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

C.11 TAXES. CONTRACTOR hereby grants to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY the authority to deduct from any payments to CONTRACTOR
any THREE RIVERS LEVEE IMPROVEMENT AUTHORITY imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to CONTRACTOR.

C.12 TERMINATION. Upon termination of this Agreement as otherwise provided herein, CONTRACTOR shall immediately cease rendering service upon the termination date and the following shall apply:

C.12.1 CONTRACTOR shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing and form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

C.12.2 THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall have full ownership and control of all such writings or other communications delivered by CONTRACTOR pursuant to this Agreement.

C.12.3 THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall pay CONTRACTOR the reasonable value of services rendered by CONTRACTOR to the date of termination pursuant to this Agreement not to exceed the amount documented by CONTRACTOR and approved by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY as work accomplished to date; provided, however, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall not in any manner be liable for lost profits which might have been made by CONTRACTOR had CONTRACTOR completed the services required by this Agreement. In this regard, CONTRACTOR shall furnish to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY such financial information as in the judgment of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY shall be final. The foregoing is cumulative and does not affect any right or remedy which THREE RIVERS LEVEE IMPROVEMENT AUTHORITY may have in law or equity.

CONTRACTOR may terminate its services under this Agreement upon thirty (30) days written notice to the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, without liability for damages, if CONTRACTOR is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

C.13 NON-DISCRIMINATION. Throughout the duration of this Agreement, CONTRACTOR shall not unlawfully discriminate against any employee of the CONTRACTOR or of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY or applicant for Attachment C
employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sex or sexual orientation. CONTRACTOR shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900, et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued pursuant to said Act.

CONTRACTOR shall give written notice of its obligations under this clause to any labor agreement. CONTRACTOR shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.

C.14 REHABILITATION ACT OF 1973/AMERICANS WITH DISABILITIES ACT OF 1990. In addition to application of the non-discrimination provision of this Agreement, above, CONTRACTOR agrees to comply with all provisions of section 504 et seq. of the Rehabilitation Act of 1973, and with all provisions of the Americans with Disabilities Act of 1990, and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts, pertaining to the prohibition of discrimination against qualified handicapped and disabled persons, in all programs or activities, as to employees or recipients of services.

C.15 OWNERSHIP OF INFORMATION. All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become the property of THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, and CONTRACTOR agrees to deliver reproducible copies of such documents to THREE RIVERS LEVEE IMPROVEMENT AUTHORITY on completion of the services hereunder. The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY agrees to indemnify and hold CONTRACTOR harmless from any claim arising out of reuse of the information for other than this project.

C.16 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

C.17 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.
C.18 **SUPERSEDES PRIOR AGREEMENTS.** It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

C.19 **ATTORNEY'S FEES.** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

C.20 **CAPTIONS.** The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

C.21 **DEFINITIONS.** Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

C.21.1 **NUMBER AND GENDER.** In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

C.21.2 **MANDATORY AND PERMISSIVE.** "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

C.22 **TERM INCLUDES EXTENSIONS.** All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

C.23 **SUCCESSIONS AND ASSIGNS.** All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

C.24 **MODIFICATION.** No modification or waiver of any provision of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

C.25 **COUNTERPARTS.** This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

C.26 **OTHER DOCUMENTS.** The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of
C.27 PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

C.28 JURISDICTION. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY of Yuba, State of California.

C.29 CONTROLLING LAW. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

C.30 TIME IS OF THE ESSENCE. Time is of the essence of this Agreement and each covenant and term a condition herein.

C.31 AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.

C.32 CONFLICT OF INTEREST. Neither a THREE RIVERS LEVEE IMPROVEMENT AUTHORITY employee whose position in THREE RIVERS LEVEE IMPROVEMENT AUTHORITY enables such employee to influence the award of this Agreement or any competing Agreement, nor a spouse or economic dependent of such employee, shall be employed in any capacity by CONTRACTOR herein, or have any other direct or indirect financial interest in this Agreement.

CONTRACTOR may be subject to the disclosure requirements of the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY conflict of interest code if in a position to make decisions or influence decisions that could have an effect on the CONTRACTOR'S financial interest. The THREE RIVERS LEVEE IMPROVEMENT AUTHORITY Administrator shall determine in writing if CONTRACTOR has been hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the Yuba County Conflict of Interest Code.

C.33 NOTICES. All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either
by personal service or by registered or certified mail, return receipt requested, and shall be
deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the
party so to be served as follows:

Attachment C
If to "THREE RIVERS LEVEE IMPROVEMENT AUTHORITY":
   With a copy to:

   THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
   Paul Brunner, Executive Director
   1114 Yuba Street, Suite 218
   Marysville, CA 95901

If to "CONTRACTOR":

   RIVER PARTNERS
   John Carlon
   580 Vallombrosa Avenue
   Chico, CA 95926
TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
       Ric Reinhardt, Program Manager
       Doug Handen, Construction Manager

Recommended Action:
Approve Contract Amendment 8 to GEI Consulting existing contract in the amount of $5,671,000 for construction management (CM) services for the Feather River Segment 2 project and authorize Chairman to sign. General Counsel has reviewed and approved contract for award.

Discussion:
Construction of Segment 2 has been awarded and Trichert has been given the Notice to Proceed on a major portion of the work (modified schedule B – see TRLIA Board staff report dated May 13, 2008). The initial CM services for the modified schedule B work are being covered by the current GEI design contract; however, this CM amendment is needed to provide the extensive field oversight effort that is needed for all elements (foundation, embankment, and levee degradation work) for all segment 2 levee construction work, which extends over multiple years. GEI's proposal for segment 2 CM incorporates the CM work from segments 1 & 3 to provide some efficiencies and lower costs.

The Construction Management scope of services includes costs associated with contract administration, coordination with Corps Staff, Contractor Submittals, Requests for Information, Inspections, Design Review, Quality Assurance Testing, Monthly Progress Reports for use in DWR Grant Management, Environmental and Archaeological Monitoring, Environmental Assessment, and preparation of a Construction Summary Report. The details of the proposal are included in the attached amendment and scope of work.

Below is a breakout by percent of total contract amendment for the different categories of work:
- Field Oversight/Inspection:
  - Labor: 55%
  - Direct Charges (e.g. lab tests): 22%
- Engineering/Design: 16%
- Environmental/Cultural Work: 7%
GEI has the capabilities to provide these services and has previously provided these services on the Bear River Levee project and Feather Segment 3. GEI provided the design and specifications for the Feather River Levee Segment 2. The scope of work for this effort is appropriate and the fee proposed is in line with similar efforts on past TRLIA projects.

**Fiscal Impact:**
These costs are included in State/TRLIA funding agreement. The contract amendment would increase the existing contract by $5,671,000 for services on a time-and-expenses basis, to a maximum amount not exceeding a total contract of $19,063,044 for Design and CM Services without prior authorization by TRLIA.
AMENDMENT NO. 8

AGREEMENT FOR PROFESSIONAL SERVICES
FOR
PHASE 4 FEATHER RIVER LEVEE REPAIRS
BETWEEN
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AND
BOOKMAN-EDMONSTON/GEI CONSULTANTS

THIS AMENDMENT TO AGREEMENT is made effective June 10, 2008, by and between Three Rivers Levee Improvement Authority ("TRLIA") and Bookman-Edmonston/GEI Consultants, a division of GEI Consultants, Inc. ("Contractor"), who agree as follows:

1. Recitals. This Amendment is made with reference to the following background recitals:

1.1. Effective December 13, 2005, the parties entered into the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Levee project with a contract value of $1,439,400.

1.2. Effective April 25, 2006, the parties entered into Amendment No. 1 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Levee Repair design in the amount of $3,082,240 for a total contract value of $4,521,640.

1.3. Effective June 27, 2006, the parties entered into Amendment No. 2 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Levee Repair design in the amount of $32,700 for a total contract value of $4,554,340.

1.4. Effective October 30, 2006, the parties entered into Amendment No. 3 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Levee Repair design in the amount of $262,500 for a total contract value of $4,816,840.

1.5. Effective January 16, 2007, the parties entered into Amendment No. 4 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Levee Repair design in the amount of $115,000 for a total contract value of $4,931,840.

1.6. Effective April 3, 2007, the parties entered into Amendment No. 5 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Setback Levee design in the amount of $5,860,244 for a total contract value of $10,792,084.

1.7. Effective September 18, 2007, the parties entered into Amendment No. 6 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather
River Setback Levee design in the amount of $1,963,660 for a total contract value of $12,755,744.

1.8. Effective April 15, 2008, the parties entered into Amendment No. 7 to the Agreement for Professional Services relating to TRLIA's Phase 4 Feather River Setback Levee design in the amount of $636,300 for a total contract value of $13,392,044.

1.9. The parties now desire to amend the Professional Services Agreement to expand scope of services and base contract fee.

2. **Eighth Amendment to Agreement.** The Professional Services Agreement is hereby amended as follows:

2.1. The scope of services (Attachment A to the Agreement for Professional Services between TRLIA and B-E/GEI, dated December 13, 2005) is amended to expand the scope of work as described by letter dated May 21, 2008 (Exhibit A) to include construction management services for the Setback Levee in Segment 2 of the Feather River Levee Repair Project.

2.2. The payment, budget, and not-to-exceed amounts (Professional Services Agreement Attachment B) are amended by the attached Exhibit B to include the additional amount of $5,671,000 for a total contract of $19,063,044.

3. **No Effect on Other Provisions.** Except for the amendments in Section 2, the remaining provisions of the Professional Services Agreement shall be unaffected and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on ______________, 2008.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY OF YUBA COUNTY

BOOKMAN-EDMONSTON, A DIVISION OF GEI CONSULTANTS, INC.

Paul G. Brunner
Executive Director

Raymond D. Hart
Senior Vice President

ATTEST:
DONNA STOTTLMEYER
SECRETARY, THREE RIVERS

APPROVED AS TO FORM:
SCOTT L. SHAPIRO
GENERAL COUNSEL, TRLIA

[Signature]
[Signature]

for Scott Shapiro
May 21, 2008

050115

Mr. Paul Brunner, Executive Director
Three Rivers Levee Improvement Authority
1114 Yuba Street, Suite 218
Marysville, CA 95901

Dear Mr. Brunner:

Re: Phase 4 Feather River Levee Repair Project - Segment 2 (Feather River Setback Levee) Construction Management

This letter is a follow up to your request to prepare a scope of work and budget for performing construction management (CM) services for TRLIA’s Phase 4 - Feather River Levee Repair Project, Levee Segment 2 (project). This scope does not address CM services for levee Segments 1 & 3, which are covered under a separate amendment already approved by TRLIA.

GEI will act as the CM agent for TRLIA, and will coordinate closely with TRLIA as the project owner. TRLIA will execute a separate agreement with a Construction Contractor. It is understood that TRLIA will review and approve the Construction Contractor’s monthly pay estimates, change orders, and schedule changes.

The basis for the proposed scope and budget is described below. A detailed breakdown of the estimated CM budget is presented in Table 1, including costs for conducting environmental and cultural resource monitoring and worker awareness training programs. The CM estimate is our best estimate at this time for the costs required to conduct construction management services for levee Segment 2 of the Feather River Levee Repair project. We recognize TRLIA’s difficult funding situation and have reduced the proposed staffing to the minimum needed to properly manage the construction contract based on the assumed project schedule. We have also assumed some efficiency with shared staffing for the 2008 season based on the understanding that GEI will be performing similar CM duties for the Segment 1 and 3 construction contract.

Actual costs may be impacted by factors outside GEI control, such as by the Construction Contractor’s schedule (hours worked, number of shifts), duration of construction, weather, environmental issues, and other factors. We understand that TRLIA is cost
conscious, and we will conduct our work efficiently, adjusting our staffing level as appropriate for the work being conducted at the time. Our estimated cost is considered a budget and not a target, and we will manage our efforts and strive to keep actual costs under the approved budget.

The estimated budget required for the Phase 4 - Feather River Levee Repair Project, Levee Segment 2 CM services, including costs for environmental and archeological monitoring, is $5,671,000 (Table 1). The total proposed revised contract amount is $19,063,044. GEI's standard fee schedule and payment terms is attached as Table 2.

**SUMMARY OF CONSTRUCTION MANAGEMENT SERVICES**

The GEI team will act as TRLIA's onsite representative through utilization of skilled staff, close coordination with the Construction Contractor, and document control. Contract documents will be read, understood, and kept convenient for reference. Before construction, our team will review the project in detail with the Construction Contractor and become acquainted with proposed means and methods, the equipment to be used, staging areas, and sequence of construction operations. Discrepancies found in the documents will be identified and field changes will be reviewed and approved by GEI. GEI understands that the team has no authority to change the contract or obligate TRLIA to any costs outside the contract amount prior to TRLIA's approval.

GEI's CM scope includes the field and home office services described below.

- **Contract Administration** - Construction Contractor work plans, schedules, budgets, and cash flow projections will be reviewed. A main goal of the review will be to detect potential deficiencies early, minimizing delays and cost impacts. Value engineering proposals submitted by the Construction Contractor will be evaluated. Construction Contractor claims, changes, extra work, and change orders will be identified, documented, evaluated, monitored, and negotiated if justified and approved. Independent cost estimates and change order justifications will be prepared. Work completed for progress payments and Construction Contractor invoices for progress payment will be evaluated. Monthly cash flow projections will be submitted to TRLIA for the construction contract and CM's services based on the project schedule and actual progress.

- **Meetings** - A preconstruction meeting with the Construction Contractor and TRLIA will be conducted. The meeting will cover the overall project objectives, responsibilities of key personnel and agencies, schedules, pricing schedule (bid breakdown), procedures for handling submittals, correspondence, utility relocations, permit requirements, requests for information, progress payments, change orders, and other pertinent project information.

A weekly construction progress meeting with the Construction Contractor, the CM team and TRLIA will be conducted to discuss and resolve issues related to the work.
The meetings typically will cover progress, schedules, submittals, Requests for Information (RFIs), Field Instructions, Change Orders, field coordination, Quality Control/Quality Assurance, environmental compliance, and other relevant topics.

- **Coordination with Department of Water Resources and Corps of Engineers Staff** – It is understood that the DWR, and possibly the Corps, intend to maintain a presence at the site to provide independent oversight. The CM team will work with DWR and Corps staff, communicating progress, addressing issues of concern, providing required information, and responding to questions.

- **Monthly Progress Reports** – A monthly construction progress report including the following elements will be prepared:
  
  - Summary of the prior month's main accomplishments and current construction activities.
  - Updated construction schedule and Construction Contractors' conformance to schedule and quality requirements.
  - Identification of key problems, action items, and issues. Make recommendations for solutions. Summarize resolution of issues.
  - Summary of progress payments, change orders, disputes, submittals, RFIs, and Notices of Noncompliance.
  - Minutes of Construction Contractor progress meetings.
  - Critical Action Item Report.
  - Photographs of representative project activities, including progress photos.
  - Summary of regulatory agency visits and issues.
  - Construction cost information to date.

- **Construction Contractor Submittals** – Construction Contractor submittals will be reviewed for the purpose of determining whether information contained in the submittal conforms to the requirements of the contract documents. Submittals that do not conform to the requirements will be returned to the Construction Contractor for correction.

- **Requests for Information** – Construction Contractor Requests for Information (RFIs) will be reviewed and written responses will be provided. Responses to RFIs that require changes to the design will be coordinated with TRLIA and the pertinent regulatory agencies.

- **Construction Inspections** – Construction activities will be observed and oversight services will be provided to check that Construction Contractors' work is performed in accordance with construction plans and specifications, and is consistent with the intent of the design. Field staff will interface with the home office design staff on technical issues and concerns. The Construction Inspector's activities will include:
  
  - Inspecting materials and quality of work for conformance to the plans and specifications.
- Recording quantities of materials received or used during specified periods.
- Inspecting material delivered for conformance with the contract documents.
- Maintaining a daily log of construction and inspection activities and comparing the log with the Construction Contractor generated progress reports.
- Logging the inspection trench excavation.
- Verifying depth and alignment of cutoff walls.
- Observing slurry trench excavation and backfilling.
- Verifying the proper placement and compaction of levee embankment materials in conformance with the contract documents.
- Monitoring and logging relief well drilling and installation.
- Monitoring construction and providing startup assistance for Pump Station No. 3.
- QA tests performed as described under QA Testing below.

**Designer Field Visits** – Regular visits to the site by design personnel will be conducted for the following purposes:

- Verify that design assumptions and principles are consistent with site conditions observed during construction.
- Give assistance to project field personnel in adapting project designs to actual site conditions as they are revealed during construction.
- Observe and evaluate engineering issues that were not foreseen or not fully assessed in original design and develop and implement appropriate actions.

**Quality Assurance Testing** – The CM team will conduct QA testing to monitor compliance with the requirements of contract documents. QA testing will be conducted for the slurry wall backfill, embankment material, and other project features. The CM team will also check the effectiveness and adequacy of the Construction Contractor’s quality control (QC) program and take action to have deficiencies corrected.

**Board of Senior Consultants (BOSC)** – A meeting with the project’s BOSC will be conducted once during the 2008 construction season and once during the 2009 construction season to overview construction progress and site conditions revealed during construction.

**Start-Up, Closeout and Acceptance** – The CM team will implement procedures for the systematic, orderly and timely completion, acceptance, and transfer of facilities constructed, as well as the closeout of contracts. A detailed project punch list will be prepared at closeout of the project. Upon correction of deficiencies, and prior to acceptance of work, a final walk-through will be scheduled and conducted with the Construction Contractor and TRLIA.
• **Construction Summary Report** – After completion of Segment 2 construction, a Construction Summary Report will be prepared. The report will include the following:
  
  o Summary of the project history and overview of the contracts.
  o Problems encountered and resolutions made.
  o Summary of major changes (including costs), reasons for the changes.
  o Summary of bid and final project costs.
  o Summary of QC and QA data.
  o Photographs depicting construction work in progress.
  o Project record drawings.

• **Operation and Maintenance Addendum** – Upon completion of Segment 2 construction, an Operation and Maintenance Addendum will be prepared containing the proposed revisions to the Corps of Engineers’ Supplement to Standard Operation and Maintenance Manual, Sacramento River Flood Control Project, Unit 143, Part 1, and the associated record drawings for system alterations that are to be incorporated into the federal Sacramento River Flood Control Project.

• **Preconstruction Biological Surveys, Training, and Construction Monitoring** – The environmental team consisting of primarily EDAW biologists will conduct the training, survey, monitoring, and coordination activities described below for biological resources before and during the planned construction activities. The team will conduct surveys for giant garter snake, valley elderberry longhorn beetle, Swainson’s hawk nests, nests of other raptors including burrowing owls, special status plants, and conduct training, monitoring and coordination as described below. This scope of services includes coordination with resource agency staff regarding the results of the surveys and additional efforts that may be required to adapt avoidance and minimization measures based on survey results or unanticipated project needs.

*Construction Training, Coordination, and Monitoring.* Biologists will conduct awareness training for construction personnel and other site workers, as required by the U.S. Fish and Wildlife Service for giant garter snake, valley elderberry longhorn beetle, and Swainson’s hawk. It is assumed that up to four training sessions may be required. The biologists will coordinate with the CM team and the Construction Contractor regarding proper implementation of avoidance and minimization measures and conduct regular monitoring visits to verify such implementation throughout the construction period. Monitoring efforts will consist of regular “spot checks” on a weekly or bi-weekly basis depending on the level of construction activity and sensitivity of areas where construction is taking place. Monitoring visits will often occur concurrently with preconstruction survey activities described below.

*Giant Garter Snake.* Biologists will conduct surveys for giant garter snake immediately prior to (within 24 hours of) construction activity within 200 feet of suitable aquatic habitat. It is assumed that the only areas of suitable aquatic habitat adjacent to the project footprint along portions of Plumas Lake Canal. It is assumed
that multiple surveys will be required to accommodate initiation of various activities in different portions of the project area, at different times during the construction season, and in multiple years. This scope of services includes up to five surveys in 2008, three surveys in 2009, and one survey in 2010.

*Valley Elderberry Longhorn Beetle.* Surveys for elderberry shrubs have been completed in much of the project area. However, there are some locations, such as the floodplain drainage swale, where detailed shrub and stem counts have not been conducted. In previously unsurveyed areas surveys will be conducted of elderberry shrubs that may require removal during project construction to confirm the number and size of stems affected. It is assumed approximately 50 shrubs/clumps will be identified and recorded as part of this effort.

*Northwestern Pond Turtle.* Surveys will be conducted for northwestern pond turtles immediately following dewatering of aquatic habitat. If pond turtles are found during a survey, they will be moved to suitable habitat nearby. It is assumed that the only area subject to dewatering is Plumas Lakes Canal, including the portions to be filled and in the vicinity of the new Pump Station No. 3, and a minor ditch in the vicinity of Station 80+00 of the setback levee. It is also assumed that up to four surveys would be required.

*Swainson’s Hawk.* Surveys will be conducted before beginning project activity in any given area. These surveys will be conducted to identify locations of active Swainson’s hawk nests that could be disturbed by project activities. Methods will generally follow Swainson’s Hawk Technical Advisory Committee recommendations. It is assumed that six days of pre-construction surveys and up to six days of nest monitoring will be required in each of the three construction seasons to determine the location of active nest sites and confirm that project activities do not result in nest disturbance.

*Other Nesting Raptors, Including Burrowing Owl.* Surveys will be conducted before beginning project activity in any given area. These surveys will be conducted to identify locations of active raptor nests that could be disturbed by project activities. This activity will be conducted concurrently with Swainson’s hawk survey and monitoring.

*Special-Status Plants.* Surveys will be conducted for rose mallow and Wright’s trichoremis in wetland areas impacted by project activities and not surveyed in 2007 due to land access restrictions. These surveys will be conducted between mid-June and mid-August 2008, when both target species will be in flower or otherwise clearly identifiable. Based on habitat conditions and results from the 2007 survey, it is assumed that these special-status plants will not be encountered.

*Agency Reporting.* The team will provide resource agency staff information regarding the progress and results of the survey efforts described above. Reporting will consist of phone calls and letter reports. The team will consult and coordinate
with USFWS, NMFS, DFG, RWQCB, and USACE staff regarding implementation of permit conditions, including regular monitoring updates.

- **Cultural Resources Monitoring Near Site CA-Yub-5** – Documentary research indicates that a prehistoric habitation/activity site was recorded at a site west of the levee alignment and north of Country Club Road and related archaeological remains may still exist within the area. This site is identified as CA-Yub-5. It is possible that intact sites, features, artifacts, and human interments may be present in areas nearby and/or outside the delineated bounds of the site.

To meet the requirements of the Memorandum of Agreement (MOA) between TRLIA, the Corps and the State Historic Preservation Office (SHPO), the GEI team will perform the following tasks:

- Provide training to construction personnel in identification of cultural deposits and human remains. It is assumed that up to four training sessions per year (2008, 2009, and 2010) will be conducted.

- Develop a Monitoring and Inadvertent Discovery Plan that will describe the purpose of the monitoring program; the roles, authority, and responsibilities of the monitors; and the procedural protocols for monitor responsibilities. The plan will also provide procedures for the discovery of previously undocumented cultural resources and human remains during construction.

- Complete Section 106 consultation with the SHPO and implement measures to protect site CA-YUB-5 from indirect erosional effects resulting from seasonal flooding. Tasks will include subsurface explorations, analysis of cultural and human remains recovered from CA-YUB-5 in 1953 and housed at UC Berkeley, and preparation of a technical report presenting the results of the investigations.

- Complete surveys of the Area of Potential Effects (APE) that were not previously surveyed due to land access restrictions.

- Provide a qualified archaeologist as the cultural resources monitor accompanied by a Native American consultant/monitor, during all project-related ground-disturbing activities in the vicinity of prehistoric archaeological site CA-Yub-5. It is assumed that no more than 12 days of ground disturbing activities will occur in the area requiring the archaeological monitor and Native American monitor to be present.
ASSUMPTIONS

Our attached labor and direct cost estimate is based upon the following assumptions. Deviations caused by the contract’s work schedule or the requirements of the project may be beyond our control and necessitate budget adjustment.

Schedule Assumption:
At setback levee bid time TRLIA anticipated awarding the foundation work (Schedule B) on March 3, 2008 and setback levee construction (Schedule C) on April 14, 2008, with the goal of completing the Setback levee by the end of 2008 and Segment 2 existing levee degradation in 2009. Project delays related to DWR funding, land acquisition, and federal permitting have prevented award of the setback levee construction contract. The TRLIA Board approved award of a modified schedule B on May 20, 2008. Although TRLIA intends to initiate construction along a portion of the setback levee alignment on or about June 1, the resolution of these delays continues to prevent a complete award of schedules B and C at this time. Currently the issue that is most impacting the construction schedule is Corps of Engineers’ completion of the Federal permitting process. The current Corps schedule assumes completion of the federal permitting process on October 27, 2008. In order to have any chance of completing setback levee construction in 2008, the federal permitting process would need to be completed no later than August 2008 so that the existing levee tie-ins could be constructed prior to the onset of the flood season. We understand that TRLIA is working with the Corps to accelerate the permitting process with the hope that the goal of completing setback levee construction in 2008 can be achieved. However, as has been the case for SAFCA, and based on the laborious progress to date of the Corps’ NEPA compliance and Section 404/408 permitting processes for the project, there is a significant likelihood that the Corps will not complete these processes until late fall 2008 or winter 2009.

In order to develop a budget authorization, we have assumed a construction schedule for the Feather River Setback Levee that incorporates the delays already experienced due to permitting, funding, and land acquisition, plus a likely additional permitting delay. Accordingly, for budgeting purposes, the following schedule assumptions have been made in developing the cost estimate for CM services.

- Begin construction - June 1, 2008
- 2008 construction (June - November 2008) - completion of 70% of foundation, 50% of embankment, and 80% of pump station
- 2009 construction (March - June 2009) - completion of remainder of setback levee, including foundation, embankment, and pump station
- Degradation of the existing levee assumed to last eight months beginning upon receipt of regulatory approvals in the second half of 2009 or early 2010. Levee degradation is assumed to be completed in summer or fall 2010.

In summary, a total construction period of ten months for setback levee construction plus eight months for levee degradation (not including two 3-month winter breaks) has been assumed for budgeting purposes. This schedule is considered to be reasonably
achievable based on our understanding of funding (begin receiving funds in May 2008),
land acquisition (significant portion of alignment available on June 1), and assumed
permitting process (Corps 404/408 complete in late fall 2008 or winter 2009).

Other Assumptions:

- Construction operations are assumed to be one ten-hour shift per day, five days
  per week.

- GEI field staff will utilize the field offices, furniture, computers, copiers, phones
  and fax machines provided by the Construction Contractor.

- GEI will perform CM duties for Segments 1 and 3 in 2008. Therefore, efficiencies
  with shared staff and equipment have been assumed.

- GEI will not provide health and safety oversight except for its own employees.
  Construction Contractor’s health and safety is considered to be exclusive
  responsibility of the Construction Contractor.

- The scope of work does not include additional time for the environmental team
  resulting from any violations of species-protection requirements committed by
  construction personnel.

- Other than at site CA-Yub-5, the scope of work does not include actions to
  address potentially significant cultural resources if they are encountered during
  construction. If evidence of potentially significant cultural resources is found, an
  appropriate course of action will be developed to address the resources (e.g.,
  research, field investigations) and a contract amendment will be required to
  implement the measures.

- The CM budget does not include potential costs associated with implementation
  of environmental restoration activities other than those included in the current
  contract with the Construction Contractor.

We are pleased with the opportunity to work with you and your staff during the
construction phase of this vitally important project. Please call me or Dan Wanket if you
have any questions.

Sincerely,

GEI Consultants, Inc.

[Signature]

Alberto Pujol, P.E., G.E
Project Manager
Enclosures:  Table 1 – Cost Estimate for Construction Management, Levee Segment 2
Table 2 – GEI’s Fee Schedule and Payment Terms

C:  Dan Wanket
     Ray Hart
     John Dahl
### TABLE 1

#### PHASE 4 FEATHER RIVER LEVEE REPAIR PROJECT

**COST ESTIMATE FOR CONSTRUCTION MANAGEMENT - LEVEE SEGMENT 2 - SETBACK LEVEE**

**General**

**Subtotal - Construction Management**

**Subtotal - Field Services**

### Field Services

#### Season 1 (2008) - Segment 2 Setback Levee Construction

**Year:** 2008

**Summary:**

- **Season 1:** May - September 2008
- **Season 2:** October - December 2008
- **Season 3:** January - May 2009
- **Season 4:** June - September 2009
- **Season 5:** October - December 2009

**Subtotal:** $4,302,000

**Costs:**

- **Direct Labor Costs:**
  - **Subtotal:** $1,278,400
- **Indirect Labor Costs:**
  - **Subtotal:** $274,800
- **Subtotal - Lab Costs:**
  - **Subtotal:** $1,003,200
- **Subtotal - Field Services:**
  - **Subtotal:** $3,227,064

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<tr>
<td>Subtotal 2009 Season Field Services</td>
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<td>$1,192,100</td>
</tr>
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</table>

### Subtotal - 2009 Season Field Services

- **Subtotal:** $1,287,400

### Segment 2 Levee Degradation

**Assumption:**

- **Year:** 2009
- **Summary:**
  - **Season 1:** May - September 2009
  - **Season 2:** October - December 2009
  - **Season 3:** January - May 2010
  - **Season 4:** June - September 2010
  - **Season 5:** October - December 2010

**Subtotal:** $301,300

**Costs:**

- **Direct Labor Costs:**
  - **Subtotal:** $103,200
- **Indirect Labor Costs:**
  - **Subtotal:** $98,100
- **Subtotal - Lab Costs:**
  - **Subtotal:** $201,300
- **Subtotal - Field Services:**
  - **Subtotal:** $494,200

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<td>$494,200</td>
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### Note

- **COST ESTIMATE FOR CONSTRUCTION MANAGEMENT - LEVEE SEGMENT 2 - SETBACK LEVEE**
- **Field Services**
- **Season 1 (2008) - Segment 2 Setback Levee Construction**
- **Season 2 (2009) - Segment 2 Setback Levee Construction**
- **Segment 2 Levee Degradation**

**Costs:**

- **Direct Labor Costs:**
  - **Subtotal:** $1,278,400
- **Indirect Labor Costs:**
  - **Subtotal:** $274,800
- **Subtotal - Lab Costs:**
  - **Subtotal:** $1,003,200
- **Subtotal - Field Services:**
  - **Subtotal:** $3,227,064

**Summary:**

- **Season 1:** May - September 2008
- **Season 2:** October - December 2008
- **Season 3:** January - May 2009
- **Season 4:** June - September 2009
- **Season 5:** October - December 2009

**Subtotal:** $4,302,000
# Phase 4: Feather River Levee Repair Project  
## Cost Estimate for Construction Management - Levee Segment 2 - Setback Levee

**Table 1**

### Engineering Services During Construction

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<th>Item Description</th>
<th>Estimated Hours</th>
<th>Laborer Type</th>
<th>Remarks</th>
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<tr>
<td>Phase 1-2 - Construction Meeting</td>
<td>300</td>
<td>740</td>
<td>Assume 3 people, 1 hour meeting, 4 hours per month</td>
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<tr>
<td>Site Survey</td>
<td>50</td>
<td>144</td>
<td>Assume 1 person, 1 hour per site, 4 visits per month</td>
</tr>
<tr>
<td>Request for Information Review &amp; Analysis</td>
<td>400</td>
<td>1120</td>
<td>Assume 20 people, 2 hours per week for 4 weeks</td>
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<tr>
<td>Geotechnical Investigation Services</td>
<td>300</td>
<td>924</td>
<td>Assume 30 people, 30 minutes, 2 visits per week</td>
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<tr>
<td>Site Safety</td>
<td>200</td>
<td>560</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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<tr>
<td>Site Security &amp; Surveillance</td>
<td>60</td>
<td>162</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
</tr>
<tr>
<td>Total Site Staff</td>
<td>70</td>
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<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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<tr>
<td>Meetings</td>
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<td>162</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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<tr>
<td>Operations</td>
<td>120</td>
<td>330</td>
<td>Assume 20 people, 2 hours per week for 4 weeks</td>
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<tr>
<td>Operations &amp; Maintenance Support</td>
<td>20</td>
<td>56</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
</tr>
<tr>
<td>Total Estimated Office Labor</td>
<td>650</td>
<td>1842</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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</table>

### Subtotal - Engineering Services During Construction: $915,900

### Environmental/Cultural Surveys and Monitoring

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Estimated Hours</th>
<th>Laborer Type</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1-2 - Surveys</td>
<td>100</td>
<td>272</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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<tr>
<td>Total Surveys</td>
<td>200</td>
<td>544</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
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<tr>
<td>Total Estimated Office Labor</td>
<td>200</td>
<td>544</td>
<td>Assume 3 people, 1 hour per site, 4 visits per month</td>
</tr>
</tbody>
</table>

### Subtotal - Environmental/Cultural Surveys and Monitoring: $407,788

**Total Estimated Cost:** $5,897,690

---

1. Assumes a duration of 8 months for construction, with the construction start in 2023 and 4 months for deconstruction, assuming 12 days per month.
2. Includes 10% overhead for management and 10% for profit.
3. Requires no permits or variances from local authorities.
4. Assumes no delay due to weather conditions or other factors.
5. Includes all necessary equipment and personnel for the job.
6. Includes all necessary insurance and liability coverage.
### FEE SCHEDULE

<table>
<thead>
<tr>
<th>Personnel Category</th>
<th>Hourly Billing Rate (per hour)</th>
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<tbody>
<tr>
<td>Staff Professional – Grade 1</td>
<td>$ 86</td>
</tr>
<tr>
<td>Staff Professional – Grade 2</td>
<td>$ 96</td>
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<tr>
<td>Project Professional – Grade 3</td>
<td>$ 106</td>
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<td>Project Professional – Grade 4</td>
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<td>Senior Professional – Grade 5</td>
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<td>$ 212</td>
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<td>Senior Consultant – Grade 9</td>
<td>$ 261</td>
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<tr>
<td>Senior Principal</td>
<td>$ 315</td>
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<tr>
<td>Senior CADD Drafter and Designer</td>
<td>$ 106</td>
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<tr>
<td>CADD Drafter / Designer and Senior Technician</td>
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<td>Technician, Word Processor, Administrative Staff</td>
<td>$ 78</td>
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<tr>
<td>Office Aide</td>
<td>$ 62</td>
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</tbody>
</table>

These rates are billed for both regular and overtime hours in all categories.
Rates will increase up to 5% annually, at GEI's option, for all contracts that extend beyond twelve (12) months after the date of the contract.

### OTHER PROJECT COSTS

**Subconsultants, Subcontractors and Other Project Expenses** - All costs for subconsultants, subcontractors and other project expenses will be billed at cost plus a 15% service charge. Examples of such expenses are: labor charges to projects are subcontractors; subconsultants; chemical laboratory charges; rental or leased field and laboratory equipment; outside printing and reproduction; communications and mailing charges; reproduction expenses; shipping costs for samples and equipment; disposal of samples; per diem for travel on public carriers; special fees for insurance, permits, licenses, etc.; fees for restoration of paving or land due to field exploration, etc.; state sales and use taxes and state taxes on GEI fees.

**Billing Rates for CADD and Specialized Technical Computer Programs** - Computer usage for CADD and specialized technical programs will be billed at a flat rate of $10.00 per hour in addition to the labor required to operate the computer.

**Field and Laboratory Equipment Billing Rates** - GEI-owned field and laboratory equipment such as pumps, sampling equipment, monitoring instrumentation, field density equipment, portable gas chromatographs, etc. will be billed at a daily, weekly, or monthly rate, as needed for the project. Expendable supplies are billed at a unit rate.

**Transportation and Subsistence** - Automobile expenses for GEI or employee owned cars will be charged at the rate per mile set by the Internal Revenue Service for tax purposes plus tolls and parking charges. When required for a project, four-wheel drive vehicles owned by GEI or the employees will be billed at a daily rate appropriate for those vehicles. Per diem living costs for personnel on assignment away from their home office will be negotiated for each project.

### PAYMENT TERMS

Invoices will be submitted monthly or upon completion of a specified scope of service, as described in the accompanying contract (proposal, project, or agreement document that is signed and dated by GEI and CLIENT).

Payment is due upon receipt of the invoice. Interest will accrue at the rate of 1% of the invoice amount per month, for amounts that remain unpaid more than 30 days after the invoice date. All payments will be made by check or electronic transfer to the address specified by GEI and will include reference to GEI’s invoice number.
June 17, 2008

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
       Ric Reinhardt, Program Manager
SUBJECT: Consider Delegating Authority to Executive Director to Sign Contract and Issue Scheduled Payments to PG&E for Relocation of a High Voltage Power Line in the Vicinity of the Feather River Setback Levee

Recommended Action

Delegate to Executive Director the authority to sign attached contract with PG&E and issue payments as invoices are provided by PG&E to relocate a high voltage power line that cross the soon to be constructed Feather River Setback Levee. The specific contract terms are detailed in the attached document (i.e., the contract document). Total estimated amount of the contract is $2,420,936.

Discussion

The contract for construction of the Feather River Setback Levee has been awarded. An existing high voltage power line crosses the proposed levee and the setback area. This line must be relocated to provide adequate clearance over the levee and in the setback area. PG&E has completed the design for this relocation and prepared an estimate for this work. The relocation will consist of new, stronger and higher towers to raise the power line elevation along the existing alignment. TRLIA’s design consultant, GEI Consultants, has coordinated with PG&E on the design of this relocation to be certain there are no conflicts with the Setback Levee. PG&E has also provided a standard contract for execution. This contract allows TRLIA to pay for the relocation as it is accomplished rather than at the beginning of construction which is frequently the case. PG&E will not schedule this relocation work until a contract is in place. PG&E needs to begin ordering materials for the relocation and cannot do that until a contract is executed with TRLIA. Attached to this Staff Report (Attachment A) for the Board’s reference is an email exchange between Andrea Clark of Downey Brand LLP and Don Chambers of PG&E. The attachment reflects the common understanding of the parties as to the meaning of certain provisions of the agreement.
**Fiscal Impact**

The contract amount for this power line relocation is $2,420,936. This expense is included in the DWR/TRLIA Prop 1E funding agreement.
Wells, Leslie

From: Clark, Andrea [aclark@DowneyBrand.com]
Sent: Tuesday, June 10, 2008 2:39 PM
To: Wells, Leslie
Cc: Shapiro, Scott
Subject: FW: TRLIA - PG&E Agreement

From: Chambers, Donald W [mailto:DWC4@PGE.COM]
Sent: Tuesday, June 10, 2008 12:32 PM
To: Clark, Andrea
Cc: Stewart, Don L (ET)
Subject: RE: TRUA - PG&E Agreement

Yes it does, we would like to receive the signed agreement as soon as possible so as to move forward with scheduling construction and materials.

Don

From: Clark, Andrea [mailto:aclark@DowneyBrand.com]
Sent: Tuesday, June 10, 2008 11:26 AM
To: Chambers, Donald W
Subject: FW: TRLIA - PG&E Agreement

Hi Don,

I just wanted to follow up with you on the TRLIA agreement with PG&E as TRLIA would like to move forward with executing the agreement. I'm including the email I sent you on May 29 summarizing our conversation about the terms of the agreement. Please let me know whether this summary accurately reflects our conversation and the agreement's terms.

Thank you,

Andrea

Andrea P. Clark
DOWNNEY BRAND
555 Capitol Mall, 10th Floor
Sacramento, CA 95814
P: 916/444-1000
F: 916/444-2100
aclark@downeybrand.com
www.downeybrand.com

From: Clark, Andrea
Sent: Thursday, May 29, 2008 5:12 PM
To: 'DWC4@PGE.com'
Cc: Brunner, Paul; Shapiro, Scott
Subject: TRLIA - PG&E Agreement

Don:
Thank you for taking the time last Friday to review the agreement between TRLIA and PG&E with me. I would like to confirm some of the details we discussed and make sure I have a correct understanding. Here's a summary of what we discussed:

1. We talked briefly about the terminology of the agreement related to costs, and specifically about the use of multiple terms (actual costs, actual net costs, net cost, actual charges) in the agreement, and whether they are all intended to basically mean the same thing. You confirmed that they do all refer to the same concept, except where the costs are reduced explicitly in the agreement by the costs of betterments and salvage materials as provided in Section 7. You also explained that the agreement incorporates the concept of progress payments, whereby PG&E sends out bills not more than once every month during the progress of the work itself rather than waiting until the end of the project.

2. We talked about the agreement's cost estimate, which you noted is only an estimate. You explained that in some contracts (such as contracts with CalTrans), PG&E inserts a provision stating that if overruns amount to more than 25% over the estimated cost, PG&E must formally give an explanation of the reasons for the overrun. Here, no such provision exists but you noted that PG&E is always happy to provide an explanation for any overruns. There is no relinquishment of an obligation to pay if there's an overrun (i.e., the estimate is not a cost cap).

3. Section 5: I asked you about Exhibit B and its relation to the obligation of TRLIA in section 5, which is to convey to PG&E any land or land rights necessary for PG&E to install its facilities in a new location. Exhibit B is a Consent to Common Use form (you noted that this is just a form -- it will be a signed agreement later in the process) that basically acknowledges that PG&E has superior property rights over any property TRLIA acquires for the project for use by PG&E for facilities. I found the language "in satisfaction of this obligation of Agency" somewhat confusing because it would imply that by signing the Consent to Common Use form TRLIA fulfills its obligations under section 5. You confirmed that they are basically distinct obligations (i.e., TRLIA's obligation to convey land to PG&E, and entrance into the Consent to Common Use form).

4. Sections 8/9: we talked about the un-itemized invoice versus the itemized invoice and how these invoices are handled procedurally. You explained that the un-itemized invoice is basically the same thing as the progress bills referenced above; it's essentially the final progress bill. Under the agreement TRLIA would pay that bill like it has the others, and then at a later date (not indicated in the agreement but you pointed out that PG&E is motivated to get the bill out to TRLIA quickly, although it can take up to 2-3 months), PG&E will send out an itemized invoice that covers all of the costs of the entire project as well as all of the payments TRLIA has already made (basically a thorough accounting of all costs/payments up to that point). You also confirmed that the $25,000 up-front payment made by TRLIA will be credited toward the costs of the project.

Please let me know if this is not an accurate summary of our discussion on Friday.

Thanks again,

Andrea

Andrea P. Clark
DOWNEY BRAND
555 Capitol Mall, 10th Floor
Sacramento, CA 95814
P: 916/444-1000
F: 916/444-2100
aclark@downeysbrand.com
www.downeysbrand.com
ACTUAL COST CONTRACT

THIS AGREEMENT is entered into this ___day of __________, 20____, by and between
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY (Agency), and PACIFIC GAS AND
ELECTRIC COMPANY (PG&E),

RECITALS:

1. PG&E owns, operates, and maintains certain 115kv electric transmission facilities (Bogue
115kv Tap), which are located within a private easement, (PG&E’s facilities).

2. Agency contemplates construction of the Feather River Setback Levee Project along the east
side of the Feather River south of Murphy Road located in Yuba County, California, which will
necessitate the rearrangement of PG&E’s facilities.

3. Agency has requested and PG&E is willing to rearrange PG&E’s facilities to accommodate
Agency’s project.

AGREEMENT:

1. Upon the receipt by PG&E of notice in writing from Agency, PG&E will commence and
thereafter diligently prosecute the rearrangement of PG&E’s facilities as nearly as possible in
accordance with PG&E’s Drawing No. SP -202 Sheets 1 & 2, attached hereto and marked
Exhibit A, provided, however, that PG&E shall not be obligated to perform such work until
necessary land rights have been acquired in a form satisfactory to PG&E for any of PG&E’s
facilities that must be replaced in a new location (the new location).

2. In the event the construction of temporary facilities is necessary, PG&E may use lands owned
or controlled by Agency for the purpose of making such temporary installation provided that
Agency shall have approved the location thereof. Upon completion of construction of such
facilities in their permanent location, PG&E shall remove all temporary facilities.

P.G.& E. COPY
3. During the progress of the work, PG&E may bill Agency not more than once each month for 100% of the actual costs incurred by PG&E not previously reimbursed by Agency to the date of such billing, and Agency shall reimburse PG&E therefor. Upon the completion of the work, Agency shall reimburse PG&E for 100% of the actual net cost which PG&E has incurred in effecting the rearrangement of its facilities including costs, if any, involved in any temporary rearrangement with credit given to Agency for any interim payments made in accordance with this paragraph. The net cost is presently estimated to be $2,420,936.00.

4. Agency shall acquire, at no cost to PG&E and in a form satisfactory to PG&E, all necessary permits required for the temporary or permanent rearrangement of PG&E’s facilities from governmental agencies having jurisdiction over the same and shall file any statement required by, and otherwise comply with the applicable provisions of the Environmental Quality Act of 1970 (California Public Resources Code, Sections 21000 et seq.).

5. Agency shall convey or cause to be conveyed to PG&E all necessary land or land rights in a form satisfactory to PG&E to allow PG&E to install its facilities in the new location or reimburse PG&E for its costs incurred in acquiring such land or land rights; provided, however, that in satisfaction of this obligation of Agency, Agency and PG&E will enter into a Consent to Common Use in the form attached and marked Exhibit B.

6. Actual cost will be determined in accordance with the uniform system of accounts prescribed for utility companies by the Public Utilities Commission of the State of California and PG&E’s regularly established accounting practices and will include, but shall not be limited to, the following charges: survey costs, acquisition of land rights, labor and payroll taxes, materials and supplies, transportation, stores and tool expense, supervision and overheads, including allowance for funds used during construction, and an allowance for worker’s compensation and public liability and property damage insurance, and estimated federal and state taxes.

7. Actual net cost shall be actual cost reduced by the following:
   (a) betterment, defined as replacements costing more than the replaced facilities because of greater capacity, durability or efficiency.
   (b) salvage value of any materials removed and retained by PG&E, the replacement cost of which is charged to Agency.
8. Upon completion of the work, PG&E may submit to Agency an un-itemized preliminary invoice for the actual charges recorded to date, less an amount for estimated salvage and betterment, if any, and Agency, within thirty (30) days after receipt of PG&E's invoice, shall reimburse PG&E therefor. Agency has heretofore paid PG&E $25,000.00 for its preliminary engineering costs which costs will be incorporated into the work to be performed hereunder.

9. Within thirty (30) days after receipt of PG&E's itemized invoice for the additional amount due PG&E, Agency shall reimburse PG&E for the amount billed, provided, however, that Agency shall have reasonable access to PG&E's accounts and records for the purpose of auditing said invoice. If, after the itemized invoice is prepared, it is determined that the actual net cost is less than any amount previously paid by Agency under this Agreement, PG&E shall reimburse Agency the amount of the difference between the amount paid and the actual net cost, without interest.

10. The provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by duly authorized officers this day and year first hereinabove set forth.

PACIFIC GAS AND ELECTRIC COMPANY

By __________________________

Tammie Candelario
Senior Director, Environmental and Technical & Land Services

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

By __________________________

Paul G. Brunner, P.E.
Executive Director

Approved As To Form:

Andrew P. C. Clark for Scott Shapiro
Scott Shapiro, General Counsel
TRLIA

P.G. & E.
COPY
CONSENT TO COMMON USE

THIS AGREEMENT, entered into this ___________ day of ______________, 20___, by and between PACIFIC GAS AND ELECTRIC COMPANY, hereinafter called PG&E, and the ___________ (NAME OF AGENCY) ____________________________, hereinafter called "Agency".

WITNESSETH

WHEREAS, PG&E is the owner in possession of certain rights of way and easements, hereinafter referred to as "PG&E's easement", described as follows:

(INSERT DESCRIPTION OF PG&E's EASEMENT and L.D. No.)

and

[ ] This is a conveyance where the consideration and Value is less than $100.00 (R&T 11911). [ ] Computed on Full Value of Property Conveyed, or [ ] Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale

Signature of declarant or agent determining tax

LD# AGREEMENT

RECORDING REQUESTED BY AND RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY
350 Salem Street
Chico, California 95928

Location: City/Uninc ______________
Recording Fee $_____________________
Document Transfer Tax $_________________

(SPACE ABOVE FOR RECORDER'S USE ONLY)
WHEREAS, Agency has acquired certain lands for \textit{(BRIEF DESCRIPTION OF PURPOSES)} in the vicinity of \textit{______}, County of \textit{______}, hereinafter referred to as "Agency right of way".

and

WHEREAS, the Agency right of way occupies a portion of PG&E's easement and is subject to said easement, which said portion is hereinafter referred to as "Area of Common Use" and is described as follows:

The cross-hatched area designated "Area of Common Use" upon the print of PG&E's Drawing No. \textit{______}, attached hereto and made a part hereof.

NOW, THEREFORE, PG&E and Agency hereby mutually agree as follows:

1. PG&E hereby consents to the construction, reconstruction, maintenance or use by Agency of \textit{(REFERENCE TO AGENCY'S PROJECT)} over, along and upon PG&E's easement in the area of common use subject to PG&E's easement and right to use said area of common use for all of the purposes for which PG&E's easement was acquired and to the terms and conditions herein contained. PG&E does not by this consent and shall not be deemed to subordinate its rights in the area of common use to and use which Agency shall make of said area.

2. Except as expressly set forth herein, this agreement shall not in any way alter, modify or terminate any provision of PG&E's easement or the priority thereof over the title of Agency in said area of common use. Both Agency and PG&E shall use said area of common use in such manner as not to interfere unreasonably with the rights of the other. Nothing herein contained shall be construed as a release or waiver of any claim for compensation or damages which PG&E or Agency may now have or may hereafter acquire resulting from the construction of additional facilities or the alteration of existing facilities by either Agency or
PG&E in such a manner as to cause an unreasonable interference with the use of said area of common use by the other party.

3. This agreement shall inure to the benefit of and be binding upon the successors and assigns of both parties.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate by their respective officials thereunto duly authorized.

PACIFIC GAS AND ELECTRIC COMPANY

By__________________

(NAME OF AGENCY)

By__________________

The Area, Region or Location (operating area)
Land Service Office

EXHIBIT B
June 17, 2008

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
Ric Reinhardt, Program Manager

SUBJECT: Acceptance of Budget for Fiscal Year 2008-09

Recommended Action

1. Accept the Executive Director’s Proposed Budget for Fiscal Year 2008-09
2. Direct TRLIA Executive Director to make copies of the Proposed Budget available for inspection by the public
3. Direct Budget Hearing to be scheduled to begin on Tuesday, July 15, starting at 3:00 pm.

Discussion

TRLIA continues to follow the same requirements for budget adoption as prescribed by the Yuba County Ordinance Code and state law. State law also requires the Board to notify the public when budget hearings will begin and to provide copies of the Proposed Budget for inspection by the Public.

Attached is the proposed Fiscal Year 2008-09 TRLIA budget for your consideration. Funding for the Fiscal Year 2008-09 budget comes from the recent $138.5 million DWR/TRLIA Prop 1E funding agreement and local funding agreements with Yuba County, YCWA, RD784, and a local landowner.

This proposed budget represents a continuation of the aggressive actions that TRLIA has accomplished since its conception in 2004. Outlined in this budget submittal is an ambitious State and Local capital improvement program specifically aimed to enhance flood protection for Yuba County residents that reside in South Yuba County. The TRLIA Plan has been to improve the levees along the Feather, Yuba, and Bear Rivers, and the Western Pacific Inceptor Canal to achieve 200-year flood protection for South Yuba County by the end of 2008. In its entirety, the proposed cost to complete this project is in excess of $360 million.
There are four phases to this capital improvement program. The most critical flood control projects were prioritized and done first in order to rapidly reduce the risk of flooding to residents as quickly as possible. The following list is a breakdown and status of each of the Phases:

- **Phase 1** – completed and certified by the Corps of Engineers in 2007
- **Phase 2** – completed and certified by the Corps of Engineers in 2007
- **Phase 3** – completed and certified by the Corps of Engineers in 2007
- **Phase 4** – see below:
  - Yuba River – work between the UPRR and Simpson lane was completed and certified by the Corps of Engineers in 2007. Remaining work including slope maintenance between Highway 70 and the SPRR and some improvements downstream of the Yuba Goldfields is being re-evaluated based on recent information from the Corps of Engineers. The goal is to complete the work during the 2008 construction season but it may move to 2009.
  - Feather River Segment 1 – work will include strengthening the levee in place between the Bear River and Star Bend. Construction is scheduled to occur in 2008.
  - Feather River Segment 2 – work will consist of a setback levee to be constructed between Star Bend and Shanghai Bend. Land acquisition (approximately 1600 acres), construction of the foundation, and construction of the embankment are underway. Completion of the setback levee in 2008 is contingent upon TRLIA receiving Army Corps Section 408 approval and 404 permit by the end of August, 2008. The approval is required to construct the levee tie-ins to the existing levee and to degrade the existing levee. Without the approval and permit, TRLIA will not have sufficient time before the flood season begins this year (end of October) to complete the levee in 2008. Degrading the existing levee and environmental restoration work is planned to occur in 2009.
  - Feather River Segment 3 – work includes strengthening the levee from the Yuba River at the WPRR down to Shanghai Bend. Construction began in FY 2007-08 and approximately 25% of the segment was completed. Remaining construction is underway and scheduled to be completed by November 1, 2008.

This proposed budget also includes:

- The cost of the TRLIA management team and associated support costs (e.g. office space, etc.)
- An estimate for TRLIA to temporarily provide support to RD 784 to maintain the
levees in the South Yuba area until the TRLIA project is complete or an assessment District is approved by residents.

- Phase 2 real estate expenses for Olivehurst Detention Basin, and Harmon/Auburn Manor- Remaining negotiated payments.

**Fiscal Impact**

Proposed appropriations for FY2008-09 total $123 million, there is an estimated $4 million in carryover from FY2007-08 plus proposed revenue of $120 million for a total of approximately $124 million, leaving an estimated balance of a little less than $1 million to be carried over to FY2009-10 to support the ongoing TRLIA project.
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

2007/08 Budget Proposal

Paul G. Brunner, P.E.
Executive Director

June 11, 2008
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<tr>
<td>- TRLIA project schedules (Phases 2, 3, and 4)</td>
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June 11, 2008

To: Three Rivers Improvement Authority

From: Paul G. Brunner, P.E., Executive Director

Re: Proposed Budget for Fiscal Year 2008-09

I am pleased to submit this proposed TRLIA budget for FY08/09. This proposed budget represents a continuation of the aggressive actions that TRLIA has accomplished since its conception in 2004. Outlined in this budget submittal is an ambitious State and Local capital improvement program specifically aimed to enhance flood protection for Yuba County residents that reside in South Yuba County. The TRLIA Plan has been to improve the levees along the Feather, Yuba, and Bear Rivers, and the Western Pacific Inceptor Canal to achieve 200-year flood protection for South Yuba County by the end of 2008. In its entirety, the proposed cost to complete this project is in excess of $360 million.

There are four phases to this capital improvement program. The map on page 6 depicts the four phases. The most critical flood control projects were prioritized and done first in order to rapidly reduce the risk of flooding to residents as quickly as possible. The following list is a breakdown and status of each of the Phases:

- Phase 1 - completed and certified by the Corps of Engineers in 2007
- Phase 2 - completed and certified by the Corps of Engineers in 2007
- Phase 3 - completed and certified by the Corps of Engineers in 2007
- Phase 4
  - Yuba River – work between the UPRR and Simpson lane was completed and certified by the Corps of Engineers in 2007. Remaining work including slope maintenance between Highway 70 and the SPRR and some improvements downstream of the Yuba Goldfields is being re-evaluated based on recent information from the Corp of Engineers. The goal is to complete the work during the 2008 construction season but it may move to 2009.
  - Feather River Segment 1 – work will include strengthening the levee in place
between the Bear River and Star Bend. Construction is scheduled to occur in 2008.

- Feather River Segment 2 - work will consist of a setback levee to be constructed between Star Bend and Shanghai Bend. Land acquisition (approximately 1600 acres), construction of the foundation, and construction of the embankment are underway. Completion of the levee in 2008 is contingent upon TRLIA receiving Army Corps Section 408 approval by the end of August, 2008. The approval is required to construct the levee tie-ins to the existing levee and to degrade the existing levee. Without the approval, TRLIA will not have sufficient time before the flood season to complete the levee in 2008. Degrading the existing levee and environmental restoration work is planned to occur in 2009.

- Feather River Segment 3 - work includes strengthening the levee from the Yuba River at the WPRR down to Shanghai Bend. Construction began in FY 2007-08 and approximately 25% of the segment was completed. Remaining construction is underway and scheduled to be completed by November 1, 2008.

At the time of approval of last year’s budget, TRLIA was awaiting approval of a $168 million grant application through the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Proposition 1E), which allocated $200 million for projects that were ready to go to construction in FY 2007-08. The project was preliminarily selected for $138.51 million of funding in August, 2007. The funding was substantially less than TRLIA’s request and was broken down in the following as provided by the State in the August 30, 2007 Preliminary Eligibility Notification:

- The State would pay 70 percent of estimated eligible “fix-in-place” costs for Segment 2 - $53.70 million (70 percent of $76.71 million [87.30 million estimated based on information in the application, minus estimated ineligible design costs incurred prior to November 7, 2006, estimated at $0.59 million]).

- The State would pay 95 percent of the eligible incremental costs associated with construction of the setback levee in Segment 2 - $76.76 million (95 percent of $92.70 incremental cost minus $8.00 million for ecosystem restoration, $2.60 million for repair of Site 7 associated with Segment 1 which is not eligible, and $1.30 million for ineligible Alternative Analysis costs included in the project estimate in the application).

- The State would pay 70 percent of eligible costs for Segment 3 - $8.05 million (70 percent of $11.50 million estimated based on information in the application.)

- The State is supportive of the ecosystem restoration portion of the project and intends to cooperate with TRLIA and the U.S. Army Corps of Engineers (Corps) to implement ecosystem restoration as a component of the Yuba Basin Project, which has yet to be authorized by Congress. Consequently, costs for ecosystem restoration are not being funded under this grant.
The State will pay none of the costs of Segment 1 of the FRLRP, primarily because TRLIA’s application did not adequately address Criterion 6, Levee In-Place Improvement. TRLIA acknowledged that levee setback alternatives for Segment 1 (Feather River below Star Bend) were eliminated at the outset of the FRLRP studies for several reasons, including an earlier conclusion that a setback levee on the lower Bear River would accomplish some of the Feather River benefits that would accrue from a below Star Bend Feather River setback levee. However, to DWR’s knowledge no modeling or economic studies were done to quantify the potential benefits of a setback levee in Segment 1 which would connect the proposed Segment 2 Feather River setback levee to the existing Bear River setback. Since the application does not include sufficient information for the State to assess the potential flood risk management benefits of a Segment 1 setback levee, that segment does not meet eligibility Criterion 6.

The total of all State contributions towards the Feather River Levee Repair Project from the EIP Grant Program would not exceed an estimated $138.51 million pending any adjustments to be made upon review of estimated ineligible costs incurred prior to bond passage on November 7, 2006.

TRUA must provide detailed information (with supporting documentation) for DWR to determine the costs that were incurred on the FRLRP before November 7, 2006. Costs that were incurred prior to this date are not eligible for reimbursement.

Subsequent to the Preliminary Notification Letter, TRLIA provided all required information and diligently worked with the State through the terms of the Grant funding. The agreement allows for TRLIA to receive advance funding for 75% of costs expected to occur in the quarter, advance payment for all real estate costs associated with the project, and payments for local share amounts up to $12.9 million, an amount equal to credit for costs incurred since the Bond was passed on November 6, 2007. The remaining 25% of quarterly expected costs will be reimbursed upon submittal of appropriate documentation as those costs are incurred and the State will holdback 10% of all costs, except real estate, until completion of Project Elements. The Funding Agreement was executed on April 25, 2008 and TRLIA received the first disbursement in May, 2008.

In order for the State to approve the $138.51 million Funding Agreement, TRLIA was required to provide details of a reliable local funding source. The TRLIA program has historically been locally funded through agreements with developing landowners to provide advance funding of impact fees at the time of building permit and/or final map. However, due to the continued housing market decline, landowner funding has become unreliable. Therefore, TRLIA has worked with Yuba County, Yuba County Water Agency, Reclamation District 784, and one Local Land Owner to fund the local Share as detailed in the DWR/TRLIA Funding Agreement. Details of the financial terms with Yuba County and YCWA can be found in the Agreement for Funding Between Three Rivers Levee Improvement Authority, County of Yuba, and Yuba County Water Agency.
This proposed budget includes anticipated expenditures associated with aggressively moving the TRLIA program forward to achieve greater than 200-year flood protection for South Yuba County in 2008 with funding from the State of California grant, Yuba County, and the Yuba County Water Agency as described above.

The graphical chart on page 10 shows the anticipated FY2008/09 expenditures and revenues. The expenditures are based on the TRLIA cash flow spreadsheet dated 6-11-08 and project schedules shown in Appendix A. The monthly revenues are based on: 1) the State disbursements over the 12 month period; and 2) local funding provided by Yuba County, the Yuba County Water Agency, and a separate agreement with Axel Karlshoej.

Provided below is the anticipated total cost of the overall project by phase:

<table>
<thead>
<tr>
<th>Phase Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHASE 1</td>
<td>4,784,360</td>
</tr>
<tr>
<td>PHASE 2</td>
<td>40,605,738</td>
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<tr>
<td>PHASE 3</td>
<td>75,296,027</td>
</tr>
<tr>
<td>PHASE 4 (YUBA)</td>
<td>22,008,419</td>
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<tr>
<td>PHASE 4 (FEATHER SEGMENT 1)</td>
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<td>PHASE 4 (FEATHER SEGMENT 2)</td>
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<td>OLIVEHURST DETENTION BASIN</td>
<td>7,383,350</td>
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<tr>
<td>PROJECT CONTINGENCY</td>
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<td>INTERIM O&amp;M</td>
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<tr>
<td>REPAYMENT OF BRIDGE LOAN</td>
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<td><strong>TOTAL</strong></td>
<td>361,862,511</td>
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</tbody>
</table>

This proposed budget also includes:

- The cost of the TRLIA management team and associated support costs (e.g. office space, etc.). see organizational chart on page 5.

- An estimate for TRLIA to temporarily provide support to RD 784 to maintain the levees in the South Yuba area until the TRLIA project is complete or an assessment District is approved by residents. This estimate includes $500,000 in FY 08/09.

- Phase 2 real estate for Olivehurst Detention Basin, and Harmon/Auburn Manor. Remaining negotiated payments.
Phase 1 Levee Repairs (2004)
- Yuba Levee: 2,200-foot long, 50-foot deep slurry wall to provide a cutoff of underseepage.

Phase 2 Levee Repairs (2005)
- Yuba Levee: 90- and 300-foot wide landside seepage barrier to protect against underseepage.
- Olivhurst Detention Basin: New detention pond adjacent to the Clark Lateral Canal and a new pump station.
- Upper YFIC Levee: 500-foot long, 35-foot deep slurry cutoff wall and an 1,100-foot, 44-foot deep slurry cutoff wall to minimize underseepage at Plumas Lake.
- Lower YFIC Levee: Landslide rock wall filled to provide protection against underseepage.
- Upper Bear Levee: Reconstruction of 500 feet of levee, rock slope protection at confluence with YFIC to provide erosion protection.

Phase 2 Levee Repairs (2006)
- Olivhurst Detention Basin: Ring Levee between SR-70 and the Clark Lateral Levee.
- YFIC Levee: Levee crown rail to provide adequate freeboard.
- Lower Bear Levee: Levee crown rail to provide adequate freeboard and a earside improvement zone to prevent seepage. Pump Station No. 6 removed and a new set back pump station to protect against underseepage at the Algoma Canal, Tule for the Bear River setback levee.

Phase 3 Levee Repairs (2005)
- Clearing, grubbing, and stripping of setback levee foundation.
- Excavation and backfilling of approximately 9,500 feet of inspection trench.
- Construction of approximately 9,500 feet (650,000 square feet) of landside stabilization cutff walls.
- Construction of backwater levee tie-ins embankment with existing Feather River Levee.
- Installation of two relief wells.
- Investigation of three archaeological areas revealed during construction.

Phase 3 Levee Repairs (2006)
- Deposition of existing homes and structures within the setback levee area.
- Clearing and grubbing of remaining trees in setback area.
- Construction of setback levee embankment (approx. 600,000 cy).
- Installation of approximately 15 relief wells.
- Construction of two detention basins with total capacity of 300 acre-feet.
- Removal of portions of the existing Bear River and Feather River Levees.
- Construction of a floodgate culvert to mitigate for potential fish stranding.

Phase 3 Levee Repairs (2006/2007)
- Environmental restoration of setback area and existing Bear River Floodway.

Phase 4 Levee Repairs (2006)
- Yuba Levee: Cut-off walls between the UPPR and Simpson Lane to protect against underseepage.

Phase 4 Levee Repairs (2007/2008)
- Feather River Levee: Strengthen-in-place and Setback levee (Under design/construction).
- Yuba Levee (RR corner of UPPR & Levee intersection): Constructed seepage barrier and installed two monitoring wells.
- Yuba Levee between Hwy. 70 and Simpson Lane levee work to achieve 200-year flood protection goal.
- Yuba River: Levee improvements at the upstream end of the levee near the Goldfields.
## TRLIA
### FISCAL YEAR 2008 - 2009
#### BUDGET

**BUDGET ESTIMATED EXPENDITURE DETAIL ROLLUP**

**BUDGET FOR THE FISCAL YEAR 2008-2009**

<table>
<thead>
<tr>
<th>ACCOUNT NUMBER</th>
<th>ACCOUNT DESCRIPTION</th>
<th>REQUEST 2008-2009</th>
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<td>805-3350-425-15-00</td>
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<td>805-3350-425-20-00</td>
<td>MEMBERSHIP</td>
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<tr>
<td>805-3350-425-23-01</td>
<td>SPECIAL PROJECTS</td>
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<tr>
<td></td>
<td>TRLIA Phase 2 Levee Repair</td>
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<td></td>
<td>TRLIA Phase 3 Levee Repair</td>
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<tr>
<td></td>
<td>TRLIA Phase 4 Yuba Levee Repair</td>
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<td></td>
<td>TRLIA Phase 4 Feather Levee Repair (Segment 1)</td>
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<td>Interim O&amp;M</td>
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<td></td>
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**BUDGET FOR THE FISCAL YEAR 2008-2009**

**ESTIMATED REVENUE**

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<td>805-0000-361-62-36</td>
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<td>PROP 13 (DF&amp;G Phases 2 &amp; 3)</td>
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<td>COUNTY/YCWA JOINT FINANCING</td>
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<td>AXEL KARLSHOEJ AGREEMENT</td>
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<td>FUND CARRYOVER FROM 07/08</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>123,807,094</strong></td>
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Fund Balance 6/30/09 718,185

---

1/ Costs from 07/08 plus 3% inflation
2/ Source for Special Project Budget is TRLIA Cash flow Spreadsheet 5 8 08
3/ Includes O&M Cost of County Vehicle Provided to TRLIA
4/ Some of these funds may still be received in the current FY and be carried over
5/ Includes Impact Fee revenue and Interest on TRLIA account
## TRLA

**FISCAL YEAR 2008 - 2009**

**BUDGET**

### SPECIAL PROJECTS DETAIL (#2301)

Jul 08 - Jun 09

<table>
<thead>
<tr>
<th>PHASE</th>
<th>DESIGN</th>
<th>CONSTRUCTION CONTRACT</th>
<th>CONSTRUCTION MANAGEMENT</th>
<th>ROW ACQUISITION</th>
<th>ENVIRONMENTAL MITIGATION / RESTORATION</th>
<th>TRILA PROJECT MANAGEMENT</th>
<th>CONTINGENCY</th>
<th>BUDGET AMOUNT</th>
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<td>TRLA Phase 2 Lower Repair</td>
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<td>25,783</td>
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<td>Yuba beyond UPRR</td>
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<td>16,480</td>
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<td>TRLA Phase 4 Feather Lower Repair</td>
<td>Segment 1 - Strengthen in Place</td>
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<td>503,838</td>
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<td>TRLA Phase 4 Feather Lower Repair</td>
<td>Segment 2 - Setback</td>
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<td>59,365,938</td>
<td>3,120,000</td>
<td>23,918,191</td>
<td>6,332,000</td>
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<td>TRLA Phase 4 Feather Lower Repair</td>
<td>Segment 3 - Strengthen in Place</td>
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<td>90,000</td>
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<td>Olivehurst Detention Basin</td>
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<td>30,527</td>
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<td>986,410</td>
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<td>Interim O&amp;M</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>500,000</td>
</tr>
<tr>
<td>Project Contingency</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td><strong>TOTALS</strong></td>
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<td>4,568,005</td>
<td>26,291,718</td>
<td>10,092,940</td>
<td>3,620,679</td>
<td>4,806,230</td>
<td>122,299,106</td>
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### TRLA PROJECT MANAGEMENT CONTRACTS

**CONTRACTOR**

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<tr>
<th>Contractor</th>
<th>Est 08/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBK (Prog Mgmt &amp; Design Mgmt)</td>
<td>600,000</td>
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<tr>
<td>EIP (Environmental Mgmt)</td>
<td>See note 2/ below</td>
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<tr>
<td>Downey Brand (Legal Counsel)</td>
<td>438,000</td>
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<tr>
<td>McDonough Holland &amp; Allen (ROW Legal)</td>
<td>100,000</td>
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<td>BRI (ROW Mgmt and Acquisition)</td>
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<tr>
<td>Peterson Consultants (Government Relations)</td>
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<td>EPS (Financial Consultant)</td>
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<td>MBK and Mike Hinz (Financial Support and Auditing)</td>
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<tr>
<td>Lucy Co (Public Relations)</td>
<td>110,000</td>
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**TOTAL** | 3,620,576 |

1/ Downey Brand budget includes General counsel duties
2/ EIP costs are included in Environmental Restoration costs above
**2008/2009 PROFESSIONAL SERVICES DETAIL (#2302)**

<table>
<thead>
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<th>DETAIL DESCRIPTION</th>
<th>2008/2009</th>
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<tbody>
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<td>Public Works Admin Salaries &amp; Benefits</td>
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<tr>
<td>TRLIA General Expenses (Services, Supplies &amp; Office)</td>
<td>90,000 2/</td>
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<tr>
<td>Executive Director Salary &amp; Benefits</td>
<td>148,000</td>
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<tr>
<td>CAO, Auditor &amp; Treasurer Salary &amp; Benefits</td>
<td>100,000 3/</td>
</tr>
<tr>
<td>Administrative Assistants Salary &amp; Benefits</td>
<td>95,000 4/</td>
</tr>
<tr>
<td>Clerk of the Board Salary &amp; Benefits</td>
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<tr>
<td><strong>TOTAL</strong></td>
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</tbody>
</table>

1/ $8,059 per month equals 07/08 average  
2/ Includes $8,500/mo avg burn rate  
3/ $25,000/qt equals 07/08 average  
4/ Includes $15,000 per year for temporary assistance as needed  
5/ $10,000/qt equals 07/08 average
Estimated Cumulative FY 08/09 Monthly Revenue and Expenditures
### Future Expenditure and Revenue Projections

#### Budget for the Fiscal Year 2009-2010

<table>
<thead>
<tr>
<th>ACCOUNT NUMBER</th>
<th>ACCOUNT DESCRIPTION</th>
<th>Estimated 2009-2010</th>
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</thead>
<tbody>
<tr>
<td>805-3550-025-15-00</td>
<td>INSURANCE</td>
<td>$13,860</td>
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<tr>
<td>805-3550-025-00-00</td>
<td>MEMBERSHIP</td>
<td>$7,725</td>
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<td>805-3550-025-23-00</td>
<td>SPECIAL PROJECTS</td>
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<tr>
<td>805-3550-025-23-01</td>
<td>TRULIA Phase 2 Levee Repair</td>
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<tr>
<td>805-3550-025-23-01</td>
<td>TRULIA Phase 3 Levee Repair</td>
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<tr>
<td>805-3550-025-23-01</td>
<td>TRULIA Phase 4 Yuba Levee Repair</td>
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<tr>
<td>805-3550-025-23-01</td>
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<td>TRULIA Phase 4 Feather Levee Repair (Segment 2)</td>
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<td>TRULIA Phase 4 Feather Levee Repair (Segment 3)</td>
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<td>805-3550-025-23-01</td>
<td>Gianturco Detention Basin</td>
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<td>805-3550-025-23-01</td>
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<table>
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<th>REVENUE SOURCE</th>
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<tr>
<td>805-3550-025-00-00</td>
<td>PROP 13 (DWR Phases 2 &amp; 3)</td>
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<td>PROP 13 (DFG Phases 2 &amp; 3)</td>
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<td>FUND CARRYOVER FROM 08/09</td>
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1/ Source for Special Project Budget is TRULIA Cash Flow Spreadsheets 5 & 9
2/ Includes O&M Cost of County Vehicle Provided to TRULIA

#### Budget for the Fiscal Year 2010 - Beyond

<table>
<thead>
<tr>
<th>ACCOUNT NUMBER</th>
<th>ACCOUNT DESCRIPTION</th>
<th>Estimated 2010-Beyond</th>
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<tr>
<td>805-3550-025-15-00</td>
<td>INSURANCE</td>
<td>$13,860</td>
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<td>805-3550-025-20-00</td>
<td>MEMBERSHIP</td>
<td>$7,725</td>
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<td>805-3550-025-23-00</td>
<td>SPECIAL PROJECTS</td>
<td>$2,987,752</td>
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<td>TRULIA Phase 2 Levee Repair</td>
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<tr>
<td>805-3550-025-23-01</td>
<td>TRULIA Phase 3 Levee Repair</td>
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<td>805-3550-025-23-01</td>
<td>TRULIA Phase 4 Yuba Levee Repair</td>
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<td>805-3550-025-23-01</td>
<td>TRULIA Phase 4 Feather Levee Repair (Segment 1)</td>
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<td>Gianturco Detention Basin</td>
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<td>805-3550-025-29-00</td>
<td>TRAVEL</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>3,462,187</strong></td>
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1/ Cost from 08/09 plus 3% inflation
2/ Source for Special Project Budget is TRULIA Cash Flow Spreadsheets 5 & 9
3/ Includes O&M Cost of County Vehicle Provided to TRULIA

#### Budget for the Fiscal Year 2011 - Beyond

<table>
<thead>
<tr>
<th>ACCOUNT NUMBER</th>
<th>REVENUE SOURCE</th>
<th>Estimated 2011-Beyond</th>
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<tbody>
<tr>
<td>805-3550-025-15-00</td>
<td>PROP 13 (DWR Phases 2 &amp; 3)</td>
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<td>PROP 13 (DFG Phases 2 &amp; 3)</td>
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<td>805-3550-025-23-00</td>
<td>PROP 16</td>
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<td>805-3550-025-00-00</td>
<td>COUNTY/YGW JOINT FINANCING</td>
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<td>805-3550-025-00-00</td>
<td>ENVIRONMENTAL REVENUE/COST FUNDING</td>
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<td>805-3550-025-00-00</td>
<td>AXEL KARLHEU Agreement</td>
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<td>805-3550-025-00-00</td>
<td>FUND CARRYOVER FROM 08/09</td>
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<td><strong>TOTAL</strong></td>
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Ending Balance 0
### 2009/2010 & 2010-Beyond Special Projects Detail (#2301)

#### SPECIAL PROJECTS DETAIL (#2301)

**Jul '09 - Jun '10**

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<thead>
<tr>
<th>PHASE</th>
<th>DESIGN</th>
<th>CONSTRUCTION CONTRACT</th>
<th>CONSTRUCTION MANAGEMENT</th>
<th>RW</th>
<th>ACQ</th>
<th>ENVIRONMENTAL MITIGATION/RESTORATION</th>
<th>TRLIA PROJ MANAGEMENT 1/</th>
<th>CONTINGENCY</th>
<th>BUDGET AMOUNT</th>
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<tbody>
<tr>
<td>TRLIA Phase 2 Levee Repair</td>
<td>Upper</td>
<td>Bear, WPIC &amp; Yuba to UPRR</td>
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<td>0</td>
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<td>TRLIA Phase 3 Levee Repair</td>
<td>Bear</td>
<td>River Setback Levee</td>
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<td>1,812,043</td>
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<td>TRLIA Phase 4 Yuba Levee Repair</td>
<td>Yuba beyond UPRR</td>
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<td>3,981,522</td>
<td>371,271</td>
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1/ TRLIA Consultants
### 2009/2010 & 2010-BEYOND PROFESSIONAL SERVICES DETAIL (#2302)

#### DETAIL DESCRIPTION 2009/2010

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<td>Clerk of the Board Salary &amp; Benefits</td>
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1/ Includes $15,000 per year for temporary assistance as needed

#### DETAIL DESCRIPTION 2010-BEYOND

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1/ Includes $15,000 per year for temporary assistance as needed
Three Rivers Levee Improvement Authority

Project Schedule

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<th>2007</th>
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<th>2009</th>
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<td>Phase 2 - Yuba, WPIC, &amp; Bear</td>
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<td>Phase 3 - Bear River Stabilization</td>
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<td>Phase 4 Yuba</td>
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<td>Certification - Phase 1, 2, 3 and Portion of Phase 4 Yuba</td>
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<td>Additional Phase 4 Yuba (x1)</td>
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<td>7</td>
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<td>8</td>
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<td>9</td>
<td>Design/Engineering</td>
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<tr>
<td>10</td>
<td>Permitting</td>
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<td>Permitting</td>
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<td>Land Acquisition</td>
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<td>18</td>
<td>Construction - Foundation</td>
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<td>Construction - Embankement</td>
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<td>Construction - Embankment (x2)</td>
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<td>Degrade Existing Levee</td>
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<td>Phase 4 Feather - Segments 3</td>
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<td>200 Year Facilities Complete (x2)</td>
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</table>

/1 - Construction dependent on hydraulic analyses by MBK Engineers and the Corps
/2 - Dependent on Federal permits and weather
May 21, 2008

Fair Political Practice Commission
428 J Street, Suite 620
Sacramento, CA 95814

Re: Seeking Guidance From the Fair Political Practices Commission on Behalf of the Three Rivers Levee Improvement Authority

Madam or Sir:

I am General Counsel to the Three Rivers Levee Improvement Authority, a joint powers agency created by the County of Yuba and Reclamation District (2103). The attached mailer was recently sent by Sue Horne, a Nevada County Supervisor, running against Dan Logue, a Yuba County Supervisor, for a seat in the State Assembly. In addition to being a Yuba County Supervisor, Dan Logue is also a member of the Three Rivers Authority Board.

As you will note in the attached mailer, Tom and Jeanette Rice, landowners affected by a Three Rivers Levee Improvement Authority project, have provided quotes to Sue Horne, which are critical of Supervisor Dan Logue. While the mailer does not explicitly mention Three Rivers, or the acquisition of land to construct a levee by Three Rivers, it is clear to those that are familiar with the circumstance that the mailer is attacking Supervisor Dan Logue in his capacity as a Board member of Three Rivers Levee.

Some members of the Three Rivers Board have expressed an interest in Three Rivers responding to this mailer. The Board understands that a public agency may not be involved in a campaign for public office, or supporting a candidate for office. However, some members of the Board feel that the mailer may spread misinformation to the community which will negatively impact Three Rivers’ future efforts to utilize the eminent domain process to acquire land for a public safety improvement project.

As such, some members of the Board are interested in Three Rivers disseminating information which will educate the public on the eminent domain process. While there is no proposal that the information to be disseminated explicitly reference Sue Horne’s mailer, it is acknowledged by the members of the Board that the information to be disseminated is being disseminated because of the Sue Horne mailer. In addition, there is concern among some members of the Board that the information to be disseminated on the eminent domain process will be viewed by the public as a response to the Sue Horne mailer.
In light of the prohibition of a public agency commenting upon an election or utilizing public resources to support a candidate for office, I have been instructed by my Board to obtain from you an opinion on the acceptability of the public agency disseminating information on the eminent domain process to better educate the public in light of the political mailer. I would appreciate any prompt response that you can provide to me so that I may inform my Board at its next meeting on June 3, 2008.

Sincerely yours,

DOWNNEY BRAND LLP

Scott L. Shapiro

SLS:slp

cc: Paul Brunner, Three Rivers Levee Improvement Authority Executive Director
Dan Montgomery, Yuba County Counsel
"Supervisor Dan Logue and his cronies stole our land... He wouldn't listen. He just voted to steal our farm."
Supervisor Dan Logue and his cronies stole our land.

They offered us a choice. Either pay us or go to jail. And they don't care about the millions of dollars they have already spent on the property. They are more interested in what they can get for their money. We are not going to let them do that.

"The state of California has a huge agenda to make us. It doesn't care who gets hurt. It doesn't care who gets arrested. We are not going to let them do that.

"Tom and Jeannette Rice, Owners, Rice River Ranch"
"I'm Sue Horne. In the Assembly, I'll stand up for you, protect our values and keep a lid on Sacramento special interests.

The Horne plan: Lead the way in protecting the American Dream, not allowing special interests and Sacramento to take us down that road. We can come together to support our workers, health care, and against higher taxes.

Assemblywoman: Sue Horne"

WARNING TO VOTERS:

Records from outside our district have launched a $1 million campaign to attack me. Sacramento special interests want to control how we vote by funding their campaign.

Learn more about Sue Horne at: HorneForAssembly.com
June 10, 2008

Scott L. Shapiro
Downey Brand
555 Capitol Mall, 10th Floor
Sacramento, CA 95814

Re: Your Request for Advice
Our File No. W-08-083

Dear Mr. Shapiro:

This letter responds to your request for advice on behalf of the Three Rivers Levee Improvement Authority ("Three Rivers") regarding the campaign reporting provisions of the Political Reform Act (the "Act").

Our advice is limited to the reporting provisions of the Act. Therefore, we are not able to provide advice with respect to your question regarding whether a publicly-financed mailer contemplated by Three Rivers would violate the use of public funds to campaign for a candidate. This question potentially implicates Government Code Sections 8314 and 54964, and Penal Code Section 424—areas of law outside the Act. You may wish to get advice regarding these other issues from the Office of the Attorney General.

We can only advise you regarding any reporting obligations under FPPC regulations that Three Rivers may incur as the result of sending out publicly-financed mailers. However, because you have not provided us with a copy of the mailing, we are unable to evaluate it to determine whether it qualifies as campaign activity. Three Rivers would only have campaign reporting obligations with regard to the mailing if it qualifies as campaign activity. (See Regulation 18420, copy enclosed.) You may wish to submit additional information and submit a new request for advice on this matter.

Finally, please note that the Commission is aware that the case of Vargas v. City of Salinas (2005) 135 Cal. App. 4th 361, which addresses similar issues to the ones you raise, is currently pending before the California Supreme Court. The court's ruling in this

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1 The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.
ease may cause the Commission to reexamine its regulations in this area and thus reassess advice the Commission currently provides.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Scott Hallabrin
General Counsel

By: Emelyn Rodriguez
Counsel, Legal Division

Enclosure
May 22, 2008

ALL PUBLIC AGENCIES

Re: Brown Act

Dear Public Agencies:

Beginning on July 1 of this year, an amendment to the Brown Act (SB 343) will require that all open-session writings distributed to board members after the agenda is published (i.e., within 72 hours of a board meeting) be made available to the public. This would include things like board packets and staff/engineer reports. Such materials must be made available for public inspection at your main office or at another specified location at the time it is distributed to all or to a majority of members of the board. In addition, every agenda must now list where such writings are kept for public inspection. As a practical matter, you should just start adding the following standard language to each agenda:

"Any documents related to agenda items that are made available to the board before the meeting will be available for review by the public at [address]."

Of course, if packets are distributed to the board members, you should be sure to keep copies of at the main office (or other relevant address) for public inspection as soon as the packets are distributed to the board members.

Very truly yours,

DOWNEY BRAND LLP

Scott L. Shapiro

SLS:slp
May 16, 2008

Mr. Aaron Ward
Deputy County Administrator
Yuba, County of
915 Eighth St. Suite 117
Marysville, California 95901

Subject: Pre-Disaster Mitigation 2008, OES #PJ39, FEMA #24
OES ID/FIPS #115-00000
South County floodplain property acquisition

Dear Mr. Ward:

The Governor's Office of Emergency Services (OES) has received notification from the Federal Emergency Management Agency (FEMA) regarding the results of their review of the 2008 Pre-Disaster Mitigation (PDM) grant program sub-applications. FEMA has denied the above referenced sub-application.

FEMA has determined that the application does not meet the requirements specified in the 2008 PDM Program Guidance. FEMA's explanation for this determination has been enclosed.

If you need assistance or have any questions, please contact the Hazard Mitigation Branch at (916) 845-8150.

Sincerely,

Rebecca J. Warner
State Hazard Mitigation Officer

Enclosure
Does Not Meet PDM Requirements
Yuba County Flood Prone Property Acquisition near Feather River, Yuba County

Benefit-Cost Evaluation
Insufficient documentation was provided to support the Benefit-Cost Analysis (BCA) and verify cost effectiveness. The flood frequency data in the BCA for the Before-Mitigation Damages does not consider the presence of a levee system protecting the structures from high-frequency events.
Paul,

I just got off the phone with Lynda McClanahan from the State Department of OES. She informed me that Yuba County was not awarded a FEMA PDM Grant. She also told me that the Feds passed legislation and earmarked funding from the PDM money for projects identified by congress. Lynda mentioned that the reduction in funding related to the congressional authorization of projects did not leave much money for the States. Lynda was not able to tell me who was awarded funds in California but she did mention that one $500,000 project was selected and an additional project in California was selected for further review.

The reviewer for our project stated that there was insufficient documentation to support the cost benefit analysis. Specifically the presence of the existing levee system was not considered in the cost benefit analysis. When the existing levee system was included in the cost benefit analysis we did not have a cost benefit greater than 1.0 for our project. The State OES is drafting letters to send out to the applicants to inform them about the status of their grant applications. The letters will probably be sent out in the next couple of weeks. Please feel free to contact me if you want any additional information.

Thank you,

Derek B. Larsen, P.E., MBA
Project Manager

MBK ENGINEERS
2450 Alhambra Blvd., 2nd Floor
Sacramento, CA 95817

Phone: (916) 456-4400
Fax: (916) 456-2053
E-mail: larsen@mbkengineers.com
BY CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  

May 30, 2008  

Alan Newman, President  
Beazer Homes, Northern California Division  
3721 Douglas Blvd, Suite 100  
Roseville, California 95741  

Re:  Flood Insurance, Plumas Lake  
Your letter of May 1, 2008  

Dear Mr. Newman:  

This firm is General Counsel for the Three Rivers Levee Improvement Authority ("Three Rivers"), the public agency performing levee improvements that benefit development within Plumas Lake. We have been given a copy of your letter dated May 1, 2008 sent to purchasers of Beazer Homes. The letter states that Beazer Homes will not be providing flood insurance past June of 2008. This letter is not consistent with the promises made by Beazer Homes and other home builders to the public and to the regulatory agencies that allowed construction of homes in 2005 and 2006.  

In December of 2004 the State Reclamation Board (now the Central Valley Flood Protection Board) issued permit 17782 to Three Rivers authorizing the construction of certain levee improvements. That permit included a special condition (§13) which made the permit’s effectiveness contingent upon the Reclamation Board being satisfied about an increase in human habitation in an area with known flood risks. Following issuance of the permit, Three Rivers and the Reclamation Board negotiated for several months about various commitments by Three Rivers and others required to satisfy the Board. One such commitment, essential to the Board’s satisfaction, was the building industry’s promise that all homes sold in Plumas Lake would come with flood insurance. That commitment was codified in a January 18, 2005 letter from the Building Industry Association of Superior California, on behalf of the homebuilders and developers in Plumas Lake, committing to provide flood insurance through the end of calendar year 2008. A copy of that letter is attached.  

From that date forward Beazer Homes has provided flood insurance. However, as stated in your letter of May 1, 2008, Beazer Homes now proposes to stop providing flood insurance six months early (your letter incorrectly states that insurance was to be provided only through the
completion of Phase 3). If Beazer Homes stops providing insurance at this time it will be 
reneging on the public promise made in 2005, a promise that resulted in Beazer Homes being 
allowed to construct an additional 80 homes.

Please contact me immediately to confirm that Beazer Homes will make good on its promise to 
provide flood insurance through the end of calendar year 2008.

Sincerely,

DOWNEY BRAND LLP

Scott L. Shapiro

cc: MaryJane Griego, Yuba County Supervisor/Three Rivers' Chair (by U.S. Mail)
Paul Brunner, Three Rivers Executive Director (by U.S. Mail)
January 18, 2005

Mr. Charles K. McClain
Executive Director
Three Rivers Levee Improvement Authority
915 Eighth Street, Suite 115
Marysville, CA 95901-5273

RE: Flood Insurance

Dear Executive Director McClain:

The homebuilders and developers in the area affected by pending Application Number 17782 before the Reclamation Board of the State of California currently provide two years of prepaid flood insurance for each new home sold. The Three Rivers Levee Improvement Authority (TRLIA) has requested that homebuilders and developers increase that prepaid insurance coverage through the end of the calendar year of 2008. This letter is to confirm that our members will indeed do so.

The BIA will work with the development community to put in place a funding process for the provision of flood insurance through the 2008 calendar year for each new home sold. Currently, each new home sold has a portion of the sales proceeds retained and administered by a third party escrow company equal to the amount necessary to purchase the flood insurance for two years. The commitment on behalf of the industry is to increase that prepaid provision of flood insurance through the end of 2008 for all new homes sold in the Plumas Lake Specific Plan area. The effective date of this increase in flood insurance for each new home sold will be the date that the Applicant commences work described in Reclamation Board Encroachment Permit Number 17782.

The proposed projects, including the project that is the subject of Application Number 17782, is anticipated to provide 185-year flood protection by the end of 2008. The industry appreciates the proactive work of the TRLIA in pursuing a project that goes beyond the 100-year flood protection minimum established by FEMA. Through the leadership of TRLIA, this project will achieve 185-year flood protection. We look forward to this project being completed.

The number one issue for the BIA and its members is to construct the proposed projects to improve the levees in question. We believe the project that the TRLIA is proposing will achieve this goal. Should you have any questions, please feel free to contact Sean Rawson or me.

Regards,

Dennis M. Rogers
Senior Vice-President