THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
Yuba County Government Center, Board Chambers
915 Eighth Street, Suite 109A
Marysville, California

SPECIAL MEETING
OCTOBER 26, 2010 – 2:00 P.M.

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

I  ROLL CALL – Directors Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti

II  CLOSED SESSION

A. Pending litigation pursuant to Government Code §54956.9(a) Foster YCSCCVED 08-0000327, YCSCCVED 08-0000326, YCSCCVED 08-0000364

III  ACTION ITEMS

A. Approve minutes of the special meeting of September 28, 2010.

B. Authorize Executive Director to negotiate professional services agreement not to exceed $40,000 with KVIE, highest ranking respondent, for the production of a video documentary of the history to rebuild, repair, and maintain levees in Reclamation District 784 areas, and authorize the Executive Director to execute same upon review and approval of Counsel.

C. Ratify contract with River Partners in the amount of $376,049 for Bear River Setback plant propagation and maintenance project, authorize Executive Director to execute same, and authorize disposal of excess plants.

IV  BOARD AND STAFF MEMBERS’ REPORTS

V  ADJOURN

The complete agenda, including backup material, is available at the Yuba County Government Center, 915 8th Street, Suite 109, the County Library at 303 Second Street, Marysville, and www.trlia.org. Any disclosable public record related to an open session item on the agenda and distributed to all or a majority of the Board of Directors less than 72 hours prior to the meeting are available for public inspection at Suite 109 during normal business hours.

In compliance with the American with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need disability-related modifications or accommodations to participate in this meeting, please contact the Clerk of the Board's office at (530) 749-7510 or (530) 749-7353 (fax). Requests must be made one full business day before the start of the meeting.
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

SEPTMEBER 28, 2010 – SPECIAL MEETING

MINUTES

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority (TRLIA) was held on the above date, commencing at 2:00 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Jerry Crippen, Don L. Graham, Mary Jane Griego, and John Nicoletti. Also present were Executive Director Paul Brunner, Assistant Counsel Andrea Clark, and Clerk of the Board of Supervisors/Secretary Donna Stottlemyer. Chair Griego presided.

I ROLL CALL – Directors Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti - All Present

II CLOSED SESSION: The Board retired into closed session at 2:03 p.m. to discuss the following:

A. Pending litigation pursuant to Government Code §54956.9(a) regarding:
   1. Nieschultz, S. YCSCVED 08-0000289 GC 54956.9
   2. Nieschultz, L. YCSCVED 08-0000290 GC 54956.9
   3. Foster YCSCVED 08-0000327, YCSCVED 08-0000326, YCSCVED 08-0000364

B. Conference with real property negotiator pursuant to Government Code §54956.8 - Negotiating Parties: TRLIA/Churchill/Morrison; Terms of Payment; regarding the following properties:
   1. Michele R. Barker - APN 016-150-035
   2. Henry P. Smith - APN 018-150-015, 018-190-001
   4. Michele R. Barker, et al - APN 018-190-104,
   5. Aawlr S. Sohal and Sukhvir K Sohal, Co-Trustees of the Sohal Family Trust - APN 018-190-107
   6. Walbinder S. Sohal Living Trust - APN 018-190-110
   7. Daniel J. Luis - APN 018-200-008
   8. Anthony J. and Zelma B. Luis - APN 018-200-007, 018-200-005, 018-210-035
   10. Robert Glenn Wood - APN 018-210-029
   12. Orest and Irene Wesely - APN 021-500-001
   13. Humam El Sharif - APN 021-042-027
   14. Steve and Denise Gilbert - APN 021-042-014, 021-041-012
   16. Lothar S. and Brigitta M. Klug - APN 021-041-010
   17. Bernard J. Perez - APN 021-041-007
   18. Ronnie C. Willis - APN 021-041-006
   19. Western Aggregates, LLC - APN 020-080-009
   21. Howard R. Miller - APN 018-220-007
22. Naumes, Inc. - APN 018-140-041

The Board returned from closed session at 2:39 p.m. with all present as indicated above. There was no announcement.

III ACTION ITEMS

A. Approve minutes of the meeting of August 3, 2010.

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

B. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel Nos. 018-200-001 and 018-220-030 (Bains, Ajit S. and Maria Del Carmen) for the Upper Yuba River Levee Improvement Project.

Chair Griego introduced items B through H, provided directions for hearing of the matters jointly, comment period for the property owners, and public comments.

Special Counsel Michael Churchill, Design Manager Larry Dacus, and Right-of-way Manager Bob Morrison provided a Power Point presentation on the resolution of necessities including the following and responded to Board inquiries:
- Legal requirement
- Upper Yuba Levee Improvement Project overview
- Property details
- Required findings for exercise of power of eminent domain

The following individuals spoke:
- Mr. Brant J. Bordsen, attorney on behalf of Ajit S. and Maria Del Carmen Bains, regarding purchasing fee interest rather than fee easement
- Mr. Lyle Gisi, on behalf of Wilbur Trust properties, regarding impact to surrounding wells and fee easement

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

Adopted Resolution No. 2010-4 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."
MOTION: Move to direct General Counsel and Special Counsel to proceed with an action in eminent domain to acquire the necessary property interest for the repair construction, installation, and maintenance of the Phase 4 Levee Repair Project, and to authorize them to deposit probable compensation in the State Treasury's Condemnation Fund.

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

C. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel Nos. 018-220-048 and 018-220-049 (COF Quail Hollow Land 148T, LLC) for the Upper Yuba River Levee Improvement Project.

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


MOTION: Move to direct General Counsel and Special Counsel to proceed with an action in eminent domain to acquire the necessary property interest for the repair construction, installation, and maintenance of the Phase 4 Levee Repair Project, and to authorize them to deposit probable compensation in the State Treasury's Condemnation Fund.

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

D. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel Nos. 018-200-008, 018-200-007, 018-200-005, and 018-210-035 (Luis, Daniel and Luis, Anthony J. and Zelma B.) for the Upper Yuba River Levee Improvement Project.

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


MOTION: Move to direct General Counsel and Special Counsel to proceed with an action in eminent domain to acquire the necessary property interest for the repair construction, installation, and maintenance of the
Phase 4 Levee Repair Project, and to authorize them to deposit probable compensation in the State Treasury's Condemnation Fund.

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

E. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel No. 018-140-041 (Naumes, Inc.) for the Upper Yuba River Levee Improvement Project.

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

Adopted Resolution No. 2010-7 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."

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

F. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel Nos. APN 018-140-040, 018-190-002, and 018-200-006 (Richard G. Wilbur Trust) for the Upper Yuba River Levee Improvement Project.

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

Adopted Resolution No. 2010-8 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."

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

Adopted Resolution No. 2010-8 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."
MOVED: Jerry Crippen        SECOND: John Nicoletti
AYES: Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti
NOES: None              ABSTAIN: None        ABSENT: None

G. Adopt resolution of necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel No. 018-210-029 (Robert Glenn Wood) for the Upper Yuba River Levee Improvement Project.

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

Adopted Resolution No. 2010-9 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."

MOTION: Move to direct General Counsel and Special Counsel to proceed with an action in eminent domain to acquire the necessary property interest for the repair construction, installation and maintenance of the Phase 4 Levee Repair Project, and to authorize them to deposit probable compensation in the State Treasury's Condemnation Fund.

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

H. Adopt resolution amending and superseding Resolution No. 2010-3 and declaring necessity for acquisition to acquire certain property interests of property identified as Assessor Parcel Nos. 018-190-109 and 018-190-110 (Bajan S. and Rajwant K. Sohal/ Walbinder S. Sohal Living Trust) for the Upper Yuba River Levee Improvement Project.

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

Adopted Resolution No. 2010-10 entitled: "A RESOLUTION OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY DECLARING THE PUBLIC NECESSITY FOR THE TAKING OF CERTAIN PROPERTY FOR REPAIR, CONSTRUCTION, INSTALLATION AND MAINTENANCE OF THE THREE RIVERS UPPER YUBA RIVER LEVEE IMPROVEMENT PROJECT CODE CIV. PROC. 1245.230)."

MOTION: Move to direct General Counsel and Special Counsel to proceed with an action in eminent domain to acquire the necessary property interest for the repair construction, installation and maintenance of the Phase 4 Levee Repair Project, and to authorize them to deposit probable compensation in the State Treasury's Condemnation Fund.
MOVED: John Nicoletti  SECOND: Jerry Crippen
AYES: Rick Brown, Jerry Crippen, Don Graham, Mary Jane Griego, John Nicoletti
NOES: None  ABSTAIN: None  ABSENT: None

I. Approve adding Feather River Segment 1 V-Ditch Repair to the Feather River EIP Funding Agreement and delegate authority to the Executive Director to execute contract to accomplish work upon review and approval of Counsel.

Executive Director Paul Brunner recapped damage to concrete ditch and responded to Board inquiries.

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

J. Approve Amendment No. 2 to agreement with Kleinfelder West Inc. in the amount of $17,000 for geotechnical exploration services and authorize Executive Director to execute same.

Executive Director Paul Brunner recapped the scope of work encompassed in the amendment.

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

K. Approve Amendment No. 15 to agreement with MBK Engineers in the amount of $661,887 for project management services and authorize Executive Director to execute same.

Executive Director Paul Brunner recapped the scope of work encompassed in the amendment.

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

IV  BOARD AND STAFF MEMBERS' REPORTS: Reports were received on the following:

Director Nicoletti: Building of original levees by the farmers and respectfulness of the process for eminent domain

Director Griego:
• Delicate issue of eminent domain and appreciative of owners and their appreciation of the projects
• Interview process for documentary style video of project

Executive Director Paul Brunner:
• Eminent domain process and construction of project
• Upper Yuba Project 408 permit approval sent with expected receipt at yearend
• Anderson elderberry site and permit requirement from Central Valley Flood Control Board
• Construction status of Feather River project
• Water Foundation Tour
• Corps of Engineers inspection of levees

V ADJOURN: 4:58 p.m. by Chair Griego.

______________________________
Chair

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

______________________________
Approved: _____________________
October 26, 2010

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
SUBJECT: Selection of Contractor to Produce TRLIA Film-Video Documentary

Recommended Action:
Delegate authority to Executive Director to negotiate, sign once General Counsel has reviewed, and then execute a professional services agreement not to exceed $40,000 with KVIE (highest-ranking respondent) for the production of a Film-Video/Documentary explaining the history of a major program to build, fix, and maintain the levees in Reclamation District 784 area of Yuba County, California.

Discussion:
Yuba County has a long history of flooding and has endured many major levee failures that have caused havoc to Yuba County residents. The State and U.S. Army Corps of Engineers have worked for decades attempting to fix the levees, but did not succeed. Out of utter frustration, the leadership of Yuba County and Reclamation District 784 decided to tackle the problem head on and formed TRLIA in 2004 to improve the levees that protect the communities of Linda, Olivehurst, Arboga, and Plumas Lake. The charge to TRLIA was to find a way to do what the Corps of Engineers and State could not do – improve the levees in South Yuba County to withstand both the 100-year and 200-year storm events and obtain Federal Emergency Management Agency (FEMA) levee accreditation. Today, after six years of tireless effort, the levee work is nearing completion.

One way to capture this story of perseverance, dedication and foresight by a handful of visionaries is to make a video that explains the “how, what, why, where, and when” of the events that have occurred over the lifetime of the levee project. The proposed documentary will serve as a powerful tool in educating and informing the residents of Yuba County and have crossover potential to a popular viewing audience. This documentary could also be a valuable marketing tool that demonstrates the strength of leadership and commitment of Yuba County.

On August 3, the Board Authorized the Executive Director to release a RFQ for the production of a Film-Video/Documentary explaining the history of a major program to build, fix, and maintain the levees in Reclamation District 784 area of Yuba County.

On August 5, the RFQ was distributed via email and mailed to a list of reputable contractors in the Northern California region, based upon input from TRLIA’s public relations consultant and the PIOs for Sutter and Yuba Counties, among others. The RFQ was also posted to TRLIA’s website. Interested parties were given three weeks to respond.
Five responses were received by the August 27th closing date. Responses were evaluated and scored by a review committee consisting of staff and TRLIA’s public relations consultant according to the following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Up to Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brief discussion of the understanding of the project</td>
<td>25</td>
</tr>
<tr>
<td>Examples of past documentary projects accomplished by the firm within and out of the Sacramento Valley Region along with three client references, to include name, organization, address, e-mail, and telephone numbers must be submitted. These should be clients the company has done similar work for within the last five years.</td>
<td>20</td>
</tr>
<tr>
<td>Explanation of the firm’s proposed technical approach to doing the documentary</td>
<td>25</td>
</tr>
<tr>
<td>Discussion of ability to meet project schedule and stay within the proposed budget</td>
<td>10</td>
</tr>
<tr>
<td>Resumes of key personnel and hourly rates</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The four highest-scoring firms – KVIE, Monkey & Snake, Simz Productions, and The Studio Center – were invited to participate in follow up interviews held on September 27 and 28. The interview panel included the initial review committee, along with Board Chair Mary Jane Griego and Board Member John Nicoletti. Interviewing firms were asked to provide an overview of their qualifications as per their proposals, and were again evaluated using the aforementioned criteria.

Following the interview sessions, the interview committee members individually ranked the firms for a total points ranking. KVIE received 479 points and the next ranked firm received 401 points.

In terms of overall rankings, KVIE scored four first place rankings, while Monkey & Snake had one. Simz Productions had three second-place rankings, while KVIE, Monkey & Snake, and The Studio Center each had one. Simz also had three third-place rankings, while Monkey & Snake and The Studio Center each had one.

It is recommended that TRLIA negotiate a professional services agreement for Film/Documentary Production with KVIE, the highest-ranking firm.

**Fiscal Impact:**
This contract would be paid for by interest that was accumulated in the TRLIA Phase 2/3 VPC Mitigation Escrow Account that was funded with developer money. In January 2010 this interest was deposited from this account to the TRLIA 805 Account.
October 26, 2010

TO: Three Rivers Levee Improvement Authority Board

FROM: Paul Brunner, Executive Director
       Scott Shapiro, General Counsel
       Doug Handen, Construction Manager

SUBJECT: River Partners- Bear River Plant Propagation and Maintenance

Recommended Actions:

Ratify a prior 2006 $376,049 Contract to River Partners for plant propagation and maintenance for the Bear River Setback Levee Project and delegate to Executive Director the authority to sign and execute the ratified contract including the disposal of excess plants.

Discussion:

In January of 2006, Three Rivers Executive Director, Kent McClain, executed an agreement with River Partners for Plant Propagation of plant material to be utilized for the Bear River Setback Area restoration project (see Attachment 1). This contract was recently found during a review of TRLIA prior contracts. No record of TRLIA Board approval of this contract can be located. The agreement included a provision to maintain plants beyond the projects’ April 2007 project installation date on a per plant/per day basis. The amount of the work that has already been performed is as follows:

- Plant Propagation – 2006 $268,529
- Plant Maintenance* April 2007-June 2010 $107,520
- Total Cost of Work Order $376,049

*plant maintenance contracted at the rate of $.005/plant/day for plants held in nursery, for TRLIA after 4/1/07

River Partners performed the Bear River Setback Restoration planting in 2006 and 2007. Excess plant material was maintained per TRLIA’s request, to be utilized on future TRLIA projects. TRLIA later identified the Feather River Setback Area as a potential location for the plant material. Significant portions of the plants owned by TRLIA shall be utilized in the current contract for planting in the Feather Setback Area, including the Mesick Lake Mitigation, Flood Plain Swale, and Wind Wave Buffer locations.

River Partners has prepared the attached spreadsheet (see Attachment 2) that reflects that there are 2,647 plants that do not match our current needs that are being cared for at a rate of .005
$/plant/day = $397/month. Staff recommends TRLIA dispose of excess plants in one of the following methods: (i) use of the plants in the Upper Yuba EIP elderberry transplant project as associates plantings; or (ii) donation of the plants to local area schools, parks, agencies.

**Fiscal Impact:**

The majority of the fees associated with this contract have already been expensed by TRLIA. TRLIA obtained State of California Proposition 13 Grant Funding and Developer funding that included the Bear Setback restoration and planting.

2 Attachments:
1. 2006 Contract
2. List of Plants
January 12, 2005

Three Rivers Levee Improvement Authority
915 Eighth Street, Suite 125
Marysville, CA 95901

Attention: Charles K. McClain, Executive Director

Dear Mr. McClain:

The estimated costs for plant propagation (Table 1) of the woody species are based on the proposed plant design numbers outlined in the December 2005 Riparian Restoration Plan for the Bear River Setback Levee Project.

Table 1. Estimated Costs for Woody Species Plant Propagation for the Bear River Levee Setback Project.

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Plants</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Plant Material Cost</td>
<td>92,517</td>
<td>$268,529</td>
</tr>
<tr>
<td>Total Deposit for Plant Propagation (25%)</td>
<td></td>
<td>$67,132</td>
</tr>
</tbody>
</table>

Timing is critical in order to have plants ready for delivery in fall of 2006. Seed collection was initiated in July 2005. To preserve any ecotype differences, plant material was collected from vegetation within the Feather River or Bear River watersheds and within a 5 mile radius from the restoration site. River Partners will deliver seed material to the nursery, Sierra Horticulture, by the end of December 2005 to begin the propagation process.

Propagation of woody species includes being grown out into 5-inch square pots. A deposit of 25% ($67,132) is required by the nursery to initiate cultivation of the woody species at the time the plant order is contracted (on or about January 1, 2006).

These costs may change if the plant design is modified. In addition, a maintenance fee of $0.005/plant/day will be charged for plants that remain in the nursery after April 1, 2007.

If you would like River Partners to proceed with the plant propagation, please sign this letter indicating your approval of this agreement. River Partners will then invoice TRLIA for $67,132 and initiate a nursery contract for 92,517 plants.
If there are any questions, please do not hesitate to contact me.

Sincerely,

Tad Alexander
Chief Operations Officer
River Partners

Approved by: [Signature]

Charles K. McClain
Executive Director
Three Rivers Levee Improvement Authority

Date: 20 Jan 2006
<table>
<thead>
<tr>
<th>Species</th>
<th>Messick Lake</th>
<th>Floodplain Swale</th>
<th>Cultural Site</th>
<th>Vegetated Buffer (48 acres)*</th>
<th>Fall Planting 2010</th>
<th>Spring Planting 2011**</th>
<th>TRLIA Owned</th>
<th>TRLIA Surrender</th>
<th>RP Plants Supplied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackberry</td>
<td>78</td>
<td>52</td>
<td>697</td>
<td>827</td>
<td>-</td>
<td>-</td>
<td>337</td>
<td>490</td>
<td></td>
</tr>
<tr>
<td>Box elder</td>
<td>66</td>
<td>52</td>
<td></td>
<td>1,255</td>
<td>118</td>
<td>1,255</td>
<td>512</td>
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<tr>
<td>Button bush</td>
<td>739</td>
<td>52</td>
<td></td>
<td>791</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Clematis</td>
<td>27</td>
<td>36</td>
<td></td>
<td>63</td>
<td>-</td>
<td>291</td>
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<tr>
<td>Coyote Bush</td>
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<td></td>
<td>1,255</td>
<td>107</td>
<td>1,255</td>
<td>1,482</td>
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<tr>
<td>Elderberry</td>
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<td>68</td>
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<td>119</td>
<td>-</td>
<td>392</td>
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<td>Oregon ash</td>
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<td></td>
<td>1,045</td>
<td>791</td>
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<td>-</td>
<td>1,836</td>
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<tr>
<td>Pipevine</td>
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<td>63</td>
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<td>-</td>
<td>-</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>Poison oak</td>
<td>66</td>
<td>36</td>
<td>418</td>
<td>520</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>520</td>
<td></td>
</tr>
<tr>
<td>Rose</td>
<td>39</td>
<td>68</td>
<td>627</td>
<td>1,673</td>
<td>734</td>
<td>1,673</td>
<td>3,181</td>
<td>774</td>
<td></td>
</tr>
<tr>
<td>Sycamore</td>
<td>51</td>
<td>36</td>
<td></td>
<td>1,464</td>
<td>87</td>
<td>1,464</td>
<td>2,803</td>
<td>1,252</td>
<td></td>
</tr>
<tr>
<td><strong>Total Potted Stock</strong></td>
<td><strong>1,922</strong></td>
<td><strong>556</strong></td>
<td><strong>1,742</strong></td>
<td><strong>6,692</strong></td>
<td><strong>4,220</strong></td>
<td><strong>6,692</strong></td>
<td><strong>8,998</strong></td>
<td><strong>2,647</strong></td>
<td><strong>4,561</strong></td>
</tr>
</tbody>
</table>

| Cuttings/Other   |              |                  |               |                              |                     |                        |             |                 |                   |
| Arroyo willow    | 615          | 52               | -             | 1,464                         | 667                 | 1,464                  | N/A         | N/A             | 2,131             |
| Black willow     | 739          | 52               | -             | 1,255                         | 791                 | 1,255                  | N/A         | N/A             | 2,046             |
| Sandbar willow   | 549          | 52               | -             | 1,255                         | 601                 | 1,255                  | N/A         | N/A             | 1,856             |
| Cottonwood       | 739          | 52               | -             | 1,882                         | 791                 | 1,882                  | N/A         | N/A             | 2,673             |
| Dogbane          | 549          | 36               | -             | 585                           | -                   | -                      | -           | 585             |                   |
| Valley oak       | 144          | 68               | -             | 212                           | -                   | -                      | -           | 212             |                   |
| **Total Cuttings & Other** | **3,335**    | **312**          | -             | **5,856**                     | **3,647**           | **5,856**              | -           | **9,503**       |                   |
| **TOTALS**       | **5,257**    | **868**          | **1,742**     | **12,548**                    | **7,867**           | **12,548**             | **8,998**   | **2,647**       | **14,064**        |

*48 acres-which is currently cleared / non-ag

** If permit is obtained from CVFPB