THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES – BOARD OF DIRECTORS

FEBRUARY 6, 2007

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at 3:40 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Jerry Crippen, Mary Jane Griego, Dan Logue, and Richard Webb. Also present were Executive Director Paul Brunner, County Counsel Daniel Montgomery, and Clerk of the Board of Supervisors/Secretary Donna Stotlemeyer. Chairman Webb presided.

ELECTION OF OFFICERS

A. Chairman: Following nomination by Director Logue, upon motion of Director Logue, seconded by Director Brown, and unanimously carried, Director Richard Webb was elected Chairman of the Authority for 2007.

B. Vice-chairman: Following nomination by Director Brown, upon motion of Director Crippen, seconded by Director Webb, and unanimously carried, Director Logue was elected Vice-chairman of the Authority for 2007.

ACTION ITEMS

A. Executive Director Authority: Executive Director Paul Brunner recapped proposed administrative authority and responded to Board inquiries.

Upon motion of Director Logue, seconded by Director Brown, and carried with Director Webb abstaining, the Board adopted Resolution No. 07-01, which is entitled: "A RESOLUTION DELEGATING AUTHORITY TO THE EXECUTIVE DIRECTOR TO CARRY OUT CERTAIN ADMINISTRATIVE FUNCTIONS WITH RESPECT TO THE ACQUISITION OF REAL PROPERTY AND THE RELOCATION OF DISPLACED PERSONS IN CONNECTION WITH LEVEE IMPROVEMENT PROJECTS."

B. Implementation Grant/Bear-Feather River Backfill Levee Unit 1: Executive Director Paul Brunner recapped the proposed grant and fund expenditures and responded to Board inquiries.

02/06/07

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Upon motion of Director Logue, seconded by Director Crippen, and unanimously carried, the Board adopted Resolution No. 07-02 which is entitled: "RESOLUTION ACCEPTING IMPLEMENTATION GRANT FROM THE STATE OF CALIFORNIA FOR THE CONSTRUCTION OF THE BEAR-FEATHER RIVER SETBACK LEVEE."

C. Property Acquisition/Appraisal Waiver: Right-of-way Agent Bob Morrison recapped the proposed process for low valued properties and responded to Board inquiries.

Upon motion of Director Logue, seconded by Director Crippen, and unanimously carried, the Board adopted Resolution No. 07-03 which is entitled: "A RESOLUTION ADOPTING A PROCEDURE TO WAIVE THE APPRAISAL IN CASES INVOLVING ACQUIRING PROPERTY OF A LOW FAIR MARKET VALUE."

D. Amendment Five/Bender Rosenthal, Inc: Executive Director Paul Brunner recapped the proposed amendment and responded to Board inquiries.

Upon motion of Director Crippen, seconded by Director Logue, and unanimously carried, the Board approved amendment five to the agreement with Bender Rosenthal, Inc. in the amount of $158,880 for eminent domain services and authorized the Chairman to execute same.

Chairman Webb left the meeting at 3:55 p.m. Vice-chairman Logue presided.

E. Environmental Impact Report (EIR)/Feather River Levee Repair Project: Executive Director Paul Brunner and Program Manager Ric Reinhardt provided a Power Point presentation regarding finalizing the EIR and project alternative selection and responded to Board inquiries.

Vice-chairman Logue opened the floor for public comment.

Special Counsel Scott Shapiro recapped comments received and Errata Number One which is identified as Exhibit A which is attached and made a part of the minutes.

Mr. Tom Eres, representing Hofman Ranch, commented on various aspects of the EIR and felt the document was not ready to be certified due connectivity to Federal requirements and the need for a Federal Environmental Impact Study.

Mr. Shapiro advised federal procedure does not allow for TRLIA to process an Environmental Impact Statement.
Mr. Reinhardt responded to specific issues raised and advised the engineers license is documented on the application.

Mr. Jeff Twichell, Levee District No. 1 Engineer, appreciated Board efforts and project, advised the District would be seeking Water Resource funds, felt a collaborative community effort would be beneficial, and documents were appropriate at this time.

Upon motion of Director Griego, seconded by Director Crippen, and carried with Director Webb being absent, the Board adopted Resolution No. 07-04, which is entitled: "A RESOLUTION BY THE BOARD OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY IN REGARD TO CERTIFICATION OF THE FEATHER RIVER LEVEE REPAIR PROJECT FINAL EIR; ADOPTION OF CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS, MITIGATION MEASURES, MITIGATION MONITORING PROGRAM AND STATEMENT OF OVERRIDING CONSIDERATIONS; AND APPROVAL OF THE FEATHER RIVER LEVEE REPAIR PROJECT."

ADOPT RESOLUTION NO. 07-04

BOARD AND STAFF MEMBERS’ REPORTS

Reports were received on the following:

Executive Director Paul Brunner:
- State Reclamation Board meeting of January 19, 2007 and formation of advisory committee regarding Authority’s projects

Program Manager Ric Reinhardt:
- Correspondence from Corps of Engineers dated January 30, 2007 regarding review for FEMA certification

CLOSED SESSION

The Board retired into closed session at 4:50 p.m. to discuss the following:


Negotiation: Price and Terms of Payment

The Board returned from closed session at 5:20 p.m. with all Board and staff members present as indicated above. There was no announcement from closed session.
ADJOURNMENT

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 5:21 p.m. by Chairman Webb.

[Signature]
Chairman

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

[Signature]  Approved: February 27, 2007
Errata #1 to the Feather River Levee Repair Project  
Final Environmental Impact Report  
February 6, 2007

The Three Rivers Levee Improvement Authority (TRLIA), a joint powers authority composed of Yuba County and Reclamation District 784 (RD 784), issued the draft environmental impact report (DEIR) for the Feather River Levee Repair Project (FRLRP) on August 4, 2006 for a 45-day review period ending September 18, 2006. TRLIA held a public comment meeting on the DEIR on September 6, 2006. During the review period, TRLIA received several written comment letters about the DEIR and the proposed project, which consists of implementation of one of three potential alternatives that are evaluated at an equal level of detail in the DEIR.

In accordance with Section 21092.5(a) of the Public Resources Code, the final EIR (FEIR) for the FRLRP was distributed on November 2, 2006 to allow a period of at least 10 days for public agencies that submitted comments on the DEIR to review the responses to those comments before TRLIA took action on EIR certification and project approval.

The TRLIA Board of Directors considered certifying the FRLRP EIR and approving a project alternative at its regularly scheduled meeting on Tuesday, November 14, 2006, but delayed action on the EIR certification and project approval until a future date. This errata concerns additional communication received by TRLIA since November 14, 2006 on the proposed setback levee.

First, on February 5, 2007 TRLIA received an e-mail from Steve Bradley, Chief Engineer of the State Reclamation Board in regard to the Environmental Impact Report scheduled to be certified by the TRLIA Board on February 6, 2007. The email contained the following comment:

The hydraulic analysis submitted for the EIR that TRLIA is proposing to certify tomorrow does not properly analyze the hydraulic impacts of the proposed project as there is no analysis of the impacts of the proposed project on the State’s adopted plan of flood control, the basis for determining impacts of a proposed project on the existing flood control system.

As a result of receiving the email, TRLIAs consultants contacted Mr. Bradley to discuss the impact analysis contained within the EIR. In particular, the consultants shared the fact that, as documented in the EIR, the RLRP does not modify the accepted design flow for the Sacramento River Flood Control Project. The design flow is commonly considered a key indicator for whether the State’s Plan of Flood Control has been modified. The methodology used for this analysis was the same methodology and level of detail as was accepted by the Reclamation Board for the previously approved, permitted, and constructed Bear River Setback Levee. Since issuing the permit for the Bear River Setback Levee Project, the Reclamation Board has not adopted any relevant criteria as to what might constitute a modification of the State Plan of Flood Control and has not adopted any criteria or policies in regard to impacts to the design flow.

Based upon these facts, as discussed with Mr. Bradley, TRLIA staff believes that it has both performed and disclosed the necessary analysis to support the conclusion that the impacts of the proposed project have been adequately analyzed. TRLIA staff will continue to work with the Reclamation Board and its staff as part of the encroachment permit process to provide any additional necessary documentation or analysis as requested.

Second, TRLIA has received copies of five letters pertaining to the proposed Setback Levee; the letters were from (1) Levee District 1 (LD1) to Paul Brunner, (2) from the Sutter County Board of Supervisors to Lester Snow, DWR, (3) from the Sutter County Administrative Officer to the Sutter County Board of Supervisors, (4) from the Sacramento Area Flood Control Agency to Lester Snow, DWR, and (5) from the Yuba County Water Agency to Lester Snow, DWR. The first letter, from LD1, a levee maintenance district located on the west side of the Feather River across from the proposed location of the Feather River setback levee voiced strong support for the setback levee offering many reasons for TRLIA’s selection of Alternative 2 in the EIR. By its terms, the letter
does not appear to comment on the EIR or require a response. However, based on a February 5, 2007 conversation between Ric Reinhardt, Program Management for TRLIA, and Jeff Twitchell, Engineer for LD1, it became apparent that LD1 considered the December 14, 2006 letter to be a letter addressing issues relevant to the EIR.

Based upon this conversation, TRLIA staff has again reviewed the December 14, 2006 letter (attached hereto). The only discussion in the letter which may be construed as commenting upon the EIR is a discussion regarding a setback levee for which LD1 is conducting a feasibility study. The discussion states:

As you know, LD1 is conducting a feasibility study and preparing an EIR for the construction of a 3,500 ft. long setback levee on the right bank of the Feather River at Star Bend, River Mile (RM) 18.0. LD's cursory hydraulic review of TRLIA's setback levee above Star Bend (TRLIA Alternative 2), coupled with the smaller hydraulic benefits of LD1's setback levee at Star Bend, indicate that both projects provide significant benefits to reducing flood stages in the Feather River without inducing significant increases in flow and flood stages downstream in the Feather River or Sacramento River flood control systems.

With the context of the February 5 conversation it appears that this discussion could be raising the issue of the cumulative impact of the two setback levees. While the FRLRP EIR does analyze the impact of Alternative 2 on the Feather River and Sacramento River flood control systems, and considers the LD1 setback project in the cumulative analysis, the hydraulic model used to evaluate the FRLRP was not modified to incorporate the LD1 setback levee because that project was deemed too speculative. While TRLIA is supportive of additional setback levees being constructed on the system, and in particular of LD1's proposed project, at this time TRLIA's conclusion that the project is speculative involves the current lack of a local cost share, a requirement for State funding. In addition, LD1 has not yet finalized an economic analysis for LD1's proposed project demonstrating that there are sufficient benefits to justify the costs, a requirement of State or federal funding. The LD1 project is therefore deemed too speculative to trigger a re-working of the FRLRP hydraulic model to incorporate it. However, because an EIR is being prepared for the project, and a Notice of Preparation for the EIR was released while the FRLRP DEIR was underway, the LD1 setback levee was considered qualitatively in the FRLRP DEIR cumulative analysis.

It is also important to note that the FRLRP Alternative 2 (even in conjunction with the LD1 proposed project) will not have a downstream hydraulic impact as a result of the operation of Oroville and New Bullards Bar Reservoirs. Under the Oroville and New Bullards Bar Reservoir Control Manuals, the two reservoirs are operated such that releases from Oroville and New Bullard Bar during a storm event will maximize flow in the Feather River at Nicholas (downstream of segment 2) at no more than 320,000 cfs. Thus, any additional downstream flow that might otherwise be increased by the FRLRP Alternative 2 removing the construction of the Feather River, separate from or in conjunction with the LD1 proposed project, would be compensated by decreased releases from Oroville and New Bullards Bar.

The other four letters, from the Sutter County Board of Supervisors, the Sutter County Administrative Officer, Sacramento Area Flood Control Agency, and Yuba County Water Agency, are letters of support for the Feather River setback levee (Alternative 2), and reflect the opinions of the authors that the setback levee project would generate substantial regional benefits and should be pursued. These letters contain no issues requiring response.
December 14, 2006

Mr. Paul Brunner, Executive Director
Three Rivers Levee Improvement Authority
915 Eighth Street, Suite 115
Marysville, CA 95901-3273

Subject: Feather River Setback Levee above Star Bend by Three Rivers Levee Improvement Authority

Levee District No. 1 of Sutter County (LD1) is very supportive of Three River Levee Improvement Authority’s (TRLIA’s) regional efforts to construct a setback levee on the left bank or east bank of the Feather River between Star Bend and the Yuba River. LD1’s review of the TRLIA Draft and Final EIR for the Feather River Levee Repair Project suggests that levee repair Alternative 2 containing the setback levee above Star Bend provides a substantial regional benefit for lowering the 200-yr water surface elevations in the Feather River by as much as 2.0 feet above Shanghai Bend and by as much as 1.3 feet between Yuba City and Marysville. TRLIA’s Alternative 2 for its Feather River Levee Improvement Project is the TRLIA alternative that provides the most significant regional benefits to the Yuba City basin in Sutter County, the City of Marysville and to the Plumas Lake Basin. An additional benefit that the Feather River setback levee provides to TRLIA is that it will negate or reduce the need for TRLIA to raise the left bank levee of the Yuba River downstream of Simpson Lane to obtain 200-year protection for the Olivehurst–Linda Plumas Lake areas. As you may recall, raising existing levee systems to obtain 200-year levels of protection for the TRLIA area as well as for other metropolitan areas was a topic of significant debate at the State Reclamation Board hearing of October 20, 2006 in connection with TRLIA’s Encroachment Permit 17979-BD.

LD1 is cognizant of the funding limitations and timing constraints that may exist with the private development funding sources that are available to TRLIA within the Plumas Lake basin for its Feather River levee improvements. However, LD1 is hopeful that TRLIA will be patient and work with the additional funding sources that will likely soon be available from the California Department of Water Resources (DWR) through Propositions 1E and 84. As of today, TRLIA, with its ongoing program of substantial levee improvements enjoys much greater flood protection than a lot of other urban areas.

Francisco Silva
Director
(530) 674-2130

Al Montna
Director
(530) 674-2837

Mike Vitoshke
Manager
(530) 674-3541

Bill Hampton
Manager
(530) 674-2454

Duane Oliveira
Engineer
(530) 688-6050
or areas experiencing urbanization. In comparison to Sutter County and LD1, TRLIA also
has much greater funding capabilities from the development community and the Yuba
County Water Agency. Sutter County, within the Yuba City basin, has limited
development taking place, and is limited to obtaining levee improvement funds from
DWR and securing local cost-sharing funds by conducting a Proposition 218 special
benefit assessment election. Thus, LD1 would be very appreciative of TRLIA’s efforts to
construct its proposed setback levee above Star Bend.

Any form of a setback levee along the Feather River between the Yuba River and the
Bear River that effectively reduces flood water surface elevations would serve as a
regional flood control benefit to both Sutter and Yuba Counties and the communities
south of Yuba City and Marysville. As you know, LD1 is conducting a feasibility study
and preparing an EIR for the construction of a 3,300 ft. long setback levee on the right
bank of the Feather River at Star Bend, River Mile (RM) 18.0. LD1’s cursory hydraulic
review of TRLIA’s setback levee above Star Bend (TRLIA Alternative 2), coupled with
the smaller hydraulic benefits of LD1’s setback levee at Star Bend, indicate that both
projects provide significant benefits to reducing flood stages in the Feather River without
inducing significant increases in flow and flood stages downstream in the Feather River
or Sacramento River flood control system. LD1 is of the opinion that the setback levees,
one at Star Bend by LD1 and the other above Star Bend by TRLIA, are compatible and
both can be constructed. The two setback levees can be constructed independently
without one or the other, but ideally, if they were both implemented, they would further
reduce the risk of flooding by collectively dropping water surface elevations in the
Feather River in excess of 2.00 feet.

Please let LD1 know how LD1 can be of assistance to TRLIA in securing the necessary
support and funding from DWR in implementing the best regional flood control
solutions(s) that, in our opinion, consists of the TRLIA setback levee above Star Bend.

In the interim, LD1 would like TRLIA to keep LD1 informed of any and all TRLIA
Board agenda items relative to the subject levee improvements and adopting the Final
EIR and Notice of Determination (NOD) for the subject Feather River Levee Repair
Project. In the event TRLIA seeks a project alternative (Alternative 1 or 3 as noted in
TRLIA’s EIR for the Feather River Levee Repair Project) that may fall short of the best
regional solution, LD1 would like the opportunity to comment on the project before the
TRLIA Board, as well as the Yuba County Board of Supervisors and the State
Reclamation Board. Thank you in advance for keeping LD1 informed of TRLIA’s
planned actions for its region-based Feather River Levee Repair Project.

LD1 looks forward to the continued cooperation with TRLIA and is hopeful that TRLIA
is supportive of LD1’s efforts in implementing a setback levee on the right bank of the
Feather River at Star Bend. Please let us know if you should have any questions or
comments relative to LD1’s or Sutter County’s interests in seeing both setback levees
being implemented as integral components of a larger regional flood control
improvement program that should be receptive to DWR.

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Sincerely yours,

[Signature]

Francis K. Silva
President, Levee District No. 1 Board of Directors

cc: Yuba County Board of Supervisors
    Larry Combs, Sutter County Administrator
    Dan Silva, Sutter County Supervisor
    Lester Snow, Director of DWR
    Leslie F. Harder, Jr., Deputy Director for Public Safety DWR
    Rod Mayer, DWR
    Steln Baier, Executive Director of SAFCB
December 19, 2006

Lester Snow
Director
California Department of Water Resources
1416 Ninth Street
Sacramento, CA 95814

Dear Director Snow:

Sutter County is writing in support of the proposed Feather River setback levee in Yuba County. We believe that this levee project meets the Department of Water Resources draft criteria regarding the expenditure of funds under Proposition 1E, the Disaster Preparedness and Flood Prevention Bond Act of 2006. Sutter County supports the proposed Feather River setback levee because it is a multipurpose regional flood protection project that would provide significant benefits to Yuba County, and to Sutter County’s major population center of Yuba City.

As the Department evaluates this project we would call to your attention the fact that the regional benefits provided by this project are particularly important to our community. As you are well aware, this community has long suffered from flooding, partially due to constrictions on the Feather River brought about by the construction of the original levees. During a 200 year flood event, the proposed five-mile long setback would reduce the peak flood stage by up to 2 feet, reducing the risk and potential incidence of flooding significantly. The setback is a remarkable opportunity for the State of California and our local communities because it could also lead to the creation of over 1,500 acres of wildlife habitat, much of which would be adjacent to existing State wildlife areas.

Sutter County has several significant flood protection projects now under consideration that will also lead to increased protection for our residents. Many of these projects would also satisfy the DWR criteria. We look forward to presenting these projects to the Department early next year.

Sincerely,

Larry Munger
Chairman,
Board of Supervisors
December 15, 2006

To: Board of Supervisors

Subject: Support of Yuba County Setback Levee

As you are aware, Yuba County has proposed a setback levee, of approximately five miles, on the Feather River in the area south of the Yuba County Airport to the Star Bend area. Analysis clearly shows that this project would provide significant flood control benefits to the urban areas on both sides of the Feather River, in Sutter County as well as Yuba County. It is, therefore, recommended that you approve support of this project and authorize the Chairman to sign the attached letter.

LARRY T. COMBS
County Administrative Officer

LTC:smm
Attachments
January 30, 2007

Lester Snow, Director
California Department of Water Resources
1416 Ninth Street
Sacramento, California 95814

Dear Director Snow:

The Sacramento Area Flood Control Agency (SAFCA) is writing to support the Three Rivers Levee Improvement Authority's (TRLIA) proposed Feather River setback levee in Yuba County. Our understanding of the project indicates that it will provide significant regional flood control benefits to both Sutter and Yuba County residents. Because TRLIA, the implementing agency, is ready to certify its Environmental Impact Report, the project is ready to proceed now. The proposed project significantly enhances public safety by replacing a levee which has encountered repeated problems, with a new levee constructed to current standards. The proposed project will also create over 1500 acres of riverside land upon which mitigation or enhancement may be created. Finally, based upon our current understanding of the proposed project, it will not have any measurable hydraulic impact on flood protection in the Sacramento metropolitan area.

Sincerely,

Stein M. Buur, Executive Director

Cc: Paul Bremmer TRLIA
Scott Shapiro Downey Brand
February 2, 2007

Lester Snow, Director
California Department of Water Resources
1416 Ninth Street, 11th Floor
Sacramento, California 95814

Dear Director Snow:

The Yuba County Water Agency (YCWA) supports funding the Three Rivers Levee Improvement Authority (TRLIA) proposed Feather River setback in Yuba County through the Department of Water Resources and Proposition 1E funds.

The concept for this project first originated in the Cal Fed funded Yuba Feather Work Group where local flood control stakeholders worked with the South Yuba River Citizens League, Friends of the River and the Sierra Club. It was at the urging of the environmental organizations that the setback concept was moved forward.

The setback will provide regional stage level reduction flood control benefits for Sutter County and Yuba City, southern Yuba County and the City of Marysville. It also significantly enhances public safety replacing an historically weak levee with a new levee constructed to modern standards in a better location. Furthermore it adds over 1,300 acres of land to the Feather River flood channel that will be better for the environment. All of this is accomplished without any measurable hydraulic impact on other communities in the system.

Sincerely,

[Signature]

Don Schrader
Chairman
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EXHIBIT B
2/6/07 Minutes