

**AMENDED MINUTES OF THE BOARD OF DIRECTORS OF THE
SUTTER BUTTE FLOOD CONTROL AGENCY
REGULAR MEETING OF
MARCH 11, 2015**

The Sutter Butte Flood Control Agency (Agency) Board of Directors (Board), State of California, met on the above date at 12:45 p.m. in the City of Yuba City Council Chambers, Yuba City, California.

MEMBERS PRESENT

County of Sutter:	Jim Whitaker, Larry Munger
County of Butte:	Bill Connelly, Steve Lambert
City of Yuba City:	Kash Gill, John Dukes
City of Gridley:	Frank Hall
City of Live Oak:	Gary Baland
City of Biggs:	Bo Sheppard
Levee District 9:	David Lamon, Chris Schmidl
Levee District 1:	Francis Silva, Bill Hampton

MEMBERS ABSENT: Barbara LeVake

STAFF PRESENT: Mike Inamine, Executive Director; Michael Bessette, Director of Engineering; Scott Shapiro, Agency Counsel; Seth Wurzel, Budget Manager; Sarah Modeste, Administrative Manager

CLOSED SESSION

- 1) Conference with legal counsel – anticipated litigation – Govt. code 54956.9(d)(2) – Native American Heritage Commission

Nothing to report.

REGULAR MEETING/CALL TO ORDER

Following Closed Session, Board Chair Kash Gill opened the regular meeting and led the group in the pledge.

CONSENT CALENDAR

- 1) Approval of the minutes for the February 11, 2015 Board meeting
- 2) Approval of the resolution establishing the regular SBFCA Finance Committee meetings for the 2015 calendar year

Chair Kash Gill pulled item 3 from the consent calendar.

On motion of Director Jim Whiteaker, and seconded by Director John Dukes, the consent calendar was approved as follows:

- | | |
|-----------------------|-----------------------|
| • Bo Sheppard – Yes | • Chris Schmidl - Yes |
| • John Dukes – Yes | • Frank Hall – Yes |
| • David Lamon – Yes | • Bill Connelly – Yes |
| • Francis Silva – Yes | • Gary Baland – Yes |
| • Bill Hampton – Yes | • Steve Lambert-Yes |
| • Jim Whitaker – Yes | |
| • Larry Munger – Yes | |

- 3) Approval of Amendment 7 to the Larsen Wurzel & Associates, Inc. contract

Executive Director Mike Inamine stated that Amendment 7 to the Larsen Wurzel contract would provide previously unscoped and budgeted funds to carry LWA through the end of the fiscal year. Mr. Inamine stated that Scott Brown previously worked for Parsons Brinckerhoff and is now with LWA. Mr. Brown manages the scheduling component of the project and the work moved with Mr. Brown from Parsons Brinckerhoff to LWA; the funds associated with this work also moved from Parsons Brinckerhoff to LWA. Additionally, LWA provided coverage while SBFCA's Administrative Manager took a personal leave of absence.

Elaine Miles, on behalf of the Sutter County Taxpayers Association, stated that her group had additional questions. She stated that the staff report indicated that LWA will continue to provide clerical work on behalf of SBFCA instead of the administrative manager. She additionally asked if Scott Brown worked at an office directly across from the SBFCA office and wanted to know if SBFCA continues to have a contract with that office.

Mr. Inamine stated that SBFCA's administrative manager continues to hold all responsibilities she previously held. He also confirmed that the funds previously budgeted to Parsons Brinckerhoff are being moved from Parsons Brinckerhoff to LWA.

On motion of Director John Dukes, and seconded by Director Bo Sheppard, Amendment 7 to the Larsen Wurzel & Associates, Inc. contract was approved as follows:

- Bo Sheppard – Yes
- John Dukes – Yes
- David Lamon – Yes
- Francis Silva – Yes
- Bill Hampton – Yes
- Jim Whitaker – Yes
- Larry Munger – Yes
- Chris Schmidl - Yes
- Frank Hall – Yes
- Bill Connelly – Yes
- Gary Baland – Yes
- Steve Lambert – Yes

PRESENTATION, DISCUSSION & ACTION ITEMS

4) Receive and file monthly financial report

Budget Manager Seth Wurzel presented the financial report. He stated that SBFCA's preliminary working capital as of January 31 was approximately \$18.2 million; to date the amount is approximately \$23.7 million. He added that the operating revenue received was \$750,000 through January 1, 2015 from assessment district revenues. The expenditures to date total \$75,779,031, of which \$74,822,074 are related to the FRWLP1. The assessment revenue bonds and Rabobank loan remain unchanged.

No action required.

INFORMATIONAL AND POSSIBLE APPROVAL ITEMS

5) Program/Project Update

Director of Engineering Michael Bessette provided an overview of right of way acquisitions. He stated that there are 23 parcels owned by 10 different people that are affected by the project in Project Area B. In Project Area C, there are 73 parcels affected by the project. Of those 73 parcels, 4 APNs are in negotiations, 1 has a signed right of entry, 6 are in escrow and 45 have closed on escrow. There are 5 parcels in Area C that are in active eminent domain/litigation, which are owned by 3 different property owners. SBFCA has resolved eminent domain/litigation cases on 10 different parcels owned by nine individuals. Project Area D affects 65 parcels, of which 30 parcels are in negotiations. To date, 9 parcels have a signed right of entry or possession of use agreement, 7 parcels are in escrow, and escrow has been closed on an additional 18 parcels. There are four parcels in active eminent domain/litigation.

Executive Director Mike Inamine stated that the Board held a closed session prior to the regular Board meeting to discuss the cultural issues. He stated that there has been significant media coverage which has highlighted SBFCA's difficult position between the USACE and the United Auburn Indian Community.

Mr. Inamine added that he, General Counsel Scott Shapiro and Board Chair Kash Gill traveled to Washington D.C. in February which was led by Julie Minerva, SBFCA federal advocacy consultant. He stated that the trip was not a lobbying trip, but instead an opportunity to present complex issues for which SBFCA seeks funding from the federal government. He highlighted the importance of meeting face-to-face with the decision makers. Mr. Shapiro stated that SBFCA is working to obtain funding for the lower six miles of the flood control system, an area where DWR has stated that it is not interested in providing funding at the same cost share as the rest of the levee system.

Mr. Shapiro explained that the local USACE makes a recommendation for funding to the South Pacific Division on how much money should be spent on the next phase of the project; this is confidential and SBFCA does not know its recommendation. Then, the South Pacific Division confidentially determines how much it would like to support the local recommendation, then sends a recommendation to USACE headquarters in Washington D.C., then the recommendation is confidentially reviewed and sent from headquarters to the Assistant Secretary of the Army where it is again confidentially reviewed and sent to Office of Management of Budget. At that point, the OMB sends its recommendation to the President, and it could be included in the President's budget. Since Congress gave up its ability to designate funding to

projects through earmarks, the decision has been left to the President. One of the reasons for the visit to Washington D.C. was to meet with those involved in this length decision making process. During the visit, SBFCA learned that the decision was getting sidelined by a very technical issue, and SBFCA was able to understand the misunderstanding and begin to correct the situation. This would not have happened without in-person meetings in Washington D.C. Chair Kash Gill added that while in D.C., the group was able to attend an event in which many high-ranking USACE staffers were in attendance, in which they were able to further discuss the SBFCA process.

Additional details are provided in the March Board Packet, which can be downloaded [here](#).

6) Other reports from Agency staff and consultants

Nothing to report.

7) Report (if necessary) by the Citizens' Assessment District Advisory Committee (CADAC)

Sandi Frederickson, CADAC Chair, stated that the CADAC meets the week prior to the Board meeting and they are working to contact residents of Butte County to join the CADAC. She stated that Elaine Miles is spearheading the effort. She added that Mr. Inamine provided an update on the strategic plan at its last meeting, which the CADAC members appreciated.

Ms. Frederickson stated that there is a public meeting tonight in Gridley. Public Information Manager Kim Floyd confirmed that the meeting is specific for property owners along the alignment. Ms. Frederickson stated that she will attend to listen.

8) Report (if necessary) by member and partner agencies

Nothing to report.

CORRESPONDENCE

9) Report on correspondence sent by and received by the Board

Nothing to report.

PUBLIC COMMENT

Eric Mackensen, a property owner on Second Street in Yuba City, requested additional information on easements that could affect his property. He stated that had previously communicated with SBFCA on this issue and was looking for an update.

Mr. Bessette stated that the design team recently completed a survey of the area adjacent to the levee. He added that this area is a no work reach of levee as the USACE constructed that portion of the levee several years ago, but in order to obtain certification on the entire levee, SBFCA must comply with the urban level of flood protection criteria which include cleaning up encroachments and right-of-way. The SBFCA design team has determined how to move forward on each property, and SBFCA will be reaching out to property owners individually. The SBFCA team believes the area will be certifiable with very little changes made to the properties. One of the primary actions will be the clearing of shrubs to provide better visibility as well as the ability to have access to properties during a high water event.

ADJOURNMENT

With no further business coming before the Board, the meeting was adjourned at 2:19 p.m.

ATTEST BY:



SARAH MODESTE, BOARD CLERK



KASH GILL, CHAIR