



**SBFCA Finance Committee Meeting**  
**1 pm – June 29, 2015**  
**1441 Garden Highway, Yuba City, CA**

*Director Steve Lambert will participate in the meeting by teleconference from 3159 Nelson Avenue Oroville, CA 95965 in accordance with Government Code section 54953(b)(3). This location is accessible to the public, and persons attending at this location will be afforded an opportunity to address the committee members from that location.*

**CALL TO ORDER**

**DISCUSSION & ACTION ITEMS**

1. Approval of the June 1, 2015 Finance Committee Meeting Minutes
2. Approval of an Increased Construction Contingency Authorization for the Project Area C Construction Contract
3. Approval of Amendment 2 to the Contract with Parsons Brinckerhoff, Inc. for Construction Management Services for the Project Area C Construction Project
4. Review & Approval to Authorize the Executive Director to Execute an Amendment to the Contract with Reeb Government Relations, LLC.

**PUBLIC COMMENT**

**ADJOURN**



# Sutter Butte Flood Control Agency

*A Partnership for Flood Safety*

June 29, 2015

**TO:** Finance Committee

**FROM:** Mike Inamine, Executive Director

**SUBJECT:** Approval of Minutes of the June 1, 2015 Finance Committee Meetings

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The proposed minutes for the June 1, 2015 Finance Committee meeting are attached for your review, modification and/or approval.

**Recommendation**

Staff recommends that the Finance Committee approve and authorize the Chair to sign the minutes.

Thank you.

**DRAFT MINUTES OF THE FINANCE COMMITTEE  
SUTTER BUTTE FLOOD CONTROL AGENCY  
June 1, 2015**

The Sutter Butte Flood Control Agency (SBFCA) Finance Committee Members, met on the above date at 1 p.m. at the SBFCA office, 1441 Garden Highway, Yuba City, California.

**MEMBERS PRESENT:**

City of Yuba City: John Dukes  
Levee District 9: David Lamon\*  
County of Butte: Steve Lambert\*\*  
County of Suter: Larry Munger

*\*Director Dave Lamon participated in the meeting via teleconference. Because this arrangement was not noticed in advance of the meeting, Director Lamon did not participate in the voting.*

*\*\*Director Steve Lambert participated in the meeting by teleconference from 3159 Nelson Avenue Oroville, CA 95965 in accordance with Government Code section 54953(b)(3). This location was accessible to the public, and persons attending at this location were afforded an opportunity to address the committee members from that location.*

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

**Call to Order/Discussion & Action Items**

**1. Approval of Finance Committee Meeting minutes from the May 4, 2015 meeting**

**On motion of Director John Dukes, and seconded by Director Larry Munger, the minutes were approved as follows:**

- John Dukes – Yes
- Steve Lambert – Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

**2. Review and recommendation of Board approval of the Final Amended 5-Year Budget covering 2014-15 through 2015-16**

Budget Manager Seth Wurzel reviewed the changes between the budget presented at the May Board meeting, and the budget that will be presented to the Board at the June meeting. The only change was an increase of \$550,000 related to Feather River Regional Flood Management Planning Phase 2 work, which is 100% funded by the State.

**On motion of Director John Dukes, and seconded by Director Larry Munger, the recommendation of Board approval of the Final Amended 5-Year Budget covering 2014-2015 through 2015 was approved as follows:**

- John Dukes – Yes
- Steve Lambert – Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

**3. Review and recommendation of Board approval of the annual consultant contract amendments for Fiscal Year 2015-16:**

- a. Downey Brand
- b. Larsen Wurzel & Associates, Inc.
- c. Peterson Brustad, Inc.
- d. The Handen Company

Mr. Wurzel introduced this item, reviewed the contract increase and explained that the operations contracts are brought before the Board at the same time as the annual budget amendment.

**On motion of Director John Dukes, and seconded by Director Larry Munger, the recommendation of Board approval of the annual consultant contract amendments for Fiscal Year 2015-16 were approved as follows:**

- John Dukes – Yes
- Steve Lambert – Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

4. **Review and recommendation of Board approval Amendment 1 to Peterson Brustad Inc. Task Order 9 for services related to the Oroville Wildlife Area Flood Stage Reduction Project**

On motion of Director John Dukes, and seconded by Director Larry Munger, the recommendation of Board approval Amendment 1 to Peterson Brustad Inc. Task Order 9 for services related to the Oroville Wildlife Area Flood Stage Reduction Project was approved as follows:

- John Dukes – Yes
- Steve Lambert – Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

5. **Review and recommendation of Board approval of Amendment 6 to ICF Task Order 11, Amendment 4 to ICF Task Order 12, and Amendment 4 to ICF Task Order 13 for services related to the Feather River West Levee Project**

On motion of Director John Dukes, and seconded by Director Larry Munger, the recommendation of Board approval of Amendment 6 to ICF Task Order 11, Amendment 4 to ICF Task Order 12, and Amendment 4 to ICF Task Order 13 for services related to the Feather River West Levee Project were approved as follows:

- John Dukes – Yes
- Steve Lambert – Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

6. **Purchase of Giant Garter Snake Mitigation**

On motion of Director John Dukes, and seconded by Director Larry Munger, the recommendation to purchase Giant Garter Snake Mitigation was approved as follows:

- John Dukes – Yes
- Steve Lambert - Yes
- Larry Munger – Yes
- Dave Lamon – Did Not Participate in Vote

7. **Status update on 2015 Assessment Revenue Bond Sale**

Mr. Wurzel stated that SBFCA sold bonds on May 28, 2015, which resulted in \$49.77 million, of which SBFCA will pay off the Rabobank loan totaling \$14.79 million and the fees associated with the sale. SBFCA will have approximately \$33.70 million in proceeds. The all-in true interest cost was 3.987% including an early call option; in 2013, the interest rate was 4.026%.

**Public Comment**

No public comment.

**Adjourn**

With no further business, the meeting was adjourned at 1:40 p.m.

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KASH GILL, CHAIR

ATTEST BY: \_\_\_\_\_

SARAH MODESTE, BOARD CLERK



# Sutter Butte Flood Control Agency

*A Partnership for Flood Safety*

June 29, 2015

**TO:** Finance Committee

**FROM:** Mike Inamine, Executive Director  
Michael Bessette, Director of Engineering

**SUBJECT:** Increased Construction Contingency Authorization for the Project Area C Construction Contract

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## **Recommendation**

That the Finance Committee recommend that the Board approval for the increase construction contingency authorization for the Project Area C Construction Contract from 10% (5,158,080) to no more than \$6,500,000 (12.6%) and to issue final payment and release of retention to the contractor.

## **Background**

On May 8, 2013, the Sutter Butte Flood Control Agency Board of Directors approved the award of a construction contract with Nordic/Magnus Pacific Joint Venture for the Feather River West Levee Project 1 – Project Area C (Contract No. 01-2013C) and authorized the Executive Director to approve contract amendments that would not increase the total compensation due under the contract by more than 10% (\$5,158,080). The construction of this project began in the summer of 2013 and continued into the spring of 2015.

## **Discussion**

During the course of construction in the summer of 2014, a large number of Native American archeological sites were found during construction of the Feather River West Levee Project, stopping work in and around the sites, and resulting in overall project delays and associated costs. A total of fifteen (15) sites containing archeological artifacts and ancestral remains were encountered, thirteen (13) of which affected ongoing construction. These finds required the contractor to halt work, create buffer zones around the cultural area, remobilize equipment, re-sequence construction, and caused additional construction related cost impacts. In July 2014, the potential cultural resource costs were estimated to be \$16.9 million. However, upon reevaluation of existing project contingencies, staff determined the net impact to the project budget to be \$4.9 million. Adjustments were made to the project budget and presented to the Board on August 13, 2014. Within the overall project budget, the impact to the construction cost for Project Area C was estimated to be \$6.5 million. While negotiations with the contractor on these related cost impacts are ongoing, staff estimates that a fair settlement will fall within the budget. Thus no impact to the overall FRWLP budget is anticipated as a result of the final settlement for Project Area C.

In order to conclude the settlement with the contractor, the Executive Director's authority to approve contract amendments needs to be raised by the Board to \$6.5 million, an increase of approximately \$1.34 million. This will allow closeout of the Project Area C Construction Contract and release of retention funds.

**Fiscal Impact**

This authorization is within the appropriated expenditure limits of the approved Amended 5-Year Budget. Furthermore, the authorization described above is within the current estimates for the FRWLP1 planned costs. The project is funded from both state and local funds. There is no net budgetary impact resulting from board approval of the recommended action.

**Parsons Brinckerhoff, Inc.**  
**Construction Management Contract**  
**Amendment No. 2**

**Feather River Levee Early Implementation Project (EIP)**

This Contract Amendment No. 2 amends the Contract between the Sutter Butte Flood Control Agency and Parsons Brinckerhoff, Inc. dated October 16, 2012. This Amendment No. 2 to the Construction Management Contract for the Project Area C construction project was approved by the Sutter Butte Flood Control Agency Board at their meeting on July 8, 2015.

**Scope of Work**

See attached Total Cost to Complete Contract dated June 18, 2015.

**Schedule**

The services under this Amendment will be performed between July 2015 and November 2015.

**Budget**

The budget for this amendment is not-to-exceed \$95,000 and will be based upon actual costs incurred and invoiced on a monthly basis.

**Special Provisions**

None

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

SUTTER BUTTE FLOOD CONTROL AGENCY

PARSONS  
BRINCKERHOFF, INC

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_



# Sutter Butte Flood Control Agency

*A Partnership for Flood Safety*

June 29, 2015

**TO:** Finance Committee

**FROM:** Mike Inamine, Executive Director  
Michael Bessette, Director of Engineering

**SUBJECT:** Amendment No. 2 to the Contract with Parsons Brinckerhoff, Inc. for Construction Management Services for the Project Area C Construction Project

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## **Recommendation**

That the Finance Committee recommend Board approval to authorize the Executive Director to execute Contract Amendment No. 2 in the amount of \$95,000 with Parsons Brinckerhoff, Inc. to complete the work required in their Construction Management Support Services Contract for the Feather River West Levee Project, Project Area C Construction Contract, and extend the contract expiration date to November 30, 2015.

## **Background**

In September 2012, the Board delegated authority to the Executive Director to execute a contract with Parson Brinckerhoff, Inc. to provide construction management services for the Feather River West Levee Project Area C. The contract was executed on October 16, 2012 and the work specified under the contract has been ongoing since that date. Project Area C levee improvement construction began in the summer of 2013 at Shanghai Bend and concluded in the spring of 2015. The services Parsons Brinckerhoff perform under the contract include; construction management, inspection, resident engineer, submittal processing, change order negotiation, quality assurance testing, and project close-out documentation.

## **Discussion**

Most of the required services under the contract have been completed within budget. The only outstanding work needed to be completed is the project closeout services which include the project's construction completion report. Several construction related issues outside of the consultant's scope have resulted in the need for this proposed contract amendment. These issues included unexpected amounts of cobble material found within the levee prism at Shanghai Bend (Reach 13), addition of cement in deep mix method slurry walls required by partner agencies USACE and DWR, and numerous impacts related to the cultural resources discoveries. These items required construction management and materials testing services to be performed over and above what was specified in the contract. Most of these additional services were absorbed by the existing contract budget, however, the proposed amendment is required to completely close out the project.

## **Fiscal Impact**

This authorization is within the appropriated expenditure limits of the approved Amended 5-Year Budget for Construction Services provided by Parsons Brinckerhoff. However, the budget allocation between Project Areas did not accurately capture the remaining



construction management work for Project Area C. The amended budget for Project Area B included contingency of \$189,800 authorized by the Board. At this time, the costs for Project Area B will not require the use of the Board authorized contingency. Therefore, staff requests Board approval of the following budget adjustments:

Decrease the following Budget Account:

99-68200 PB General CM Services Area B	\$(95,000)
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Increase the following Budget Account:

99-67200 PB General CM Services Area C	\$ 95,000
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<b>Total Net Budgetary Impact from Request</b>	<b>\$0</b>
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The proposed services are included within the current estimates for the FRWLP1 planned costs. The project is funded from both state and local funds. There is no net budgetary impact resulting from board approval of the recommended action.

**Attachment**

Amendment No. 2 to the Contract with Parsons Brinckerhoff, Inc. for Construction Management Services for the Project Area C Construction Project



# Sutter Butte Flood Control Agency

*A Partnership for Flood Safety*

June 29, 2015

**TO:** Finance Committee

**FROM:** Mike Inamine, Executive Director

**SUBJECT:** Review & Approval to Authorize the Executive Director to Execute an Amendment to the Contract with Reeb Government Relations, LLC.

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## **Recommendation**

Recommend to the Board authorization for the Executive Director to execute an amendment to the contract with Reeb Government Relations, LLC which converts payment terms from the existing retainer to an hourly rate.

## **Background**

Reeb Government Relations, LLC (RGR) was originally retained on August 27, 2014 to provide advice and representation before the Legislative and Executive branches of State government with regard to the Feather River West Levee Project. RGR has been retained at the rate of \$5,000 per month to advocate for State appropriation and State Urban Flood Risk Reduction grant funding commitments for the remainder of the FRWLP; in addition, RGR helped draft and advocate for passage of SB37, which was necessary to ensure recovery of expenditures absent timely commitment of UFRR funding. As RGR has successfully achieved both objectives of the original retention contract, SBFCA has terminated retention payments as of the end of May 2015. However, staff foresees a number of State legislative issues requiring representation including State appropriations for UFRR, several grants funded by Bond 1e, Prop 1 grants, and other flood control related State legislative proposals affecting SBFCA.

Staff recommends amending the existing contract to provide services on an hourly basis of \$250 per hour, not to exceed \$15,000 per year. While this amount is well below the Executive Director's authority to award contracts of less than \$50,000, staff proposes amending an existing retention contract that would result in payments in excess of \$50,000, thus this change requires approval by the SBFCA Board of Directors.

## **Fiscal Impact**

The contract amount is within the scope of the current 5-year budget. There is no net budgetary impact from Board's approval of the recommended action.