

**MINUTES OF THE BOARD OF DIRECTORS OF THE
SUTTER BUTTE FLOOD CONTROL AGENCY
REGULAR MEETING OF
APRIL 10, 2013**

The Sutter Butte Flood Control Agency (Agency) Board of Directors (Board), State of California, met on the above date in Regular Session at 1 p.m. in the City of Yuba City Council Chambers, Yuba City, California.

MEMBERS PRESENT

County of Sutter:	James Gallagher, Stan Cleveland
County of Butte:	Bill Connelly, Steve Lambert
City of Yuba City:	Tej Maan
City of Gridley:	Jeff Draper
City of Live Oak:	Gary Baland
City of Biggs:	Bo Sheppard
Levee District 1:	Francis Silva, Barbara LeVake
Levee District 9:	David Lamon

MEMBERS ABSENT: Directors Chris Schmidl, Al Montna, John Dukes, Kash Gill

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

REGULAR MEETING/CALL TO ORDER

Board Chair James Gallagher opened the meeting at 1 p.m. and SBFCA Board Member Tej Maan led audience in the pledge of allegiance.

CONSENT CALENDAR

On motion of Director Barbara LeVake, seconded by Director Tej Maan and carried by those present, the Board approved the Consent Calendar as follows:

- 1) **Approval of the minutes for the Regular Board Meeting of March 13, 2013**
- 2) **Approval of Parsons Brinckerhoff Amendment 1 for field office rental**

PRESENTATION, DISCUSSION AND ACTION ITEMS

3) **Receive and file monthly financial report**

Mr. Inamine presented a brief summary of important actions that the Board will be asked to take in the next 30 days: certification of the Environmental Impact Report for the Feather River West Levee Project, approval of the amended 5-year Agency budget, approval of the first bond sale, and delegation of authority to the Executive Director to execute a contract with a construction contractor.

Budget Manager Seth Wurzel reported that the Agency has approximately \$5.6 million in available working capital as of February 2013. Currently, the Agency has approximately \$3 million in estimated working capital with accruals through March 2013. The Agency does not plan to make another draw from its Rabobank line of credit in the coming months.

Mr. Wurzel explained that the April 24, 2013 Special Board Meeting will focus on the Agency's budget and bond decisions. The Board will: review the Agency's preliminary 5-Year Capital Budget which will reflect timing of expenses based on more detailed cash flow analysis and actual expenses to date, allocation of approved budget items to specific task orders, and incorporation of permanent financing details. During the April 24 Board meeting, the Board will also schedule a budget hearing for the May 8, 2013 Board meeting; at that time, the Board will consider budget adoption.

Additionally, the Board will be briefed on the Agency's proposed financing structure and will receive an overview of requested actions that will be presented to the Board on May 8, 2013.

No action taken on this item.

4) **Board consideration of 1) Resolution Certifying Environmental Impact Report for the Feather River West Levee Project; and 2) Resolution Adopting Findings and Approving the Mitigation Monitoring and Reporting Plan for the Feather River West Levee Project**

Agency Counsel Andrea Clark reviewed the EIR/EIS process and explained that the Agency began the environmental process with a joint document – one that combined the Environmental Impact Report and the Environmental Impact Statement. The Agency then determined that the documents should be split into two so schedule could be maintained.

Ms. Clark stated SBFCA is the lead agency to prepare, approve findings, approve the mitigation monitoring plan and certify the EIR. During the April 10 Board meeting, the Board covered five items related to the environmental document process: Final EIR, Statement of Overriding Considerations, Findings of Fact, Mitigation Monitoring & Reporting Plan, and staff's summary of the EIR process.

For each significant impact, the Board must determine either that mitigation makes it less than significant, or it's significant/unavoidable, but benefits of the project outweigh impacts. Those impacts are then acceptable because the benefits are so great and the Board determines that it will proceed with the project anyway. This process is called the Statement of Overriding Consideration.

The Feather River West Levee Project has a small number of unavoidable impacts, most of which are related to large construction projects, including: air quality, noise, vegetation and wetlands, and cultural resources. The Agency has taken these items into consideration and will work to mitigate impacts as possible, but the impacts are still considered unavoidable.

The Agency was able to mitigate for all other impacts to a level that is less than unavoidable. This project is large and covers a large area, but has a relatively small environmental impact footprint.

Chair James Gallagher thanked staff and the consultant team for their work in developing a very comprehensive package.

Patrick Porgans with Porgans & Associates provided public comment. Mr. Porgans complimented the Board to provide for the safety and wellbeing of the community. Mr. Porgans provided the Board with several technical comments related to the EIR, including his view that the project presents increased risk to areas east of the Feather River, all flooding problems were created by government, and that Oroville Dam operations should be considered; Mr. Porgans previously submitted these comments on the EIR/S in writing. Mr. Porgans added that he does not object to the EIR or the project, but wanted to bring a few items before the Board.

Director Barbara LeVake asked how the Agency will inform the public of these actions. Mr. Inamine responded that a newsletter is scheduled for development announcing this item, and a media release will be developed and distributed to local media contacts. Ms. Clark stated that a notice of determination will be filed with the State, Butte County and Sutter County.

Director Gallagher stated that the approval of the two resolutions was a critical benchmark in the Agency's process.

A motion was made by Director Tej Maan to approve the resolution certifying the Environmental Impact report for the Feather River West Levee Project and the resolution adopting findings and approving the Mitigation Monitoring and Reporting Plan for the Feather River West Levee Project. The motion was seconded by Director Dave Lamon and was carried by those present.

INFORMATIONAL AND POSSIBLE APPROVAL ITEMS

5) **Program/Project Update**

Director of Engineering Michael Bessette provided an overview of recent engineering activities; a full report is included in the April 10, 2013 Board agenda packet.

- **Engineering Design** - Following the IPE meetings held on March 5 and 6 to review the 100% design, the IPE issued a formal letter stating that the design plans achieved the program objective of providing 200-yr level of protection and that the plans were ready to be issued for construction bids. The design team issued bid documents on March 19 for Project Area C. A mandatory pre-bid meeting will be held on April 3, and bids will be opened on April 23. Bid results will be presented to the SBFCA Board at the May 8 meeting. The design team completed the 65% plans and specifications for Project Areas B and D in April 2012. With the Area C design out for bidding, the design team will resume work on the Area B and D designs. The 90% design for those areas is due in July 2013.

- Right of Way - The right of way acquisition process is continuing in Project Areas C, D and B. Purchase offers have been made to a majority of the property owners in Project Area C and negotiations are ongoing. In Project Area D, notices have been sent to the property owners to schedule site inspections for appraisal purposes, and several inspections have been conducted. Staff also continues to coordinate closely with several of its member agencies to provide the necessary land rights for the project. Staff is on schedule to obtain the necessary property rights for construction in 2013 and 2014. Staff continues to meet regularly with property owners upon request to answer questions and facilitate the acquisition process.
- State Funding and Coordination- In order to address DWR comments staff resubmitted SBFCA's Financial Plan for the local share of the cost of the first phase of construction. DWR has finalized their Decision Memo and began routing it internally for the required senior management approvals. The hope is that the Decision Memo approval process will be complete by the end of April whereupon DWR will issue a Funding Commitment Letter to SBFCA and also send the Construction Funding Agreement to the Department of General Services for final processing and approval. At this time, staff does not foresee a delay in a construction funding agreement that would impact major construction beginning in July.
- Corps Feasibility Study Pilot Project – USACE is proceeding toward release of the draft Feasibility Study Report for public review on April 26, 2013, with Section 221 Memorandum of Understanding approval shortly thereafter. The draft will reflect the Locally Preferred Plan as the Tentatively Selected Plan, with Federal cost sharing only for the National Economic Development Plan (NED) portion (essentially that portion south of the Sunset Weir) with the caveat that the USACE is considering a larger Federal cost share on a parallel timeline with the Exception to USACE Policy memo.
- System-Wide Improvement Framework - The process to complete the Letter of Intent (LOI) for the System-Wide Improvement Framework (SWIF) is nearly complete. As a reminder the SWIF is required to retain eligibility for rehabilitation assistance authorized under Public Law 84-99.
- Regional Planning - The consultant team is conducting small group meetings with stakeholder groups, including maintaining agencies, cities and counties, and NGOs to gather data and information necessary for plan development. The program website is up to date and can be accessed at www.frrfmp.com, and a project hotline has been established (530-845-5988).

6) **Other reports from Agency staff and consultants**

No additional reports at this time.

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

The next CADAC meeting will be held on April 17 from noon to 1 p.m. The meeting will be held at the City of Yuba City's Butte Conference Room at City Hall. The meeting is open to the public.

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

Nothing to report at this time.

CORRESPONDENCE

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

Nothing to report at this time.

PUBLIC COMMENT

No public comment.

ADJOURNMENT

With no further business coming before the Board, the meeting was adjourned at 1:10 p.m.

ATTEST BY: _____

SARAH MODESTE



JAMES GALLAGHER, CHAIR