

BRANNAN-ANDRUS LEVEE MAINTENANCE DISTRICT

Minutes of Thursday, March 8, 2012

The stated meeting of the Brannan-Andrus Levee Maintenance District's Board of Directors was called to order by presiding officer, Larry Gardiner, President, at 9:30 a.m. on the above cited date at the District Office, 310 Second Street, Isleton, California, in joint session with Reclamation Districts 317, 2067 and 407.

1. Roll Call indicated a quorum with the following in attendance:

BALMD Directors: Larry Gardiner, Gay Giles, Manuel Rebero, Frank Silva, Jr. and Denis Van De Maele
 BALMD Staff: Andy Giannini, Superintendent; Victoria Hale, Bookkeeper; Gilbert Labrie, Engineer; Debbie Phulps, Secretary
 RD Trustees: Louis Biagioni, Roland Paolinelli, Glen Giovannoni, Randy Correia
 Guests: Bill Kearns

2. Agenda Setting - Item 3. MSC (Silva / Rebero) [MSC = Motion-Second-Carried unanimously unless otherwise noted] adopting the joint session agenda as published (Item 3).

3. Joint Session. President Manuel Rebero (RD 2067) called their meeting from recess and Presidents Roland Paolinelli (RD 317) and Larry Gardiner (407) called their Boards to order at 9:40 a.m.

3.1 Benefit Assessment Administrative Services. Vicki reviewed SCI's service proposal to take over the benefit assessment tracking and billing functions of the District. **MSC** (Silva / Rebero) to enter into a service agreement with SCI under the terms outlined in their proposal.

3.2 NIMS Compliance. The District Engineer was directed investigate whether neighboring RDs and affected agencies would be interested in joint participation in a training and documentation process to fulfill the requirement.

The Joint Session concluded at 10:02 a.m. with the adjournment of Reclamation Districts 317, 407 and 2067 by their respective Presidents. Roland Paolinelli, Glen Giovannoni, Randy Correia and Louis Biagioni retired from the meeting.

4. Agenda Setting. MSC (Silva / Rebero) adopting the remainder of the BALMD agenda.

5. Financial Report - Victoria Hale. The Balance Sheet, Unpaid Bills Detail, and A/R Aging Detail were presented. Bank statement copies were provided to Director Giles.

5.1 Balance Sheet Summary as of meeting date:

Total Checking / Savings	\$ 1,672,578.71
Total Accounts Receivable	\$ 48,709.18
Total Other Current Assets	\$ 572,957.10
Total Fixed Assets	\$ <u>525,489.22</u>
Total Assets	\$ <u>2,819,734.21</u>
Total Current Liabilities	\$ 25,921.86
Total Long Term Liabilities	\$ 39,431.68
Equity	\$ <u>2,754,380.67</u>
Total Liabilities and Equity	\$ <u>2,819,734.21</u>

5.2 The following claims were submitted for payment approval. Invoices were available and those presented by DCC Engineering and Delta Bookkeeping were reviewed.

Applied Water Resources	7,617.60	Giles, Gay	102.68
AT&T	160.17	HART Restoration	9,147.80
California State Lands	37.18	Oilwell Materials	7.06
California Waste Management	91.80	Payroll - PERS	1,840.04
DCC Engineering	29,437.97	Payroll - Taxes	1,709.67
Delta Bookkeeping	1,611.05	Ramos Oil	387.83
Frontier Communications	193.02	Rebero, Manuel	102.68
Gardiner, Larry	102.68	Reclamation Dist. 2067	330.00
Giannini, Andy	2,192.04	Rio Vista Ford	57.83

S&W Tire Service	17.00	Van De Maele, H. Denis	102.68
Silva, Frank	102.68	VISA	<u>144.21</u>
Sprint	144.18	Total Claims	<u>\$ 55,664.18</u>
Stewart Industrial	24.33		

Vicki noted that approval had been received releasing the Special Project - Five Year Plan Development advance monies (\$35,000) with a remaining reimbursement due the District of \$10,236.25. As a result, the balance of the checking account established for those advance monies will be transferred to reimburse the District's revolving fund and the special checking account closed. **MSC** (Rebero / Giles) authorizing issuance of a \$25,000 warrant for payment of the cited claims. Vicki reported that Warrant #1920 for \$70,000 was lost by the County. It was subsequently voided, and the amount reissued as Warrant #1922.

5.3 Benefit Assessments. **MSC** (Giles / Rebero) authorizing write-off of delinquent benefit assessment accounts owing less than \$1.00.

5.4 Emergency Reserve Fund Policy. **MSC** (Giles/Rebero) increasing the amount of the Emergency Reserve Fund to \$500,000 and authorizing a \$200,000 account transfer to fund the increase.

6. Invitation to guests desiring to address the Board. None responded.

7. New Business

7.1 Encroachments

A. Kearns: Request modification of District encroachment permit number 2008-006 authorizing construction of a new residence and bridgeway on a currently occupied Terminous Road site. Existing residence to be demolished to accommodate the new construction. Owner desires to deviate from the existing permit by substituting an enclosed RV garage structure for the elevated deck in the same location on the south side of the planned residence. The garage roof will be flat to fulfill the deck function requirement. Overall construction will be phased in that, initially, the garage will be built adjacent to the existing residence planned for future demolition and replacement. The new garage foundation will be set back from the levee toe the same distance as the existing structure, approximately 13 feet, and will be offset from the new residence foundation approximately 5 feet, resulting in a greater setback from the levee toe than originally permitted. Additionally, Applicant requests District participation in the form of material supply for the placement of additional riprap along the water-side berm, opposite the existing dock. Applicant estimates that one truck load may be required.

The District Engineer has no problem with the proposed project revision and believes District assistance with bank erosion improvements fronting developed water frontages is a good practice. **MSC** (Van De Maele / Rebero) amending permit number 2008-006, and authorizing cost participation in one truck load of rock with transportation from source and placement being borne by the Applicant.

B. Pacific Gas and Electric: Utility requests DWR application endorsement of maintenance work involving four power poles, three off-levee along Terminous Road and one on the levee (State Highway 160) near Cliff Haus. New poles will be installed in holes vacated by the deteriorated poles and any gaps filled with a cement slurry mixture to insure a tight fit.

The District Engineer does not believe that any of the involved power poles are in a critical location with respect to levee integrity; and therefore recommends action to endorse the activity on the Applicant's Central Valley Flood Protection Board application. The Board concurred with the District Engineer's recommendation and authorized their endorsement on the Flood Board application.

C. Marks: Applicant requests modification of District encroachment permit number 2010-003 to allow deviation from the permitted materials so that a pipe gate can be installed. The original permit calls for installation of timber posts and a chain gate to restrict access to private property on the west (water) side of State Highway 160, opposite the Applicant's ranch property, located south of the Highway 12 intersection. The Applicant is proposing to replace the access barrier with steel posts and a steel pipe gate, similar to District levee access gates, in order to combat a vandalism problem with the wood post system.

The District Engineer recommends approval of the material change with the requirement that the new gate match the District design and is set up with multiple locks so the District has emergency access. **MSC** (Rebero / Van De Maele) authorizing modification of permit.

8. Staff Reports

8.1 Secretary - **MSC** (Giles/Rebero) approving the minutes of February 9, 2012.

- A. DWR 02/23/2012 correspondence approving the District's January 23, 2012 invoice of \$45,236.25 for preparation of the Five-Year Plan under funding agreement BA-09-1.0.
- B. State Lands transmittal of the Sevenmile Slough General Lease for notarized execution by the District President.
- C. Sacramento-Yolo Mosquito & Vector Control District 02/20/2012 notice of intent to apply public health pesticides for vector control purposes to surface waters and waters of the US within Sacramento and Yolo counties.
- D. California Special Districts Association 02/24/2012 Call for Nominations Seat A.

8.2 Superintendent - Andy Giannini. Mattos has been advised about not grazing the Georgiana due to rutting issues. Andy's efforts have involved squirrel abatement, debris removal, securing the patrol road access at Terminous with blocks, and follow-up on the patrol road ATV trespass issue by the Tyler Island Bridge. Andy also noted an issue with leaking pipe between Kirk West's and Port Apache. District Engineer will investigate following the meeting. Discussion ensued regarding the fill placement on the property adjacent to Director Rebero, and the need to follow up with enforcement action. District Engineer to investigate and draft cease and desist letter for President Gardiner's signature.

8.3 Engineer - Gilbert Labrie. The District Engineer presented his report, recapped below. Discussion items in the course thereof are noted by the use of inset paragraphs.

- A. Levee Program Financing. As previously reported in DCCE's follow up on the Levee Classification summary, submitted by DWR to the DSC, DWR's strategy has not changed. DWR is still proposing to the DSC that HMP be the benchmark State goal; and that any levee improvement proposal beyond this standard (to PL84-99) be subjected to an economic analysis, on an island by island basis, before authorizing any State reimbursement, with a higher priority will be given to projects that protect life safety, critical infrastructure and water quality, and benefit the ecosystem. However, the contents and methodology of that economic analysis is still being developed, with some assurance from DWR that it will not look like a typical Army Corps' benefit-cost analysis. In fact, it may be closer to the approach taken in the Economic Sustainability Report submitted to the DSC by the Delta Protection Commission.

At this juncture, DWR has given no indication of a change in DWR's projections for FY2010-11 and FY2011-12 Delta Levees Maintenance Subventions Program funding levels. What may be in jeopardy is the Governor's Budget for FY2012-13, which currently has \$15 million proposed for Delta levee maintenance. There is a credible rumor that the May Revised Budget may reflect a shift in priorities for use of Proposition 1E monies that could affect the levee program allocation. HMP emphasis has already tied up \$50 million with the earlier release of a PSP (Project Solicitation Proposal) that was justified in order to retain eligibility for FEMA (federal dollars), so as to cover flood event costs otherwise picked up by the State. DWR plans to award the grants for qualifying projects that will effectively obligate that money, before the end of this fiscal year.

- B. 2010-11 Subventions Claim. As previously reported, an on-site inspection of the District's claim items was conducted with DWR and Fish & Game representatives on January 3, 2012 during which Fish & Game did call attention to the loss of the large tree at the Comstock drainage blanket site, as well as three trees at the B&W seepage management site undertaken back in 2007. The District needs to mitigate for the removal in order to satisfy the "no net loss" mandate for Subventions Program eligibility. Fish & Game categorized the trees as riparian forest habitat and is requiring 3:1 mitigation for the loss. This has been calculated as a total acreage impact of 0.14 acres, thus requiring 0.42 acres of mitigation. As previously reported, DCCE contacted a local mitigation bank, Westervelt, that is approved by Fish & Game for this purpose, and requested a quote. Westervelt Ecological's quoted purchase

price for this type of mitigation acreage is \$31,500.

At the February meeting, the Board suggested DCCE look into utilizing the District's 100-acre parcel to satisfy this requirement. After careful consideration regarding the process to make this happen for such a small area, the type of long term obligation the District would have to enter into, the restrictions that could get placed on other activities on the site in the near future, and the availability of Subventions funds to pick up 75% of the \$31,500 cost, DCCE is recommending the Board instead approve the Westervelt purchase of mitigation credits.

MSC (Giles / Van De Maele) authorizing the purchase through Westervelt to satisfy the Subventions Program requirement.

- C. Vegetation Management - Project Levee Inspections. DCCE is attempting to reconcile the conflict, previously reported, between the District's Fall 2011 Project Levee Inspection Report issued by DWR, and the USACE Periodic Inspection Report based on a detailed inspection conducted in early 2011. DWR's Interim Vegetation Standards served as the maintenance criteria for the Fall 2011 inspection. That report cites two erosion sites, just west of Isleton, that received an Unacceptable rating and resulted in the District's Sacramento River levee unit getting an Overall Unit rating of Unacceptable. Georgiana Slough's lower, M rated mileage, was enough to offset the U rating penalty on the Sacramento River. However, the USACE report gives BALMD an Unacceptable rating.

DCCE officially received a copy of the USACE report on March 7, 2012. In a December 2011 Out Briefing, a summary document was distributed identifying a total of 587 Unacceptable items covering both Georgiana Slough and the Sacramento River levees. A total of 60 items have to be corrected before the next flood season. Others have to be addressed with a corrective time table, while some have up to two years grace period. Now that DCCE is in possession of the full report, with pictures of all the identified deficiencies, there is the opportunity to contest any of the items on the list.

It should be noted that DWR Flood Inspection has released a new, expanded list of levee inspection criteria, that is more closely aligned with the Corps' inspection format. The new list contains a total of 17 categories, 12 of which are additions to the most recent DWR Deficiency Summary list.

- D. 2011-2012 Subventions Program Projects.

1. Terminous Drainage Culvert. DCCE is still waiting for a final estimate from Bruce Gornto to repair the on-site drainage collection system supposed to carry the drainage water at the Comstock seepage site, across the County road and eventually into the RD 317 canal system. Fortunately, the dry winter weather being experienced has kept the deficiency from causing any serious drainage problems.
2. Sevenmile Slough Crown Raising (7702.25). The crown raising project awarded to A.M. Stephens Construction in October 2011, is complete.
3. Sacramento River Levee Toe Ditch Removal (Job 7702.21). DCCE has reached and agreement with the property owner and tenant farmer regarding the toe ditch removal project on the Bettencourt site, and has revised the plans to address all the concerns discussed. The project scope will involve filling the toe ditch, removing the ditch spoil berm bordering the ditch, installing three irrigation sumps and an 18-inch irrigation line, and constructing a gravel patrol road over the alignment of the newly-filled toe ditch.

Access to the patrol will be limited by standard District-design pipe gates which, DCCE suggests, be installed under a separate contract, under Superintendent Giannini's direction. Plans are complete and the specifications should be compiled early next week. To avoid a one-month delay, DCCE requests authorization to advertise for bids, with an anticipated bid opening at a special meeting in early April. With a quick turn around of the required paper work, construction could possibly get underway by mid-month so as not to delay irrigation start up.

MSC (Giles / Van De Maele) authoring the project for bid and call a special meeting for Thursday, March 29, 2012 at 9:00 a.m. to receive and act upon proposals received.

- E. 5-Year Plan. As reported earlier to the Board, DCCE transmitted a 5-Year plan to DWR, pursuant to the Project Funding Agreement No. BA-09-1.0, signed 12-14-09 by DWR, by the December 31, 2011 deadline. To date, DCCE has not received any comments from DWR staff. At the January 2012 Habitat Advisory meeting, DWR staff indicated that the review process should only take about four weeks.

The Plan, prepared by DCCE, envisions major project emphasis over the next four fiscal years on the USACE/CALFED stability berm project, erosion repairs on the Sacramento River levee, and continued drainage blanket/French drain projects to contain seepage and improve levee stability by removing open toe drains. For planning purposes, it was assumed that there would continue to be major funding assistance through the Delta Levee Subventions Program. That key assumption could fly out the window if the Governor's May Revised Budget shifts Prop 1E funds to the BDCP effort and Federal funds for the Levee Stability Program fail to materialize.

- F. USACE/CALFED Levee Stability Project. Since early February DCCE has been expecting a follow-up call from the Corps of Engineer's consultant, managing this program effort, indicating a readiness to move ahead with the preparation of the Project Implementation Report (PIR) for this project. Such would set in motion a 16-month+ process, at the end of which a fully designed and permitted project could be ready for the preparation of a final bid package. Supposedly there is Federal funding to proceed with the PIR phase but there are no construction monies in the 2013 Congressional Budget. The District has a Subventions Special Projects grant to move this process forward, as well as the opportunity to stockpile the needed fill material for the stability berms being contemplated, but progress is being held up pending the signing of a Cost Study Agreement with the Corps, which is the next step.
- G. State Department of Finance Audit Report. As reported in February, DCCE was able to work out a resolution with DWR, addressing the Dept. of Finance Audit report recommendation regarding the excess contracted amount over payment issue. That involved preparation of Change Orders to cover the overages on each of the projects identified in the draft report. This was done and submitted to DWR. It is DCCE's understanding that this follow-up effort was a satisfactory response.
- H. Arundo Removal. The first phase, Phase 1 (Job 7702.08), of this project was brought to a conclusion the end of 2011. Soon after the job was bid, a pre-construction meeting with the contractor, Hart Restoration, Inc., led to a decision to modify the specified approach for removal of the unwanted vegetation, in order to more effectively eradicate the plants and reduce some of the costs associated with working in the State Highway 160 corridor.

The new methodology selected was to adopt a phased approach, with the first effort focused on killing the root system by spraying and subsequent blocking out sunlight over a lengthy period of time. Utilizing this approach, a number of additional water-side sites were added to the scope of the original project. DCCE is closing out that phase with a change order, effective November 1, 2012.

The next phase (Phase 2) is to address the landside-levee slope eradication sites by removing the fabric cover and tie down system, scarifying the vegetated area to remove the more loose organic matter, and covering the area with an 18-inch layer of imported fill. Because of uncertainties about the most cost effective and least disruptive procedure, DCCE is working on plans to go to bid with a project involving the largest area that is between Vieira's Resort and Cliff Haus. It represents, in size, about 60% of the landside area to ultimately be addressed under this phase. If the project goes smoothly, DCCE intends to ask for an estimate from the successful contractor to take care of the remaining sites, and suggest to the Board that a change order be issued at that time to add those sites to the project. DCCE should be ready to seek Board approval at the April meeting to advertise for bids.

The final phase of this project involves erosion projects on the waterside, that will involve placing riprap below the low water line, and will require permitting and mitigation. DCCE has a design worked out that utilizes a habitat bench concept that is less involved than the emergency erosion repair project; and intends to have a pre-project meeting with the Corps, DWR and the environmental control agencies to get conceptual approval before entering the

permit process.

Additionally, DCCE is still working with State Fish & Game to obtain mitigation credit towards the Subventions Program no-net-loss requirements, from this eradication effort. However, this is separate from the mitigation requirements associated with the in-water erosion repair work discussed above.

Director Silva retired from the meeting.

8.4 Counsel - Joe Schofield. No report.

9. Director's Reports

9.1 Gardiner - No report.

9.2 Giles - No report.

9.3 Rebero - No report.

9.4 Van De Maele - No report.

10. Adjournment: The meeting was adjourned by President Gardiner at 12:10 p.m. with those present invited to join the Board for lunch at Pineapple's in Isleton. Those accepting the invitation were Gay Giles, Gil Labrie and Debbie Phulps.

Respectfully submitted,

Debbie Phulps, District Secretary
DCC Engineering Co., Inc.

Date Approved: April 12, 2012
MSC: Giles / Van De Maele