

BRANNAN-ANDRUS LEVEE MAINTENANCE DISTRICT

Minutes of Thursday, December 13, 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 10:03 a.m. on the above cited date at the District Office, 310 Second Street, Isleton, California.

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

Directors: Larry Gardiner, Gay Giles, Manuel Rebero, Frank Silva Jr. and Denis Van De Maele
Staff: Andy Giannini, Superintendent; Victoria Hale, Bookkeeper; Gilbert Labrie, Engineer;
and Debbie Phulps, Secretary
Guests: Emily Pappalardo and Kirk West

2. Agenda Setting. (Silva / Van De Maele) [MSC = Motion-Second-Carried unanimously unless otherwise noted] adopting the agenda and suspending the rules to allow consideration of items out of sequence.

3. Financial Report - Victoria Hale

3.1 Financial Report. Balance Sheet and Unpaid Bills Detail were distributed and reviewed. Director Giles received a copy of the most recent bank statement.

A. Balance Sheet Summary as of meeting date:

| | |
|------------------------------|------------------------|
| Total Checking / Savings | \$ 1,277,758.88 |
| Total Accounts Receivable | \$ 688,903.92 |
| Total Other Current Assets | \$ 88,972.10 |
| Total Fixed Assets | \$ 530,489.22 |
| Total Assets | <u>\$ 2,586,124.12</u> |
| | |
| Total Current Liabilities | \$ 243,918.06 |
| Total Long Term Liabilities | \$ 0.00 |
| Equity | \$ 2,342,206.06 |
| Total Liabilities and Equity | <u>\$ 2,586,124.12</u> |

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

| | | | |
|-----------------------------|-----------|---------------------------|----------------------|
| Abel Chevrolet | 949.53 | Payroll - Taxes | 1,311.38 |
| AT&T Wireless | 154.83 | Ram Welding | 400.00 |
| Bank of Rio Vista | 41,759.68 | Ramos Oil | 151.85 |
| California Waste Management | 93.50 | Rebero, Manuel | 102.68 |
| DCC Engineering | 40,965.15 | Reclamation District 2067 | 330.00 |
| Delta Bookkeeping | 1,727.09 | Robert Burns Construction | 3,656.91 |
| Downey Brand LLP | 2,929.21 | San Rafael Rock Quarry | 131,285.25 |
| Frontier Communications | 137.27 | Silva, Frank | 102.68 |
| Gardiner, Larry | 215.37 | Sprint | 150.38 |
| Giannini, Andy | 2,192.04 | Stewart Industrial | 36.13 |
| Giles, Gay | 102.68 | Van De Maele, H. Denis | 102.68 |
| Gornto Ditching | 14,634.00 | VISA | 126.08 |
| North Delta Water Agency | 248.30 | Warren Gomes Excav. | 66.60 |
| Oilwell Materials | 232.76 | Total Claims | <u>\$ 246,136.86</u> |
| Payroll - PERS | 1,972.83 | | |

MS (Giles/Rebero). **Carried** [4 Yes, 0 No, 1 Abstention =Gardiner] authorizing payment of claims with four (4) \$50,000 warrants and a single \$45,000 warrant.

Vicki noted that the Certificate of Deposit with the Bank of Stockton automatically renewed since the last meeting. Directors agreed that continuing that business relationship was in the District's best interest for now.

3.2 Employee Retirement Benefits. Vicki reported that the RDs are being advised by PERS that they do not qualify to account for Andy's part-time based wages with them, nor can they account for those wages through the levee maintenance entity. Additionally, Counsel's opinion is that establishing a retirement benefits plan for the one employee is most likely cost prohibitive to the RD.

4. **Invitation to Guests to Address the Board** - None responded.

5. **Business**

5.1 Job 7002.94_2012: Georgiana Slough Levee Revetment Restoration. **MS** (Silva/Van De Maele) authorizing Change Order No. 3 which increases the quantity of Contract Item 1 (12x18 rock) by 500 tons. **Carried** [4 Yes, 0 No, 1 Abstention = Gardiner].

6. **Staff Reports**

6.1 Secretary - Phulps. **MSC** (Giles/Van De Maele) approving minutes of November 15, 2012 as distributed.

6.2 Superintendent - Andy Giannini.

A. Equipment. Nextell phones have been retired. One of RD2067 pump stations was vandalized (wire removed), a second is also being fixed. No update on mower delivery.

B. Seepage and Drainage Follow-up. Responded to inquiry about toe ditch adjacent to the Georgiana lots not functioning properly. Will arrange with Gornto to clear portions of drain in question. Gil inquired about the recent discing at the Comstock property and possible impacts to that drain and lateral collection system. Gornto will be asked to investigate it as well.

C. Flood Preparations. Sandbags deposited at fire station.

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

A. Levee Program Financing. DCCE has made a concerted effort to keep the Board apprised of the status of the levee policy documents being prepared by DWR, for consideration by the Delta Stewardship Council (DSC), to be included in the Central Valley Flood Protection Plan to guide the administration of the Levee Subventions Program. The two significant documents that DCCE has been monitoring closely are the "*Framework for DWR Investments in Delta Integrated Flood Management (Framework)*" and a companion document called the "*Background Reference Memorandum (BRM)*."

While DWR has responded to some local agency concerns about the policies being promulgated, DCCE believes that the *BRM* still sets the stage for prioritizing islands when considering any State assistance with local expenditures on levees, beyond routine maintenance and rehabilitation to satisfy a minimum level of flood protection, predetermined by State water interests. After considerable input from key Delta representatives, DWR did incorporate the more rigorous Bulletin 192-82, State Standard, as the minimum standard for Subventions funding, in the final version of the *BRM*. But the *Framework* document, is now characterized as *Investments in Integrated Water Management*. This change aptly illustrates that the current political climate is more about delivering water than flood protection. The characterization of State funding decisions regarding Delta levee maintenance allocations as investments sets the stage for the current project prioritization approach, being applied by DWR, which favors water supply reliability and ecosystem restoration.

To complicate matters regarding DWR administration of the levee program, the State's, HMP investment priority strategy has been neutralized by a recent (12/8/12) FEMA termination of the HMP MOU that provided Federal policy clarification regarding LMA eligibility for FEMA disaster assistance in the event of an event occurring when all levees on an island are not fully in compliance with the HMP standards at the time of the event. The MOU was crafted because of FEMA's interpretation of the amended HMP agreement in effect which does not provide for variations in levee geometry that have occurred and continue to occur since the HMP agreement, which was adopted in 1983 and amended in 1987, between the State and FEMA. In response FEMA's notification, DWR put \$50 million worth of HMP work that was approved and slated to be funded for construction in the current fiscal year, on hold. Unofficially, DWR staff has indicated that this Federal policy change could result in a reevaluation of the allocation strategy for the \$50 million, based on the Investment Framework that is slated for

adoption in early 2013.

- B. Vegetation Management - Project Levee Inspections. As previously reported, BALMD's Fall 2012 Project Levee Inspection took place on October 25, 2012. DCCE and Superintendent Giannini accompanied the State Inspector and were able to address any maintenance deficiencies, not addressed under the recent vegetation management contract with Sun West, that were noted by the inspector. A final inspection report is due to be published soon, according to DWR officials.

In a separate contract effort to address most of 60 individual items in the 2011 USACE Periodic Inspection Report, occurring along both Georgiana Slough and the Sacramento River levees, DCCE worked with a local contractor, Bruce Gornto, to carry out various repair projects identified in construction documents prepared by DCCE. It is DCCE's understanding that all of the sites on Georgiana Slough have been repaired. The Sacramento River sites have not been addressed because of access difficulties and a more involved project scope at the waterside erosion sites singled out in the USACE Report. It is now DCCE's understanding the document transmitted to the District was considered a draft, and a Final Report is due to be released in the near future. If the District wants to address all the issues identified in the report, a Notice of Intent (NOI) to prepare a SWIF (System Wide Improvement Framework) needs to be submitted to the USACE indicating the proposed solutions, for USACE approval. The District would then have until June 29, 2014 to fix everything, in order to retain PL 84-99 eligibility for Project Levee repairs after a flood event. To date, no LMA has tested this process. DCCE believes the benefits of that effort may not offset its initial cost, nor are they assured, given the current economic uncertainties. It is also not clear whether the Levee Subventions Program will automatically share in the cost of that effort.

- C. BALMD 2012-13 Levee Stability Project (formerly the "USACE/CALFED Levee Stability Project"). As previously reported, DCCE has been working with Raney Geotechnical to develop a levee evaluation testing strategy for the two stability berm sites, in order to develop an acceptable engineering solution that will increase levee stability.

In the interim, to get the most mileage out of available funding resources for the stability berm project, DCCE received support from the Board to pursue the availability of suitable fill material from an on-island source, the Machado property, behind the Delta Bay resort. Subsequently, DCCE negotiated a unit price for relocating the sandy material, with a contractor chosen by the property owner to remove the overtopping on the parcel, deposited during the flood of 1972. Based on a topographic survey, it appears there are approximately 130,000 cubic yards of material that can be graded off the Machado site and stockpiled on the District's property. The Subventions Program guidelines allow for a State reimbursement of \$1.00 per cubic yard, for the cost of the material. The cost of stockpiling the material would be eligible for a maximum reimbursement of 75% of that cost. A royalty price of \$1.50 per cubic yard was accepted by Mr. Machado, and Reeves Sand & Gravel, Inc., provided a quote to stockpile the material on the District's property for \$4.00 per cubic yard. This equates to a per ton price of approximately \$3.00 based on the soils report prepared for Reeves by Kleinfelder, Inc.

DCCE has prepared a temporary easement agreement for District access to the sandy overburden material to be removed. DCCE has also reviewed a purchase agreement for the material and a contract for the removal and stockpiling of the material on the District property. DCCE has also contacted Raney Geotechnical for an evaluation of the proposed project and stockpiling location to verify that there will be no adverse impacts to the District levee by the removal of material from the area behind the Delta Bay Resort or by stockpiling on the District site. DCCE intends to designate the limits of the spoil area on the District site and establish a maximum stockpile height.

- D. BALMD 2012-13 Subventions Projects. As reported previously, DCCE is prepared to proceed, in the spring of 2013, with PL 84-99 crown raising projects on the Mokelumne River levee near the Lighthouse Resort and at Pirates Lair near the launch ramp, and a levee slope enhancement project on Sevenmile Slough, between the dams. For fall 2012 work, a limited rip-rap repair project was undertaken on a critical erosion site near Ramos Oil in Isleton, on the Sacramento River, under the limitations of the Corps of Engineers, Regional General Permit covering rip-rap repair. That project was authorized after a more involved project was advertised for bids, with a scheduled opening at the October meeting. A total of 537 tons of 1/4-ton rip-rap was placed along the toe of the eroded water side slope on October 31, 2007.

However, while attending the initial Ramos Oil job site meeting with The Dutra Group, it became clear to DCCE that any complete erosion repair effort at that location was more involved than (from a permitting perspective) than originally envisioned. It was determined that a significant amount of vegetation would hinder the construction process at the two proposed project sites along the reach, necessitate some drastic tree trimming and/or removal, require traffic control measures and address only a small portion of the erosion problem along the entire 1-mile reach. Consequently, DCCE elected to postpone the bid, concluding that the new information obtained in the field, with practical input from an experienced water-oriented contractor, warranted a reevaluation of the project design, engineering and scope, with input and permit authorization, from the appropriate environmental control agencies, the USACE and DWR.

To continue with a District, Fall rip-rap repair effort, without the permitting and construction issues presented by the Sacramento River levee dilemma, DCCE recommended that the annual repair effort be shifted to Georgiana Slough. Consequently, the bid documents were amended to modify the project scope and site accordingly, and a new bid opening was scheduled. On October 18, 2012, The Dutra Group was the low bidder, with a bid of \$103,750 for 2500 tons of DWR 12X18 RSP rip-rap, to be placed at various locations on the Georgiana Slough right bank, downstream of the Tyler Island bridge. That project was started on October 29, 2012 and completed on November 21, 2012. A total of 2978 tons of rip-rap was actually placed, necessitating a Change Order to cover the overage, which was partially due to the shift from the original project location and change in scope and the multiple-site placement requirement. DCCE has always anticipated this type of variation, but was reminded by the State audit of District Subventions Program claims, that the State cannot pay for work exceeding the contract. Thus the need for a Change Order when quantities exceed the bid schedule.

- E. Georgiana Slough Crown Crack. On November 19, 2012, DCCE received a text message from Andy Giannini with pictures of a crack in the center of the levee crown of the right bank of Georgiana Slough, at the bend that is just upstream of the confluence with the Mokelumne River. A key staff member was directed to visit the site to investigate the situation and report back for further instructions. That visit resulted in the discovery of crack along the land-side levee toe, which was hidden by the tall grass, and a determination that the depth of the crack at the crown was at least 30 inches, where it could be probed. Consequently, a monitoring regimen was developed and survey points were set to check for further horizontal or vertical movement. That formal instrument monitoring effort began after the Thanksgiving holiday weekend. Since that time, a total of 4 measurements have been taken, with the last one on December 7, 2012. Even with all the rain that fell in late November, there has been no measurable change at the crack site. Additionally, DCCE has visited the crack site with John Raney, the District geotechnical engineer, in an effort to understand what might be happening and determine if there is cause for concern.

At this point DCCE believes that the cracks in the middle of the levee crown at this location, and which occur over a total distance of approximately 100 lineal feet, should probably be sealed to limit moisture intrusion during the remainder of the rainy season. Thereafter, it may be advisable to excavate and investigate, before filling and re-compacting the levee section. In the meantime, DCCE has suggested to Raney that some inclinometers be installed to determine if there is some deeper movement taking place below the surface. Additionally, at the land-side toe, some investigation will need to be done to insure that the French drain and drainage blanket, at this location, are working properly to avoid any increase in the phreatic water level in the levee and weaken the overall structure.

7. Director's Reports

7.1 Gardiner - Legislation being introduced by Matsui relative to the building code and the rebuilding of structures following catastrophic destruction of same. It was also noted that FEMA's Flood Insurance Program is in jeopardy of ending due to claims from the Katrina and Sandy events and the requirements to provide for funding future disasters. Gil added that Garamendi also has legislation for FEMA to establish a "rural standard" which would allow the 100-year standard to be addressed differently.

7.2 Giles - No report.

7.3 Rebero - No report.

7.4 Silva - Reference made to memo received by the RDs from Counsel relative to the position by the State of California Department of Transportation that they are exempt from Benefit Assessments. President Gardiner requested that Gil Labrie follow up with Joe Schofield.

7.5 Van De Maele - No report.

8. Adjournment: The meeting was adjourned by President Gardiner at 11:58 a.m. with those present invited to join the Board for lunch at Peter B's in Isleton. Those accepting the invitation were Gay Giles, Gil Labrie, Emily Pappalardo, Debbie Phulps, Denis Van De Maele and Kirk West.

Respectfully submitted,

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

Date Approved: January 10, 2013
MSC: Van De Maele / Silva