

MINUTES

MEETING OF THE RECLAMATION BOARD

August 17, 2007

NOTE: THE BOARD WILL CONSIDER TIMED ITEMS AS CLOSE AS POSSIBLE TO THE LISTED TIME, BUT NOT BEFORE THE TIME SPECIFIED. UNTIMED ITEMS MAY BE HEARD IN ANY ORDER. MINUTES ARE PRESENTED IN AGENDA ORDER, THOUGH ITEMS WERE NOT NECESSARILY HEARD IN THAT ORDER.

A regular meeting (Open Session) of the Reclamation Board was held on August 17, 2007, beginning at 8:30 a.m. in the Resources Building, 1416 Ninth Street, Sacramento, California.

The following members of the Board were present:

Mr. Benjamin Carter, President
Mr. Butch Hodgkins, Vice President
Ms. Rose Marie Burroughs, Member

The following members of the staff were present:

Mr. Jay Punia, General Manager
Mr. Stephen Bradley, Chief Engineer
Mr. Eric Butler, Senior Engineer
Ms. Nancy Finch, Legal Counsel
Mr. Dan Fua, Supervising Engineer
Mr. Scott Morgan, Legal Counsel
Ms. Lorraine Pendlebury, Staff Assistant

Department of Water Resources staff present:

Mr. Keith Swanson, Acting Chief, Division of Flood Management
Mr. Dave Wheeldon

Also present (according to sign-in sheet and cards):

Mr. Paul Brunner, TRLIA
Mr. Stein Buer, SAFCA
Mr. Joe Countryman, MBK Engineers
Mr. Stuart Edell, Butte County Public Works
Mr. Thomas Foley, Concerned Citizens for Responsible Growth
Mr. Les Heringer, M&T Ranch
Mr. Wilburt Huang, URS Corporation
Ms. Lisa Kirk

Also present, continued (according to sign-in sheet and cards):

Mr. Carl Lindmark, Reclamation District 784
Mr. Ric Reinhardt, MBK Engineers
Mr. Thomas Rice, Rice River Ranch
Mr. Scott Shapiro, TRLIA
Mr. Richard Webb, Reclamation District 784, TRLIA Board
Mr. Steve Winkler, San Joaquin County Public Works

1. ROLL CALL

President Carter brought the meeting to order at 8:36 a.m. Board members Doherty and Rie were not in attendance; thus, President Carter noted that a quorum was not present and that all action items would be tabled and postponed.

2. CLOSED SESSION

The Board went to Closed Session to discuss litigation (Natural Resources Defense Council v. Reclamation Board; Case No. 06CS01228) pursuant to Govt. Code § 11126 (e)(2)(A)

3. APPROVAL OF MINUTES - May 18, 2007 & June 8, 2007

Action was postponed to a future meeting.

4. APPROVAL OF AGENDA

Action was postponed to a future meeting.

5. PUBLIC COMMENTS

Ms. Lisa Kirk, Bethel Island, commented on the reclamation plan for the Delta Cove Project.

Mr. Steve Winkler, San Joaquin County Public Works, representing the San Joaquin County Flood Control Water Conservation District in Stockton, California, discussed aspects of the Provisionally Accredited Levee (PAL) submittal process.

6. REPORT OF ACTIVITIES OF THE DEPARTMENT OF WATER RESOURCES (DWR)

Mr. Dave Gutierrez, acting director of FloodSAFE, introduced himself to the Board.

Mr. Keith Swanson, acting Chief of the Division of Flood Management, discussed the Levee Conference.

Mr. Swanson commented that the Levee Evaluations Program had been adversely affected by the lack of a state budget.

Mr. Swanson stated that, regarding the Tisdale Bypass Sediment Removal Project, DeSilva Gates Construction was the low bidder and clearing had started there, with scrapers scheduled to begin running next week.

Mr. Swanson also stated that the Early Implementation Project Grant Program had seven applicants that are being evaluated in a two-step process --- first, to meet the Governor's eligibility criteria contained in the Bond Expenditure Plan; second, applicants that meet the criteria must then demonstrate their financial capability.

Mr. Swanson noted that DWR has not yet received any written requests to participate in PAL agreements.

He next discussed continuing erosion repairs projects: the 1995 Ayres sites are winding down; the 2006 Ayres sites, Phase 2 work is beginning and completion is scheduled for November; the Cache Creek Setback Levee designs are complete and property appraisals are ongoing now; and Sacramento River Mile 200.6 in Hamilton City is moving forward. Three other projects are under review: Phelan Levee; the 3B overflow structure; and, just upstream of the Fremont Weir, a section of levee where DWR maintains a gauging station.

The 2006 PL 84-99 rehabilitation system assistance work continues; the Corps has initiated design on 62, bordering sites 3, 4, and 5.

Butte Creek has 0.8 levee miles awaiting permits.

Mr. Swanson also stated that DWR is beginning to develop a strategic plan for FloodSAFE.

7. THREE RIVERS LEVEE IMPROVEMENT AUTHORITY (TRLIA) MONTHLY REPORT

Paul Brunner, TRLIA Executive Director, reported on the status of various items related to the project.

Mr. Richard Webb, Reclamation District (RD) 784 (and TRLIA Board Member), and Mr. Carl Lindmark, counsel for RD 784, requested that an encroachment permit be issued by the Board for a potential fence installation to be located along a section of the Western Pacific Interceptor Canal. After discussion, President Carter recommended that staff talk to the applicant and the other pertinent parties to establish the facts of the situation, and then advise the Board further.

Mr. Tom Foley, Concerned Citizens for Responsible Growth, commented on TRLIA's funding issues and recommended that the State of California step in and take over the project.

Mr. Thomas Rice, Rice River Ranch, asked for the Board's assistance in helping the parties find a solution to the various issues involved in achieving an agreeable compromise solution for the levee alignment of the Feather River setback portion of the Project.

Vice-President Hodgkins raised the issue of whether the Board should address the question of stretching out the timetable to finish the project in 2009 rather than 2008.

Board Member Burroughs noted that the funding issue was a major concern that needed to be discussed openly and honestly.

Mr. Scott Shapiro, special counsel to TRLIA, commented that, although TRLIA is having challenges associated with the delay in state funding, they continue to believe that they are not in default and that they have been very open about their funding issues.

Per a suggestion from President Carter, Vice-President Hodgkins, Reclamation Board staff, and the other involved parties agreed to consult their calendars and work out details as necessary to arrange at least one subcommittee meeting to further address the issues involved. The subcommittee meeting will be held prior to the September Board meeting.

REQUESTED ACTIONS - PROJECT OR STUDY AGREEMENTS

8. Consider Approval of Changes to the Delta Levees Subventions Guidelines and Requested Reimbursement Amounts

The Board postponed action on Item 8 until the September meeting.

9. Modifications to Levee at Wadsworth Canal, Sutter County

The Board postponed action on Item 9 until the September meeting.

10. Consider Proposed Reclamation Board Policy Regarding Hydraulic Impacts Due to Improvements to the Sacramento and San Joaquin Rivers Flood Control Projects

President Carter reiterated that this would be a discussion item only; no action would be taken.

After a draft statement was read, a lengthy discussion delved into the complexities inherent in adopting policy language that moves beyond the generic; specific language would probably require accompanying regulations.

President Carter observed that, as no resolution existed as yet, this would be a continuing discussion.

INFORMATIONAL BRIEFINGS

11. Phelan Levee Erosion, M&T Ranch, Butte Basin

Mr. Les Heringer, manager of the M&T Ranch, discussed the bank erosion problem at Sacramento River Mile 192.5 and reiterated his request for Board support in fixing the problem. He asked whether DWR and the Reclamation Board have a legal responsibility to help solve the problem.

Mr. Keith Swanson, DWR, discussed the extent of DWR's responsibility and the need to clarify what the state's interests are. He concluded by noting that DWR is certainly willing to work with the locals, that this is a complex issue, and that he doesn't see a quick fix to the problem.

Staff Counsel Morgan noted that a key issue is that Phelan is a private levee.

General Manager Punia stated that the question was whether the state or the federal government has an interest in protecting this private levee.

President Carter requested that Mr. Swanson include updates on the situation as part of his monthly report on DWR activities.

BOARD REPORTS

12. BOARD COMMENTS AND TASK LEADER REPORTS

Member Burroughs had three comments:

- 1. Regarding the Levee Conference, she stated that she was very happy that all agencies in attendance were working in a positive and collaborative fashion to establish common ground for the various issues involved.*
- 2. Ms. Burroughs attended the interagency meeting and was impressed with the success of the group model; further, the interagency group has developed several subcommittees that are working on different elements that will bring more information to the interagency executive team.*
- 3. She attended the conference in Stockton and found it very educational.*

President Carter mentioned that Congressman Cardoza had called for a number of state and federal agencies to participate in a discussion on the levee status in the San Joaquin Valley and that he and Mr. Punia would participate in that discussion, scheduled for August 23.

Vice President Hodgkins noted that the 408 panel at the Conference had a good discussion about developing information to clarify the processes of the 408 Task Force.

13. REPORT OF ACTIVITIES OF THE GENERAL MANAGER

General Manager Punia stated that newly-appointed District Commander Colonel Thomas Chapman, U.S. Army Corps of Engineers, was invited and had accepted an invitation to meet informally with the Board prior to the September meeting, and he would then address the Board formally at the meeting.

Reclamation Board staff will attend a symposium on Vegetation on August 29.

The Stakeholders Roundtable Meeting is scheduled for August 30.

At the request of TRLIA, staff participated in a meeting with TRLIA consultants on their proposed alignment, wherein technical information was provided that established the basis on which the alignment was selected.

General Manager Punia commented that Union Pacific Railroad had been performing work adjacent to their bridge over the Bear River, near Wheatland, without a permit; the Reclamation Board stopped the work and informed Union Pacific they could not continue without first acquiring the permit.

In response to a query from Lady Bug Doherty, staff will consider hiring a hydrologist, using one of two engineering positions available in the BCP for fiscal year '08 and '09.

General Manager Punia further stated that, after first obtaining U.S. Army Corps of Engineers approval under Section 408, permits had been issued to SAFCA for strengthening the Natomas Cross Canal and to TRLIA for the Feather River levee repairs, Segments 1 and 3.

Lastly, a proposal letter had been received from the City of Roseville requesting the Board to modify their Project Cooperation Agreement (PCA) to include a betterment for the water supply project. Staff will be getting input on the proposal from Board legal staff as well as discussing the proposal with DWR staff.

14. FUTURE AGENDA

(As previously mentioned, Items 8 and 9 were postponed to the September Agenda.)

Also on the September Agenda:

- *The Board planned to have the meeting in the Sacramento Valley.*
- *The Board will consider the proposal letter from the City of Roseville, the City of Folsom and San Juan Water asking for modification to the PCA.*
- *Depending on the outcome of the Roundtable, something specific will be added to the agenda or as a Task Leader Report.*

Based on input from staff, it appears that TRLIA Application 18227 will not be ready for September, and thus will not be included on the agenda. TRLIA will be notified.

15. ADJOURN

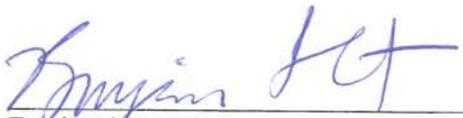
President Carter adjourned the meeting at 3:48 p.m.

Dated: NOVEMBER 16, 2007



Maureen Doherty
Secretary

The foregoing minutes were approved:



Benjamin F. Carter
President