



MINUTES

PLACER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD OF DIRECTORS Monday, April 13, 2015

The Board of Directors for the Placer County Flood Control and Water Conservation District met in session beginning at 4:00 P.M., Monday, April 13, 2015, in the Rocklin City Council Chambers, 3970 Rocklin Road, Rocklin, California. Brian Keating, District Manager, Andrew Darrow, Development Coordinator, Ken Grehm, Executive Director and Brett Holt, District Counsel, represented the District. Carl Walker, City of Roseville, Zico Saryeddean, Michael Baker International were present.

1. **ROLL CALL:**

By roll call, Directors present: Duran, Yorde, Morillas, Berlant, Joiner, Janda
Directors Not Present: Weygandt, Rocucci

2. **AGENDA APPROVAL:**

Motion made to approve the agenda for February 9, 2015.

MOTION: Janda/Joiner
APPROVED: Unanimous

3. **APPROVAL OF FEBRUARY 9, 2014 MINUTES:**

Motion made to approve the minutes of the February 9, 2015, meeting.

MOTION: Janda/Yorde
APPROVED: Unanimous
ABSTAINED: Jack Duran

4. **PUBLIC COMMENT:**

None

5. **ITEMS FOR INFORMATION:**

a. **Re-appointment of Member-At-Large Director Ken Yorde**

Brian Keating, District Manager informed the Board that Ken Yorde has been re-appointed to serve as your Member At Large Director for another two year term effective March 11, 2015 through March 11, 2017. The Placer County Board of Supervisors recently took action to approve the re-appointment. Director Yorde has served on your Board for the past twenty one years, beginning in 1994. His guidance and support to the District is very much appreciated.

b. **Results of Bi-ennial District Audit for period ending June 30, 2014**

Brian presented the results of the bi-ennial audit of the District's finances for the two year period ending June 30, 2014 that was completed by the private auditing firm of Vavrinek, Trine, Day & Co., LLP, under contract to Placer County. The audit was conducted in accordance with standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. No instances of non-compliance, or other matters

as required to be reported under the Government Auditing Standards were found. No deficiencies in internal control that could be identified as a material weakness were found either. No specific recommendations to strengthen internal controls and operating efficiency were made. Brian presented a list of financial highlights from the audit report as well.

c. Update on Statewide Grant funding opportunities

Brian reported that the State Department of Water Resources (DWR) has recently issued preliminary grant award recommendations under the Urban Streams Restoration Project (USRP). The District previously prepared an application under the USRP to help fully fund the construction of the Antelope Creek Flood Control Project, Upper Weir. The Placer County Community Development Resource Agency (CDRA) also submitted a grant application for the Cottonwood Dam Restoration Project on Miners Ravine. Both of these projects were selected by DWR as "Contingency Projects" which will receive a future grant award should additional funding become available. Brian clarified that DWR has not as yet identified a source for additional funding or when it may become available, if at all. A total of 47 project applications were received statewide, however, only 13 awards were made totaling over 8 million dollars. The Antelope Creek project funding request was for \$350,000 and was requested to fund the estimated shortfall in construction funding estimated in December 2014. Staff is hopeful that the DWR USRP will receive the additional funding necessary to fund the contingency projects and will keep your Board informed of any developments.

Brian informed the Board that DWR has also issued the third and final round of solicitations under the Proposition 84 Integrated Regional Water Management Program (IRWMP). This is the same grant program which funded the Antelope Creek Flood Control Project in 2012 with a \$741,000 grant award. Staff recommend the preparation of another application under this program to assist with necessary funding for implementation of the Antelope Creek project. We have also recommended to Placer County staff that the planned Scilacci Farms Flood and Conservation Easement project also be pursued under the next IRWM round. Applications are due in August 2015 and both of these projects are included and rank very high within the DWR approved American River Basin (ARB) IRWM plan, inclusion in this plan is a requirement for any project prior to submittal. The ARB region is likely to be awarded as much as 10 million dollars under this final round and projects will be grouped together for submittal within the region, with total requested amounts not to exceed one million dollars for each project.

6. ACTION ITEM:

a. Status of Antelope Creek Flood Control Project, Upper Weir and approval of Amendment No. 3 to professional services agreement with HDR Engineering, Inc.

Brian requested that the Board authorize the Executive Director to execute Amendment No. 3 in the amount of \$142,168 to the professional services agreement (PSA) with HDR Engineering Inc. relating to the Antelope Creek Flood Control Project, Upper Weir.

The Antelope Creek Flood Control Project, Upper Weir, has now reached a near 100% level of planning and design completion. Construction plans and a construction bid package for public advertisement were prepared earlier in the year in hopes to go to bid and start construction by June 2015. Required land acquisitions and agency permitting remain the key project milestones not yet fully realized. Land acquisitions are nearly complete with ten flowage easements already obtained or about to be recorded. Agency permitting and review approval by the United States Corps of Engineers (Corps) remain a challenge.

The submittal of required agency permitting applications were made in advance, as long as one year ago in some cases, in anticipation of receiving permits in advance of the public bidding process. Staff has now received several key permits and agency approvals including a non-jurisdictional dam finding by the State Division of Safety of Dams, a 401 water quality certification from the Central Valley Regional Water Quality Control Board (RWQCB), a 1600 Streambed Alteration Agreement from State Department of Fish and Wildlife and a right of entry agreement from the Union Pacific Railroad. The remaining permits include a tree permit and flood encroachment permit issued by the City of Roseville which is currently being processed and appears on schedule.

Regarding the critical 404 permit issued by the Corps, which includes federal consultation with the National Marine Fisheries (NMFS) and the United States Fish and Wildlife Services (USFWS), we have now received extensive comments from NMFS, and relatively minor comments from USFWS. Importantly, NMFS does not agree with the Corps submitted project determination for a finding of “not likely to adversely impact” fisheries habitat, and has also requested a lengthy formal consultation rather than the proposed informal consultation. NMFS has requested additional project plan developments including a “Fish Rescue Plan” and a 10-year long “Streambed Monitoring Plan”. They have also requested additional habitat assessment modeling using the new Standard Assessment Method Model (SAM). The possible presence of Steelhead Trout within this reach of Antelope Creek during the scheduled construction summer months appears to be their primary issue of concern. Staff have learned that NMFS did not hold many of the same significant concerns or requirements for a recent bank armoring restoration project on Antelope Creek itself, located only a mile or so upstream from our project site within the City of Rocklin.

Brian reported that the Central Valley Regional Water Quality Control Board has also issued an extensive letter of comment regarding possible project inundation impacts to the adjacent City of Roseville closed landfills. Their concerns require we confirm and likely increase the level of rip-rap type slope protection already in place at the site, provide an amended “Post Closure Maintenance Plan”, expand the “Site Winterization Plan”, and conduct additional facility monitoring during project construction and after any future extreme flooding events. Additionally, the City is requesting the District enter into a future reimbursement agreement to reimburse their landfill closure consultant who must address a significant portion of these comments, at a current estimated additional cost of \$91,000. Staff will return to the Board in the near future with a separate request to enter into this agreement once it is determined necessary.

The extensive comments so far received from these federal and state agencies now require we delay the project construction start for another season, or until June 2016. This will also mean staff must request an extension to the existing Department of Water Resources grant aid under the Proposition 84 IRWM program, as the grant deadline to utilize funds expires in June 2016. This extension is likely to be granted based on our conversations to date with DWR staff.

In order to address the permitting review comments and concerns, HDR Engineering Inc. will be required to perform out of scope work, not originally anticipated to occur or included within our original agreement. These efforts include responses to numerous DSOD analysis and modified design requests, permitting concerns raised by NMFS and the landfill protection measures identified by the RWQCB. HDR has prepared an additional scope of work and cost proposal for consideration (see attached), and following review with District staff, we agree these out of scope efforts are necessary and are estimated to cost an additional \$142,168. The costs are the result of negotiations with Staff to arrive at a fair and reasonable price and there are adequate funds available in the Dry Creek Trust Fund to fund this amendment. With your Board’s approval today, staff will prepare and execute Amendment No. 3 to the HDR agreement in this amount, bringing the total amount of HDR’s full contract to \$851,763.

As previously reported to your Board, a project construction funding shortfall exists and has now grown to nearly \$591,000. Staff will work with our TAC to continue to actively seek additional grant funding opportunities. The total project costs are now estimated at \$3,110,100, which is an approximate 10% increase over the estimate from December 2014 of \$2,827,100. Cost growth has occurred due to required responses to permitting agency review comments.

Brian recommend the Board authorize the Executive Director to execute Amendment No. 3 to the professional services agreement (PSA) with HDR Engineering Inc. relating to the Antelope Creek Flood Control Project, Upper Weir.

Director Berlant inquired if the overall project schedule is reliant upon the Corps of Engineers permitting approval process. Brian replied that it is, although we are communicating and meeting with Corps staff to expedite the process as best as possible, including a recent presentation of the project to Corps staff in Sacramento. Ken Grehm added that we are also working with the paid Placer County WRDA position within the Corps which has been contracted to specifically help expedite projects by increasing their priority relative to others.

MOTION: Berlant/Janda
APPROVED: Unanimous

b. Presentation of Draft Fiscal Year 2015/16 District budget with authorization to prepare final budget

Ken Grehm, Executive Director, presented the draft FY 2015-16 District budget for review and comment. The recommended District budget for FY 2015/16, July 1, 2015 through June 30, 2016, proposes total expenses of \$819,000 and revenues of the same amount, \$819,000. Ken noted that for next year we've been able to draft a balanced budget that has no increase to the \$1.19 per capita rate annual contribution from each member agencies. A combination of increasing population growth, development review revenue growth and decreasing operational expenses in several key areas, has created a well balanced budget with no necessary use of reserves or annual per capita rate increase.

The decrease in the budget over last year can primarily be attributed to decreasing capital improvement project spending and revenue for the FEMA Cooperating Technical Partnership (CTP) project and the Antelope Creek Flood Control Project. Salary and benefit costs will increase due to a COLA and increasing medical and retirement benefit costs. There is a minor increase in projected revenue from development review sources.

Ken reviewed the proposed Dry Creek Watershed Operations and Maintenance (O&M) annual expenses and fair share contributions from the member agencies located within this watershed. He noted a relatively minor increase of \$1,900 has been budgeted for next year to account for actual vegetation maintenance costs at the Miners Ravine flood control facility as experienced last year.

Ken requested that the Board authorize staff to prepare the final FY 2015/16 budget.

Director Berlant inquired about the source of population estimates for each member agency referenced in calculating the annual contribution amounts. Ken replied that they are based on annually updated estimates developed by the State Department of Finance.

MOTION: Duran/Janda
APPROVED: Unanimous

7. **NEXT MEETING** The next regularly scheduled Board meeting on May 11, 2015, at 4:00 pm at the Rocklin City Council Chambers.

8. **ADJOURNMENT:**

The meeting was adjourned by Vice-Chair Morillas at 4:20 p.m.

Respectfully submitted,

Tracie Coyle
District Secretary