



**THREE RIVERS LEVEE IMPROVEMENT
AUTHORITY**

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July 17, 2018

Ms. Leslie Gallagher, Executive Officer
Central Valley Flood Protection Board
3310 El Camino Avenue, Suite 170
Sacramento, CA 95821

Re: Annual Report of Progress

Dear Ms. Gallagher,

In accordance with the requirements of Government Code §65007 (a) and the Urban Level of Flood Protection Criteria issued by the Department of Water Resources in 2013, Three Rivers Levee Improvement Authority, as the local flood management agency, respectfully submits the enclosed annual report of progress towards providing an urban level of flood protection to the Reclamation District 784 urban area.

This report is available to the public at the following website: www.trlia.org

Questions on the matter may be referred to Ms. Claire Marie Turner at turner@mbkengineers.com or 916-456-4400.

Sincerely,

Paul G. Brunner
Executive Director

Cc:
Mr. Kevin Mallen, Yuba County



**THREE RIVERS LEVEE
IMPROVEMENT AUTHORITY**

**ADEQUATE PROGRESS TOWARDS
URBAN LEVEL OF FLOOD PROTECTION**

ANNUAL REPORT

JULY 2018

PURPOSE

In June 2016, Yuba County adopted a finding of adequate progress (APF) toward an Urban Level of Flood Protection (ULOP) for the urban area protected by the RD 784 Levee System. When a local agency makes an APF, as described in the *Urban Level of Flood Protection Criteria* (ULOP Criteria), issued by the Department of Water Resources (DWR) in 2013, Government Code Section 65007 (a) (5) requires the Local Flood Management Agency annually report to the Central Valley Flood Protection Board (CVFPB) on the progress toward the completion of the flood protection system. This report serves as that Annual Report. As required by the ULOP Criteria, this report, as well as prior reports, is publicly available at www.trlia.org.

ADEQUATE PROGRESS FINDING

Yuba County's APF was based on several supporting documents including, TRLIA's Substantial Evidence Engineer's Report, Urban Level of Protection, RD 784 Levee System (Engineer's Report), dated May 2016 and TRLIA's Adequate Progress Finding towards an Urban Level of Flood Protection Report for the Reclamation District 784 Levee System (APF Report), dated June 2016. These documents collectively describe an attainable, reasonable approach toward providing an urban level of flood protection for the RD 784 urban area by 2025. Specifically, these documents describe the RD 784 Levee System and the urban area it protects; provide substantial evidence, including data and references, demonstrating the levee system will provide an urban level of flood protection; and the scope, schedule, cost and identified sources of funding and their expected timing to provide an urban level of flood protection. The Engineer's Report and APF Report are hereby incorporated by reference. Pursuant to DWR's ULOP Criteria, a finding based on adequate progress has an effective period of 10 years or until the finding is superseded, whichever is sooner, provided that the adequate progress requirements per California Government Code Section 65007(a) are met. Based upon this criterion, the APF made by Yuba County is valid until December 31, 2025,¹ so long as the requirements of Government Code §65007(a) are met by TRLIA as the Local Flood Management Agency.

PROGRESS

The APF Report identified two projects as being necessary to provide an urban level of flood protection: the WPIC West Levee Standard Project (WPIC Project) and the 200-Year Goldfields Levee Project (Goldfields Project).² Progress on these projects is described below.

WPIC WEST LEVEE STANDARD PROJECT

The WPIC west levee is considered a critical feature for providing an urban level of flood protection to the RD 784 urban area. Planning and design for the project were completed in 2016. Construction of the

¹ Pursuant to Government Code Sections 65865.5, 65962, and 66474.5, for area protected by SPFC levees, an urban level of flood protection shall be achieved by 2025, therefore, after 2025, a local agency can no longer rely on findings of adequate progress after 2025 for an area protected by SPFC levees. The levees protecting the RD 784 basin being improved by TRLIA are or will be SPFC levees.

² In October 2017, TRLIA executed a funding agreement with the State of California for the "TRLIA 200-Year Goldfields Levee Project." This Annual Report has been prepared to reflect this updated name for this Project.

project began in 2016 and continued through 2017. Outstanding construction items continue to be resolved.

Scope

The scope identified in the APF Report for the WPIC Project (Table 1) is unchanged.

Table 1. Scope and Status

CRITICAL FEATURES – WPIC WEST LEVEE	CONSTRUCTION STATUS
Station 9+50 to 24+50; 70-Ft-Deep Deep Mix Method Cutoff Wall	<i>In-Progress</i>
Station 115+00 to 119+00; Fill Landside Low Area (Minimum of 3 Feet)	<i>Completed</i>
Station 135+00 to 309+00; Landside Levee Toe All-Weather Maintenance Road	<i>Completed</i>
Station 144+50 to 167+50; 50-Ft-Deep Conventional Cutoff Wall	<i>Completed</i>
Station 190+10 to 216+00; Drained Berm, 2.5-Foot High by 18-Foot Wide in Conjunction with the Toe Maintenance Road	<i>Completed</i>
Station 238+50 to 248+50; 50-Ft-Deep Conventional Cutoff Wall	<i>Completed</i>
Station 259+00 to 278+00; 10-Foot-Tall by 10-Foot-Wide Landside Stability Berm	<i>Completed</i>
Station 286+00 to 300+00; Fill Landside Low Area (Minimum of 3.5 Feet)	<i>Completed</i>

Schedule

The schedule (Table 2) for the WPIC Project has changed. Construction completion is delayed while outstanding items are resolved.

Table 2. Milestones and Status

MILESTONE	SCHEDULED	STATUS	REVISED SCHEDULE
Complete Design	March 2016	<i>Achieved.</i>	
Complete Environmental Permitting	May 2016	<i>Achieved.</i>	
USACE Section 408 Permits Issued	May 2016	<i>Achieved.</i>	
CVFPB Permits Issued	May 2016	<i>Achieved.</i>	
Real Estate Access for Construction Obtained	June 2016	<i>Achieved.</i>	
Award Construction Contract	June 2016	<i>Achieved.</i>	
Initiate Construction	June 2016	<i>Achieved.</i>	
Complete Construction	October 2017	<i>Delayed.</i>	<i>November 2018</i>

Costs and Expenditures

TRLIA has spent approximately \$10,121,800 on the WPIC Project through December 2017. As described above, planning and design were completed in 2016. Construction of a majority of the critical features was completed in 2016 and 2017, with outstanding construction scheduled for completion in 2018. In addition to construction, other outstanding activities scheduled for completion in 2018 include the completion of construction documentation reports (e.g., construction completion report, O&M Manual) (Table 3).

The 2017 Annual Adequate Progress Report (2017 APR) projected expenditures in FY 2016-17 of \$5,032,040 and in FY 2017-18 of \$6,832,480. Actual expenses in FY 2016-17 were \$4,651,614 and in FY 2017-18 are projected to be \$2,975,678 with remaining costs to be incurred in FY 2018-19 (during the summer construction season of 2018) of \$4,817,053. An updated combined TRLIA ULOP Adequate Progress Pro Forma cashflow has been included within this report (Table 7) after a discussion of funding and revenues.

Table 3. Costs and Expenditures

COSTS	ORIGINAL ESTIMATE	EXPENDED*	REVISED ESTIMATE
Design	\$1,371,000	\$1,349,101	\$1,500,000
Permitting & Env. Doc.	\$759,000	\$1,410,135	\$1,450,000
Right of Way Acquisition	\$609,000	\$136,200	\$136,200
Right of Way Support	\$323,000	\$278,144	\$323,000
Construction Management	\$1,501,000	\$1,373,956	\$1,600,000
Construction	\$11,167,000	\$5,574,288	\$10,720,800
O&M Manual Addendum	\$50,000	\$-	\$50,000
Total	\$15,780,000	\$10,121,824	\$15,780,000
*Dollars expended reflect the amount of all invoices paid as of the date this report was prepared and therefore may not reflect all costs incurred.			

Delays and Changes

There have been no significant delays in completing the WPIC Project, although construction of outstanding items is scheduled for 2018. There have been no significant changes to the project's approach.

200-YEAR GOLDFIELDS PROJECT

The Yuba River south levee extension, proposed as part of the 200-Year Goldfields Project, is considered a critical feature for providing an urban level of flood protection to the RD 784 urban area. The proposed

levee extension will protect the RD 784 urban area from flood flows traveling through the Goldfields that would outflank the existing Yuba River South Levee.

Scope

The scope identified in the APF Report for work in Goldfields is generally the same as the 200-Year Goldfields Project: to provide an urban level of flood protection through a levee extension south of the Goldfields. Based on a proposed alignment modification, refined hydraulic modeling, and review of existing and new data and information, the levee extension is expected to be approximately 2.6 miles in length. Planning (e.g., environmental compliance, real estate activities, etc.) and design for the refined alignment are currently underway. The status of construction of this feature remains the same, to be completed (Table 4).

Table 4. Scope and Status

CRITICAL FEATURE – Yuba River left (south) levee	CONSTRUCTION STATUS
Construction of levee extension south of the Goldfields	To be completed

Schedule

The schedule identified in the APF Report and prior annual progress report for the 200-Year Goldfields Project has changed, as indicated in Table 5. Design of the project has been postponed due to refinement of the alignment and therefore the environmental permitting was postponed to accommodate this delay. The revised design and permitting schedule does not affect the construction schedule.

Table 5. Milestones and Status

MILESTONE	SCHEDULED	STATUS	REVISED SCHEDULE
Sign Funding Agreement	August 2017	<i>Achieved in October 2017.</i>	
Complete Design	December 2018	<i>Delayed</i>	December 2019
Complete Environmental Permitting	December 2018	<i>Delayed</i>	December 2019
USACE Section 408 Permission Issued	December 2019	<i>On Target</i>	
CVFPB Permits Issued	December 2019	<i>On Target</i>	
Real Estate Access for Construction Obtained	May 2020	<i>On Target</i>	
Award Construction Contract	March 2020	<i>On Target</i>	
Initiate Construction	May 2020	<i>On Target</i>	
Complete Construction	October 2022	<i>On Target</i>	

Costs and Expenditures

Through March 2018, TRLIA has spent approximately \$2.33 million advancing the 200-Year Goldfields Project. TRLIA's efforts on the 200-Year Goldfields Project over the past year have been primarily focused on execution of the Urban Flood Risk Reduction (UFRR) Program funding agreement with DWR, performing field investigations, hydraulic modeling, and refining the alignment of the levee extension. The costs of 200-Year Goldfields project have been updated to conform to the structure of TRLIA's UFRR funding agreement with DWR and are summarized below (Table 6). Specifically, those costs related to the final project that will be implemented that have been incurred through March 2018 are summarized below.

Table 6. Costs and Expenditures

COSTS	UPDATED ESTIMATE*	EXPENDED TO DATE
Grant Application	\$25,100	\$25,040
Program Management	\$2,250,000	\$476,604
Design and ROW Support	\$5,892,300	\$1,416,224
Environmental Review and Permitting	\$1,015,700	\$409,716
Right of Way Acquisition	\$8,327,100	\$-
Construction, Mitigation, and Other Project Activities	\$23,659,900	\$750
Closeout Processes	\$95,700	\$-
Total	\$41,265,800	\$2,328,333
*This table has been updated to conform the format of budget and expense reporting provided to DWR in support of TRLIA's UFRR Grant for the 200-Year Goldfields Levee Project.		

The 2017 APR projected expenditures in FY 2016-17 of \$2,115,009 and in FY 2017-18 of \$6,855,950. Actual expenses in FY 2016-17 were \$897,109 and in FY 2017-18 are now projected to be \$2,146,602. The 2016-17 and 2017-18 expenses have been delayed due to a longer than expected UFRR funding agreement commitment process and the delays and changes discussed further below. An updated combined TRLIA ULOP Adequate Progress Pro Forma cashflow has been included within this report (Table 7) after a discussion of funding and revenues.

Delays and Changes

As indicated above, there have been changes in the scope of the project as a result of an alignment modification, refined hydraulic modeling, and review of existing and new data and information. Despite these changes, TRLIA is still on target to complete the Goldfields project prior to June 30, 2025.

FUNDING / REVENUES

TRLIA's funding to advance the remaining ULOP Projects comes from multiple sources. For the WPIC Project, TRLIA has an Early Implementation Projects program funding agreement with the State that includes 70% State cost share. For the 200-Year Goldfields Project, TRLIA received a Prop 13 Grant that

advanced a Feasibility Study and Environmental Review. As previously noted, in October 2017, TRLIA executed a funding agreement with DWR through its UFRR program that provides 85% cost sharing up to \$32.6 million (approximately 79% of the current estimated costs).

WPIC State Revenues

The 2017 APR projected revenues for the WPIC (labeled as *DWR Proposition 1E - UYLIP Funds*) in FY 2016-17 of \$0. Actual revenues in FY 2016-17 were \$0. As noted previously in the 2017 APR, in June 2016, TRLIA received an advance payment of \$6,221,987 for the WPIC project. This advance funding provided the necessary revenues for FY 2016-17. Revenues in 2017-18 were projected to be \$5,528,845, however, given the status of payments with the State and actual expenditures, the revenues for 2017-18 are \$760,106. Revenues in 2018-19 are expected to be \$8,552,348. This revenue is expected to reflect the closeout of the Upper Yuba River Levee Improvement Project funding agreement (which includes the WPIC) and the release DWR's withheld retention under this agreement.

Goldfields State Revenues

The 2017 APR projected revenues for the Goldfields (labeled as *DWR Goldfields Funds*) in FY 2016-17 of \$200,000. Actual revenues in FY 2016-17 were \$200,00. In the 2017 APR, TRLIA projected revenues for the Goldfields of \$4.85 million in FY 2017-18. Actual revenues in FY 2017-18 were approximately \$1.051 million. The updated schedule and status of TRLIA's UFRR funding agreement with the State resulted in less revenues than projected. Also, given this updated schedule, TRLIA has updated the revenue projections for 2018-19 to \$1.12 million. .

Local Revenues

As described in the APF Report, TRLIA's local revenues come from cash balances and revenues from the Yuba Levee Financing Authority (YLFA). In September 2016, the YLFA refinanced their outstanding debt, and, as part of that process, advanced more than \$6.7 million to TRLIA.

TRLIA's revenues projection in this APR (on a cumulative basis) for 2015/16 through 2017/18 are \$8.551 million. Based on the updated projections, the cumulative local revenues through 2018/19 are expected to be \$8.6 million.

An updated Pro Forma cashflow is presented in Table 7.

Table 7. Pro Forma Cashflow

Fiscal Year	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Starting Fund Balance	\$6,427,927	\$6,326,041	\$2,308,895	\$9,341,823	\$5,792,162	\$4,797,982	\$500,000	\$500,000
Expenditures								
Remaining WPIC Costs	\$4,651,614	\$2,975,678	\$4,817,053	\$0	\$0	\$0	\$0	\$0
Goldfields Costs*	\$897,109	\$2,146,602	\$1,585,563	\$13,674,649	\$22,630,027	\$5,316,359	\$0	\$0
Remaining FRLIP Costs	\$454,062	\$99,594	\$66,000	\$0	\$0	\$0	\$0	\$0
Remaining UYLIP Costs	\$201,529	\$267,098	\$12,000	\$0	\$0	\$0	\$0	\$0
Remaining 200-Year Compliance Work	\$18,654	\$6,430	\$12,000	\$12,000	\$12,000	\$1,000	\$0	\$0
Ongoing Environmental Compliance Costs	\$173,732	\$53,258	\$50,000	\$0	\$0	\$0	\$0	\$0
Other Remaining TRLIA Project Costs	\$166,925	\$50,665	\$3,455,506	\$305,876	\$0	\$0	\$0	\$0
TRLIA GO&A	\$965,516	\$882,778	\$542,500	\$480,000	\$480,000	\$480,000	\$480,000	\$480,000
Total Expenditures	\$7,529,140	\$6,482,102	\$10,540,622	\$14,472,525	\$23,122,027	\$5,797,359	\$480,000	\$480,000
Revenues								
DWR Proposition 1E - FRLIP Funds	\$182,231	\$475,709	\$5,696,575	\$0	\$0	\$0	\$0	\$0
DWR Proposition 1E - UYLIP Funds	\$0	\$760,106	\$8,552,348	\$0	\$0	\$0	\$0	\$0
DWR Goldfields Funds*	\$200,000	\$1,051,439	\$1,122,003	\$9,722,675	\$20,703,883	\$73,480	\$0	\$0
Other DWR Funding Sources	\$213,441	\$45,604	\$2,174,724	\$1,172,288	\$511,330	\$0	\$0	\$0
Local Funding	\$6,831,581	\$132,099	\$27,900	\$27,900	\$912,633	\$1,425,896	\$480,000	\$480,000
Total Revenues	\$7,427,253	\$2,464,957	\$17,573,550	\$10,922,863	\$22,127,846	\$1,499,376	\$480,000	\$480,000
Ending Balance	\$6,326,041	\$2,308,895	\$9,341,823	\$5,792,162	\$4,797,982	\$500,000	\$500,000	\$500,000

*Reflects costs and revenues from TRLIA's Goldfields 200-Year Feasibility Study work and associated YFFPP Prop 13 Grant

Source: 16497 TRLIA Cash Flow 07-09-18 Yuba EIP R2.xlsx

CONCLUSION

Based upon the information provided within this report TRLIA is compliant with the requirements of SB 5. More specifically that, in aggregate, from a revenues and expenses perspective, the progress of the work that will provide ULOP meets the requirements of Government Code §65007(a). TRLIA will continue to make progress and report on this progress annually. The next annual report will be submitted in July 2019.