



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

A G E N D A

1:00 P.M. **SEPTEMBER 28, 2004 – SPECIAL MEETING**

**Yuba County Government Center
Board of Supervisors' Chambers
915 Eighth Street, Suite 109A
Marysville, California**

Unless otherwise indicated.

No other business shall be conducted at this meeting. The public shall have an opportunity to address the Authority only with respect to items set forth in this agenda. Each individual or group will be limited to no more than five minutes. Prior to this time, speakers must fill out a "Request to Speak" card and submit it to the Clerk of the Board of Supervisors.

I CALL TO ORDER

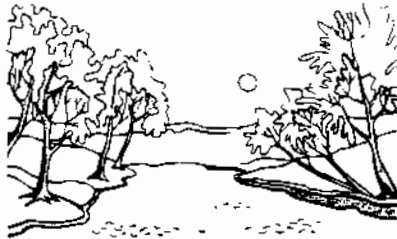
II ROLL CALL – Directors Mary Jane Griego and Richard Webb

III ACTION ITEMS


- A.** Hold public hearing and adopt resolution forming the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area), authorizing the levy of a special tax within the district, preliminarily establishing an appropriations limit for the district, submitting levy of the special tax and the establishment of the appropriations limit to the qualified electors of the district; and
 - (i)** Adopt resolution determining the necessity to incur bonded indebtedness within Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) and submitting proposition to the qualified electors of the district; and
 - (ii)** Adopt resolution calling special election within Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area).

IV ADJOURN

In compliance with the American with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need a disability-related modifications or accommodations to participate in this meeting, please contact the Clerk of the Board's office at (530) 749-7510 or (530) 749-7353 (fax). Requests must be made one full business day before the start of the meeting.



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

TO: Board of Directors
FROM: 
Charles K. McClain, Executive Director
DATE: September 28, 2004
SUBJECT: Actions Relating to Formation of Three Rivers Levee Improvement Authority Community
Facilities District for No. 2004-1 (South County Area)

RECOMMENDATION:

That the Board of Directors hold a public hearing regarding the formation of the Community Facilities District, the levy of special taxes in the Community Facilities District and the incurrence of bonded indebtedness for the Community Facilities District.

That, following the close of the public hearing, the Board of Directors adopt the resolutions entitled:

RESOLUTION NO.

RESOLUTION OF FORMATION OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2004-1 (SOUTH COUNTY AREA), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT, PRELIMINARILY ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE DISTRICT, SUBMITTING LEVY OF THE SPECIAL TAX AND THE ESTABLISHMENT OF THE APPROPRIATIONS LIMIT TO THE QUALIFIED ELECTORS OF THE DISTRICT

RESOLUTION NO.

RESOLUTION DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS WITHIN THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2004-1 (SOUTH COUNTY AREA) AND SUBMITTING PROPOSITION TO THE QUALIFIED ELECTORS OF THE DISTRICT

RESOLUTION NO.

RESOLUTION CALLING SPECIAL ELECTION WITHIN THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2004-1 (SOUTH COUNTY AREA)

BACKGROUND: The County of Yuba (the "County") and Reclamation District No. 784 (the "Reclamation District") have been examining issues related to the levees in the South County Area. To that end, the County and the Reclamation District, by execution of a joint exercise of powers agreement, created the Three Rivers Levee Improvement Authority (the "Authority").

County Staff and consultants have been working with property owners in the South County Area to determine a means by which local funds could be generated to finance levee improvements. After extensive discussions and meetings with property owners, it was determined that the creation by the Authority of a community facilities district under the provisions of the Mello-Roos Community Facilities Act of 1982 was the best means to provide for such local funds. Petitions (Including Waiver) have been submitted by various property owners in the South County Area requesting formation of the community facilities district.

The Board of Directors began the process of formation of the community facilities district (the "CFD") on August 24, 2004 when it adopted two Resolutions of Intention relative to the proposed community facilities district. Those resolutions called for public hearings on September 28, 2004 on the formation of the CFD and the issuance of bonds, and otherwise specify the boundaries of the CFD (by reference to a map on file with the Secretary of the Authority), the rate and method of apportionment of special taxes to be levied solely on land in the CFD to repay the bonds, the maximum principal amount of the bonds (being \$33,000,000), and describe in general terms the levee improvements to be financed by the CFD. Notices of the public hearings were published in the Appeal-Democrat on September 14, 2004.

The Board of Directors is now requested to hold the public hearings regarding the formation of the CFD and the incurrence of bonded indebtedness of the CFD concurrently. At the hearings, the testimony of all interested persons or taxpayers for or against the establishment of the CFD, the extent of the CFD and the flood control improvements to be financed by the CFD and the issuance of bonds for the CFD must be heard. Any person interested is authorized to file a protest in writing. As there are less than twelve registered voters residing in the proposed CFD, only the owners of land in the CFD have legal standing to formally protest the formation or any particular aspect of the CFD.

A report has been filed by the Director of Public Works of the County with the Secretary of the Authority, as required by the Resolutions of Intention, indicating the proposed boundaries of the CFD, the facilities to be financed by the CFD, and the estimated costs thereof.

Following the closing of the public hearings, Staff recommends that the Board of Directors take the actions necessary to officially form the CFD, to authorize the levy of special taxes in the CFD and to authorize the incurrence of bonded indebtedness by the CFD. To that end, Staff recommends that the Board of Directors adopt resolutions of formation and of necessity to incur bonded indebtedness, and the resolution calling a special election for the CFD.

The Resolution Calling Election calls for a special election to occur in the CFD on October 5, 2004. The owners of land in the CFD as of the close of the public hearings are the only entities entitled to vote in the election, with each landowner having one vote for each acre or portion of an acre of land it owns in the CFD. It is expected that the Board of Directors would canvass the election at its meeting of October 5th, and that the Board of Directors would be requested to authorize the issuance of bonds for the CFD sometime later. The proposed bond issue is to be repaid from the collection of special taxes levied on property in the community facilities district, and neither the County nor the Reclamation District will have any responsibility for repayment of any bonds issued by the community facilities district.

FISCAL IMPACT: Costs of issuance of the proposed bond issue will be paid from the proceeds of the bonds to be issued by the Authority for the CFD. All annual costs of administering the bonds will be paid by special taxes levied on the properties in the CFD.

Any CFD bonds will not be general obligations of the Authority, but will be limited obligations of the Authority for the CFD, payable solely from special taxes levied on land in the CFD.

Attachments: Resolutions (3)

ORDER OF PROCEEDINGS
for
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
related to:
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)

September 28, 2004

1. Convene Meeting of the Board of Directors of the Three Rivers Levee Improvement Authority.
2. County Staff and consultants provide background information and discuss contents of the Community Facilities District Report.
3. The Chairperson of the Authority opens the public hearing. The Chairperson makes the following opening remarks:

"This is now the time and place for the public hearings in this Board of Director's proceedings for the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area). The hearings are to inquire into the formation of the District, the levy of special taxes in the District and the need to incur bonded indebtedness in the District."

"Before I formally open the hearings, are there any property owners or registered voters in the District who wish to file written protests? If so, they must be filed with the Secretary of the Authority, now."

[Pause to see if there are any protests.]

"The continued hearings are now officially open. Does anyone in the audience wish to make any comments on this matter?"

4. Time for comments from the audience.
5. The Chairperson of the Authority, then closes the public hearings.
6. The Board of Directors of the Three Rivers Levee Improvement Authority then considers adoption of:
 - Resolution of Formation of Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area), Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the District and Submitting Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District

- Resolution Determining the Necessity to Incur Bonded Indebtedness Within Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) and Submitting Proposition to the Qualified Electors of the District
- Resolution Calling Special Election Within Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area)

End of Item.

**THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)**

COMMUNITY FACILITIES DISTRICT REPORT

CONTENTS

Introduction

- A. Description of Facilities
- B. Proposed Boundaries of the Community Facilities District
- C. Cost Estimate

Exhibit A – Description of the Proposed Facilities

Exhibit B – Cost Estimate

**THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)**

INTRODUCTION. The Board of Directors (the "Board of Directors") of the Three Rivers Levee Improvement Authority (the "Authority") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Law"), on August 24, 2004, adopt a resolution entitled "Resolution Declaring Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – South County Area" (the "Resolution of Intention"). In the Resolution of Intention, the Board of Directors expressly ordered the preparation of a written Community Facilities District Report (the "Report"), for the proposed Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) (the "District").

The Resolution of Intention ordering the Report did direct that the Report generally contain the following:

1. A brief description of the facilities eligible to be funded by the District; and
2. An estimate of the fair and reasonable cost of providing the facilities, including the incidental expenses in connection therewith, including the costs of the proposed bond financing, any Authority or County of Yuba administrative costs and all other related costs.

For particulars, reference is made to the Resolution of Intention for the District, as previously approved and adopted by the Board of Directors.

NOW, THEREFORE, I, the Director of Public Works of the County of Yuba, do hereby submit the following data:

A. DESCRIPTION OF FACILITIES. A general description of the facilities that the Authority has determined to be eligible to be financed by the District are as shown in Exhibit "A" attached hereto and hereby made a part hereof.

B. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. The proposed boundaries of the District are those properties and parcels in which special taxes may be levied to pay for the costs and expenses of the facilities. The proposed boundaries of the District are described in the map of the District recorded on September 8, 2004 at the hour of 2.58 o'clock p.m. in Book 1 on Pages 48 and 49 of Maps of Assessment and Community Facilities Districts in the office of the Authority Recorder for the Three Rivers Levee Improvement Authority (instrument no. 2004R-018114), a copy of which map is on file with the Secretary of the Authority.

C. COST ESTIMATE. The cost estimate for the financing of the facilities is set forth in Exhibit "B" attached hereto and hereby made a part hereof.

Dated: September 28, 2004

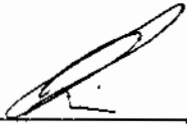

By:   _____
Director of Public Works
of the County of Yuba

EXHIBIT A

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)

DESCRIPTION OF FACILITIES ELIGIBLE TO BE FUNDED BY THE DISTRICT

FACILITIES

The CFD may finance all or a portion of the costs of the following:

The construction, repair and/or rehabilitation of flood control improvements, including but not limited to levee system and drainage improvements, and any necessary habitat mitigation incident to any improvements.

The Facilities shall include the acquisition of land, the costs of design, engineering and planning, the costs of any environmental or other studies, surveys or other reports, the cost of any required environmental mitigation measures, landscaping, soils testing, permits, plan check and inspection fees, insurance, legal and related overhead costs, coordination and supervision and any other costs or appurtenances related to any of the foregoing.

OTHER

The CFD may also finance any of the following:

1. Bond related expenses, including underwriter's discount, reserve fund, capitalized interest, bond and disclosure counsel and all other incidental expenses.
2. Administrative fees of the Authority, the County and the bond trustee or fiscal agent related to the CFD and any bonded indebtedness of the CFD.
3. Reimbursement of costs related to the formation of the CFD advanced by the Authority, the County, the Yuba County Water Agency, Reclamation District No. 784 or any other governmental agency, or any landowner or developer within the CFD, as well as reimbursement of any costs advanced by the Authority or any related entity, or any landowner or developer within the CFD, for facilities, fees or other purposes or costs of the CFD.

EXHIBIT B

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)

COST ESTIMATE

1. ACQUISITION & CONSTRUCTION OF FACILITIES	\$24,626,000
2. INCIDENTALS	
(a) Bond Reserve Fund	2,582,473
(b) Bond Discount/Underwriter Compensation	611,528
(c) Capitalized Interest	2,287,500
(d) Other Costs of Issuance	468,908
3. CONTINGENCIES	2,423,591
TOTAL BOND AMOUNT NEEDED	<u>\$33,000,000</u>

BEFORE THE BOARD OF DIRECTORS
OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

In Re:

**RESOLUTION OF FORMATION OF THREE)
RIVERS LEVEE IMPROVEMENT AUTHORITY)
COMMUNITY FACILITIES DISTRICT NO. 2004-1)
(SOUTH COUNTY AREA), AUTHORIZING THE)
LEVY OF A SPECIAL TAX WITHIN THE)
DISTRICT, PRELIMINARILY ESTABLISHING AN)
APPROPRIATIONS LIMIT FOR THE DISTRICT,)
SUBMITTING LEVY OF THE SPECIAL TAX AND)
THE ESTABLISHMENT OF THE)
APPROPRIATIONS LIMIT TO THE QUALIFIED)
ELECTORS OF THE DISTRICT)**

Resolution No. _____

WHEREAS, on August 24, 2004, this Board of Directors adopted a resolution entitled “Resolution Declaring Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – South County Area” (the “Resolution of Intention”) stating its intention to form the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 et seq. (the “Law”); and

WHEREAS, the Resolution of Intention, incorporating by reference a map of the proposed boundaries of the District and describing the public improvements eligible to be financed by the District (the “Facilities”), the cost of financing the Facilities, and the rate and method of apportionment of the special tax to be levied within the District to pay the cost of financing the Facilities and to pay the principal and interest on bonds proposed to be issued with respect to the District, is on file with the Secretary of the Three Rivers Levee Improvement Authority (the “Authority”) and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on this date, this Board of Directors held the public hearing as required by the Law and the Resolution of Intention relative to the proposed formation of the District; and

WHEREAS, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the District, the Facilities eligible to be funded by the District, and the levy of the special tax were heard and a full and fair hearing was held; and

WHEREAS, at the hearing evidence was presented to this Board of Directors on the matters before it, including a report by the Director of Public Works of the County of Yuba (the “Report”) as to

the Facilities eligible to be funded by the District and the costs thereof, a copy of which is on file with the Secretary of the Authority, and this Board of Directors at the conclusion of the hearing was fully advised regarding the District; and

WHEREAS, written protests with respect to the formation of the District and/or the furnishing of specified types of Facilities as described in the Report have not been filed with the Secretary of the Authority by fifty percent (50%) or more of the registered voters residing within the territory of the District or property owners of one-half (1/2) or more of the area of land within the District and not exempt from the special tax; and

WHEREAS, the special tax proposed to be levied in the District to pay for the costs of the Facilities, as set forth in Exhibit B to the Resolution of Intention, has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the District or the owners of one-half (1/2) or more of the area of land within the District and not exempt from the special tax.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Rivers Levee Improvement Authority as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The proposed special tax to be levied within the District has not been precluded by majority protest pursuant to Section 53324 of the Law. This Board of Directors has heretofore adopted a resolution approving policies for land secured financings, and this Board of Directors hereby finds and determines that the District is in conformity with said policies.

Section 3. All prior proceedings taken by this Board of Directors in connection with the establishment of the District and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Law.

Section 4. The community facilities district designated "Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area)" is hereby established pursuant to the Law.

Section 5. The boundaries of the District, as described in the Resolution of Intention and set forth in the boundary map of the District recorded on September 8, 2004 at 2:58 p.m. in the Yuba County Recorder's Office at Book 1 of Maps of Assessment and Community Facilities Districts at Pages 48 and 49 (instrument no. 2004R-018114), are hereby approved, are incorporated herein by this reference and shall be the boundaries of the District.

Section 6. The list of facilities eligible to be funded by the District pursuant to the Law are as described in Exhibit A to the Resolution of Intention (which Exhibit is, by this reference, incorporated herein). This Board of Directors hereby finds that the Facilities are necessary to meet increased demands placed upon local agencies as the result of development occurring in the District.

Section 7. Except to the extent that funds are otherwise available to the District to pay for the Facilities and/or to pay the principal and interest as it becomes due on bonds of the District issued to finance the Facilities, a special tax sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the District, will be levied within the District and collected in the same manner as ordinary ad valorem property taxes or in such other manner as this Board of Directors shall determine, including direct billing of the affected property owners. The proposed rate

and method of apportionment of the special tax among the parcels of real property within the District (the "Rate and Method"), in sufficient detail to allow each landowner within the proposed District to estimate the maximum amount such owner will have to pay, are described in Exhibit A to the Resolution of Intention which Exhibit is by this reference incorporated herein; provided, however, that Attachment 1 to the Rate and Method as set forth in said Exhibit A is hereby replaced with Attachment 1 appended to this Resolution which revised Attachment 1 corrects certain clerical errors in the prior Attachment 1. This Board of Directors hereby finds that the basis for the levy and apportionment of the special tax, as set forth in the Rate and Method, is reasonable.

Section 8. The Treasurer of the Authority, 915 8th Street, Suite 103, Marysville, California 95901-5273, telephone number (530) 749-7840, is the officer of the Authority that will be responsible for preparing annually and whenever otherwise necessary a current roll of special tax levy obligations by assessor's parcel number and which will be responsible for estimating future special tax levies pursuant to Section 53340.2 of the Law.

Section 9. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the County ceases.

Section 10. In accordance with Section 53325.7 of the California Government Code, the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the District is hereby preliminarily established at \$33,000,000 and said appropriations limit shall be submitted to the voters of the District as provided below. The proposition establishing the appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of Section 53325.7 of the Law.

Section 11. Pursuant to the provisions of the Law, the proposition of the levy of the special tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the District at an election, the time, place and conditions of which election shall be as specified by a separate resolution of this Board of Directors.

Section 12. This Resolution shall take effect upon its adoption.

* * * * *

PASSED AND ADOPTED this 28th day of September, 2004, by the Board of Directors of the Three Rivers Levee Improvement Authority, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST: DONNA STOTTLEMEYER,
SECRETARY

APPROVED AS TO FORM: COUNSEL TO
THE AUTHORITY,
DANIEL MONTGOMERY

20019.01:J7776
9/13/04

Attachment 1
 Three Rivers Levee Improvement Authority
 Community Facilities District No. 2004-1
 Maximum One-Time Special Tax For Original Parcels [1]

Updated as of September 20, 2004

Assessor's Parcel Number	Project Name	Parcel Classification	Development Approval	Gross Developable Acres	Maximum One-Time Special Tax		Original Parcel Maximum One-Time Special Tax	Prepayment Year	Prepayment Amount	Percent of Total
					Per Gross Developable Acre	Special Tax				
013-370-019	Draper Ranch North	Original Parcel	Tentative Map	86.204	[4] [5]	\$22,500	\$1,984,587	n/a		4.75%
013-370-049	Thoroughbred Estates	Original Parcel	Tentative Map	19.258	\$22,500	\$22,500	\$433,301	n/a		1.04%
013-370-050	Thoroughbred Estates	Original Parcel	Tentative Map	80.431	\$22,500	\$22,500	\$1,809,693	n/a		4.33%
014-260-003	Draper Ranch North	Original Parcel	Tentative Map	46.696	\$22,500	\$22,500	\$1,060,663	n/a		2.51%
014-260-004	Thoroughbred Estates	Original Parcel	Tentative Map	9.911	\$22,500	\$22,500	\$223,007	n/a		0.53%
014-260-019	Wheeler Ranch	Original Parcel	Tentative Map	4.748	\$22,500	\$22,500	\$106,839	n/a		0.26%
014-260-042	Ward Farms	Original Parcel	Tentative Map	18.446	\$22,500	\$22,500	\$415,035	n/a		0.98%
014-260-046	Hawes Ranch	Original Parcel	Tentative Map	19.459	\$22,500	\$22,500	\$437,816	n/a		1.05%
014-260-047	Hawes Ranch	Original Parcel	Tentative Map	19.459	\$22,500	\$22,500	\$437,816	n/a		1.05%
014-260-049	Crossroads	Original Parcel	Tentative Map	9.223	\$22,500	\$22,500	\$207,518	n/a		0.50%
014-260-057	Ward Farms	Original Parcel	Tentative Map	4.612	\$22,500	\$22,500	\$103,759	n/a		0.25%
014-260-074	Crossroads	Original Parcel	Tentative Map	8.209	\$22,500	\$22,500	\$184,691	n/a		0.44%
014-260-076	Crossroads	Original Parcel	Tentative Map	7.904	\$22,500	\$22,500	\$177,842	n/a		0.43%
014-260-077	Crossroads	Original Parcel	Tentative Map	7.895	\$22,500	\$22,500	\$177,635	n/a		0.42%
014-260-102	Wheeler Ranch	Original Parcel	Tentative Map	279.452	\$22,500	\$22,500	\$6,287,661	n/a		15.04%
014-260-105	Ward Farms	Original Parcel	Tentative Map	16.528	\$22,500	\$22,500	\$371,871	n/a		0.89%
014-260-106	Ward Farms	Original Parcel	Tentative Map	22.965	\$22,500	\$22,500	\$516,719	n/a		1.24%
014-260-107	Ward Farms	Original Parcel	Tentative Map	28.489	\$22,500	\$22,500	\$641,230	n/a		1.53%
014-300-031	The Meadows	Original Parcel	Tentative Map	97.500	\$22,500	\$22,500	\$2,193,750	n/a		5.25%
014-350-016	Draper Ranch South	Original Parcel	Tentative Map	139.200	\$22,500	\$22,500	\$3,132,000	n/a		7.49%
016-040-051	Ross Ranch	Original Parcel	None	112.900	\$22,500	\$22,500	\$2,540,250	n/a		6.07%
016-040-085	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	13.882	\$22,500	\$22,500	\$312,345	n/a		0.75%
016-040-087	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	30.476	\$22,500	\$22,500	\$685,710	n/a		1.64%
016-060-027	Plumas Lakes/KB Homes	Original Parcel	Tentative Map	77.311	\$22,500	\$22,500	\$1,739,498	n/a		4.16%
016-060-035	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	34.569	\$22,500	\$22,500	\$777,803	n/a		1.86%
016-060-040	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	59.000	\$22,500	\$22,500	\$1,327,500	n/a		3.17%
016-060-041	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	30.698	\$22,500	\$22,500	\$690,705	n/a		1.65%
016-060-042	Rio Del Oro - Phase 2	Original Parcel	Tentative Map	48.443	\$22,500	\$22,500	\$1,044,968	n/a		2.50%
022-010-001	Creekside Village	Original Parcel	Tentative Map	26.845	\$22,500	\$22,500	\$604,001	n/a		1.44%
022-010-003	Creekside Village	Original Parcel	Tentative Map	1.162	\$22,500	\$22,500	\$26,147	n/a		0.06%
022-010-004	Creekside Village	Original Parcel	Tentative Map	14.743	\$22,500	\$22,500	\$331,727	n/a		0.79%
022-020-001	Woodside Village	Original Parcel	Tentative Map	62.662	\$22,500	\$22,500	\$1,409,891	n/a		3.37%
022-020-002	Woodside Village	Original Parcel	Tentative Map	5.521	\$22,500	\$22,500	\$124,223	n/a		0.30%
022-020-003	Woodside Village	Original Parcel	Tentative Map	5.392	\$22,500	\$22,500	\$121,311	n/a		0.29%
022-020-004	Woodside Village	Original Parcel	Tentative Map	47.296	\$22,500	\$22,500	\$1,064,151	n/a		2.54%
022-020-005	Riverside Meadows	Original Parcel	Tentative Map	26.813	\$22,500	\$22,500	\$603,284	n/a		1.44%
022-020-006	Riverside Meadows	Original Parcel	Tentative Map	42.938	\$22,500	\$22,500	\$966,101	n/a		2.31%
022-020-007	Riverside Meadows	Original Parcel	Tentative Map	14.351	\$22,500	\$22,500	\$322,893	n/a		0.77%
022-030-001	Riverside Meadows	Original Parcel	Tentative Map	5.201	\$22,500	\$22,500	\$117,014	n/a		0.28%

Attachment 1
 Three Rivers Levee Improvement Authority
 Community Facilities District No. 2004-1
 Maximum One-Time Special Tax For Original Parcels [1]

Updated as of: September 20, 2004

Assessor's Parcel Number	Project Name	Parcel Classification	Development Approval	Gross Developable Acres	Maximum One-Time Special Tax Per Gross Developable Acre	Original Parcel Maximum One-Time Special Tax	Prepayment Year	Prepayment Amount	Percent of Total
022-030-002	Riverside Meadows	Original Parcel	[2] Tentative Map	[3] 9.813	[4] [5] \$22,500	\$220,781	n/a		0.53%
022-030-003	Riverside Meadows	Original Parcel	Tentative Map	26.387	\$22,500	\$593,717	n/a		1.42%
022-030-004	Riverside Meadows	Original Parcel	Tentative Map	28.669	\$22,500	\$645,048	n/a		1.54%
022-030-005	Riverside Meadows	Original Parcel	Tentative Map	16.779	\$22,500	\$377,537	n/a		0.90%
022-040-002	River Oaks South	Original Parcel	Tentative Map	36.550	\$22,500	\$822,375	n/a		1.97%
022-040-005	River Oaks South	Original Parcel	Tentative Map	7.521	\$22,500	\$169,223	n/a		0.40%
022-040-006	River Oaks South	Original Parcel	Tentative Map	9.758	\$22,500	\$219,553	n/a		0.53%
022-040-007	River Oaks East	Original Parcel	Tentative Map	31.053	\$22,500	\$698,684	n/a		1.67%
022-040-008	River Oaks East	Original Parcel	Tentative Map	87.877	\$22,500	\$1,527,242	n/a		3.65%
022-050-003	River Oaks North	Original Parcel	Tentative Map	10.309	\$22,500	\$231,962	n/a		0.55%
022-050-004	River Oaks North	Original Parcel	Tentative Map	26.961	\$22,500	\$606,614	n/a		1.45%
Totals				1,858.475		\$41,815,684			100.00%
Tentative Map Acres				1,745.575					

[1] Original Parcels are assigned a Maximum One-Time Special Tax based on the Gross Developable Acres of a Parcel multiplied by the Maximum One-Time Special Tax per Gross Developable Acre. As a Parcel is subdivided into Successor Parcels, there shall be no net loss of Maximum CFD Revenue. Taxable Parcels must either fully or partially prepay the Special Tax obligation prior to recordation of a final map. This table will be updated each Fiscal Year by the Administrator and used to calculate future Special Taxes.

[2] As verified by County as of June 30, 2004.

[3] Gross Developable Acreage (1,858) of Original Parcels with Tentative Maps as of June 30, 2004 are shown in this table.

[4] Gross Developable Acres excludes portions of projects zoned for other than residential uses.

[5] The Maximum One-Time Special Tax per Gross Developable Acre is increased by 3% annually in each Fiscal Year following the Base Year of 2004-2005.

[6] A large lot final map was recorded in April of 2004 for this APN. The large lot final map created a parcel with 77.311 GDAs. This parcel is owned by KB Home - North Bay Inc. The remaining parcels are owned by a single party and are not part of the CFD.

BEFORE THE BOARD OF DIRECTORS
OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

In Re:

RESOLUTION DETERMINING THE NECESSITY)
TO INCUR BONDED INDEBTEDNESS WITHIN)
THREE RIVERS LEVEE IMPROVEMENT)
AUTHORITY COMMUNITY FACILITIES) **Resolution No. _____**
DISTRICT NO. 2004-1 (SOUTH COUNTY AREA))
AND SUBMITTING PROPOSITION TO THE)
QUALIFIED ELECTORS OF THE DISTRICT)

WHEREAS, on August 24, 2004, this Board of Directors of the Three Rivers Levee Improvement Authority (the "Authority") adopted a resolution entitled "Resolution Declaring Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – South County Area" (the "Resolution of Intention") stating its intention to form the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) (the "District"), pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 et seq. (the "Law"), to fund costs of certain flood control improvements (the "Facilities"), as described therein; and

WHEREAS, on August 24, 2004, this Board of Directors also adopted a resolution entitled "Resolution Declaring Intention to Incur Bonded Indebtedness of the Proposed Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area)" (the "Resolution of Intention to Incur Indebtedness") stating its intention to incur bonded indebtedness within the boundaries of the District for the purpose of financing a portion of the costs of the Facilities; and

WHEREAS, on this date, this Board of Directors held the public hearing as required by the Law and the Resolution of Intention relative to the determination to proceed with the formation of the District, the provision by the District of funds to pay costs of the Facilities, and the rate and method of apportionment of the special tax to be levied within the District to pay the principal and interest on the proposed indebtedness and the administrative costs of the Authority and the County of Yuba relative to the District; and

WHEREAS, at the hearing all persons desiring to be heard on all matters pertaining to the formation of the District, the provision of funds to pay costs of the Facilities, and the levy of the special tax on property within the District, were heard and a full and fair hearing was held; and

WHEREAS, subsequent to the hearing, this Board of Directors adopted a resolution entitled "Resolution of Formation of Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area), Authorizing the Levy of a Special Tax Within the District,

Preliminarily Establishing An Appropriations Limit for the District, Submitting Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District” (the “Resolution of Formation); and

WHEREAS, on this date, this Board of Directors held the public hearing as required by the Law relative to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness; and

WHEREAS, no written protests with respect to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness have been filed with the Secretary of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Rivers Levee Improvement Authority as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. This Board of Directors deems it necessary to incur bonded indebtedness in the maximum aggregate principal amount of \$33,000,000 within the boundaries of the District.

Section 3. The indebtedness is incurred for the purpose of financing a portion of the costs of the Facilities, as provided in the Resolution of Formation including, but not limited to, the costs of issuing and selling bonds to finance costs of the Facilities and the costs of the Authority and the County of Yuba in administering the District.

Section 4. The whole of the District shall pay for the bonded indebtedness through the levy of the special tax. The special tax is to be apportioned in accordance with the rate and method of apportionment of special taxes set forth in Exhibit B to the Resolution of Intention, with Attachment 1 thereto revised as set forth in Section 7 of the Resolution of Formation.

Section 5. The maximum amount of bonded indebtedness to be incurred is \$33,000,000 and the maximum term of the bonds to be issued shall in no event exceed thirty (30) years.

Section 6. The bonds shall bear interest at a rate or rates not to exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds, payable weekly, semiannually or in such other manner as this Board of Directors or its designee shall determine, the actual rate or rates and times of payment of such interest to be determined by this Board of Directors or its designee at the time or times of sale of the bonds.

Section 7. The proposition of incurring the bonded indebtedness herein authorized shall be submitted to the qualified electors of the District and shall be consolidated with elections on the proposition of levying special taxes within the District and the establishment of an appropriations limit for the District pursuant to Section 53353.5(a) of the Law. The time, place and conditions of said election shall be as specified by separate resolution of this Board of Directors.

Section 8. This Resolution shall take effect upon its adoption.

* * * * *

PASSED AND ADOPTED this 28th day of September, 2004, by the Board of Directors of the Three Rivers Levee Improvement Authority, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST: DONNA STOTTLEMEYER,
SECRETARY

APPROVED AS TO FORM: COUNSEL TO
THE AUTHORITY,
DANIEL MONTGOMERY

20019.01:J7775
9/22/04

BEFORE THE BOARD OF DIRECTORS
OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

In Re:

**RESOLUTION CALLING SPECIAL ELECTION)
WITHIN THREE RIVERS LEVEE IMPROVEMENT)
AUTHORITY COMMUNITY FACILITIES)
DISTRICT NO. 2004-1 (SOUTH COUNTY AREA)**

Resolution No. _____

WHEREAS, on this date, this Board of Directors adopted a resolution entitled "Resolution of Formation of Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area), Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the District, Submitting Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District" (the "Resolution of Formation"), ordering the formation of the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) (the "District"), authorizing the levy of a special tax on property within the District and preliminarily establishing an appropriations limit for the District;

WHEREAS, on this date, this Board of Directors also adopted a resolution entitled "Resolution Determining the Necessity to Incur Bonded Indebtedness Within Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) and Submitting Proposition to the Qualified Electors of the District" (the "Resolution to Incur Indebtedness"), determining the necessity to incur bonded indebtedness in the maximum aggregate principal amount of \$33,000,000 upon the security of the special tax to be levied within the District; and

WHEREAS, pursuant to the provisions of said resolutions, the propositions of the levy of said special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness is to be submitted to the qualified electors of the District as required by the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 et seq. (the "Law").

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Rivers Levee Improvement Authority as follows:

Section 1. Pursuant to Sections 53325.7, 53326 and 53351 of the Law, the issues of the levy of said special tax, the incurring of bonded indebtedness and the establishment of said appropriations limit shall be submitted to the qualified electors of the District at an election called therefor as provided below.

Section 2. As authorized by Section 53353.5 of the Law, the three propositions described in paragraph 1 above shall be combined into a single ballot measure, the form of which is attached hereto as Exhibit A and by this reference incorporated herein. The form of ballot is hereby approved.

Section 3. This Board of Directors hereby finds that fewer than 12 persons have been registered to vote within the territory of the District for each of the ninety (90) days preceding the close of the public hearings heretofore conducted and concluded by this Board of Directors for the purposes of these proceedings. Accordingly, and pursuant to Section 53326(b) of the Law, this Board of Directors finds that for purposes of these proceedings the qualified electors are the landowners within the District and that the vote shall be by said landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in the District as of the close of the public hearings.

Section 4. This Board of Directors hereby calls a special election to consider the measure described in Section 2 above, which election shall be held at 5:00 p.m. on _____, _____, 2004 in the Yuba County Clerk's office located at 915 8th Street, Suite 115 Marysville, CA 95901-5273. The Secretary is hereby designated as the official to conduct said election. It is hereby acknowledged that the Secretary has on file the Resolution of Formation, a map of the proposed boundaries of the District, and a sufficient description to allow the Secretary to determine the boundaries of the District.

The voted ballots shall be returned to the Secretary no later than 5:00 p.m. on _____, 2004; however, when all of the qualified voters have voted, the election shall be closed.

Section 5. Pursuant to Section 53327 of the Law, the election shall be conducted by mail or hand delivered ballot pursuant to the California Elections Code. This Board of Directors hereby finds that paragraphs (a), (b), (c) (1) and (c)(3) of Section 4000 of the California Elections Code are applicable to this special election.

Section 6. The Secretary is hereby directed to deliver, or cause to be delivered, to the qualified electors of the District ballots in the form set forth in Exhibit A hereto. Each ballot indicated the number of votes to be voted by the respective landowner.

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The envelope to be used to return ballots shall be sent with the ballot, have the return postage prepaid, and contain the following: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or authorized representative of the landowner entitled to vote and is the person whose name appears on the envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration pursuant to clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the Secretary.

Analysis and arguments with respect to the ballot measures were waived by the landowners in their petitions to form the District, as permitted by Section 53327(b) of the Law.

Section 7. The Secretary shall accept the ballots of the qualified electors up to 5:00 p.m. on _____, 2004, whether the ballots be personally delivered or received by mail. The Secretary shall have available ballots which may be marked on the election day by the qualified electors.

Section 8. This Board of Directors hereby further finds that the provision of the Law requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before said special election is for the protection of the qualified electors of the District. The petitions previously submitted by the landowners in the District contained an acknowledgment of a waiver of any time limit pertaining to the conduct of the election and of a waiver of any requirement for analysis and arguments in connection with the election. Accordingly, this Board of Directors finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully protected in these proceedings. This

Board of Directors also finds and determines that the Secretary has concurred in the shortened time for the election.

Section 9. Pursuant to the Local Agency Special Tax and Bond Accountability Act, Sections 50075.1 et. seq. and Sections 53410 et. seq. of the California Government Code, (a) the ballot measure referred to in Sections 2 and 4 above contains a statement indicating the specific purposes of the special tax, the proceeds of the special tax will be applied only to the purposes specified in the ballot measure, there shall be created by the Treasurer of the Authority an account into which proceeds of the special tax levies will be deposited, and the Treasurer of the Authority is hereby directed to provide an annual report to this Board of Directors as required by Section 50075.3 of the California Government Code; and (b) the ballot measure contains a statement indicating the specific purposes of the bonds, the proceeds of the bonds will be applied only to the purposes specified in the ballot measure, there shall be created by the Treasurer of the Authority an account into which the proceeds of the bonds will be deposited, and the Treasurer of the Authority is hereby directed to provide an annual report to this Board of Directors as required by Section 53411 of the California Government Code.

Section 10. The Secretary is hereby directed to cause to be published in a newspaper of general circulation circulating within the District a copy of this Resolution and a copy of the Resolution to Incur Indebtedness, as soon as practicable after the date of adoption of this Resolution.

* * * * *

PASSED AND ADOPTED this 28th day of September, 2004, by the Board of Directors of the Three Rivers Levee Improvement Authority, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST: DONNA STOTTLEMEYER,
SECRETARY

APPROVED AS TO FORM: COUNSEL TO
THE AUTHORITY,
DANIEL MONTGOMERY

20019.01:J7778
9/13/04

EXHIBIT A

**THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SOUTH COUNTY AREA)**

OFFICIAL BALLOT

Special Tax and Bond Election
(_____, 2004)

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the Secretary of the Three Rivers Levee Improvement Authority (who is also the Clerk of the Board of Directors of the County of Yuba) no later than 5:00 p.m. on _____, 2004, either by mail or in person.

To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the Secretary of the Three Rivers Levee Improvement Authority and obtain another.

BALLOT MEASURE: Shall the Three Rivers Levee Improvement Authority (the "Authority") incur an indebtedness and issue bonds in one or more series in the maximum aggregate principal amount of \$33,000,000, with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such bonds on behalf of the Three Rivers Levee Improvement Authority Community Facilities District No. 2004-1 (South County Area) (the "District"), the proceeds of which will be used only to finance the costs of certain flood control improvements as specified in the Resolution of Formation of the District and the costs of issuing the bonds as well as the establishment of appropriate bond reserves; shall a special tax payable solely from lands within the District be levied annually upon lands within the District to be applied only to the payment of the principal and interest upon such bonds to be issued and to replenish the reserves for the bonds, to replenish a special tax stabilization fund, to pay for the costs of flood control improvements directly, to provide for reimbursements of special taxes required to be made by the District, to provide for the early retirement of the bonds and to pay the costs of the Authority and the County of Yuba in administering the District, and shall the annual appropriations limit of the District be established in the amount of \$33,000,000?

Yes: ____

No: ____

By execution in the space provided below, you also indicate your waiver of the time limit pertaining to the conduct of the election and any requirement for analysis and arguments with respect to the ballot measure, as such waivers are described and permitted by Section 53326(a) and 53327(b) of the California Government Code.

Number of Votes: _____

Property Owner: _____