



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY AGENDA

JUNE 14, 2005

ADDENDUM TO
AGENDA

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

Unless otherwise indicated

- 2:00 P.M. I **CALL TO ORDER**
- II **ROLL CALL** – Directors Rick Brown, Mary Jane Griego, Dan Logue, Richard Webb
- III **CLOSED SESSION**
- A. Threatened litigation pursuant to Government Code §54956.9(b) – One Case
- IV **ACTION ITEMS**
- A. Proposed Fiscal Year 2005/2006 Budget: Accept Proposed Fiscal Year 2005/2006 Budget; direct Executive Director to make copies available for public inspection; and set Final Budget Hearings to begin at 10:00 a.m. June 21, 2005.
- V **BOARD AND STAFF MEMBERS' REPORTS**
- VI **PUBLIC COMMUNICATIONS**: Any person may speak about any subject of concern provided it is within the jurisdiction of the Levee Improvement Authority and is not already on today's agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than 5 minutes.
- VII **ADJOURN**



THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

Government Center
915 Eighth Street, Suite 115
Marysville, CA 95901-5273

Telephone: (530) 749-7575 Fax: (530) 749-7312

June 14, 2005

TO: Three Rivers Levee Improvement Authority Board (TRLIA)
FROM: Charles K. McClain, Executive Director *Ready for FOR*
SUBJECT: Acceptance of Fiscal Year 2005-06 Proposed Budget

Recommended Actions

1. Accept the Executive Director's Proposed Budget for Fiscal Year 2005-06.
2. Direct the Executive Director to make copies of the Proposed Budget available for inspection to the public.
3. Direct Budget Hearings be scheduled to begin on Tuesday June 21, 2005 starting at 10:00 a.m.

Purpose of Recommended Actions

On the advice of County Counsel, it was recommended that TRLIA follow the same requirements for budget adoption as proscribed by the Yuba County Ordinance Code and state law. Therefore, I am obliged to present for your consideration the Executive Director's Proposed Budget for Fiscal Year 2005-06. State law also requires the Board to notify the public when budget hearings will begin and to provide copies of the Proposed Budget for inspection by the public.

Background

TRLIA was formed as a Joint Powers Agreement in April 2004 between the County of Yuba and Reclamation District 784 to finance and construct flood control improvements located within the County including improvements to the levee system and related drainage improvements. Subsequently, property owners voted to establish a Community Facilities District within the boundary of Reclamation District 784 under the Mello-Roos Community Facilities Act of 1982 in October 2004 for the purpose of issuing bonds in the maximum aggregate amount of \$33 million.

The bond proceeds are intended to finance flood control improvements within the Community Facilities District. However, bond issuance has been delayed due to uncertainty over whether the Federal Emergency Management Agency (FEMA) would map certain properties within the District into a flood zone requiring the building of any

residential structures to achieve a base flood elevation of one foot above the projected 100-year flood height.

Meanwhile, the District is eligible to receive funding from the State Water Bond Act of 2000, commonly known as Proposition 13. Under the Act, a total of \$90 million was set aside for flood control improvements and related costs associated with acquisition of property for environmental and conservation purposes within certain areas of Yuba, Sutter and Colusa Counties. Of the total allocation, a maximum of \$70 million was made available from the California Department of Water Resources (DWR) for engineering, design, construction and related costs, and \$20 million was obtainable from the California Department of Fish and Game for acquisition of property that promotes restoration or enhancement of natural habitats for animals, fish or vegetation. TRLIA has applied for and received Proposition 13 funding for engineering and design of Phase 2 work, which includes flood control improvements on portions of the Bear and Yuba Rivers and Western Pacific Interceptor Canal. TRLIA also has received Proposition 13 funding for Phase 3 engineering and design work to construct a setback levee along portions of the Bear and Feather Rivers.

Payments from developers along with grant funds from the Yuba County Water Agency funded a problem identification study along the Western Pacific Interceptor Canal, as well as certain reaches along the Bear, Feather and Yuba Rivers. As a result of this study, capital projects were planned to enhance flood protection within the District boundaries to at least a minimum statistical standard of one chance in one hundred that a flood would occur in this area in any given year. The first phase of work was completed last fall along a reach of the Yuba River from cash discount payments made by developers' in-lieu of bonded debt payments.

Discussion

The budget provides for capital and operational appropriations and revenues anticipated for the period beginning July 1, 2005 through June 30, 2006. It is likely that additional appropriations and revenues will be needed to complete all phases of the work. To that end, a problem identification study is currently being performed along certain levee reaches of the Feather and Yuba Rivers, which have been previously identified by the U.S. Army Corps of Engineers as areas that it might not be able to certify as meeting 100-year flood protection. The problem identification study is scheduled for completion by August 2005 and is identified in the budget as Phase 4.

Because of the delay in issuing the bonds and due to the inability of the State to provide advance funding for any Proposition 13 construction work, the developers and TRLIA along with the member jurisdictions of TRLIA have agreed to an advance funding agreement and an implementation agreement. Under these agreements developers established a building permit allocation system that meets the building limit threshold from the California Reclamation Board. These agreements reflect a compromise with the Reclamation Board to issue a permit necessary to perform work on the levees. This arrangement provides approximately \$30,000 from each building permit allocated during 2005 through April 2006.

Significant aspects of the proposed budget for FY2005-06 are as follows:

1. Approximately \$68 million in appropriations is proposed for work on Phases 2, 3, and 4 through June 30, 2006.
2. Roughly \$500,000 in appropriations is proposed for all TRLIA administrative and legal expenses or less than one percent of total funding.
3. A combination of cash discount monies and advance funding charges to developers is estimated to provide about \$37.8 million during the fiscal year.
4. Proposition 13 funding is estimated to provide \$32.8 million during the fiscal year. **It needs to be noted that this funding has not yet been appropriated nor designated by the state for TRLIA's proposed levee construction work.**
5. A FEMA grant of \$1.5 million for the Olivehurst Detention Basin Project.
6. A carryover fund balance of approximately \$3.6 million from prior developer cash discount payments.
7. A projected fund balance at the end of June 20, 2006 of \$7.2 million.

Fiscal Impact

Proposed appropriations for FY2005-05 total \$68,576,855 and proposed revenues total \$75,799,438, leaving an estimated fund balance of \$7,222,583.



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Government Center
915 Eighth Street, Suite 115
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June 14, 2005

TO: Three Rivers Levee Improvement Authority

FROM: 
Charles K. McClain, Executive Director

SUBJECT: Proposed Budget for Fiscal Year 2005-06

This inaugural budget for the Three Rivers Levee Improvement Authority (TRLIA) proposes an ambitious capital improvement program to enhance flood protection for Yuba County residents in fiscal year 2005-06. Our plan is to upgrade and heighten levees on the upper Bear River, construct a slurry wall on the Western Pacific Interceptor Canal, make additional levee improvements on the Yuba River, and finish preparation of a setback levee foundation and tie-ins to the existing levee system between July 2005 and June 2006. Moreover, we intend to complete a problem identification study for additional levee improvements on the Feather and Yuba Rivers including a financing plan to remediate any problems uncovered through the study. In its entirety, the proposed cost to complete this capital improvement program is \$68,576,855.

Funding for these improvements rests primarily on a combination of local developer payments and state monies originating from the State Water Bond Act of 2000. A Federal Emergency Management Grant (FEMA) of \$1.5 million is also proposed in the budget. Initially, developer payments will provide cash flow for the capital projects. These payments will come in two forms: cash discount payments made by developers' on a per acre basis when the County of Yuba records a final map; and, an advance funding charge for those developers that have building permits allocated as a result of the agreement with the California Reclamation Board to allow limited building permits during calendar year 2005. Developer funding through the cash discount payments and the advance funding charges is a projected \$37.8 million.

Under the State Water Bond Act of 2000, commonly known as Proposition 13, TRLIA intends to apply for approximately \$32.8 million in funding during fiscal year 2005-06. **It needs to be noted that this funding has not yet been appropriated nor designated by the state for TRLIA's proposed levee construction work.** In addition, the County of Yuba intends to issue Mello-Roos bonds during FY2005-06 up to a maximum of \$33 million to repay the advance funding amounts. All told, the amounts from developers, Proposition 13, FEMA, and carrying forward TRLIA's current fund balance is estimated to be \$75,799,438, leaving a projected fund balance of \$7,222,583 on June 30, 2006.

PROJECT DESCRIPTIONS AND WORK SCHEDULES

Phase 2 Project

This project entails improvements to the existing Western Pacific Interceptor Canal's (WPIC) levee on its west bank; the north bank levee of the Upper Bear River from a point just to the west of highway 70 to its confluence with the WPIC; and a section of the south bank of the Yuba River levee from the end of the Phase 1 construction, easterly to the existing Union Pacific Railroad embankment. Construction is scheduled to start at the beginning of July and finish by November 2005.

Phase 3 Project

This project consists of constructing a new Bear River north bank levee between the western limit of Phase 2 construction and the confluence of the Feather River. The new levee will be a setback levee, which means that the levee will be constructed some distance north of the existing levee. The existing levee will be removed to provide for a wider river channel, thereby reducing water level elevation during periods of high water. To improve surface drainage within the area immediately north of the new levee, a detention basin will be constructed on the land side of the levee, near its confluence with the Feather River levee. Construction of the tie-in of the proposed Bear River setback levee with the existing Feather River levee, and foundation construction for the proposed setback levee are expected to begin in August 2005, and be completed by November 2005. Construction of the levee embankment will commence in April-May 2006 and will be completed prior to November 2006.

Phase 4 Project

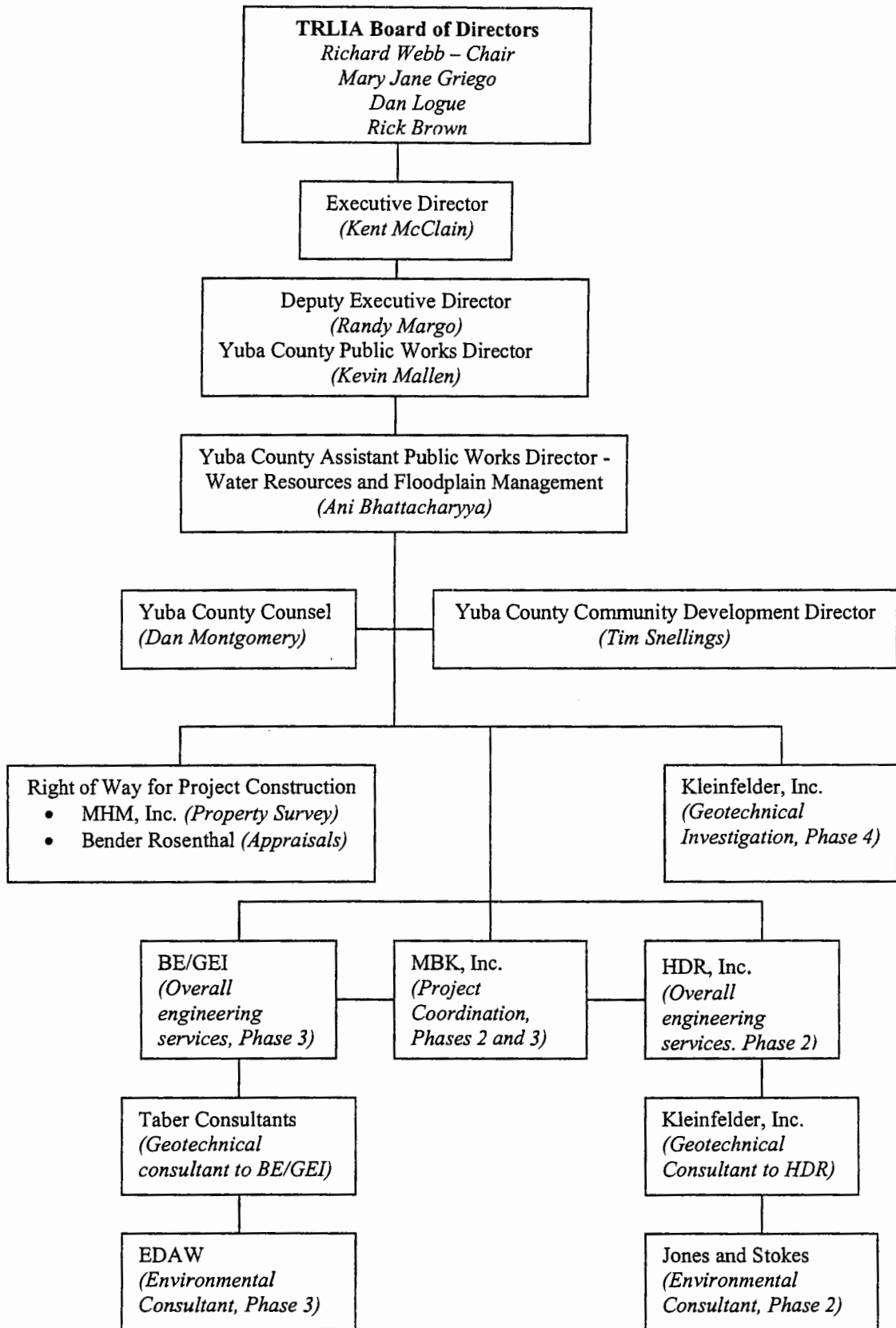
This project will address any deficiencies identified along the east bank of the Feather River levee between the Bear and the Yuba Rivers and the south bank of the Yuba River levee between the Union Pacific Railroad embankment (eastern limit of Phase 2) and the Yuba Goldfields. The problem identification study and remedial analysis for this phase is under way and is expected to be completed in August 2005. Our current estimate is to complete the construction of this phase by November 2007.

INTENT OF PROJECT

Upon completion of the remaining phases of work, the levee system is expected to provide approximately 200-year flood protection, meaning protection against a flood that has a 0.5 percent chance of occurring in any given year, for communities within Reclamation District 784. This exceeds by twice the minimum projection level of 100-year flood mandated by FEMA.

Attached is the map depicting TRLIA Project Phases and the current schedules for Phases 2 and 3.

TRLIA PROJECT TEAM STRUCTURE



**BUDGET EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2005 - 2006**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	REQUEST 2005-2006
805-3350-425-15-00	INSURANCE	20,000
805-3350-425-20-00	MEMBERSHIP	1,000
805-3350-425-23-01	SPECIAL PROJECTS	68,051,955
805-3350-425-23-02	PROFESSIONAL SERVICES	493,900
805-3350-425-29-00	TRAVEL	10,000
	TOTAL	68,576,855

**BUDGET FOR THE FISCAL YEAR 2005 - 2006
ESTIMATED REVENUE**

805-0000-361-62-36	PROP 13	32,830,000
805-0000-371-97-30	DEVELOPER'S FEES	3,000,000
805-0000-371-97-31	ADVANCED FUNDING CHARGE (AFC)	34,806,438
805-0000-371-98-99	MISCELLANEOUS(FEMA Grant)	1,500,000
	FUND CARRYOVER	3,663,000
	TOTAL	75,799,438

Fund Balance 6/30/06 7,222,583

The Fund Balance will carry over and be used in fiscal year 2006-2007. The revenue is greater than the expenses because of using the Advance Funding from developers until the Prop 13 money comes in. See the attached Cash Flow spreadsheet.

TRLIA Levee Repair Project Budget, July 1, 2005 through June 30, 2006

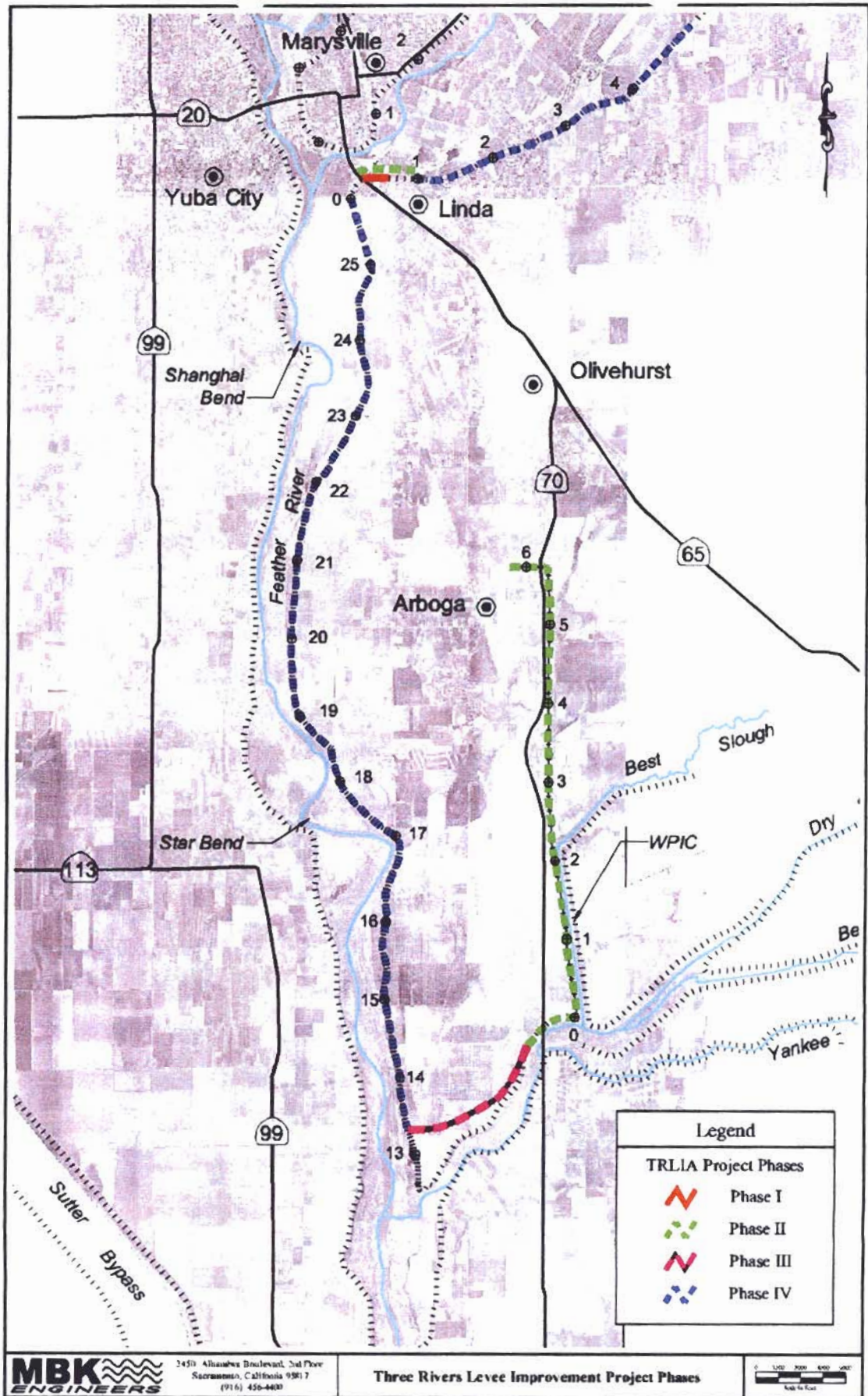
	PROJ #	BUDGET AMOUNT	R/W ACQ	CONSULT ENGR	ROW CONSULT	CONTRACT CONST	TOTAL AMOUNT
1	TRLIA Phase 2 Levee Repair Upper Bear, WPIC & Yuba to	24,165,955	2,800,000	1,603,146	450,000	19,312,809	24,165,955
2	TRLIA Phase 3 Levee Repair Bear River Setback Levee	36,426,000	9,250,000	5,646,000	400,000	21,130,000	36,426,000
3	TRLIA Phase 4 Levee Repair Yuba beyond UPRR and Feather	3,460,000		3,460,000			3,460,000
4	Olivehurst Detention Basin	4,000,000	1,500,000	100,000		2,400,000	4,000,000
TOTALS		68,051,955	13,550,000	10,809,146	850,000	42,842,809	68,051,955

Source: Kevin's Revised TRLIA Cashflow Spreadsheet (TRLIA Cashflow May05 to Aug06), 5/16/2005

Note: For Phase 4, total cost listed under "Consulting Engineer" includes \$260,000 for Problem Identification Study and \$3,200,000 assumed for Project Design

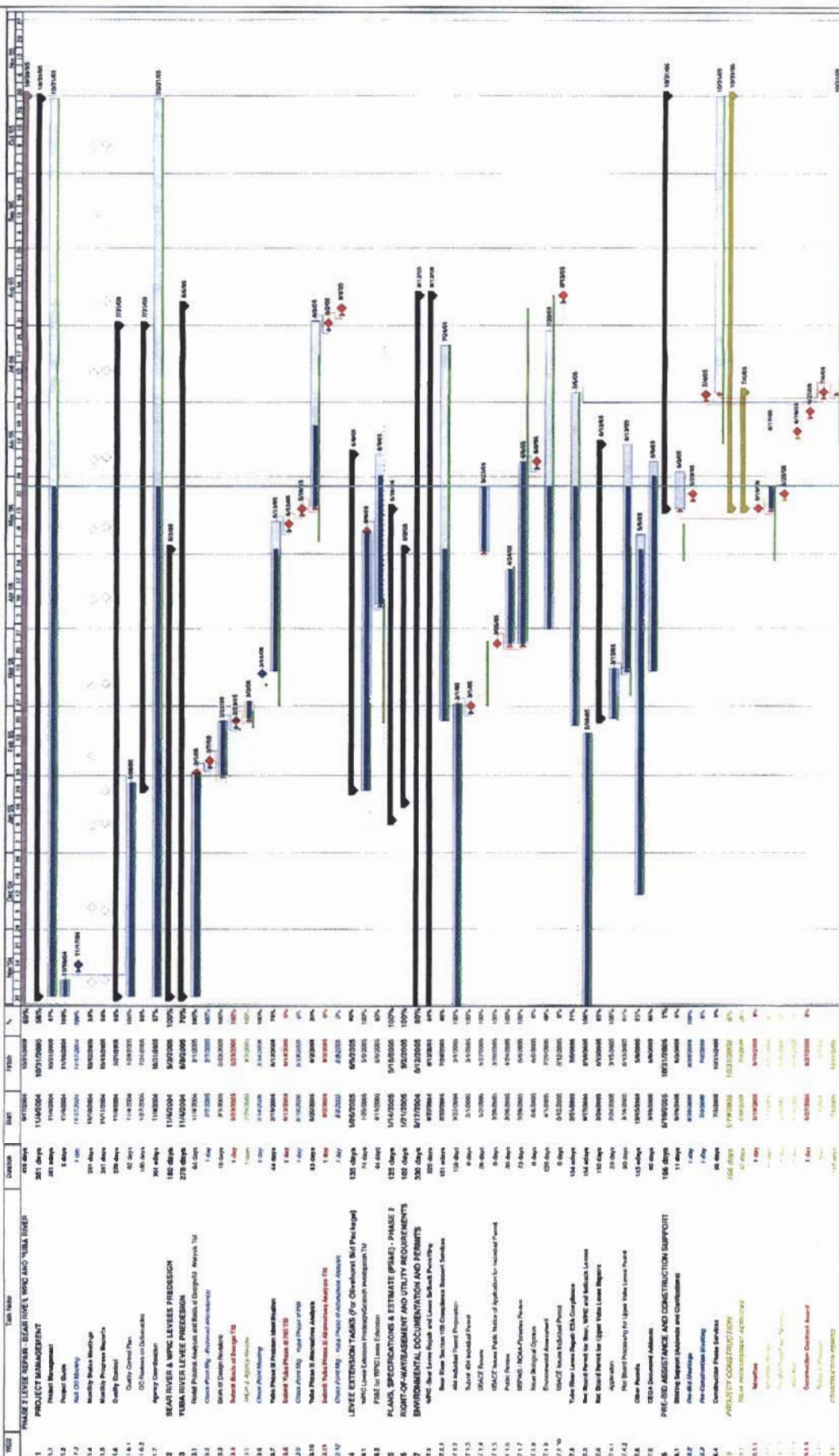
PROFESSIONAL SERVICES #2302

DETAIL DESCRIPTION	2005/2006
Public Works Admin Salaries & Benefits	212,100
Public Works Admin Services & Supplies	89,800
Kent McClain @20% Salaries & Benefits	35,000
Randy Margo @15% Salaries & Benefits	22,000
Dan Montgomery Salaries & Benefits	20,000
Tim Snellings Salaries & Benefits	5,000
Donna Stottlemeyer Salaries & Benefits	10,000
Legal Services	100,000
TOTAL	493,900



Legend	
	Phase I
	Phase II
	Phase III
	Phase IV

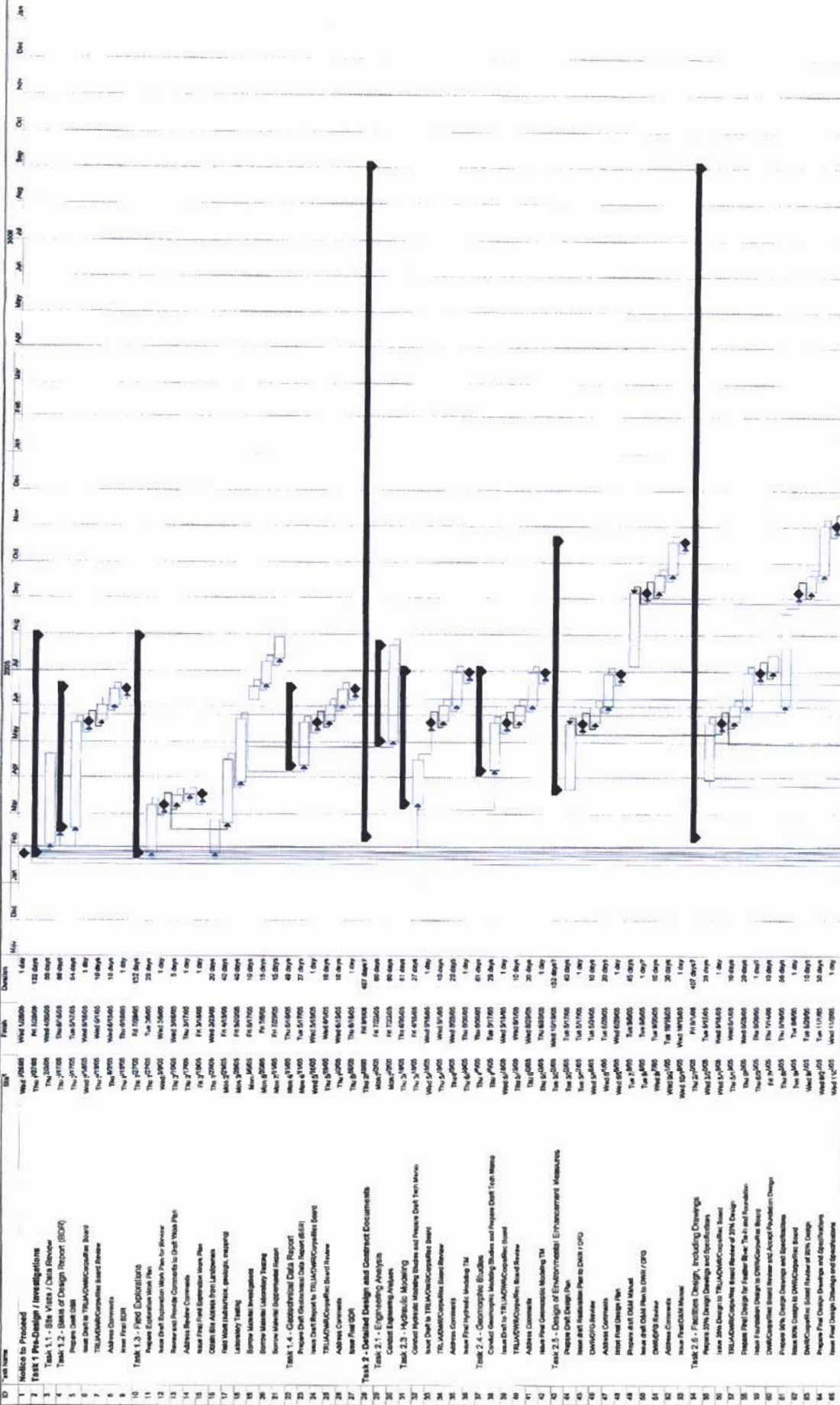
Three Rivers Levee Improvement Authority PHASE 2 LEVEE REPAIR - BEAR RIVER, WPIC AND YUBA RIVER Amendment No. 3



Task ID	Task Name	Start	Finish	% Complete
1	PHASE 2 LEVEE REPAIR - BEAR RIVER, WPIC AND YUBA RIVER	11/14/2024	10/15/2026	60%
1.1	PROJECT MANAGEMENT	11/14/2024	10/15/2026	80%
1.1.1	Project Kickoff	11/14/2024	11/14/2024	100%
1.1.2	401 CIP Meeting	11/14/2024	11/14/2024	100%
1.1.3	Monthly Status Meeting	11/14/2024	10/15/2026	100%
1.1.4	Monthly Progress Reports	11/14/2024	10/15/2026	100%
1.1.5	Quality Control	11/14/2024	10/15/2026	100%
1.1.6	Quality Control Plan	11/14/2024	10/15/2026	100%
1.1.7	QC Inspection Schedule	11/14/2024	10/15/2026	100%
1.1.8	Agency Coordination	11/14/2024	10/15/2026	100%
2	BEAR RIVER & WPIC LEVEE PREDESIGN	11/14/2024	09/20/2025	100%
2.1	Final Pre-design Analysis and Plans of Design/ Repair/ TU	11/14/2024	09/20/2025	100%
2.2	Cost Est. (Approximate)	11/14/2024	09/20/2025	100%
2.3	Final Design Review	11/14/2024	09/20/2025	100%
2.4	Submit Bids of Design/ TU	11/14/2024	09/20/2025	100%
2.5	401 CIP Meeting	11/14/2024	09/20/2025	100%
2.6	Final Design Review	11/14/2024	09/20/2025	100%
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2.10	Final Design Review	11/14/2024	09/20/2025	100%
2.11	Final Design Review	11/14/2024	09/20/2025	100%
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Report: PHASE 2 LEVEE REPAIR - BEAR RIVER, WPIC AND YUBA RIVER
 Project: PHASE 2 LEVEE REPAIR - BEAR RIVER, WPIC AND YUBA RIVER
 Revision: 03/20/2025

BEAR RIVER RETRACTION LEVEE PROJECT
ACCELERATED SCHEDULE OF DESIGN SERVICES



**BEAR RIVER RETRACK LEVEE PROJECT
ACCELERATED SCHEDULE OF DESIGN SERVICES**

