



April 13, 2016

To: YLFA Board of Directors

From: Paul Brunner, TRLIA Executive Director

RE: TRLIA Project Summary Report

➤ **TRLIA Request to YFLA:**

- YLFA authorize transfer of \$2.0 million to TRLIA, April 2016
- YLFA authorize transfer of \$4.3 million to TRLIA, October 2016

➤ **Background:**

- TRLIA current local funding projections to achieve 200-yr Compliance (including Goldfields) show that the remainder of the YLFA project funding is needed
- With YLFA 813 project funds TRLIA's levee improvement work is fully funded. Other TRLIA funding includes State Funding from the EIP, FESSRO and UFRR programs.
- Cash Balance Projections as of April 1, 2016
 - 813 (YLFA funds): \$8.083 Million
 - \$7.023 Million remaining from original Project Proceeds balance of \$46.6 million.
 - Remaining balance is related to net interest earned in the fund.
 - 805 (TRLIA funds): ~ \$930k estimated Cash Balance at end of March per CDSA worksheets.
 - Reimbursements are due next 60 to 90 days to TRLIA from the State.
 - State is currently processing \$109,792 reimbursement for FRLIP true-up expenditures. This amount will go directly into fund 805.
 - \$866,932 partial retention release in process with DWR for the UYRLIP.
 - \$200,000 retention balance for the YFFPP Prop 13 Goldfields Study due.
 - \$41,300 due for the FESSRO Grant.
 - Recently received (on 4/7/16) \$112,000 Clean-Up payment for the Barker Property
 - 816 (TRLIA funds): (Feather Prop 1E): ~\$310,000
 - Balance represents Ag Lease revenues that are unavailable to fund project expenses until the State determines application of lease funding for Project Expenses.
 - \$4,890,477 land cost share and retention from Feather EIP project; payment pending EIP funding agreement closeout (2017)
 - 817 (TRLIA funds): (Yuba Prop 1E): ~ \$170.00

- Advance funding request of \$6,380,296 under review by DWR.
- Closeout of EIP funding agreement several years away

➤ **Discussion:**

- **Near Term TRLIA Funding:** Cash flow projections show a near term need for local cash flow funding related to the implementation of the 200-yr Western Pacific Interceptor Canal project this summer.
 - DWR funding is coming later than needed in order to meet cash flow needs to commence construction on the WPIC Project. An advance funding request for \$6.4 Million has been submitted to DWR pursuant to the terms of the funding agreement in order to cover the a portion of the State's share that it can advance for future work for the WPIC project. However, TRLIA's experience is that that advance will not come soon enough to cover the cash flow requirements of a construction contract. In order to provide a Notice to Proceed to a contractor, TRLIA needs assurance of available cash to cover the contract terms of payment.
 - TRLIA requests authorization of \$2,000,000 now from YLFA to cover near the near term cash flow requirements of ongoing work and expenditures primarily driven by the WPIC project through June 2016.
 - TRLIA also requests authorization of \$4,300,000 in October 2016 from YLFA to cover WPIC local construction cash flow requirements.
 - Authorization would be drawn down on an as needed basis (managed by CDSA & the Treasurer.)
 - If DWR funding materializes sooner that project, TRLIA will only draw the authorized funds needed to cover cash flow requirements.
- **Longer Term Funding Needs: Goldfields UFRR Project**
 - TRLIA applied for funding for the 200-Year Goldfields UFRR project on March 9, 2015 by submitting a Concept Proposal pursuant to DWR's UFRR Program PSP issued in January 2015.
 - In May 2015, TRLIA was conditionally awarded up to \$32.6 million for the project contingent upon the receipt of a Final Application for funding.
 - TRLIA submitted a Final Application on June 19, 2015 that included a Financial Plan. The Financial Plan identified the remaining YLFA funding as the source of funding for the Local Share of the Project.
 - The remaining YLFA project funds will be used for the UFRR local share
 - The Feather EIP and UYLIP EIP retention/closeout state payments will be used to achieve the remaining local share commitment in lieu of YLFA funds