August 20, 2019

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,

[Signature]
Paul G. Brunner, P.E.
Executive Director

cc:
Mr. Kevin Mallen, Yuba County
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

ADEQUATE PROGRESS TOWARDS URBAN LEVEL OF FLOOD PROTECTION

ANNUAL REPORT

AUGUST 2019
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, TR Lia’s Substantial Evidence Engineer’s Report, Urban Level of Protection, RD 784 Levee System (Engineer’s Report), dated May 2016 and TR Lia’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, so long as the requirements of Government Code §65007(a) are met by TR Lia as the Local Flood Management Agency.

PROGRESS

The APF Report identified two levee construction 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). 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. Construction of the project began in 2016 and was completed in late 2017. Technical

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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 TR Lia are or will be SPFC levees.

Three Rivers Levee Improvement Authority
APF Annual Report, August 2019
review of the DMM cutoff wall construction occurred following construction and through April 2019. The WPIC west levee now meets ULDC. Other post-construction activities will continue in 2019.

Scope

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

Table 1. Scope and Status

<table>
<thead>
<tr>
<th>CRITICAL FEATURES – WPIC WEST LEVEE</th>
<th>CONSTRUCTION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Station 9+50 to 24+50; 70-Ft-Deep Deep Mix Method Cutoff Wall</td>
<td>Completed</td>
</tr>
<tr>
<td>Station 115+00 to 119+00; Fill Landside Low Area (Minimum of 3 Feet)</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 135+00 to 309+00; Landside Levee Toe All-Weather Maintenance Road</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 144+50 to 167+50; 50-Ft-Deep Conventional Cutoff Wall</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 190+10 to 216+00; Drained Berm, 2.5-Feet High by 18-Feet Wide in Conjunction with the Toe Maintenance Road</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 238+50 to 248+50; 50-Ft-Deep Conventional Cutoff Wall</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 259+00 to 278+00; 10-Foot-Tall by 10-Foot-Wide Landside Stability Berm</td>
<td>Completed (Reported in 2018)</td>
</tr>
<tr>
<td>Station 286+00 to 300+00; Fill Landside Low Area (Minimum of 3.5 Feet)</td>
<td>Completed (Reported in 2018)</td>
</tr>
</tbody>
</table>

Schedule

The schedule (Table 2) for the WPIC Project is unchanged from the prior annual report. Construction is now complete.

Table 2. Milestones and Status

<table>
<thead>
<tr>
<th>MILESTONE</th>
<th>SCHEDULED</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete Design</td>
<td>March 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Complete Environmental Permitting</td>
<td>May 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>USACE Section 408 Permits Issued</td>
<td>May 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>CVFPB Permits Issued</td>
<td>May 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Real Estate Access for Construction Obtained</td>
<td>June 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Award Construction Contract</td>
<td>June 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Initiate Construction</td>
<td>June 2016</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Complete Construction</td>
<td>November 2018</td>
<td>Achieved.</td>
</tr>
</tbody>
</table>
Costs and Expenditures

TRLIA has spent approximately $14,008,645 on the WPIC Project through July 2019. As described above, planning and design were completed in 2016. Construction was completed in 2017. In addition to construction, other outstanding activities include the completion of construction documentation report, O&M Manual revisions, construction certification, etc.

The 2018 Annual Adequate Progress Report (2018 APR) projected expenditures in FY 2017-18 of $2,975,678 and in FY 2018-19 of $4,817,053. Actual expenses in FY 2017-18 were approximately $3,792,913 and in FY 2018-19 are projected to be $3,975,484 with little no remaining costs to be incurred in FY 2019-20. Any remaining expenses incurred on FY 2019-20 are solely associated with project’s closeout. An updated combined TRLIA ULOP Adequate Progress Pro Forma cash flow has been included within this report (Table 7) after a discussion of funding and revenues.

<table>
<thead>
<tr>
<th>COSTS</th>
<th>ORIGINAL ESTIMATE</th>
<th>EXPENDED*</th>
<th>REVISED ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$1,371,000</td>
<td>$1,355,681</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>Permitting &amp; Env. Doc.</td>
<td>$759,000</td>
<td>$1,558,879</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Right of Way Acquisition</td>
<td>$609,000</td>
<td>$223,183</td>
<td>$250,000</td>
</tr>
<tr>
<td>Right of Way Support</td>
<td>$323,000</td>
<td>$296,562</td>
<td>$350,000</td>
</tr>
<tr>
<td>Construction Management</td>
<td>$1,501,000</td>
<td>$1,973,701</td>
<td>$2,150,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$11,167,000</td>
<td>$8,600,639</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>O&amp;M Manual Addendum</td>
<td>$50,000</td>
<td>$ -</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$15,780,000</strong></td>
<td><strong>$14,008,645</strong></td>
<td><strong>$14,800,000</strong></td>
</tr>
</tbody>
</table>

*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

Construction of the WPIC Project is complete. Additional activities continue to document construction and close-out the project.

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>
<thead>
<tr>
<th>CRITICAL FEATURE – Yuba River left (south) levee</th>
<th>CONSTRUCTION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of levee extension south of the Goldfields</td>
<td>To be completed</td>
</tr>
</tbody>
</table>

Schedule
The schedule for the 200-Year Goldfields Project is unchanged from the prior annual report. However, the project was authorized by Congress in 2018 and therefore USACE Section 408 permission is no longer required and has been removed from the milestone list. The status of milestones is as included in (Table 5).

<table>
<thead>
<tr>
<th>MILESTONE</th>
<th>SCHEDULED</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sign Funding Agreement</td>
<td>August 2017</td>
<td>Achieved in October 2017.</td>
</tr>
<tr>
<td>Complete Design</td>
<td>December 2019</td>
<td>On Target</td>
</tr>
<tr>
<td>Complete Environmental Permitting</td>
<td>December 2019</td>
<td>On Target</td>
</tr>
<tr>
<td>CVPB Permits Issued</td>
<td>December 2019</td>
<td>On Target</td>
</tr>
<tr>
<td>Real Estate Access for Construction Obtained</td>
<td>May 2020</td>
<td>On Target</td>
</tr>
<tr>
<td>Award Construction Contract</td>
<td>March 2020</td>
<td>On Target</td>
</tr>
<tr>
<td>Initiate Construction</td>
<td>May 2020</td>
<td>On Target</td>
</tr>
<tr>
<td>Complete Construction</td>
<td>October 2022</td>
<td>On Target</td>
</tr>
</tbody>
</table>

Costs and Expenditures
Through March 2019, TRLIA has spent approximately $5.475 million advancing the 200-Year Goldfields Project. TRLIA’s efforts on the 200-Year Goldfields Project over the past year have been focused on accomplishing CEQA and development of the 65% designs. 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 2019 are summarized below.

<table>
<thead>
<tr>
<th>COSTS</th>
<th>UPDATED ESTIMATE*</th>
<th>EXPENDED TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Application</td>
<td>$25,100</td>
<td>$25,040</td>
</tr>
<tr>
<td>Program Management</td>
<td>$2,250,000</td>
<td>$1,049,727</td>
</tr>
<tr>
<td>Design and ROW Support</td>
<td>$5,650,000</td>
<td>$3,203,478</td>
</tr>
<tr>
<td>Environmental Review and Permitting</td>
<td>$1,300,000</td>
<td>$889,124</td>
</tr>
<tr>
<td>Right of Way Acquisition</td>
<td>$7,206,946</td>
<td>$257,437</td>
</tr>
<tr>
<td>Construction, Mitigation, and Other Project Activities</td>
<td>$32,564,128</td>
<td>$50,750</td>
</tr>
<tr>
<td>Closeout Processes</td>
<td>$95,700</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$49,091,874</strong></td>
<td><strong>$5,475,556</strong></td>
</tr>
</tbody>
</table>

*This table conforms the format of budget and expense reporting provided to DWR is support of TRLIA’s UFRR Grant for the 200-Year Goldfields Levee Project.

The 2018 APR projected expenditures in FY 2017-18 of $2,146,602 and in FY 2018-19 of $1,585,563. Actual expenses in FY 2017-18 were $2,192,946 and in FY 2018-19 are now projected to be $2,838,578. An updated combined TRLIA ULOP Adequate Progress Pro Forma cash flow has been included within this report (Table 7) after a discussion of funding and revenues.

**Delays and Changes**

There have been no delays or changes to the scope or schedule of the Goldfields Project since the last annual report. TRLIA is still on target to complete the Goldfields project prior to June 30, 2025.

**Funding / Revenues**

Funding related to the WPIC Project is not discussed because construction is complete. TRLIA’s funding to advance the Goldfields Project comes from both TRLIA funds and the State of California funds as described below.

**Goldfields State Revenues**

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). The 2018 APR projected revenues for the Goldfields (labeled as DWR Goldfields Funds) in FY 2017-18 of $1,051,439. Actual revenues in FY 2017-18 were $1,051,439. In the 2018 APR, TRLIA projected revenues for the Goldfields of $1,122,003 million in FY 2018-19. Actual revenues in FY 2018-19 were $1,755,726. TRLIA has updated the revenue projections for the project as shown in Table 7.
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. In addition, the Yuba Water Agency has agreed to advance to TRLIA additional funding as needed to complete right of way acquisition for the Goldfields project in order to ensure that TRLIA has sufficient cash flows to continue to advance the Goldfields project.

An updated Pro Forma cash flow is presented in Table 7.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting Fund Balance</td>
<td>$6,321,081</td>
<td>$4,171,313</td>
<td>$3,880,578</td>
<td>$3,975,484</td>
<td>$3,792,913</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remaining WPC Costs</td>
<td>$3,792,913</td>
<td>$3,975,484</td>
<td>$3,880,578</td>
<td>$3,975,484</td>
<td>$3,792,913</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
</tr>
<tr>
<td>Goldfields Costs**</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
</tr>
<tr>
<td>Remaining REUP Costs</td>
<td>$1,471,226</td>
<td>$1,471,226</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
</tr>
<tr>
<td>Remaining 20-Year Compliance Work</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
</tr>
<tr>
<td>Remaining Environmental Compliance Costs</td>
<td>$3,192,946</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
</tr>
<tr>
<td>Other Remaining TRULIA Project Costs</td>
<td>$2,334,225</td>
<td>$1,471,226</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
</tr>
<tr>
<td>TRULIA G&amp;A</td>
<td>$1,471,226</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
<td>$882,778</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$7,371,612</td>
<td>$7,803,475</td>
<td>$7,937,158</td>
<td>$7,937,158</td>
<td>$7,937,158</td>
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<td>$7,937,158</td>
<td>$7,937,158</td>
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<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DWR Proposition 1E - REUP Funds</td>
<td>$560,106</td>
<td>$2,794,126</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>DWR Proposition 1E - REUP Funds**</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>DWR Goldfields Funds**</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>Other DWR Funding Sources</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>Other DWR Funding Sources**</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>Local Funding</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
<td>$1,226,046</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
<td>$6,807,989</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
<td>$1,471,313</td>
</tr>
</tbody>
</table>

*Reflects costs and revenues from TRULIA's Goldfields 200-Year Feasibility Study work and associated YFRIP Prop 13 Grant
Source: 18497 TRULIA Cash Flow 07-30-19 EPR.R2.xlsx

Three Rivers Levee Improvement Authority
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 August 2020.