I CALL TO ORDER

II ROLL CALL – Directors Rick Brown, Jerry Crippen, Mary Jane Griego, Dan Logue

III 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.

IV CONSENT AGENDA: All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.

A. Approve minutes of the regular meeting of December 4, 2007.
B. Approve Amendment to agreement with Reclamation District 784 for payments related to construction of Pump Station 6 and authorize Chairman to execute same.

V ACTION ITEMS

A. Approve Amendment No. 2 with MHM in the amount of $75,000 for general engineering and surveying services and authorize Executive Director to execute upon review and approval of Counsel.
B. Approve Amendment No. 2 with Economic & Planning Systems in the amount of $75,000 for consulting services and authorize Executive Director to execute upon review and approval of Counsel.
C. Adopt resolution regarding preferred land uses in the Feather River Setback area.

VI BOARD AND STAFF MEMBERS’ REPORTS

VII CLOSED SESSION

A. Pending litigation pursuant to Government Code §54956.9(a) – Danna & Danna, Inc. vs. TRLIA
B. Pending litigation pursuant to Government Code §54956.9(a) – Danna Investment Company vs. TRLIA

VIII ADJOURN
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

MINUTES – BOARD OF DIRECTORS

DECEMBER 4, 2007

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority was held on the above date, commencing at 3:34 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Rick Brown, Jerry Crippen, Mary Jane Griego, Dan Logue, and Richard Webb. Also present were Executive Director Paul Brunner, Counsel Scott Shapiro, and Clerk of the Board of Supervisors/Secretary Donna Stottlemyer. Chairman Webb presided.

CONSENT AGENDA

Upon motion of Director Logue, seconded by Director Crippen, and carried with Director Webb abstaining, the Board took the following actions:

A. Minutes: Approved the minutes of the regular meeting of November 6, 2007, as written.

B. Out-of-State Travel: Authorized out-of-state travel for Executive Director to travel to Washington, D.C. December 11 – 12, 2007 regarding processing of pending 408 permit for the Feather River Setback Levee project.

ACTION ITEM

Pump Station 3, 10, and 6/Agreements: Following a brief recap from Executive Director Paul Brunner regarding the agreement for payments related to the Construction of Pump Station 3, upon motion of Director Crippen, seconded by Director Griego, and unanimously carried, the Board approved the agreement for payments related to the construction of Pump Station 3 and authorized the Chairman to execute same.

Following a brief recap from Mr. Brunner regarding the amendment to Pump Station 6 related to construction upon motion of Director Crippen, seconded by Director Logue, and unanimously carried, the Board approved the first amendment to the agreement with Reclamation District 784 for payments related to construction of Pump Station 6 and authorized the Chairman to execute same.
Upon motion of Director Crippen, seconded by Director Logue, and unanimously carried, the Board tabled the agreement with Reclamation District 784 regarding the construction of a discharge pipe crossing for Pump Station 10.

BOARD AND STAFF MEMBERS REPORTS

Reports were received on the following:

Director Logue:
- Presented plaque to Director Webb in appreciation of his service

Director Webb:
- Retirement from Reclamation District Board of Directors 784 and accomplishments during his tenure

Executive Director Paul Brunner:
- Department of Water Resources Early Implementation Projects Grant key provisions
- Received consensus for Chairman to execute correspondence to Corps of Engineers Assistant Secretary Woodley regarding Corps approval and funding regarding the Marysville Ring Levee and Feather River setback construction
- Agreement reached with Rice family on property alignment
- Segment One Nordic extension of agreement
- Approval of State Fish and Game grant agreement for $7.4 million

Program Manager Ric Reinhardt:
- Timeline for permitting schedule regarding Feather River Levee Setback Levee Project

CLOSED SESSION

Counsel Scott Shapiro advised item C and D under Closed Session were agendized with improper government code, however, advising substantial notice had been provided to the public and the matters would be properly agendized at the next Board meeting and any closed session action would be ratified.

The Board retired into closed session at 4:15 p.m. to discuss the following:

A. Personnel pursuant to Government Code §54957 – Public Employment – Executive Director
B. Conference with Real Property Negotiator pursuant to Government Code §54956.8 - Property: APN 014-290-034 (Uppal) Negotiating Parties: TRLIX/Bob Morrison Negotiation: Price and Terms of Payment


Director Webb left closed session at 4:56 p.m. prior to discussion of the matter regarding Uppal.

The Board returned from closed session at 5:19 p.m. with all Board and staff members present as indicated above.

Counsel Scott Shapiro made the following announcement:

"In regards to items A though D direction was provided to staff. Also note, that the Board provided authority to staff in regards to negotiations under B, C, and D."

ADJOURNMENT

There being no further business to come before the Three Rivers Levee Improvement Authority the meeting was adjourned at 5:21 p.m. by Chairman Webb.

Chairman

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS
AND SECRETARY OF THE PUBLIC AUTHORITY

Approved:
December 18, 2007

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director Scott Shapiro, General Counsel
SUBJECT: First Amendment to Agreement for Payments Related to Construction of Pump Station 6

Recommended Action: Approve the attached amendment to the Agreement for Payments Related to Construction of Pump Station 6 with Reclamation District 784.

Discussion: This amendment changes the language of the termination provision for this Agreement so that it is identical the termination provision in the payment agreement related to Pump Station 3. The Agreement currently provides for termination after 15 years or after all of the terms and conditions of the Agreement have been satisfied, whichever occurs first. Those terms and conditions include an initial transfer of $185,000 to TRLIA and subsequent semi-annual payments to TRLIA equal to 6.49% of the Drainage Basin C impact fees collected by RD 784, until the total reaches the final bid amount for Pump Station 6 construction, not to exceed $1,768,125. Under the amended language, the Agreement would terminate upon the earlier of the following conditions: (a) when RD 784 has made total payments equal to the final bid for the construction of Pump Station 6, not to exceed $1,768,124; or (b) the Parties mutual agree that the Drainage impact fee program is no longer effective. The amendment also provides that the Parties will initially review the effectiveness of the drainage impact fee program 15 years after the effective date of this Agreement and every five years thereafter.

Fiscal Impact: This amendment does not alter the amount paid by RD 784 to TRLIA under the Agreement and therefore has no fiscal impact.
FIRST AMENDMENT
TO
AGREEMENT FOR PAYMENTS RELATED TO
CONSTRUCTION OF PUMP STATION 6

THIS FIRST AMENDMENT TO AGREEMENT FOR PAYMENTS RELATED TO CONSTRUCTION OF PUMP STATION 6 is made and entered into this __ day of December 2007, by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, a Joint Powers Authority ("TRLIA"), and RECLAMATION DISTRICT 784, a political subdivision of the State of California ("RD 784").

WHEREAS, TRLIA and CONTRACTOR entered into an Agreement for Payments Related to Construction of Pump Station 6 ("AGREEMENT") on November __, 2007;

WHEREAS, the AGREEMENT provided for a payment by RD 784 to TRLIA in the amount of $185,000 within ten business days of the effective date of the AGREEMENT.

WHEREAS, Section 2.3 of the AGREEMENT states that the AGREEMENT may be amended or modified only by a written instrument executed by the Parties;

WHEREAS, TRLIA and CONTRACTOR now desire to amend the AGREEMENT to eliminate the 15-year termination provision;

NOW, THEREFORE, TRLIA and CONTRACTOR agree as follows:

1. The last sentence of Section 1.3 of the AGREEMENT shall be replaced with the following:

   "This Agreement shall terminate upon the earlier of the following conditions: (a) RD 784 has made total payments equal to the final bid for the construction of PS 6, not to exceed $1,768,124; or (b) the Parties mutually agree that the Drainage impact fee program is no longer effective. The Parties will initially review the effectiveness of the drainage impact fee program 15 years after the effective date of this Agreement and every five years thereafter."

All other terms and conditions contained in the Agreement shall remain in full force and effect.

This FIRST AMENDMENT is hereby executed on this __ day of December 2007.

TRLIA
BY: [Signature]
"THREE RIVERS LEVEE IMPROVEMENT AUTHORITY"

RD 784
BY: [Signature]
RECLAMATION DISTRICT 784
APPROVED AS TO FORM:
SCOTT L. SHAPIRO
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
GENERAL COUNSEL

CARL LINDMARK
RECLAMATION DISTRICT 784
GENERAL COUNSEL
December 18, 2007

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul G. Brunner, Executive Director
       Ric Reinhardt, Program Manager
SUBJECT: Amendment 2 to MHM General Engineering and Surveying Services Contract

**Recommended Action**

Approve the attached $75,000 contract amendment with MHM for general engineering and surveying services and authorize the TRIIA Executive Director to sign once General Counsel has reviewed and approved.

**Discussion**

This second amendment to MHM’s contract is to expand the term and budget of MHM’s contract to cover additional effort by MHM for right of way survey documentation, quality control surveys, and other engineering services for TRIIA’s construction program. Previously, through work performed under TRIIA approved contract and one amendment totaling $451,500 MHM has provided right of way, surveying, and other engineering services throughout TRIIA’s construction program. MHM is available on an as needed basis for surveying and right of way assistance. MHM’s timely services are very valuable in implementing the TRIIA Program and are still needed to complete the program. This amendment will extend MHM’s contract term to December 31, 2008 as well as provide an additional budget of $75,000 to allow TRIIA to continue to utilize MHM as needed.

**Fiscal Impact**

The funding for this contract amendment would increase the contract by $75,000 for services on a time-and-expenses basis, to a maximum amount not exceeding $526,500 without prior authorization by TRIIA. This is a time and material contract that is used sporadically for individual tasks. MHM is not guaranteed the amount of the contract. The contract will only be used if funding is available.
SECOND AMENDMENT
TO
AGREEMENT BETWEEN
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
AND
MIIM, Inc.

THIS SECOND AMENDATORY AGREEMENT is made and entered into this 12th day of December, 2007, by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, a Joint Powers Authority, ("TRLIA") and MIIM, Inc. ("CONSULTANT").

RECITALS:

WHEREAS, TRLIA and CONSULTANT entered into an agreement to provide Engineering and Surveying Services dated February 16, 2005 ("AGREEMENT");

WHEREAS, TRLIA and CONSULTANT entered into a first amendment to the AGREEMENT increasing the scope and term of service on October 16, 2006;

WHEREAS, Article D.24 of the AGREEMENT states that modifications or amendments to the terms of the AGREEMENT shall be in writing and executed by both parties;

WHEREAS, TRLIA and CONSULTANT desire to amend the AGREEMENT a second time;

NOW, THEREFORE, TRLIA and CONSULTANT agree as follows:

1. Article 2 of the AGREEMENT shall be revised to extend the termination date to December 31, 2008.

2. Article A.1 of the AGREEMENT shall be revised to include the Feather River levee improvements and to include quality control surveys as necessary.

3. Article B.1 of the AGREEMENT shall be revised to increase the maximum contract fee from $451,500 to $526,500.

All other terms and conditions contained in the Agreement shall remain in full force and effect.

This AMENDED AGREEMENT is hereby executed on this 12th day of December, 2007.

TRLIA

BY: ____________________________
"THREE RIVERS LEVEE
IMPROVEMENT AUTHORITY"

CONSULTANT

BY: ____________________________
"MIIM, Inc"

ATTEST:
DONNA STOTTERMeyer, CLERK OF
THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:
SCOTT I. SHAPIRO
GENERAL COUNSEL
December 18, 2007

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
SUBJECT: EPS Phase IV Funding Administration Contract Amendment No. 2

**Recommended Action**
Approve $75,000 Amendment No. 2 to current consulting contract with Economic & Planning Systems, Inc. (EPS) and authorize the TRLIA Executive Director to sign once Counsel has reviewed.

**Discussion**
The proposed amendment broadens the scope of the existing EPS contract to provide needed financial management support to administer the tasks anticipated to be in the new State/TRLIA Early Implementation Project (EIP) Agreement. The length of time for this amendment is through June 30, 2008. The proposed amendment also modifies the current EPS contract tasks in order to stretch all available dollars under contract and overall minimize support costs.

**Fiscal Impact**
This contract is a time and material contract and will be utilized only when funding is available. There is no guarantee to the consultant. Funding for this amendment will come from the sources identified in 1st amendment to the Second Funding Agreement term sheet. Funding will be available once the EIP Agreement is signed; currently projected to occur in January 2008.
December 3, 2007

Paul Brunner
Three Rivers Levee Improvement Authority
915 8th Street
Marysville, CA 95901

Subject: Second Amendment to Contract; EPS #16497

Dear Mr. Brunner:

Economic & Planning Systems, Inc. (EPS) looks forward to continuing work with Three Rivers Levee Improvement Authority (TRLIA). As requested, EPS is providing this amendment to the current contract with TRLIA to extend the authorized budget amount and expand the Scope of Work to reflect the current financing scenarios contemplated for a First Amendment to the Second Funding Agreement.

Scope of Work

EPS will provide technical support as outlined in Attachment 1 to the Second Amendment to Agreement for Consulting Services (Attachment 1). It is EPS’s intent to close out the current tasks (1 through 4) and roll their scope into a new consolidated Task 5. The scope of Task 5 will include the administrative tasks previously included in Tasks 1 through 4, as well as the additional scope of preparing and assisting in the execution of a Financial Plan for Phase 4 levee improvements.

Budget

EPS proposes to revise the budget of the contract from $115,000 to $190,000 as outlined in Attachment 1. EPS has expended roughly $113,000 of the $115,000 approved budget through Fiscal Year 2007-08 and estimates that the remainder of the current year’s work will require an additional $75,000 to complete. Therefore, the total authorization in the contract amendment will be increased to $190,000.

Schedule

EPS will complete authorized assignments on a mutually agreeable schedule. This amended agreement will continue to allow EPS to provide services through June 30, 2008.

EPS thanks you for the opportunity to continue working with TRLIA. To approve the Second Amendment, please sign and return one original agreement to EPS and keep the other one for your records. Please call Seth Wurzel at (916) 649-8010 if you have questions regarding this amendment.

Sincerely,

Tim R. Youmans
Managing Principal

David Zehnder
Managing Principal

attachments
Second Amendment to Agreement for Consulting Services

EPS #16497

This Second Amendatory Agreement is made and entered into this 3rd day of December 2007, by and between the Three Rivers Levee Improvement Authority, a California Joint Powers Authority (CLIENT), and Economic & Planning Systems, Inc., (CONSULTANT).

WHEREAS, CLIENT and CONSULTANT entered into an agreement on November 21, 2006, to provide professional consulting services (Agreement);

WHEREAS, CLIENT and CONSULTANT entered into the First Amendment to Agreement for Consulting Services on July 17, 2007, to provide professional consulting services (First Amendment to Agreement);

WHEREAS, CLIENT and CONSULTANT desire to further extend the budget and scope of the Agreement;

NOW, THEREFORE, CLIENT and CONSULTANT agree to as follows:

1. Exhibit A of Agreement. The Scope of Work of this Agreement shall be modified to include additional services as outlined in Attachment 1 to this amendatory Agreement. The authorized budget of this agreement shall be revised, as further outlined in Attachment 1, to increase the maximum not-to-exceed amount by $75,000 from $115,000 to $190,000.

All other terms and conditions contained in the Agreement and First Amendment to Agreement shall remain in full force and effect.

This Amended Agreement is hereby executed on this 3rd day of December 2007.

Three Rivers Levee Improvement Authority
A California Joint Powers Authority

Paul Brunner, Executive Director

Economic & Planning Systems, Inc.
A California Corporation

Tim R. Youraas, Managing Principal

David Zehnder, Managing Principal

Approved as to form:

Scott Shapiro, TRLIA Counsel
Attachment 1

to

Second Amendment to Agreement for Consulting Services; EPS #16497

Exhibit A of the Agreement shall be revised and amended to read as follows. Exhibit A-Attachment 1 shall remain unchanged.

Amended Exhibit A

Scope of Work and Budget

1. Project Understanding

Economic & Planning Systems, Inc., (EPS) has been requested to provide financial consulting services and support to the Three Rivers Levee Improvement Authority (TRLIA) for the purpose of administering a funding program for Levee Improvements. These services are required to assist TRLIA in meeting its current contractual obligations under the “Second Agreement for Advanced Funding and Reimbursement of Costs for Levee Improvements” (Second Funding Agreement), as well as the proposed obligations under a First Amendment to that Agreement.

2. Scope of Work

TRLIA’s contractual obligations with respect to the Second Funding Agreement have been outlined in a responsibility matrix that is included as Attachment 1 to this Exhibit A. In general terms, the responsibility matrix outlines the tasks and activities that need to be performed as indicated in the Second Funding Agreement. The matrix also, in general terms, outlines the roles and responsibilities of parties to the agreement associated with each item or activity. Where EPS plays a role in assisting with these obligations, the matrix indicates a brief description of the role EPS will play in meeting the obligation. The general scope of the administration of the Agreement has been broken into four major categories. Each category is listed below with a more comprehensive description of the role EPS will play.

EPS also will provide additional ad hoc support to assist in the negotiation and implementation of a First Amendment to the Second Funding Agreement, as well as securing the needed financing to complete Phase 4 levee improvements.

To streamline the administration of this contract, by way of the Second Amendment to this Agreement, the scopes of Tasks 1 through 4 outlined below will be combined and expanded into a single new consolidated Task 5. The expansion of the scope of work has been included in Task 5’s detailed scope provided below.

The revised budget for a consolidated Task 5 also has been provided with this Exhibit A.

Task 1: Capital Call Administration and Participant Administration

This portion of the administration program deals with the participants’ obligations to deposit funds into an escrow account to advance fund levee improvements. The Agreement contemplates that, based on a funding pro forma developed by the participating landowners,
each individual landowner will deposit funds into the escrow account based on the amounts indicated in the pro forma. EPS will review this pro forma for its accuracy and consistency with the original methodology under which the pro forma was developed. The pro forma will be updated periodically as additional funds for levee improvements are received from outside sources and new participants are added to the program. Based on the amount of funds each participant deposits into escrow, they will be authorized to pull permits, based on a building permit authorization plan that links back to the funding pro forma. EPS also will review this plan to ensure its accuracy and consistency with the methodology under which it was developed originally.

**Task 2: Building Permit Administration and Impact Fee Program**

The funding agreement contemplates that Public Works Department and Community Development Department of the County will limit the number of building permits that can be issued based on certain terms in the agreement. EPS will work with TRLIA and its staff to help provide Public Works and Community Development the proper information so that building permit issuances do not exceed authorizations for the entities participating in the Second Funding Agreement. In addition, according to the Agreement, further limitations are placed on building permit issuance for those entities not a party to the agreement. EPS will work with TRLIA and County staff to ensure that these limitations are upheld by providing support on an as-needed basis.

EPS helped develop a Development Impact Fee program, which was adopted by the County in May 2006. Since the fee was adopted, EPS has helped the County administer the fee on an as-needed basis. EPS will continue to provide this support, which includes providing semi-annual updates to the fee as contemplated according to the nexus study, and determining applicable fee amounts for projects subject to the fee.

**Task 3: Impact Fee Bond and Community Facilities District/Builder Bond Administration**

The funding program contemplated in the Second Funding Agreement includes the formation of two Community Facilities Districts (CFDs) to issue Builder Bonds and the issuance Impact Fee Bonds secured by impact fee revenues. The implementation of the funding programs will require various tasks be completed.

**Task 3.1: CFD Administration, Initial Setup**

Part of the administration of the CFDs will require the assignment of taxes to parcels owned by homeowners based on the bonding capacity of homes proposed by the land owner. The bonding capacity analysis will require review by TRLIA. Part of this includes the independent analysis of the proposed average home prices by a third party. EPS will contract with the Gregory Group to perform this review, and they will provide the information directly to the Joint Powers Authority (JPA). In addition, EPS will review the overall methodology and accuracy of the bonding capacity analysis provided by the landowners.

**Task 3.2: CFD Administration, Ongoing Annual Tax Roll Preparation**

The ongoing administration of the CFDs will require the maintenance of the attachments to Rate and Method of Apportionments and the annual preparation of the list of taxes to be levied on an
ongoing basis. This scope will be applicable for one year's administration/preparation of the annual tax roll. Subsequent years' tax roll preparation will be in addition to this scope of work.

This scope of work, as it pertains to CFD Administration, does not include work related to the technical support associated with Conventional Bond Issuance. Any analysis required by a special tax consultant as it relates to the preparation of an Official Statement for the issuance of Conventional Bonds would take place under a separate or amended contract.

**Task 4: Miscellaneous/Levee Improvement Project Cash Flow/Insurance Requirement Administration**

The Second Funding Agreement has numerous additional provisions that outline the responsibilities of TRLIA, the County, and the landowners. This portion of the scope encompasses those additional responsibilities. The following tasks address each individual portion of the work that will be performed by EPS.

**Task 4.1: Development of Levee Maintenance Funding Plan**

EPS has been, and will continue to assist with development of a permanent funding plan for ongoing levee maintenance. The scope Second Funding Agreement contemplates that money generating through the agreement can be used to fund maintenance for an interim period of time until a more permanent financing plan is put into place. The Agreement also indicates that the permanent financing plan will work to incorporate the financial support of the existing population benefiting from the levee improvements. This notion lends itself to the implementation of an Assessment District. EPS will work with TRLIA, the County, and the landowners to aid in the development of a plan that incorporates the financial support of the current population in Southern Yuba County.

**Task 4.2: TRLIA Accounting Support**

EPS will work with TRLIA staff to help implement and maintain accounting systems to track levee improvement and administrative costs along with revenues received from various funding sources. As contemplated in the Second Funding Agreement, TRLIA is to contract with an outside consulting firm to assist in the preparation of monthly reports. EPS will work with TRLIA staff to help set up these systems and to provide technical support in meeting this contractual requirement.

**Task 4.3: Reimbursements and Fair Share Funding Study**

The Second Funding Agreement contemplates that a study will be produced that ultimately indicates how the participants in the agreement will be reimbursed the difference between their fair allocated share of levee improvements and the amounts they funded through the agreement. EPS will work with the landowners' financial consultants to prepare and review this study.

**Task 4.4: Communications with Development Community**

EPS will work with the County and TRLIA to provide information to the development community on an as-needed basis. EPS will assist TRLIA in preparing pertinent development-related information that can be disseminated electronically.
Task 5: Consolidated Task—Technical Support, Administration and Implementation

Task 5's scope includes the scope of work for Tasks 1 through 4 as outlined above. In addition, this task also includes the following scope.

EPS will work with the County and TRLIA to provide support in negotiating with the development community and the State of California to implement a financial plan for completing Phase 4 levee improvement work. This includes providing technical support on an as-needed basis for negotiating a First Amendment to the Second Funding Agreement and implementing the financing mechanisms described in that Amendment, which may include these:

- Preparation of a Financial Plan for Phase 4 Feather River Levee Improvements;
- Preparing the necessary formation documents for the creation of a new CFD including Rate and Method of Apportionment and Hearing Report, as well as engaging, as a subconsultant, the necessary engineering support to create the required boundary map and generate needed parcel level data;
- Revising the current TRLIA Levee Fee Nexus Study, as needed, for feasible implementation;
- Assisting with development of a project cash flow that will be used for determining the required capital calls as described in the First Amendment;
- Attending meetings and required conference calls; and
- Providing, on an ad-hoc basis, technical analysis and data as needed.

3. Proposed Schedule

The performance period of this contract is from the date of execution of this contract through June 30, 2008 (the remainder of Fiscal Year 2006-07 and Fiscal Year 2007-08).

4. Proposed Budget and Payment

The work defined in the scope of this proposal will be performed on a time-and-materials basis up to a specific maximum amount for the remainder of Fiscal Year 2006-07 and the entirety of Fiscal Year 2007-08 until June 30, 2008.

The budget to provide the listed scope of work for the contract period is $190,000. This is EPS's estimate, based on previously completed work, of the amount of budget that may be required to perform the above-listed scope of work. With this type of work, a moderate level of uncertainty is inherent, and this uncertainty is reflected in this budget. Consequently, the estimated budget may be in excess of or under the funds required to perform the requested work. EPS charges for its services on a direct-cost (hourly billing rates plus direct expenses), not-to-exceed basis; therefore, EPS will bill only for the work completed up to the authorized budget amount. EPS's Billing Rates are periodically updated. If additional work is required or requested, EPS will request authorization for additional budget with the understanding that terms would be negotiated in good faith. It is expected that this budget may be increased on an as-needed basis through a contract amendment process.

Economic & Planning Systems, Inc.
The following table is a breakdown of the budget for each component of the proposed scope of work and an allocation of the budget into the various funding sources available to TRLIA. The allocation of the various task budgets has been provided to assist TRLIA in accounting for these consultant costs.

EPS will send request for payment to TRLIA on a monthly basis after the completion of services. EPS will request payment for services by the tasks indicated in the following table.

Request for payment will be sent to the following address:

Three Rivers Levee Improvement Authority
915 8th Street, Suite 125
Marysville, CA 95901
Attn: Accounts Payable (3006-3052)
## Proposed Budget and Allocation to Funding Mechanisms

<table>
<thead>
<tr>
<th>Task Description</th>
<th>Estimated Amount (Remainder FY 06–07)</th>
<th>Estimated Amount (FY 07–08)</th>
<th>Total Budgeted Contract Amount</th>
<th>Allocation to Funding Mechanisms</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Agreement Payments</td>
</tr>
<tr>
<td>Task 1: Capital Call Administration &amp; Participant Administration</td>
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<td>$24,500</td>
<td>$46,600</td>
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<td>Task 2: Building Permit Administration &amp; Impact Fee Program</td>
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<td>$17,500</td>
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<td>60%</td>
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<td>Task 3: Impact Fee Bond &amp; CFD/Builder Bond Administration</td>
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<td>$10,500</td>
<td>$18,000</td>
<td>20%</td>
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<tr>
<td>Task 4: Miscellaneous/Levee Improvement Project Cash Flow/Insurance Requirement Administration</td>
<td>$6,500</td>
<td>$17,500</td>
<td>$24,000</td>
<td>100%</td>
</tr>
<tr>
<td>Task 5: Consolidated Task - Technical Support, Administration and Implementation</td>
<td></td>
<td></td>
<td>$75,000</td>
<td>$75,000</td>
</tr>
</tbody>
</table>

Total Budget for Remainder of FY 2006–07 | $45,000 | $70,000 | $75,000 | $190,000 |
December 18, 2007

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
        Scott Shapiro, General Counsel
SUBJECT: TRLIA preferred land uses in the Feather River Setback area.

**Recommended Action:** Adopt proposed resolution in regard to TRLIA preferred land uses in the Feather River Setback area.

**Discussion:** The Three Rivers Levee Improvement Authority (the “Authority”), a joint exercise of powers authority which the County of Yuba and Reclamation District 784 are the members, has constructed over $130,000,000 of levee improvements resulting in the certification of levees on the Western Pacific Interceptor Canal, the Bear River and significant portions of the levees on the Yuba River, thereby significantly improving public safety in Southern Yuba County. Prior to starting the levee improvements along the Feather River necessary to complete the levee improvement program and achieve 200 year flood protection for the Southern portion of the County, the Authority applied to the State of California for funding for a setback levee on the Feather River. The Department of Water Resources of the State of California has informed the Authority that it has provisionally qualified the Authority to receive a maximum of $138,510,000 of State funds towards the costs of the levee improvements to be done.

In connection with the approval and planning for a setback levee along the Feather River the Board has previously adopted a Real Estate Acquisition Plan which establishes the various priorities of the Authority and authorizes certain costs to be paid, all in regard to land acquisition. As part of the Real Estate Acquisition Plan the Board has informed staff that it is the policy of the Authority to seek to maintain as much of the setback area in agriculture as is economically feasible, subject to ensuring public safety. This policy of the Board of Trustees is based upon the Board’s desire to encourage the productive use of the lands within the setback area for agriculture; and the Board of the Authority now desires to express in this Resolution that policy that it previously adopted.

**Fiscal Impact:** This resolution has no fiscal impact.
RESOLUTION NO. 2007—__

A RESOLUTION BY THE BOARD OF THREE RIVERS LEVEE IMPROVEMENT AUTHORITY IN REGARD TO PREFERRED LAND USES IN SETBACK AREA

WHEREAS, the Three Rivers Levee Improvement Authority (the “Authority”), a joint exercise of powers authority which the County of Yuba and Reclamation District 784 are the members, has constructed over $130,000,000 of levee improvements resulting in the certification of levees on the Western Pacific Interceptor Canal, the Bear River and significant portions of the levees on the Yuba River, thereby significantly improving public safety in Southern Yuba County; and

WHEREAS, prior to starting the levee improvements along the Feather River necessary to complete the levee improvement program and achieve 200 year flood protection for the Southern portion of the County, the Authority applied to the State of California for funding for a setback levee on the Feather River; and

WHEREAS, the Department of Water Resources of the State of California has informed the Authority that it has provisionally qualified the Authority to receive a maximum of $138,510,000 of State funds towards the costs of the levee improvements to be done; and

WHEREAS, in connection with the approval and planning for a setback levee along the Feather River the Board has previously adopted a Real Estate Acquisition Plan which establishes the various priorities of the Authority and authorizes certain costs to be paid, all in regard to land acquisition; and

WHEREAS, as part of the Real Estate Acquisition Plan the Board has informed staff that it is the policy of the Authority to seek to maintain as much of the setback area in agriculture as is economically feasible, subject to ensuring public safety; and

WHEREAS, this policy of the Board of Trustees is based upon the Board’s desire to encourage the productive use of the lands within the setback area for agriculture; and

WHEREAS, the Board of the Authority now desires to express in this Resolution that policy that it previously adopted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Three Rivers Levee Improvement Authority as follows:
Section 1. The Board hereby adopts as a policy to seek to maintain as much of the setback area in agriculture as is economically feasible, subject to ensuring public safety, and the Board instructs the Authority staff to take all actions reasonably available to implement this policy.

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PASSED AND ADOPTED this 18th day of December, 2007, by the Board of Three Rivers Levee Improvement Authority by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

ATTEST: DONNA STOTTMEMYER,
CLERK OF THE BOARD

APPROVED AS TO FORM: GENERAL COUNSEL
SCOTT SHAPIRO