CALL TO ORDER: Welcome to the Three Rivers Levee Improvement Authority (TRLIA) meeting. As a courtesy to others, please turn off cell phones, pagers, or other electronic devices which might disrupt the meeting. Thank you.

I  ROLL CALL – Directors Sarbdeep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti

II  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. Prior to this time, speakers are requested to fill out a “Request to Speak” card and submit it to the Clerk of the Board of Supervisors.

III  CONSENT AGENDA: Matters listed are considered to be routine and can be enacted by one motion.

A  Approve minutes from the meeting of November 12, 2013.

IV  ACTION ITEMS:

A  Approve lease agreement with Yuba County Office of Education for Three Rivers Levee Improvement Authority office space and authorize the Chair to execute upon review and approval of Counsel.

B  Approve Amendment No. 3 to the agreement with Larsen Wurzel and Associates Inc., in the amount of $160,000 to extend agreement for two years, and authorize the Executive Director to execute same.

C  Adopt resolution determining that special taxes shall cease to be levied on property within the Three Rivers Levee Improvement Authority (TRLIA) Community Facilities District (CFD) No. 2006-1 (South County Area), Tax Zone 8, and directing the TRLIA Board Secretary to record a Notice of Cessation of the Special Tax parcels within CFD 2006-1, Tax Zone 8 subject to certain condition.

V  BOARD AND STAFF MEMBER REPORTS:

1. Completion of Access Corridor Feather River Segment 3 update
2. Other Reports

VI  ADJOURN
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

NOVEMBER 12, 2013

MINUTES

A meeting of the Board of Directors of the Three Rivers Levee Improvement Authority (TRLIA) was held on the above date, commencing at 2:00 p.m., within the Government Center, Marysville, California, with a quorum being present as follows: Directors Sarbobep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, and John Nicoletti. Also present were Executive Director Paul Brunner, Counsel Scott Shapiro, and Secretary/Clerk of the Board of Supervisors Donna Stottlemyer. Chair Griego presided.

I ROLL CALL – Directors Atwal, Brown, Crippen, Griego, Nicoletti – all present

II CONSENT AGENDA: Matters listed are considered to be routine and can be enacted by one motion.

MOTION: Move to approve MOVED: Jerry Crippen SECOND: Sarbobep Atwal
AYES: Sarbobep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: None ABSENT: None

A. Approve minutes from the meetings of November 5, 2013. Approved as written.

III ACTION ITEMS

A. Receive and consider bids for purchase of Uppal surplus real property located on Anderson Avenue identified as APN 014-290-034 and take action as appropriate. Special Counsel Scott McElhern recapped background for sale and the procedures for public comments, and accepting written and oral bids. There were no public comments. Written bids followed by oral bids were accepted.

MOTION: Move to accept high oral bid of $340,000 from Jerry Bartlett
MOVED: Jerry Crippen SECOND: Rick Brown
AYES: Sarbobep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: None ABSENT: None

MOTION: Move to delegate to Executive Director authority to execute all necessary documents to effectuate and close the sale
MOVED: Jerry Crippen SECOND: John Nicoletti
AYES: Sarbobep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None ABSTAIN: None ABSENT: None

B. Receive and consider bids for purchase of Sohal surplus real property located on south side of Upper Yuba River Levee identified as APN 018-190-111.112 and take action as appropriate. Special Counsel Scott McElhern recapped background for sale and the procedures for public comments, and accepting written and oral bids.

Mr. Richard Wilber contested the sale due to site condition with Mr. Brunner and Counsel recapping the history of the site and documentation indicating site would be sold “as is.”
No written or oral bids were received.

MOTION: Move to take no action
MOVED: Sarbdeep Atwal  SECOND: John Nicoletti
AYES: Sarbdeep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None  ABSTAIN: None  ABSENT: None

C. Approve 5th amendment to agreement with SCI in the amount of $23,500 for consulting services and authorize Executive Director to execute upon review and approval of Counsel. Executive Director Paul Brunner briefly recapped services.

MOTION: Move to approve  MOVED: John Nicoletti  SECOND: Jerry Crippen
AYES: Sarbdeep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None  ABSTAIN: None  ABSENT: None

D. Approve extension of agreement to December 31, 2015 for Executive Director Paul Brunner and authorize Chair to execute.

MOTION: Move to approve  MOVED: John Nicoletti  SECOND: Jerry Crippen
AYES: Sarbdeep Atwal, Rick Brown, Jerry Crippen, Mary Jane Griego, John Nicoletti
NOES: None  ABSTAIN: None  ABSENT: None

IV  BOARD AND STAFF MEMBERS’ REPORTS

Executive Director Paul Brunner:
• Regional workshop November 13, 2013
• Segment Three progress regarding fencing and drainage ditch
• Feather Segment One progress

V  ADJOURN: 2:47 p.m.

Chair

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

Approved: ____________________
December 17, 2013

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul G. Brunner, Executive Director
       Leslie Wells, Executive Assistant
SUBJECT: TRLIA Office Lease Agreement Extension

Recommended Action:

Approve the proposed Three Rivers Levee Improvement Authority office lease extension and authorize the Chair to sign a new lease agreement with Yuba County Office of Education.

Discussion:

The current lease with the Yuba County Office of Education expires on December 31, 2013. The proposed lease extension would allow the Three Rivers Levee Improvement Authority office to remain at the One Stop Center for Business and Workplace Development located at 1114 Yuba Street, Marysville, CA until December 31, 2015. The terms and conditions of the lease extension are the same as the current lease with no CPI increase incurred.

The leased space has three office spaces, a file storage area and a conference room for a total of 1909 sq.ft. of leased space.

Fiscal Impact:

The cost of the proposed lease extension is $1.35 per square foot and the monthly lease amount would remain at $2,771.37 which includes the monthly security charges. The estimated yearly cost is $33,256.44 and is within the approved budget amounts.

Attachment:
Proposed New Lease Extension
GROSS LEASE
BETWEEN YUBA COUNTY OFFICE OF EDUCATION
AND THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
1114 Yuba Street, Marysville, California

Recitals

Section 1. Lease
Section 2. Warranty by Landlord
Section 3. Term
Section 4. Renewal Extension Option
Section 5. Holding Over
Section 6. First Refusal
Section 7. Rent
Section 8. Service, Utilities and Supplies
Section 9. Use of Premises
Section 10. Insurance
Section 11. Insurance for Tenant’s Personal Property
Section 12. Indemnification
Section 13. Assignment and Subletting
Section 14. Other Provisions of Lease
Section 15. No Broker
Section 16. Notices
Section 17. Successors and Assigns
Section 18. Entry
Section 19. Late Charge and Interest
Section 20. Compliance with Legal Requirements; Tenant’s Obligations
Section 21. Environmental Certification
Section 22. Parking
Section 23. Attorney Fees
Section 24. Entire Agreement
Section 25. Time of Essence
Section 26. Governing Laws

Exhibit “A” Rentable Area Reference Plan Drawing
Exhibit “B” Space Allocation Sheets
Exhibit “C” Technical Support of Computers, Phone Systems, and Security Systems
Exhibit “D” C.B.W.D. Rules

**********************************

RECEIVED

NOV 25 2013

COMMUNITY DEVELOPMENT & SERVICES AGENCY
This Lease "Lease")is made between SCOTIA HOLMES SANCHEZ,Ed.D., the Yuba County Superintendent of Schools, solely in her official capacity as an elected public official of Yuba County, California (Landlord), and the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY.

Recitals

Landlord is the authorized agent of the Yuba County Board of Education, ("Owner") the real property located in the City of Marysville, County of Yuba, State of California, described as One Stop Center for Business and Workforce Development ("Premises").

Section 1. Lease.

Landlord leases to Tenant on the terms and conditions in this Lease the following portion of the Premises:

Portions of a two-story office building located on Premises as set forth in Exhibit "A", attached hereto and by reference incorporated herein, and more specifically referred to as One Stop Center for Business and Workforce Development located at 1114 Yuba Street, Marysville, California.

Section 2. Warranty by Landlord.

Landlord warrants to Tenant that the Landlord is an authorized agent of the Owner and is empowered to enter into this Lease agreement on the Owner’s behalf.

Section 3. Term

The term of this Lease will commence on January 1st, 2014, (Commencement Date), and end on December 31st, 2015 (Termination Date) (Term), unless terminated sooner in accordance with the provisions of this Lease.
Section 4. Renewal Extension Option.

Landlord grants to Tenant the option to negotiate a new Lease upon written notification of intent to renew the Lease to Landlord from Tenant at least ninety (90) days prior to the Termination Date of this Lease. Tenant's privilege to exercise this option is expressly conditioned upon Tenant not having previously defaulted on the terms of the Lease, not being in default at the time the option is exercised, and not being in default between the time the option is exercised and the start of the new lease term.

Section 5. Holding Over.

Any holding over after the expiration of the Term of this Lease, with the consent of Landlord, shall be construed to be a tenancy from month-to-month, cancelable upon ninety (90) days written notice, with a Monthly Rent as existing during the last year of the Term of this Lease, and upon terms and conditions as existing during the last year of the Term of this Lease, until a new Lease is negotiated. Any holding over after the expiration of the Term, without the consent of Landlord, shall be construed to be a tenancy-at-will at a Monthly Rent of two hundred percent (200%) but otherwise on the terms and conditions in this Lease.

Section 6. First Refusal.

If the Landlord elects to lease any space in the Premises other than that space presently occupied by Tenant, then Landlord shall first offer such space in writing to the Tenant and Yuba County Health and Human Service Department whom is a Co-Tenant within the lease space with the Tenant. Lease space will be offered on terms and conditions no less favorable than those offered in their original lease agreement. The election of occupancy by Co-Tenants will be on a "first come first serve" notification basis. If within ten (10) working days after receipt of such offer, either Tenant does not notify Landlord in writing that Tenant elects to lease such space, Landlord shall be relieved of any obligations to either Tenant with regard to any such offering. If Tenant elects to lease space in accordance with the terms herein, Landlord shall allow the Tenant forty-five additional days to obtain necessary approvals to consummate lease.
Section 7. Rent

Commencing on January 1st, 2014, the Tenant shall pay monthly, in advance, a rent ("Monthly Rent") without notice or demand, as set forth below:

(a) The Monthly Rent shall remain at $2,771.37 for 1,909 square feet of rentable completed office space. The annual Consumer Price Index (CPI) adjustment has been waived.

The 1,909 square feet of rentable completed Tenant office space is set forth in Exhibit "A" - Rentable Area Reference Plan Drawing and Exhibit "B" - Space Allocation Sheets. The Monthly Rent includes base lease space rental for the Premises, and services, utilities, supplies and maintenance as set forth in more detail in Section 8 of this Lease.

The Monthly Rent including security is $2,771.37 and shall be payable on the Commencement Date and continuing thereafter on the first day of each month. Monthly Rent payment shall be delivered to the following address: 935 Fourteenth Street, Marysville, California 95901, or at another address that Landlord may from time to time designate by written notice to Tenant. If the Term begins or ends on a day other than the first or last day of a month, the rent for the partial months will be prorated on a per diem basis.

Section 8. Services, Utilities and Supplies.

Landlord, at Landlord’s sole cost and expense, during the term of this lease, shall furnish the following services, utilities, and supplies to the areas leased by the Tenant:

(a) Elevator service.
(b) Maintenance of Premises in good operating condition and appearance to include, but not necessarily limited to, the following:
   1) Furnishing and promptly replacing any inoperative light bulbs, fluorescent tubes, ballast, starters, and filters for the heating, ventilating and air conditioning equipment as required.
   2) Furnishing remedial painting as necessary to maintain the premises in a neat and clean condition.
3) Furnishing prompt, good quality repair of the building, equipment, and appurtenances.
4) Annual testing and maintenance of all fire extinguishers in or adjacent to the leased premises.
(c) Security monitoring service with access fobs and security codes. Gross lease services do not include physical on-site security services.
(d) Janitorial services sufficient to maintain the interior in a clean well-maintained condition to the greatest practical degree possible, by more specially performing the following:

*Daily:
1) Empty and clean all trash containers, and dispose of all trash and rubbish.
2) Clean and maintain in a sanitary and odor-free condition all floors, wash mirrors, basins, toilet bowls and urinals.
3) Furnish and replenish all toilet room supplies (including soap, towels, seat covers, and toilet tissue.)
4) Clean and damp-mop reception area daily.
5) Carpet sweep all carpeted areas.
* Extent of janitorial services dependent on Tenant spaces being kept in a manner whereby surfaces and areas to be cleaned can be accessed without moving and replacing personal items and equipment.

Twice Weekly:
1) Vacuum all carpets.
2) Dust the tops of all furniture, counters, cabinets, and window sills.

As Needed:
1) Spot clean all walls.
2) Sweep parking areas and sidewalks.
3) Dust all window blinds.
4) Strip all hard surface floors and apply a new coat of floor finish; buff as necessary to produce a uniformly shining appearance.
5) Wash all windows, window blinds, light fixtures, walls and painted surfaces.
6) Steam clean carpets to remove all stains and spots.
The utility baseline expenses incurred by the Landlord are established at the Commencement Date. The Tenant’s Commencement Date baseline utility costs are established at an averaged monthly cost of $0.20 per square foot of rentable area leased per month. Baseline utility expense rate established covers the Tenant’s share of the Landlord’s utility costs related to electric, gas, water, sewer and garbage in providing the services and utilities, as set forth below:

(a) Sewer, trash disposal, and water service including both hot and cold water to the lavatories.
(b) Electricity and/or gas as necessary to provide power for heating, ventilating, and air conditioning.

Landlord reserves the right to adjust the Monthly Rent upwards in the event of an increase in the established baseline utility costs. For purposes of this section, an increase in utilities costs means a cumulative increase in any such charges in excess of five percent (5%) aggregate over the term of the Lease. Utility increases shall be documented and solely reflect the increase in costs of utility operation of the Premises.

Landlord shall make available a telephone system for the Premises. There is an initial $500.00 one-time licensing and set-up fee for phone systems. Tenant shall utilize said telephone system and receive local area phone service at Landlord’s expense. Landlord shall make available a local area cabling network for computers from the Tenant’s space to a shared Computer Room on the Premises. Landlord shall provide technical and support services for phone system and building Security Systems in accordance with Exhibit “C”.

Section 9. Use of Premises.

The Premises will be used and occupied only for office, classroom, and education purposes in accordance with both this Agreement and the Center for Business and Workforce Development (C.B.W.D.) Rules as set forth in Exhibit “D”, and for any necessary and related use or purpose, and for no other use or purpose. Any extended use of the Premises beyond the Tenant’s normal business hours shall result in a pro rata increase in rental assessments to compensate Landlord for such extended use. Tenant’s normal business hours shall be deemed to be 7:00am to 6:30pm Monday through Friday. Tenant shall maintain the Premises in a professional manner and appearance. This does not alter in any fashion any obligation of Landlord to maintain the Premises and the common areas of the Premises. Tenant shall not undertake any remodeling, redecoration, or
alteration, including painting and wall coverings, to the Premises without first receiving Landlord's written permission.

Section 10. Insurance

For the mutual benefit of Landlord and Tenant, Tenant shall, during the term of this lease, cause to be issued and maintained public liability insurance in the sum of at least $1,000,000 for injury to or death of one person, and $3,000,000 for injury to or death of more than one person in anyone accident, insuring the Tenant against liability for injury and/or death occurring in or on the Premises or the common areas. Landlord shall be named as an additional insured and the policy shall contain cross-liability endorsements. The Tenant shall maintain all such insurance in full force and effect during the entire term of this Lease and shall pay all premiums for the insurance. Tenant shall furnish the Landlord a current copy of their public liability insurance policy to be maintained on file by the Landlord. Subsequent insurance premium renewals shall be provided the Landlord upon renewal. Such liability insurance, including the deductible, may be maintained as part of or in conjunction with any other insurance coverage carried by Tenant and may be maintained in the form of self-insurance by Tenant.

Section 11. Insurance for Tenant's Personal Property.

Tenant agrees at all times during the term of this Lease to keep, at Tenant's sole expense, all of Tenant's personal property, including trade fixtures and equipment of Tenant that may be on or in the Premises from time to time, insured against loss or damage by fire and by any peril included within fire and extended coverage insurance for an amount that will insure the ability of Tenant to fully replace the personal property, trade fixtures, and equipment or, in the alternate, Tenant shall waive any claim against Landlord for any such loss or damage.

Section 12. Indemnification

Each party to this Lease shall indemnify and hold harmless the other party from any and all claims or liability for any injury or damage to any person or property whatsoever occurring in, on, or about the Premises when that injury or damage was caused in part or in whole by the act, neglect, fault of, or omission of any duty by the party, its agents, servants, employees, or invitees.
Section 13. Assignment and Subletting

Tenant will not assign this Lease or further sublet all or any part of the Premises without the prior written consent of Landlord. Tenant further agrees that it shall not assign or sublet all or any part of the Premises to any party other than a public, governmental, or municipal entity.

Section 14. Other Provisions of Lease

Landlord reserves the right to terminate the Lease in the event of the partial or total damage, destruction, or condemnation of the Premises or the building or project of which the Premises are a part. The exercise of this right by Landlord will not constitute a default or breach, and the parties will be relieved of any further liability or obligation under this Lease.

Section 15. No Broker.

Landlord and Tenant each warrant that they have not dealt with any real estate broker in connection with this transaction. Landlord and Tenant each agree to indemnify, defend, and hold the other harmless against any damages incurred as a result of the breach of the warranty contained in this Section.


All notices and demands that may be required or permitted by either party to the other will be in writing. All notices and demands by the Landlord to Tenant will be sent by United States Mail, postage prepaid, addressed to the Tenant at the Premises, and to the address in this Lease below, or to any other place that Tenant may from time to time designate in a notice to the Landlord. All notices and demands by the Tenant to Landlord will be sent by United States Mail, postage prepaid, addressed to the Landlord at the address in this Lease, and to any other person or place that the Landlord may from time to time designate in a notice to the Tenant.

To Landlord: SCOTIA HOLMES SANCHEZ, Ed.D.
Yuba County Superintendent of Schools
935 Fourteenth Street
Marysville, California 95901
To Tenant: PAUL BRUNNER
Director, TRLIA
915 Eighth Street, Suite 115
Marysville, California 95901

Section 17. Successors and Assigns.

This Lease will be binding on and inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.

Section 18. Entry

Landlord reserves the right to enter the Premises on reasonable notice to Tenant to inspect the Premises or the performance by Tenant of the terms and conditions of this Lease and, during the last six months of the Term, to show the Premises to prospective Tenants. In an emergency, no notice will be required for entry.

Section 19. Late Charge and Interest.

The late payment of any Monthly Rent will cause Landlord to incur additional costs, including the cost to maintain in full force the Lease, administration and collection costs, and processing and accounting expenses. If Landlord has not received any installment of Monthly Rent within five (5) days after that amount is due, Tenant will pay five percent (5%) of the delinquent amount, which is agreed to represent a reasonable estimate of the cost incurred by Landlord. In addition, all delinquent amounts will bear interest from the date the amount was due until paid in full at a rate as established by applicable California law. In no event will the Applicable Interest Rate exceed the maximum interest rate permitted by law that may be charged under these circumstances. Landlord and Tenant recognize that the damage Landlord will suffer in the event of Tenant's failure to pay this amount is difficult to ascertain and that the late charge and interest are the best estimate of the damage that Landlord will suffer. If a late charge becomes payable for any three (3) installments of Monthly Rent within any twelve (12) month period, the Monthly Rent will automatically become payable quarterly in advance.
Section 20. Compliance with Legal Requirements; Tenant’s Obligations.

(a) Compliance with Legal Requirements. At Landlord's sole cost, Landlord will promptly comply with all laws, statutes, ordinances, rules, regulations, orders, recorded covenants and restrictions, and requirements of all municipal, state, and federal authorities now or later in force, including, but not limited to all provisions of the Americans with Disabilities Act; the requirements of any board of fire underwriters or other similar body now or in the future constituted; and any direction or occupancy certificate issued by public officers (Legal Requirements), insofar as they relate to the construction, condition, use, or occupancy or the Premises.

(b) Tenant's Obligations. Tenant will comply in a timely manner with all Legal Requirements that are not Landlord's responsibility under this Section to the extent that noncompliance would adversely affect Landlord's use or occupancy of the Premises.

(c) The judgment of any court of competent jurisdiction or Landlord's admission in any action or proceeding against Landlord that Landlord has violated any Legal Requirement in the condition, use, or occupancy of the Premises will be conclusive of that fact as between Tenant and Landlord.

Section 21. Environmental Certification.

Landlord certifies to Tenant that Landlord has complied with all applicable Environmental Laws and the requirements of all applicable Agencies and that no soil or groundwater contamination has occurred on or under or originated from the Premises.

Section 22. Parking.

Landlord shall, at Landlord’s sole cost and expense, provide Tenant four (4) assigned numbered parking spaces adjacent to the Building in which the Premises is located. Building parking spaces are assigned at a ratio of 1:397 square feet of rentable square footage. Forty-seven unassigned visitor parking spaces and handicap parking sufficient to comply with municipal codes shall be provided to the Building in addition to parking spaces assigned Building Tenants.
Section 23. Attorney Fees.

If either party brings an action to enforce or declare rights hereunder, the prevailing party in action shall be entitled to reasonable attorney fees fixed by the court.

Section 24. Entire Agreement.

This Lease and the C.B.W.D. Rules for the Office Building set forth all the agreements between Landlord and Tenant concerning the Premises, and there are no agreements, either oral or written, other than as set forth in this Lease.

Section 25. Time of Essence.

Time is of the essence in this Lease.


This Lease will be governed by and construed in accordance with California law. In the event of any litigation arising from this Lease, the parties agree that any such dispute shall be submitted to the jurisdiction of the courts of Yuba County, State of California.

In Witness Whereof, the parties have executed this Lease as of the date first above written.

Tenant: __________________________ Date: ______________
Chairman of the Board
Three Rivers Levee Improvement Authority

Landlord: __________________________ Date: 11/19/13
SCOTIA HOLMES SANCHEZ, Ed.D.
Superintendent of Schools
Yuba County Board of Education

APPROVED AS TO FORM:

_______________________________
Andrea Clark
General Counsel
December 17, 2013

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
SUBJECT: Larsen Wurzel & Associates, Inc. (formerly Seth Wurzel Consulting, Inc.)
        Contract extension

Recommended Action:
Approve a 3rd amendment to the Larsen Wurzel & Associates, Inc. (LWA) contract adding an additional $160,000 to extend for two year the financial consulting services and technical support for the administration of various State and Local Funding Agreements and mechanisms through the December 31, 2015, and authorize the Three Rivers Levee Improvement Authority (TRLIA) Executive Director to sign and execute the Amendment once Counsel has reviewed.

Background:
On May 1, 2010, entered into an Agreement for Consulting Services, (Agreement) with Capitol Public Finance Group, LLC and on June 1, 2011 this agreement was assigned to Seth Wurzel Consulting, Inc. On August 1, 2013, Seth Wurzel brought on a partner and changed the name of the firm to Larsen Wurzel & Associates, Inc. The current term of the Agreement provided services through December 31, 2013. The contract currently provides a budget of $475,000 and, as of services provided through October 2013, a budget of approximately $73,672 remains.

Discussion:
As an integral part of TRLIA’s team implementing and administering TRLIA’s funding programs with the Department of Water Resources and its local partners, Seth’s involvement in the TRLIA levee improvement program is necessary. In order for Seth to continue to provide services to TRLIA, the Agreement with LWA needs to be amended in order to extend its term and budget.

The Agreement is proposed to be amended to increase the contract amount by $160,000 to allow the needed financial consulting services to be available to perform the following tasks through December 31, 2015 (an additional 24 months).

The primary scope of work provided through the contract includes the following:

Task 1: Technical Support, Administration, and Implementation for State Funding Agreements
SWC will work with TRLIA to provide support in coordinating with the State to implement and administer the currently in place funding programs for completing Phase 4 levee improvement work. This includes providing technical support on an as-needed to assist in the preparation of required material associated with acquiring funds through the State Funding Agreement(s). The work may include these:
• Preparing quarterly work plans and progress reports and monthly statement of costs;
• Assisting with the preparation of Real Estate invoices and associated documentation;
• Assisting with development of a project cash flow that will be used to provide the necessary data required for quarterly work plans;
• Preparing supporting documentation needed to invoice the State;
• Reviewing invoices for confirm and apply proper cost coding;
• Coordinating with the Community Development and Services Agency to obtain data from their in-house cost accounting management system;
• Attending meetings and required conference calls; and
• Providing, on an ad-hoc basis, technical analysis and data as needed.

Task 2: Local Funding Mechanism Administration

Task 2’s scope includes work associated with administering the local funding for the remainder of TRLIA’s levee improvement program. This includes providing technical support associated with administering the YCWA/County Funding Agreement. In addition, TRLIA has provided technical support to the County associated with administration and as needed updates of the Three Rivers Levee Impact Fee. Additionally, LWA will provide technical support associated with the currently in place TRLIA Mello-Roos Districts. LWA’s work will include:

• Continued administration of the currently in place TRLIA CFDs;
• Preparing the required 5-Year Update and review of the current TRLIA levee fee nexus study;
• Providing analyses and technical information associated with joint YCWA/County borrowing;
• Providing technical support to TRLIA to prepare required documentation pursuant to the YCWA/County Funding Agreement;
• Attending meetings and required conference calls; and
• Providing, on an ad-hoc basis, technical analysis and data as needed.

Fiscal Impact:
This is a time and material contract which means the tasks under this contract can be terminated, suspended, or minimized at any time. Agreements are in place with the State and local sources to provide funding for this work.

I Attachment:
1. Proposed Contract Amendment & Revised Scope of Work
AMENDMENT NO. 3
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY
AND
LARSEN WURZEL & ASSOCIATES, INC.
(Formerly SETH WURZEL CONSULTING, INC.)

THIS THIRD AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES is made as of the execution date set forth below by and between the Three Rivers Levee Improvement Authority, a California Joint Powers Authority (THREE RIVERS LEVEE IMPROVEMENT AUTHORITY), and LARSEN WURZEL & ASSOCIATES, INC., formerly SETH WURZEL CONSULTING, INC. (CONSULTANT).

WHEREAS, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CAPITOL PUBLIC FINANCE GROUP, LLC (an assignor of the AGREEMENT to the CONSULTANT) entered into an agreement on April 27, 2010 to provide professional consulting services ("AGREEMENT");

WHEREAS, Article C.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, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CAPITOL PUBLIC FINANCE GROUP, LLC entered into THE FIRST AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES on June 15, 2010 amending both the term and base contract fee of the AGREEMENT.

WHEREAS, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY, CAPITOL PUBLIC FINANCE GROUP, LLC and SETH WURZEL CONSULTING, INC. entered into an ASSIGNMENT AGREEMENT assigning the AGREEMENT from CAPITOL PUBLIC FINANCE GROUP, LLC to SETH WURZEL CONSULTING, INC. on June 1, 2011.

WHEREAS, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and SETH WURZEL CONSULTING, INC. entered into THE SECOND AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES on January 3, 2012 amending both the term and base contract fee of the AGREEMENT.

WHEREAS, on August 1, 2013 SETH WURZEL CONSULTING, INC. changed its name to LARSEN WURZEL & ASSOCIATES, INC.

WHEREAS, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CONSULTANT desire to further extend the term and budget of the Agreement;

NOW, THEREFORE, THREE RIVERS LEVEE IMPROVEMENT AUTHORITY and CONSULTANT agree to as follows;
1. **APPENDIX A TO ATTACHMENT A, SCOPE OF WORK AND BUDGET.** Appendix A to Attachment A, Scope of Work, Sections 3 - Proposed Schedule and 4 – Proposed Budget and Payment shall be amended to reflect the amended Sections 3 and 4 to the Scope of Work and Budget described in Attachment A attached to this THIRD AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES.

2. **OPERATIVE PROVISION 2 OF THE AGREEMENT, TERM.** Operative Provision 2 of the Agreement shall be revised to extend the termination date of the Agreement from December 31, 2013 to December 31, 2015.

   Notwithstanding the term set forth above, and unless the contract is terminated by either party prior to its termination date, the term of this Agreement shall be automatically extended from the termination date for ninety days. The purpose of this automatic extension is to allow for continuation of services, and to allow TRLIA time in which to complete a novation or renewal contract for Contractor and TRLIA approval.

   Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor pursuant to this Agreement will be purchased by TRLIA under a new agreement following expiration or termination of this Agreement.

3. **ATTACHMENT B, ARTICLE B.1, BASE CONTRACT FEE.** Article B.1 shall be revised to increase the maximum not to exceed total contract fee of the Agreement by $160,000 from $475,000 to $635,000.

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

This THIRD AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES is hereby executed on this ____ day of ______ 2013.

THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

________________________________________
Paul G. Brunner, P.E.
Executive Director

LARSEN WURZEL & ASSOCIATES, INC.

________________________________________
Seth Wurzel
President

**ATTEST:**

DONNA STOTTERM EYER
CLERK OF THE BOARD

**APPROVED AS TO FORM:**

SCOTT L. SHAPIRO
THREE RIVERS LEVEE IMPROVEMENT GENERAL COUNSEL
Attachment A to Third Amendment

Scope of Work and Budget

Sections 3 and 4 are hereby modified as follows. All other terms within the Scope of Work and Budget shall remain unchanged.

3. Proposed Schedule

The performance period of this contract is from the date of execution of this contract through December 31, 2015. The term of this agreement maybe extended as needed through a contract modification mutually agreed to by the parties.

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.

The total budget to provide all work for the listed scope of work for the contract period is $635,000, which includes this amendment for $160,000. This is CONSULTANT's estimate 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.

CONSULTANT will charge for services on a direct-cost (hourly billing rates plus direct expenses), not-to-exceed basis; therefore, CONSULTANT will bill only for the work completed up to the authorized budget amount. CONSULTANT's hourly billing rates are included within Exhibit A attached hereto and are effective January 1, 2013.

If additional work is required or requested, CONSULTANT 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.

CONSULTANT will send request for payment to TRLIA on a monthly basis after the completion of services. 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
Task 1 Code: 3107 / 3125 – 3271 (FRLIP and UYRLIP EIP Work)
Task 2 Code: 3006 – 3061 (Non-EIP General Local Funding Work)
Task 4 Code: 3127-3550 (Goldfields Prop 13 Grant Work)
Task 5 Code: 3107/3125 -3279 (FRLIP and UYRLIP EIP Closeout Work)
Task 6 Code: 200-Year Non-EIP Compliance Work

(Other tasks and code may be identified as needed to properly segregate and track costs.)

Proper Cost Coding of time expended will be indicated on all requests for payment.
Exhibit A

Hourly Rate Schedule

January 1, 2013

Staff Billing Rates

<table>
<thead>
<tr>
<th>Role</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$180</td>
</tr>
<tr>
<td>Analyst</td>
<td>$100</td>
</tr>
<tr>
<td>Project Assistant</td>
<td>$75</td>
</tr>
</tbody>
</table>

*Rates are subject to update annually on January 1st.*

Automobile mileage is billed at the federal reimbursement rate plus 5%. Local mileage (less than 20 miles) will not be billed.

All other direct non-salary expense, including transportation and subsistence, long-distance telephone charges, commercial printing, reproduction costs, and similar out-of-pocket expenses are billed at actual cost plus a service charge of 10%. Professional services provided by others billed through LWA are billed at cost plus a service charge of 5%.
December 17, 2013

TO: Three Rivers Levee Improvement Authority Board
FROM: Paul Brunner, Executive Director
        Seth Wurzel, LWA
SUBJECT: TRLIA CFD 2006-1 Zone 8 – Builder Bond Surrender and Cessation of Special Taxes

Recommended Action:
Approve the attached resolution determining that Special Taxes shall cease to be levied within TRLIA CFD 2006-1 Tax Zone 8 and further directing the TRLIA Board Secretary to record a Notice of Cessation of the Special Tax for those parcels within TRLIA CFD 2006-1 Zone 8 subject to certain conditions.

Background and Discussion:
In April 2007 TRLIA formed CFD 2006-1, issued and sold bonds to the then owners of property within the CFD in exchange for their advance funded levee impact fees. Rio Del Oro Farms #2, LLC is the owner of land within Tax Zone 8 and the owner of bonds secured by the Special Tax on its property. Rio Del Oro Farms #2, LLC wishes to subdivide the property and sell the lots to a builder. It also no longer wishes to sell the property subject to Mello-Roos taxes and wishes to receive reimbursements for its original investment of levee impact fees due on the property through the bonds. To remove the obligation for special taxes and essentially unwind their position in the CFD with respect to the taxes and the bonds, they wish to surrender the bonds back to Authority and remove the Special Tax obligation. As a result, the property would no longer be subject to Special Taxes and the homes ultimately constructed on the property would not be subject to annual TRLIA Mello-Roos taxes.

The Bond indenture originally approved by the Board and associated with the issuance does not consider or provide procedures for the surrender of bonds by bondholders back to the Authority. As a result, the Board is requested to consider the attached resolution clarifying the actions associated with this request which include:

- The tender of Bonds back to Authority by the Bondholder for cancellation;
- The payment of fees associated with the request (legal fees and fiscal agent fees); and,
- Upon the compliance with above two items, the recording of a Notice of Cessation of Special Tax for TRLIA CFD 2006-8 Tax Zone 8 by the Board Secretary.
**Fiscal Impact:**
There is no fiscal impact to the Authority as a result of this Action. Additional costs associated with this action are to be paid by the bondholder or are already budgeted and appropriated as part of the regular costs of administering the TRLIA CFD's.

1 Attachment:
   1. RESOLUTION DETERMINING THAT SPECIAL TAXES SHALL CEASE TO BE LEVIED ON PROPERTY WITHIN THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (SOUTH COUNTY AREA), TAX ZONE 8
BEFORE THE BOARD OF DIRECTORS
OF THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY

In Re:

RESOLUTION DETERMINING THAT SPECIAL TAXES SHALL CEASE TO BE LEVIED ON PROPERTY WITHIN THE THREE RIVERS LEVEE IMPROVEMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (SOUTH COUNTY AREA), TAX ZONE 8

Resolution No. ___

WHEREAS, under and pursuant to Resolution No. 07-09 adopted by the Board of Directors of the Three Rivers Levee Improvement Authority (the “Authority”) on April 3, 2007, the Board has formed the Three Rivers Levee Improvement Authority Community Facilities District No. 2006-1 (South County Area) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Section 53311 et seq. of the California Government Code (the “Code”); and

WHEREAS, the rate, method of apportionment and manner of collection of the special tax to be levied in the District, as set forth in Exhibit B to Resolution No. 07-09, identified eight different tax zones within the District, including a “Tax Zone 8;” and

WHEREAS, pursuant to Authority Ordinance No. 2 adopted by the Board of Directors of the Authority on April 17, 2007, the Board of Directors authorized the levy of special taxes (the “Special Taxes”) on real property in the eight tax zones within the District to pay the debt service on bonds issued for the District and administrative expenses of the District; and

WHEREAS, on April 18, 2007, the Authority issued for the District $944,112 principal amount of a Special Tax Bond, 2007 Series A, Tax Zone 8 (the “2007 Tax Zone 8 Bond”) to be repaid from special taxes levied for the District on property in Tax Zone 8; and

WHEREAS, the owner of the 2007 Tax Zone 8 Bond has indicated its intent to tender the 2007 Tax Zone 8 Bond to the Authority, so that the Authority can remit it to the fiscal agent for the 2007 Zone 8 Bonds (the “Fiscal Agent”) for cancellation, and so that no future special taxes will need to be levied on property in Tax Zone 8 to repay the 2007 Tax Zone 8 Bond; and

WHEREAS, the Board of Directors now desires to make a determination that, from and after the surrender of the 2007 Tax Zone 8 Bond for cancellation and payment by the owner thereof of the costs of the Authority related thereto, the Special Taxes shall cease to be levied on real property in Tax Zone 8 of the District, and to direct the recording of a Notice of Cessation of Special Tax in the Yuba County Recorder’s Office.
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Three Rivers Levee Improvement Authority as follows:

Section 1. That the above recitals are all true and correct.

Section 2. That the Board of Directors, as the legislative body for the District under the Code, hereby determines that, following tender of the 2007 Tax Zone 8 Bond to the Authority for transmittal to the Fiscal Agent for cancellation by the owner thereof, and acknowledgement by the Executive Director of payment by the owner thereof of the costs of the Authority related thereto, the Special Taxes shall cease to be levied on property in Tax Zone 8 of the District, as provided in Section 53330.5 of the Code.

Section 3. That the Secretary is hereby authorized and directed to record a Notice of Cessation of Special Tax, in the form attached hereto as Exhibit A, in the Office of the County Recorder of the County of Yuba as soon as practicable following the adoption of this Resolution and confirmation by the Executive Director that the 2007 Tax Zone 8 Bond has been delivered to the Authority for transmittal to the Fiscal Agent for cancellation and that the Authority has received payment from the owner of the 2007 Tax Zone 8 Bond for costs related thereto.

* * * * *

PASSED AND ADOPTED this 17th day of December, 2013, by the Board of Directors of the Three Rivers Levee Improvement Authority, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mary Jane Griego, Chair

ATTEST:

Donna Stottlemeyer, Secretary

APPROVED AS TO FORM:

Counsel to the Authority

20019.02.112519

-2-
NOTICE OF CESSATION OF SPECIAL TAX

Three Rivers Levee Improvement Authority
Community Facilities District No. 2006-1
(South County Area), Tax Zone 8

The Three Rivers Levee Improvement Authority (the "Authority"), County of Yuba, State of California, with respect to the Three Rivers Levee Improvement Authority Community Facilities District No. 2006-1 (South County Area) (the "CFD"), hereby gives notice that:

1. The Board of Directors of the Authority has established the CFD under the provision of the Mello-Roos Community Facilities Act of 1982, as amended, constituting Sections 53311 et seq. of the California Government Code.

2. On December 17, 2013, the Board of Directors of the Authority, acting as the legislative body of the CFD, adopted a resolution determining that special taxes shall cease to be levied on property in Tax Zone 8 of the CFD.

3. The obligation of parcel in Tax Zone 8 of the District to pay the special taxes has ceased and the lien imposed by the Notice of Special Tax Lien recorded on April 5, 2007 as document no. 2007R-005944 in the records of the County Recorder of Yuba County, State of California, is extinguished as to the Yuba County Assessor's Parcel which is located in Tax Zone 8 of the District which parcel is identified in Attachment A hereto.

4. The map of the boundaries of the CFD was recorded on March 9, 2007, in Book 2 of Maps of Assessment and Community Facilities Districts at Pages 12 through 15 (instrument no. 2007R-004305), in the office of the County Recorder for the County of Yuba, State of California.

Dated this ____ day of ____________, 201__.

By: ____________________________
    Donna Stottlemyer
    Secretary, Three Rivers Levee Improvement Authority
ATTACHMENT A

Three Rivers Levee Improvement Authority
Community Facilities District No. 2006-1
(South County Area), Tax Zone 8

Assessor's Parcel Number and Owner of Land Within Tax Zone 8

<table>
<thead>
<tr>
<th>Owner of Land</th>
<th>Yuba County Assessor's Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rio Del Oro Farms #2 LLC</td>
<td>016-060-042-000</td>
</tr>
<tr>
<td>725 Sanborn Road</td>
<td></td>
</tr>
<tr>
<td>Yuba City, CA 95993</td>
<td></td>
</tr>
</tbody>
</table>