

Feather River West Levee Financing Authority

Board of Directors Regular Meeting Agenda – June 12, 2024 2:00 p.m.

City of Yuba City Council Chambers – 1201 Civic Center Blvd., Yuba City

(or upon conclusion of the Sutter Butte Flood Control Board Meeting)

The agenda is posted in the building of the Levee District No. 1 at 243 Second Street, Yuba City. The agenda summary, backup materials, and approved minutes are also posted on the Feather River West Levee Financing Authority website at FRWLFA.org. Materials related to an item on this agenda and submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Levee District 1 office at 243 Second Street, Yuba City, during normal business hours. In compliance with the American with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need, disability related modifications or accommodations to participate in this meeting, please contact the FRWLFA Board Clerk at 530-755-9859 or admin@sutterbutteflood.org. Requests must be made one full business day before the start of the meeting.

Levee District 1

Charlie Hoppin

Alt: Al Montna

Levee District 9

Mike Morris

Alt: Chris Schmidl

Sutter County

Nicolas Micheli

Alt: Karm Bains

Persons wishing to address the Board during consideration of matters listed on the agenda will be allowed to do so. Testimony should always begin with the speaker giving his or her name and place of residence. Requests for assistive listening devices or other accommodations, such as interpretive services, should be made through the FRWLFA Board Clerk at 530-755-9859. Requests should be made at least 72 hours prior to the meeting. Later requests will be accommodated to the extent feasible.

AGENDA SUMMARY

SPECIAL MEETING/CALL TO ORDER

- Roll Call
- Pledge of Allegiance

PUBLIC COMMENT

Members of the public will be allowed to address the Feather River West Levee Financing Authority Board of Directors on items of interest to the public that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring a matter before the Board that has not been placed on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda.

CONSENT CALENDAR

The Consent Calendar groups together those items which are considered noncontroversial or for which prior policy direction has been given to staff and that require only routine action by the Board. The Chair will advise the audience that the matters may be adopted in total by one motion; however, the Board may, at its option or upon request of a member of the public, consider any matter separately.

1. Approval of the minutes for the February 14, 2024 Board Meeting.

PRESENTATION, DISCUSSION & ACTION ITEMS

2. Adoption of Resolution approving the 2024-25 Fiscal Year Assessment District Budget and levy and collection of assessments for the Feather River West Levee Financing Authority Operations and Maintenance Assessment District in Sutter County
3. SBFCA Services Update – (Informational Only)

ADJOURNMENT

The next regularly scheduled Board of Directors meeting is scheduled for July 10, 2024 at 2 p.m. and will only be conducted if needed.

Feather River West Levee Financing Authority

Board of Directors Special Meeting Minutes, February 14, 2024, 2:00 p.m.

The Feather River West Levee Financing Authority (Agency) Board of Directors (Board), State of California, met on the above date at 2 p.m. at the City of Yuba City Council Chambers - 1201 Civic Center Boulevard, Yuba City, CA.

These minutes do not represent a transcript of the meeting and are intended to be a summary of the most important points. For a complete record, please refer to the video recording of the meeting, which is posted on FRWLFA's website: <http://frwlfa.org/governance/meetings>

MEMBERS PRESENT

Levee District 1:	Gary Marler
Levee District 9:	Mike Morris
County of Sutter:	Karm Bains

MEMBERS ABSENT: Charlie Hoppin, Nicolas Micheli

STAFF PRESENT: Drew Stresser, Executive Director; Michael Bessette, SBFCA Executive Director; Chris Fritz, SBFCA Director of Engineering; Andrea Clark, SBFCA Counsel; Seth Wurzel, SBFCA Budget Manager; and Terra Yaney, Board Clerk

MEETING/CALL TO ORDER

At 2:00 p.m., Director Mike Morris opened the meeting and led the group in the pledge of allegiance.

PUBLIC COMMENT

No Public Comment

CONSENT CALENDAR

1. Approval of the minutes for the December 14, 2023 Board Meeting

A motion to approve the Consent Calendar was made by Director Karm Bains and seconded by Director Mike Morris. The motion passed with no objection. The motion was approved as follows:

- Mike Morris - yes
- Karm Bains - yes
- Gary Marler - yes

PRESENTATION, DISCUSSION & ACTION ITEMS

2. Approval of Contract for Annual Assessment Administration Services with Willdan Financial Services

Budget Manager Seth Wurzel provided a power point presentation and provided information on the Annual Assessment Administration Services contract with Willdan. He reported that contact would cost \$16,500 annually for up to 7-year (5 years plus two 1-year extension) plus the cost of inflation. The Assessment District generates approximately \$2 million in revenue and the \$2 million budget for the Assessment District includes annual agency administrative expenses of approximately \$89,000 per year which is subject to an increase in inflation. The cost of assessment administration services to be provided by Willdan can be covered by the approximately \$89,000 agency administrative budget.

A motion to approve the Contract for Annual Assessment Administration Services with Willdan Financial Services was made by Director Karm Bains and seconded by Director Mike Morris. The motion passed with no objection. The motion was approved as follows:

- Mike Morris - yes
- Gary Marler - yes
- Karm Bains - yes

3. Approval of Resolution 2024-01 Delegating Authority to the Executive Director to enter into contracts for administrative services

Executive Director Drew Stresser presented the resolution. He reported that approval of the resolution would authorize the Executive Director to enter into contracts for services up to \$10,000 that are included within the approved annual budget and that do not by law require a decision by the Board of Directors.

A motion to approve Resolution 2024-01 Delegating Authority to the Executive Director to enter into contracts for administrative services was made by Director Karm Bains and seconded by Director Mike Morris. The motion passed with no objection. The motion was approved as follows:

- Mike Morris - yes
- Gary Marler - yes
- Karm Bains - yes

4. Executive Director / SBFCA Services Update

Budget Manager Seth Wurzel provided a PowerPoint presentation and provided updates on the first Assessment apportionment amounts received on January 31st. It was reported that \$928K was apportioned to LD1 and \$202K to LD9.

Mr. Wurzel went onto present Items for consideration at future FRWLFA Board Meetings. The items discussed included: selection of Auditor for FY 2023/24 Audit (April or May) and approval of Assessments for FY 2024/25 (NLT June).

PUBLIC COMMENT

No public comment

The entire recording, along with a PowerPoint presentation is available on the FRWLFA website at: <http://frwlfa.org/governance/meetings>

ADJOURNMENT

With no further business coming before the Board, the meeting was adjourned at 2:10 p.m.

ATTEST BY: _____

Terra Yaney, Board Clerk

Board Chair

Feather River West Levee Financing Authority

June 12, 2024

TO: Board of Directors

FROM: Drew Stresser, FRWLFA Executive Director

SUBJECT: Adoption of Resolution approving the 2024-25 Fiscal Year Assessment District Budget and levy and collection of assessments for the Feather River West Levee Financing Authority Operations and Maintenance Assessment District in Sutter County

Recommendation

Adopt a resolution approving the Fiscal Year 2024-25 Assessment District Budget and levy and collection of Feather River West Levee Financing Authority's assessments in Fiscal Year 2024-25 in Sutter County. The assessments will be levied at the rate specified in the Final Engineer's Report.

Background

On June 22, 2022, after completion of a voter-approved Proposition 218 election, the FRWLFA Board approved Resolution 2022-09 adopting the Final Engineer's Report and forming the Feather River West Levee Financing Authority Operations and Maintenance Assessment District. The new district would collect approximately \$2 million per year in assessment revenue, which would fund the local share of the proposed activities.

Discussion

The attached resolution approves the annual budget of the assessment district including the authorized escalation of the maximum assessment rate for FY 2024/25. The Final Engineer's report authorizes an annual increase in the assessments based upon the annual increase in CPI subject to a maximum of 4%. The annual increase in CPI (based upon the index specified in the Engineer's Report was 3.77%. The attached Table 1 shows the escalated budget based on the 3.77% increase limitation on the levied assessment rate. Table 2 shows the allocation of the annual assessment levy, based upon the budget and the approved allocation approach by the FRWLFA Board at its May 2023 meeting. The attached resolution also authorizes the assessment roll of all parcels subject to the FRWLFA Operations and Maintenance Assessment District assessments to be filed with the Sutter County Auditor-Controller for Fiscal Year 2024-25.

Fiscal Impact

Approval of the attached resolution authorizes the levy of assessments which will generate approximately \$2.125 million in revenue for Fiscal Year 2024-25. The approved budget reflects the types of expenses funded by the \$2.125 million of assessment revenue and the allocation of that budget to FRWLFA's Member Agencies.

**FEATHER RIVER WEST LEVEE FINANCING AUTHORITY
RESOLUTION 2024-02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FEATHER RIVER WEST LEVEE FINANCING AUTHORITY
APPROVING THE FISCAL YEAR 2024-25 ASSESSMENT DISTRICT BUDGET
AND ORDERING LEVY OF ASSESSMENTS WITHIN THE FEATHER RIVER WEST LEVEE
FINANCING AUTHORITY OPERATIONS AND MAINTENANCE ASSESSMENT DISTRICT**

WHEREAS, the Feather River West Levee Financing Authority (“Agency”) is a Joint Powers Authority created in 2022 to finance and construct levee improvements in the west Feather River levees; and

WHEREAS, the Board of Directors of the Agency, after a public hearing and voter election in compliance with Proposition 218 and pursuant to California Government Code Sections 54710, 54710.5 and 54718, adopted Resolution 2022-09 approving the Final Engineer’s Report (“Engineer’s Report”) for the Feather River West Levee Financing Authority Operations and Maintenance Assessment District (“Assessment District”), approving the assessment diagram and assessments therein.

WHEREAS, the annexation of lands, including State Maintenance Area 3, into Levee District 1 was approved by the Sutter Local Agency Formation Commission and the assumption of levee maintenance responsibility of the State Maintenance Area 3 Levee by Levee District 1 was approved by the Central Valley Flood Protection Board consistent with assumptions reflected in the Final Engineer’s Report prior to the levy of the assessment by the Agency.

WHEREAS, the Agency agrees that it shall be solely liable and responsible, and will defend and hold the County of Sutter harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessment placed on the roll for the Agency by the County.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The above recitals are true and correct.
2. The Agency approves the budget of the Assessment District as specified in the staff report presented to the Board at its June 12, 2024 Board meeting.
2. The assessments for Fiscal Year 2024-25 shall be levied at the rate, subject to escalation, as specified in the Engineer’s Report, using the method for apportioning such assessments as provided in the Engineer’s Report. The assessments are levied without regard to property valuation.
3. The Agency staff is directed to file or cause to be filed and to take or cause to be taken all actions necessary to allow collection of the assessment, including the filing of a certified copy of this Resolution with the Auditor/Controller of Sutter County (the “County Auditor/Controller”).

Upon such filing, the County Auditor/Controller shall enter on the County tax roll opposite each lot or parcel of land in the Assessment District the amount of assessment thereupon as shown in the Engineer's Report and described in this Resolution. The benefit assessment shall be collected at the same time and in the same manner as County ad valorem taxes are collected and all laws providing for the collection and enforcement of County ad valorem taxes shall apply to the collection and enforcement of the assessments. After collection by the County Tax Collector, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Agency for the purposes of the Assessment District.

4. For parcels within the Assessment District that are owned by public agencies, utilities or for other reasons are not included in the Direct Levy Secured Roll by the County Auditors/Controller, the Agency staff is directed to direct bill such assessments.

5. The monies representing assessments collected shall be deposited in a separate fund or funds designated for the Assessment District. Amounts deposited to such fund(s) shall be expended only for the services and other activities that specially benefit the lands within the Assessment District as described in the Engineer's Report.

6. The assessment, as it applies to any parcel, may be corrected, cancelled or a refund granted as appropriate, by order of the Board or by order of the Executive Director of the Agency. Any such corrections, cancellations or refunds shall be limited to current or future fiscal years and shall not be granted retroactively.

PASSED AND ADOPTED 12th day of June, 2024, by the following vote of the FRWLFA Board, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Terra Yaney, Board Clerk
Feather River West Levee Financing Authority
County of Sutter
State of California

Charlie Hoppin, Board Chair
Feather River West Levee Financing Authority
County of Sutter
State of California

BUDGET ITEMS	BUDGET FISCAL YEAR 2023/2024	BUDGET FISCAL YEAR 2024/2025
Annual Operations & Maintenance Expenses		
Personnel Salaries and Benefits	\$ 724,122	\$ 762,969
Contract and Operational Services	160,126	168,716
Material, Equipment, and Utilities	177,016	186,513
Total Annual Operations and Maintenance Expenses	\$ 1,061,264	\$ 1,118,198
Repair, Rehabilitation, & Replacement Funding (RR&R)		
Operational Services and Activities		
Operational Services and Activities (LD1)	245,276	258,435
Operational Services and Activities (LD9)	90,633	95,496
Operational Services and Activities (MA3)	38,811	40,893
Operational Services and Activities (Adjustments)	-	-
Operational Services and Activities	374,721	394,824
Reimbursed Operational Services and Activities		
Reimbursed Operational Services and Activities (LD1)	14,106	14,863
Reimbursed Operational Services and Activities (LD9)	-	-
Reimbursed Operational Services and Activities (MA3)	-	-
Reimbursed Operational Services and Activities (Adjustments)	-	-
Reimbursed Operational Services and Activities	14,106	14,863
RR&R Services and Activities Funding Collection	\$ 388,827	\$ 409,687
Material, Equipment, and Utilities		
Material, Equipment, and Utilities (LD1)	64,519	67,981
Material, Equipment, and Utilities (LD9)	18,068	19,038
Material, Equipment, and Utilities (MA3)	5,599	5,899
Material, Equipment, and Utilities (Adjustments)	-	-
RR&R Material & Equipment Funding Collection	88,186	92,918
Total RR&R Funding Collection	\$ 477,013	\$ 502,605
Planned Capital Expenditures for Fiscal Year 2024/2025	\$ -	\$ -
Total Repair, Rehabilitation, & Replacement Funding Collection	\$ 477,013	\$ 502,605
Incidental Operational Expenses		
Agency Overhead & Administration	\$ 243,189	\$ 256,236
Professional Administration Services	197,382	207,972
Office Supplies, Equipment, Utilities & Repairs	30,065	31,678
Federal, State, County & Local Fees and Reimbursements	103,632	109,191
Total Annual Incidental Expenses	\$ 574,269	\$ 605,077
TOTAL ANNUAL EXPENSES	\$ 2,112,546	\$ 2,225,880
General Benefit Expenses (Agency Funded)	\$ (99,980)	\$ (99,980)
TOTAL ELIGIBLE SPECIAL BENEFIT EXPENSES	\$ 2,012,566	\$ 2,125,900
Funding Adjustments/Contributions		
Additional Agency Contribution	-	-
Total Funding Adjustments / Contributions	\$ -	\$ -
BALANCE TO LEVY	\$ 2,012,566	\$ 2,125,900
District Statistics		
Total Parcels	25,097	25,275
Parcels Levied	24,733	25,038
Total Flood Damage Reduction Benefits (FDRBs)	3,828,571,338	3,905,099,840
Assessment Rate per FDRB FY 2024/2025 ^[1]	\$0.00052463	\$0.00054439
Maximum Assessment Rate per FDRB	\$0.00052463	\$0.00054439

[1] The Annual Increase in CPI-U for San Francisco-Oakland-Hayward based upon the annual change in the April-April Index (the latest data available) is 3.77%. The annual increase is limited to a Maximum of 4%.

FY 2024/25 Budgeted Allocation Approach

	<u>Total Budget</u> <u>2024/25</u>	<u>Estimated</u> <u>Agency Funded</u>	<u>Net Levy</u> <u>2024/25</u>	<u>Allocation %</u> <u>(% of LD Work)</u>
FRWLFA	\$93,403		\$93,403	<i>Paid First</i>
LD 1	\$1,351,610	\$0	\$1,351,610	66.5%
MA 3	\$317,070	\$0	\$317,070	15.6%
LD 1 including MA3	\$1,668,680	\$0	\$1,668,680	82.1%
LD 9	\$463,797	\$ (99,980)	\$363,817	17.9%
Subtotal LD Work	\$2,132,477	(\$99,980)	\$2,032,497	100.0%
Total	\$ 2,225,880	(\$99,980)	\$2,125,900	