



Sutter Butte Flood Control Agency

A Partnership for Flood Safety

BOARD OF DIRECTORS

AGENDA SUMMARY

JUNE 30, 2010

6:00 PM Special Meeting

Meeting Location:

**Veteran's Hall, 1425 Veteran's Memorial Circle
Yuba City, CA 95993**

The agenda is posted in the building of the Veteran's Hall, 1425 Veteran's Memorial Circle, Yuba City 95993, and at the Sutter County Library, 750 Forbes Ave., Yuba City 95991. The Agenda Summary and backup materials, and Approved Minutes are also posted on the Sutter-Butte Flood Control Agency website at www.sutterbutteflood.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 office of the Board Clerk at 1160 Civic Center Blvd., 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 Kimberly Hoover at the Sutter-Butte Flood Control Office, 1227 Bridge Street, Yuba City, CA 95993 at 530-755-9859. Requests must be made one full business day before the start of the meeting.

<u>County of Sutter</u> 1. Larry Montna 2. Stan Cleveland Alt. James Gallagher	<u>County of Butte</u> 1. Bill Connelly 2. Steve Lambert
<u>City of Yuba City</u> 1. John Miller 2. Kash Gill Alt. John Dukes, Tej Maan	<u>City of Gridley</u> 1. Owen Stiles Alt. Jerry Anne Fichter
<u>City of Live Oak</u> 1. Malcolm Weston Alt. Gary Baland	<u>City of Biggs</u> 1. Mike Bottorff Alt. Angela Thompson
<u>Levee District I</u> 1. Francis Silva 2. Al Montna Alt. Barbara LeVake	<u>Levee District 9</u> 1. David Lamon 2. David Schmidl Alt. Chris Schmidl

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 Sutter-Butte Flood Control Agency office 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.

6:00 P.M. SPECIAL MEETING/CALL TO ORDER

Roll Call

Pledge of Allegiance to the Flag

NOTICED PUBLIC HEARING

Receipt of public testimony from landowners within the proposed Assessment District regarding the proposed assessment for levee repairs to help pay for levee improvements to 44 miles of existing levees along the west bank of the Feather River from the Thermalito Afterbay to the confluence of the Feather River and the Sutter Bypass. At this hearing property owners will have the opportunity to make written or oral comments on the proposed assessment, and to submit new or changed assessment ballots.

BOARD AND STAFF INFORMATIONAL ITEMS

PUBLIC COMMENT

Members of the public will be allowed to address the Sutter-Butte Flood Control Agency's 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.

ADJOURNMENT



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June 30, 2010

TO: Board of Directors

FROM: William H. Edgar, Interim Executive Director
Scott L. Shapiro, General Counsel

SUBJECT: Receipt of public testimony from land owners within the proposed Assessment District regarding the proposed assessment for levee rehabilitation to help pay for levee improvements to 44 miles of existing levees along the west bank of the Feather River from the Thermalito Afterbay to the confluence of the Feather River and the Sutter Bypass.

Recommendation

It is recommended that:

1. The Board of Directors receive and consider oral and/or written public testimony and accept new and/or changed assessment ballots, and
2. After discussion and consideration the Board of Directors close the public hearing and the time period for the submittal of ballots. The certification of the results of the assessment balloting will be considered at the July 14, 2010 meeting at which time the Board may consider a resolution to levy the assessment for the 2010-11 Fiscal Year.

Background

The Sutter Butte Flood Control Agency is proposing to improve flood protection for more than 34,200 properties in Butte and Sutter Counties by rehabilitating 44 miles of levees along the west bank of the Feather River. Of the estimated total cost of \$250 million for the improvements, a local cost share of 29%, or \$72.5 million, is required to receive state funding. The Agency proposes to fund this local cost share through formation of the Sutter-Butte Flood Control Agency Assessment District ("District").

In the way of background, you will recall that at your meeting on January 21, 2009, your Board took action directing the staff to explore the feasibility and cost of rehabilitating and restoring the west levee of the Feather River, to prepare a project financing plan and benefit assessment district to generate the local share of the project cost to finance



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an Early Implementation Project (EIP), and to set a date for a property owner vote for a benefit assessment district that would be conducted under the appropriate provisions of Proposition 218. At that time your Board expressed three primary concerns regarding the long delays in community's ability to improve their levees in a timely manner which were:

1. The concern about public safety and the need to fix the levees as soon as possible because of the reports of the flood control expert engineers.
2. The concern about losing the opportunity for State Bond money to assist in funding the cost of the improvements.
3. The concern about property owners having to pay much higher costs of flood insurance if the community is mapped into a Special Flood Hazard Zone, and/or the inability of the cities and counties to issue entitlements after 2015 if land behind levees are not protected from a 200-year flood event.

As you are aware SBFCA has been in the planning stages of an EIP since your action on January 21, 2009. In our planning efforts the goals of the project have included:

1. Accreditation by FEMA to provide protection against the 100-year flood event.
2. Meeting the new State of California standard of 200-year flood protection for the urban and urbanizing areas within the basin.
3. Utilizing State Bond monies to fund as much of the cost of the project as possible.
4. Obtaining Federal crediting for as much of the State and local expenditures as possible.

At your meeting on March 10, 2010, after many meetings and discussion, your Board took action authorizing the staff to proceed with the next steps in the implementation planning for the EIP and approving the "Area Plan" which is now defined as follows:

1. Achieve 200-year flood protection for the Yuba City Sphere of Influence and northward.
2. Achieve 100-year flood protection for the remainder of the Basin south of the Yuba City Sphere of Influence.



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3. The current EIP will be the first "Area Project" which will complete the Feather River portion of the Area Plan at a 71% State cost share and a 29% Local cost share.
4. A future Area Project will take care of the Sutter Bypass and the Wadsworth Canal at 100% State cost.

In addition to reviewing and making decisions regarding the project definition work of the Agency's Engineer, your Board also reviewed the work of the Agency's Assessment Engineer. At the Board meetings on October 14, 2009, November 18, 2009, December 9, 2009, January 13, 2010, February 10, 2010, March 10, 2010, and April 14, 2010 the SBFCA Board of Directors heard reports from the Agency's Assessment Engineer. These presentations reported on the progress of preparing the Engineer's Report and other key activities related to the conduct of a Proposition 218 mail-in ballot election to support the cost of the EIP. In these presentations the Agency's Assessment Engineer discussed the most current updated material regarding the proposed assessment boundary, the proposed zones of benefit, the proposed assessment formula, the dollar amount required to finance the project as well as other pertinent information related to establishing the Sutter-Butte Flood Control Agency Assessment District.

After much discussion and deliberation regarding the desirability of forming an assessment district for the purpose of generating the local cost share of a project to improve the levees for the community, your Board, on May 12, 2010 adopted Resolution No. 10-002-SBFCA initiating proceedings, providing the intention to levy assessments, amending and approving the Preliminary Engineer's Report, and providing for the notice of this public hearing. The establishment of an appeals process and the creation of a citizens' oversight committee were also approved by your Board at the May 12, 2010 meeting.

Subsequent to the Board's action on May 12, 2010, ballots were mailed out on Saturday, May 15, 2010. Since that time, approximately 10,000 ballots have been returned out of approximately 34,200. The Agency's Public Information Officer has responded to more than 520 calls to the Agency's hotline number, 83 ballot replacement requests, and 141 e-mails sent to SBFCA's website. Additionally, the Agency's staff has addressed 23 community groups with detailed presentations regarding the proposed EIP project and the proposed assessment district.



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Discussion

On May 12, 2010, the Board of Directors adopted a new Resolution No. 10-002-SBFCA authorizing the balloting process for formation of the District pursuant to the Benefit Assessment Act of 1982. The formation of this type of district is subject to the procedures outlined in Proposition 218 – the Right to Vote on Taxes Act.

Under Proposition 218, a benefit assessment district must be based on benefits to properties. The benefit calculation and assessment methodology is described in the Preliminary Engineer's Report, which is available for public review on SBFCA's website (www.sutterbutteflood.org). Votes are weighted by the amount of the proposed assessment (one vote for every dollar of the proposed assessment). To pass, the assessment must receive more than 50 percent of the weighted vote for all ballots returned. If the weighted votes do not favor the assessment, a "majority protest" exists and the Board cannot approve the proposed assessment.

Ballots were mailed out to property owners starting Saturday, May 15, 2010. Ballots must be received by the close of this public hearing at this meeting in order to be counted. At the hearing, landowners within the proposed district will have the opportunity to make written or oral comments on the proposed assessment and to submit new or changed assessment ballots.

The assessment ballots will be counted during the week of July 5, 2010 by an independent third party. The results will be announced at SBFCA's Regular Board Meeting at 1:30 p.m., Wednesday, July 14, 2010 at the Superintendent of Schools Training Center, 1699 Sierra Avenue, Yuba City. At the July 14, 2010 meeting, the Board will take final action regarding the formation of the District. If approved by property owners, and then imposed by the Board at their July 14, 2010 meeting, the assessments would appear on property tax bills starting in October 2010.

Thank you.