

CITY OF YUBA CITY  
STAFF REPORT

**Date:** July 17, 2007  
**To:** Honorable Mayor & Members of the City Council  
**From:** Administration  
**Presentation By:** Steven R. Jepsen, City Manager

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**Summary**

**Subject:** Agreement for the formation of the Sutter-Butte Flood Control Agency (SBFCA) Joint Powers Authority (JPA) as the successor agency to the existing West Feather River Levee Reconstruction Agency (WFRLRA)

**Recommendation:**

1. Authorize the Mayor to sign the Agreement providing for the formation of the Sutter-Butte Flood Control Agency Joint Powers Agency, and
2. Authorize the City Manager to draft loan documents providing seed money for the new Joint Powers Agency initial operating costs in conjunction with Sutter County and the other jurisdictions.

**Fiscal Impact:** Yuba City has established a capital account for "Flood Control" with a balance of approximately \$525,000, after adjustments for the ongoing work with Sutter County, for the current calendar year.

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**Background:**

Levee District No. 1 contacted Yuba City and Sutter County in February of 2007 recommending the resurrection of the long dormant West Feather River Levee Reconstruction Agency (WFRLRA) to develop a regional financing plan for State and Federal levee construction and repair projects in the Yuba City/Live Oak basin. The recognition of broader flood basin control and overlapping jurisdictional interest suggested the need to expand the current WFRLRA membership to include Butte County interest.

In addition to the resurrection of WFRLRA, the State passage of Proposition 1-E has provided a source of up to \$3 billion in the Central Valley for levee upgrades and reconstruction on a project competitive basis. Criteria for this new funding include: project readiness, local match funding (30%) and regional cooperation.

The WFRLRA board met on at least two occasions to consider the expansion of the existing board or the reformation of WFRLRA into a new expanded multi-jurisdictional JPA. The new configuration of a flood control JPA was determined to the most expedient and efficient form in which to forward regional flood control interest.

The "revised draft" of the Sutter-Butte Flood Control Agency Joint Exercise of Powers Agreement has been in circulation to potential member agencies since June 18, 2007.

**Analysis:**

Sutter and Butte Counties have over 70 miles of levees that are potentially considered inadequate under revised Corps of Engineers standards for levee construction. The Yuba City/Live Oak basin is presently being remapped by the Federal Emergency Management Agency (FEMA) until such time as our levees can be certified.

The purpose of the new JPA will be to plan, study, and implement flood control improvements in the Yuba City/Live Oak basin. The new JPA will have the power to implement the newly recommended Special Benefit District Assessments, hire staff, and enter into contracts for the advancement of flood control projects and/or issues. They will have the authority to incur debt, acquire property, and enter into State and Federal contracts for levee improvements. It is anticipated that the new JPA will have its own staffing and act independently from, but in concert with, member jurisdictions.

The JPA is being formed with the following proposed membership:

Sutter County	2
Butte County	2
Yuba City	2
Live Oak	1
Gridley	1
Biggs	1
Levee District No. 1	2
Levee District No. 9	2
Total Members	13

Each jurisdiction will have veto power over decisions to balance minority membership. The JPA is subject to all sections of the Brown Act.

**Attorney's Analysis:**

This agreement would create a joint powers agency ("JPA") pursuant to California Government Code section 6500 et seq., which would be comprised of the various proposed local entities ("Parties"). The JPA would be a separate public entity from the other local entities.

The JPA would have the authority to exercise the powers listed in Section 6 regarding the planning, studying and financing, and implementation of flood control improvements in the Yuba City/Live Oak basin to the extent that said powers are common to all of the Parties. Unless otherwise provided, a vote of 8 directors will be required to take any action (Section 11).

Pursuant to Section 5, the JPA cannot undertake the acquisition, operation or maintenance of water control facilities within any Party's boundaries unless consented to by that Party. Similarly, Section 18 provides each Party with veto power regarding the construction, acquisition, maintenance of water control facilities within its boundaries, or the imposition of any assessment or fee within its boundaries. Section 23 provides that the JPA may not assess a party for costs of the operation of any flood control projects or administrative expenses without such Party's consent.

The agreement and the JPA can only be terminated, and a Party may only withdraw, with the unanimous consent of all the Parties (Sections 36 and 38)."

**Fiscal Analysis:**

The agreement provides for Yuba City and Sutter County to provide for operational seed money in the form of a loan from Sutter County and Yuba City to initiate the new JPA. Yuba City has approximately \$525,000 in unencumbered CIP funds set aside for flood control assistance and projects. Advance funding would be structured separately as a loan against future Special Benefit District Assessment revenues. Yuba City's Chief Financial Officer is named as the Financial Officer for the new JPA.

**Alternatives:**

The alternative to the formation of a new JPA would be to work within the existing JPA-WFRLRA and modify the agreement as necessary to provide for flood control funding mechanisms.

Submitted By:



Steven R. Jepsen  
City Manager

Reviewed By:

Finance

City Attorney

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The Sutter-Butte Flood Control Agency Joint Exercise of Powers Agreement is in the process of being revised. It will be forwarded, via electronic mail, to the recipients of this agenda package as soon as it is received.