

**MINUTES OF THE FINANCE COMMITTEE
SUTTER BUTTE FLOOD CONTROL AGENCY
MARCH 2, 2015**

The Sutter Butte Flood Control Agency (SBFCA) Finance Committee Members, met on the above date at 2 p.m. at the SBFCA office, 1441 Garden Highway, Yuba City, California.

MEMBERS PRESENT:

City of Yuba City: Kash Gill
Levee District 9: David Lamon
County of Butte: Steve Lambert*
Levee District 1: Barbara LeVake

**Director Steve Lambert participated in the meeting by teleconference from 3159 Nelson Avenue, Oroville, CA 95965 in accordance with Government Code section 54953(b)(3). This location was accessible to the public, and persons attending at this location and those attendees ere afforded an opportunity to address the committee members from that location, should anyone attend in person at the remote location.*

STAFF PRESENT: Mike Inamine, Executive Director; Michael Bessette, Director of Engineering; Andrea Clark, Agency Counsel; Seth Wurzel, Budget Manager; Sarah Modeste, Administrative Manager; Dan Cox, Bond & Financing Consultant via teleconference

1. Call to Order

2. Discussion & Action Items

a. Approval of Finance Committee Meeting Minutes from February 4, 2015 Meeting

This item was removed from the agenda and will be included on the April Finance Committee meeting agenda.

b. Presentation and overview of the State Funding EIP/UFRR Administrative Process

Budget Manager Seth Wurzel explained the administrative process of the statement of costs, which is submitted monthly to DWR as well as quarterly progress reports and work plan. Mr. Wurzel stated that SBFCA is awaiting a \$13.9 million dollar payment from DWR, which was submitted to DWR more than one month ago.

c. Update on Future State Funding

Executive Director Mike Inamine stated that SBFCA has been working on SB37 legislation and also working with DWR staff to explain the immediacy of the funding issue as SBFCA may need to slow the construction schedule on April 1. April 1 is significant because it is the date by which the contractor must determine their summer schedule. If construction work does not continue as previously planned, it is likely that the contractor could file claims against SBFCA. Should SBFCA receive approval to complete work to Thermalito Afterbay, SB37 would no longer be needed.

Mr. Inamine stated that proposals for future funding are due to DWR on March 9. At that time, DWR will be aware of all urban projects. SBFCA has requested that DWR inform SBFCA if it is able to continue work to Thermalito Afterbay. SBFCA is working through legislative representatives and its lobbyist to explain the importance of receiving this information before April 1, 2015.

Director Dave Lamon asked if DWR preferred amending a current agreement or prefer a separate agreement. Mr. Inamine stated that DWR staff agrees that amending a current agreement is preferred. If a new agreement is required, it would be under the new UFRR guidelines. If an agreement or letter of commitment is received prior to October 1, the reimbursement for work to Thermalito Afterbay would be included.

Budget Manager Seth Wurzel introduced staff's investigation into the issuance of a 2015 Assessment Revenue Bond. Dan Cox of KNN Public Finance attended the meeting via conference call and was introduced and provided a discussion of an analysis of a 2015 bond issuance versus a 2016 bond issuance. Mr. Wurzel discussed a proposed schedule for a 2015 bond issuance. Director Kash Gill inquired about the interest rate assumptions included in the analysis. Discussion regarding the assumed interest rates took place. Mr. Cox and Mr. Wurzel indicated that the next finance committee meeting would include more detailed review of the 2013 municipal bond market conditions, when SBFCA's first revenue bond issue took place, and a discussion of the current market conditions.

Mr. Inamine provided a review of an updated schedule for SBFCA's strategic planning effort.

3. Public Comment

None

4. Adjourn

With no further business, the meeting was adjourned at 3:15 p.m.

ATTEST BY:


SARAH MODESTE, BOARD CLERK


KASH GILL, CHAIR