

**MINUTES OF THE FINANCE COMMITTEE  
SUTTER BUTTE FLOOD CONTROL AGENCY  
NOVEMBER 6, 2014**

The Sutter Butte Flood Control Agency (SBFCA) Finance Committee Members, met on the above date at 3 p.m. at the SBFCA office, 1441 Garden Highway, Yuba City, California.

**MEMBERS PRESENT:**

City of Yuba City: John Dukes  
Levee District 9: David Lamon  
County of Butte: Steve Lambert\*

*\*Director Steve Lambert participated via conference call*

**STAFF PRESENT:** Mike Inamine, Executive Director; Michael Bessette, Director of Engineering; Andrea Clark, Agency Counsel; Seth Wurzel, Budget Manager; Lisa Murphy on behalf of Sarah Modeste, Administrative Manager

**1. Call to Order/Discussion & Action Items**

**a. Financial Issues Associated with DWR Urban Funding Flood Risk Reduction (UFFR) Program**

Executive Director Mike Inamine compared the current UFRF grant solicitation process with the important milestones of ongoing FRWLP construction. Under the current DWR UFRF Grant Timeline (UFFR Guidelines continue to be delayed): July 2015 – DWR commitment letter to successful grant applicants; October 2015 – DWR approves grant agreement; December 2015 – first payment from DWR. This timeline is in deep conflict with the ongoing construction schedule, in which important decisions must be made in early January 2015 in order to advance a construction season that begins in April 2015. Mr. Inamine also explained the separate but related problem of reimbursement, in which the Agency will exceed its available credit limit under existing EIP guidelines in about April of 2015. Mr. Inamine noted that work would be halted at this point so as to not strand credit. He pointed out that DWR has agreed to include reimbursement language that would solve this problem, but given the delays of the UFRF problem, this would not help SBFCA. Thus staff is pursuing legislation on a separate track that will come in on time. This would not be problem if the UFRF funding process was executed as originally planned by DWR. While SBFCA has consistently communicated these issues to DWR, staff will forward alternative proposals to fix this problem.

Director John Dukes asked how much the construction costs would increase if construction would stop. Mr. Inamine responded that the delay could cost around \$5-\$10 million. He added that construction would not stop; rather construction would be delayed one year.

Mr. Inamine also noted that the five urban agencies have been discussing their common interests and issues with the DWR UFRF program.

**2. Public Comment**


Rick Libby, a member of the Sutter County Grand Jury, stated that with the way DWR has been delaying processes, there are no guarantees they will meet current deadlines. He added that until we have a commitment letter from the State with an exact dollar amount, we are not certain we will even get that funding.

Director Dukes stated that SBFCA is working through creative options in order to avoid delaying construction for too long, or at all.

**3. Adjourn**

With no further business, the meeting was adjourned at 3:52 p.m.

ATTEST BY:



LISA MURPHY ON BEHALF OF  
SARAH MODESTE, BOARD CLERK

  
STEVE LAMBERT, CHAIR