

JOINT TRANSPORTATION AND COMMUNITY DEVELOPMENT COMMITTEE
BUDGET AND FINANCE COMMITTEE MINUTES

Tuesday, April 28, 1987

LOCATION: City Council Chambers

915 I Street

Sacramento, California

Meeting was called to order at the hour of 2:30 p.m. by Chairperson Joe Serna and roll call was as follows:

PRESENT: Committee Members Serna, Robie, Shore, Kastanis,
Smallman, Pope, Chinn, Bradley,

ABSENT: NONE

1. Various matters relating to flood protection:

A. Oral presentation by the Army Corps of Engineers.

B. Resolution supporting completion of studies of the Lower American River Flood Control Alternatives and other related studies.

RECOMMENDATION OF STAFF: RECOMMEND APPROVAL AND FORWARD
TO CITY COUNCIL

COMMITTEE ACTION: APPROVE STAFF RECOMMENDATION

VOTING RECORD:

MOV: D-8 SEC: D-2

AYES: D-1, D-2, D-3, D-4,
D-5, D-6, D-7, D-8

ABSENT: NONE

MINUTES:

Mel Johnson, Director of Public Works, stated that based on the report completed by the Army Corps of Engineers, it is the opinion of the Public Works Department that the City should support a flood control project which could provide at the very minimum, 200 years protection to the Sacramento area. Mr. Johnson also stated that the resolution being recommended for adoption supports additional Corps of Engineers studies and states the City's support of a 200-year protection plan.

Mr. Johnson introduced Lieutenant Colonel Bert McCollum of the Corps. Lt. Colonel McCollum gave a slide presentation on the study conducted by the Corps of Engineer on the Lower American River.

Chair Serna stated that there is no real opposition to a 200-year flood control plan. He said the issue is "where do you put the dam, how big do you built it and who pays for it?"

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Committee members Shore and Chinn agreed that a dam could be designed to serve flood control, electricity generation and recreation activities.

It was moved by Committee member Robie and seconded by Committee member Bradley to adopt staff recommendation and forward to Council.

2. Oral presentation by representatives of the Sacramento Municipal Utility District (SMUD) regarding the restart of Rancho Seco. (Continued to 6-9-87 per staff request).

RECOMMENDATION OF STAFF: CONTINUED TO JUNE 9, 1987

COMMITTEE ACTION: REPORT CONTINUED TO 6-9-87

VOTING RECORD: NONE

MINUTES:

Item 2 was deferred per staff request to June 9, 1987.

3. Presentation by Regional Transit regarding Light Rail.

RECOMMENDATION OF STAFF: FILE

COMMITTEE ACTION: FILE

VOTING RECORD: BY CONSENSUS

MINUTES:

David Boggs, Regional Transit General Manager, stated that the status report to be presented to the Committee was for information only and required no action.

Mr. Boggs gave an update on Light Rail projects, a summary of RT's financial projections and RT's capital improvement program. Mr. Boggs stated that a major concern for Regional Transit is the impact on RT's financial condition of having to fund the remaining light rail construction budget with its own local dollars and that any additional financial support from the

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City would enable RT to add capital projects on a priority basis that are essential to RT's operations of safe, reliable bus/rail transportation system.

Chair Serna replied that the City's contribution is a fundamental policy issue because the City Council needs to decide what the City ought to contribute to Regional Transit. Therefore, the City's financial contribution will be discussed during the budget hearings in May.

4. Report back on other cities' method of providing operational space needs.

RECOMMENDATION OF STAFF: FILE

COMMITTEE ACTION: FILE

VOTING RECORD: BY CONSENSUS

MINUTES:

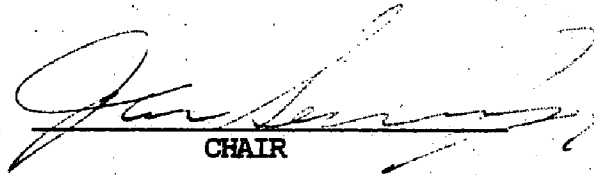
Frank Mugartegui, Director of of General Services, stated that at the request of Committee member Kastanis, larger California cities were surveyed on their methods of providing operational space (city-owned vs leased building). He further stated that the City of Sacramento currently leases 99,744 square feet of administrative facility and that leasing should be used only for short-term needs.

Tom Friery, City Treasurer, reported on the costs of financing the proposed administration center through a lease purchase arrangement with private sector, the use of traditional municipal tax-free borrowing instruments and ground leasing transactions. He summarized his report by stating that after discussions and meetings with local developers, bankers, CPA's and several cities on the subject of leases versus loan financing, the City's financing costs to construct the administration center at this time should be substantially less than the financing costs associated with a private developer 50-year lease purchase


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transaction. He stated that when actual construction bids are received and the analysis of construction processes have been completed then it will be advisable for the City to finance the Center rather than execute a lease.



CHAIR



SECRETARY