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DEPARTMENT
OF UTILITIES

ENGINEERING
SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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November 7, 2003

City Council
Sacramento, California

Honorable Members in Session:

APPROVED

NOV 25 2003

OFFICE OF THE
CITY CLERK

**SUBJECT: SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD)
PROPOSED CHANGE IN GOVERNANCE STRUCTURE AND RELATED
LEGISLATION - AB 686**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

Staff recommends that the City Council approve the attached Resolution reconfirming its support for changing the composition of the Board of Directors of the Sacramento Regional County Sanitation District (SRCSD) that will increase the City's seats from one to four.

CONTACT PERSON: Gary A. Reents, Director of Utilities, 264-1433
Dave Brent, Engineering Services Manager, 264-1420
Rick Batha, Supervising Engineer, 264-1448

FOR COUNCIL MEETING OF: November 25, 2003

SUMMARY:

The governance structure must be altered to accommodate the addition of the City of West Sacramento. SRCSD staff and elected officials from the County and cities of Elk Grove and Sacramento evaluated various alternatives and have recommended a new governance structure. The recommended governance structure will improve city representation.

COMMITTEE/COMMISSION ACTION: None.



CITY OF SACRAMENTO
DEPARTMENT
OF UTILITIES

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BACKGROUND INFORMATION:

On December 12, 2001, the SRCSD Board convened a subcommittee to develop, evaluate and recommend a governance structure for the Sanitation District that ensures equitable representation. The subcommittee is comprised of Directors that would represent various viewpoints from the county, a small city and a large city perspective when evaluating potential governance options. The members of the SRCSD governance subcommittee include: Supervisor Muriel Johnson, Councilmember Dave Jones, Supervisor Roger Niello, Councilmember Sophia Scherman, and SRCSD staff composed of Robert Shanks, Wendell Kido, and Terrie Mitchell.

The subcommittee engaged in discussions over some of the key principles that should be considered when establishing a proposed governance structure for SRCSD. Two key principles that were discussed centered around representation of incorporated and un-incorporated jurisdictions, as well as whether larger cities should have more relative voting power based on population. The subcommittee proposed and evaluated ten governance options and focused their discussions on the three proposals (Options 1, 6 & 7 - see attached matrix), with much of the dialogue centered on Option 7.

Option 7 modifies the existing governance structure based on specified population thresholds. It enables the Sacramento County Board of Supervisors to maintain each of their seats and gives the City of Sacramento three additional seats/votes for a total of four, while the other affected cities would retain one seat/vote until their population exceeds the specified thresholds. As a result, this option would increase the total number of directors on the SRCSD Board to 15 (once West Sacramento and Yolo County join the board - please note that Yolo County has a temporary seat).

At the January 8, 2003, District Board meeting, District staff presented a report on the subcommittee's recommendation. As a result, the Board directed staff to:

- Seek the introduction of legislation this year to revise the District's governance structure. Specifically, the Board agreed to convert Option 7 into legislation in order to meet the January 24, 2003, deadline for submitting bill requests to the Legislative Counsel. However, this action was taken with the understanding that the legislation could be modified after the affected jurisdictions review the three governance options.

On January 30, 2003 the City Council adopted a resolution that endorses Option 7.

In February 2003 Assemblymember Houston introduced AB 686, which revises SRCSD's current governance structure framed around Option 7. This bill was introduced with the caveat that it would not move forward unless it is acceptable to all the jurisdictions served by SRCSD.

City Council
SRCSD Governance Structure and Related Legislation - AB 686
November 7, 2003

Many deliberations have been taking place in the region regarding the governance structure of other regional boards and commissions. Both SACOG and STA have recently endorsed a new structure for their governing boards, thereby addressing related concerns of some of the jurisdictions. As a result, on October 8, 2003, the SRCSD Board directed staff to once again present Option 7 to the affected jurisdictions to determine whether they support the proposed change in SRCSD's governing board via the adoption of a resolution. If there appears to be no opposition from the affected jurisdictions, Regional staff will work with our legislative advocate to keep AB 686 "alive" and moving through the legislative process.

ENVIRONMENTAL DETERMINATION: None

FINANCIAL CONSIDERATIONS:

The proposed action will have no financial impact to the City.

POLICY CONSIDERATIONS:

The proposed change in governance would address concerns previously expressed by City Council. Option 7 is more equitable and better represents City ratepayers than the existing governance structure.

This action supports the City Council's goal of establishing and strengthening regional partnerships.

ESBD CONSIDERATIONS:

Since no services or supplies are being purchased there are no ESBD issues.

Respectfully submitted,



Dave Brent
Engineering Services Manager

RECOMMENDATION APPROVED:



Robert P. Thomas
City Manager

APPROVED:



Gary A. Reents
Utilities Director

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Summary of Proposed SRCSD Governance Structures Still Under Discussion

	Sacramento County District 1 population ~243,762	Sacramento County District 2 population ~243,486	Sacramento County District 3 population ~247,449	Sacramento County District 4 population ~245,737	Sacramento County District 5 population ~242,992	Citrus Heights pop'n ~84,921	Elk Grove pop'n ~72,712	Folsom pop'n ~51,887	Sacramento population ~406,760	West Sacramento population ~32,252	* Yolo County	Rancho Cordova pop'n ~55,060	Total # of Votes or Directors
<p>Option 1: Existing Structure: 1 member = 1 vote structure. Each Sacramento County Board of Supervisor is a member, and each incorporated city has a member. The chair rotates between the Cities and County.</p>	1	1	1	1	1	1	1	1	1	1	*1	1	11 (*12)
<p>Option 6: The number of votes per jurisdiction would be based on population of the largest supervisorial district, including incorporated and un-incorporated areas. Each jurisdiction has 1 director or vote for each 0 – 247,449 in population, then an additional director or vote for each additional 247,449 in population. Each jurisdiction decides the number of members it appoints to the SRCSD Board based on the number of votes it is apportioned. Assumes that each supervisorial district, as well as each incorporated city is a jurisdiction. This option ensures that all 5 Board of Supervisors retain their seat and that each city gets representation based on population.</p>	1	1	1	1	1	1	1	1	2	1	*1	1	12 (*13)
<p>Option 7 The number of votes per jurisdiction would be based on population with the exception that each Sacramento County Board of Supervisor maintains their seat/vote on SRCSD Board (representing both un-incorporated and incorporated areas). Each incorporated city has 1 director or vote for each 0-150,000 in population, then an additional director or vote for each additional 100,000 in population. Each jurisdiction decides the number of members it appoints to the SRCSD Board based on the number of votes it is apportioned. This option ensures that all 5 Board of Supervisors retain their seat and that each city gets representation based on population.</p>	1	1	1	1	1	1	1	1	4	1	*1	1	14 (*15)

Note: Population of Un-incorporated Area in Sacramento County is 587,200. * Yolo County is temporary member/vote per statute. Rancho Cordova effective July 03.

RESOLUTION NO. 2003-826

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____



RESOLUTION SUPPORTING A CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT AND RELATED LEGISLATION - AB 686

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

The City Council prefers a weighted vote version based on population such as Option 2B, but supports a revised representational composition for the Sacramento Regional County Sanitation District (SRCSD) Board of Directors; denoted as Option 7, that includes the following provisions:

1. The SRCSD Board would be comprised of: five representatives from Sacramento County, four representatives from the City of Sacramento, one representative each from the cities of Citrus Heights, Elk Grove, Folsom, and Rancho Cordova.
2. Any future city within Sacramento County that is served by SRCSD would become eligible for independent representation on the SRCSD Board, regardless of population. Each entity would become eligible for one additional representative for each 100,000 increment in population over the threshold of 150,000.
3. If the City of West Sacramento annexes to SRCSD, they would be eligible for one representative to serve on the SRCSD Board. Yolo County would be eligible for one temporary representative until construction is completed on the Lower Northwest Interceptor project.

MAYOR

ATTEST:

City Clerk **FOR CITY CLERK USE ONLY**

RESOLUTION NO.: _____

DATE ADOPTED: _____

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3. If the City of West Sacramento annexes to SRCSD, they would be eligible for one representative to serve on the SRCSD Board. Yolo County would be eligible for one temporary representative until construction is completed on the Lower Northwest Interceptor project.
4. Representation and the associated voting power on the SRCSD Board may not be delegated to other members, unless approved by the SRCSD Board.

MAYOR

ATTEST:

City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____