

<p>TNBC</p> <p>The Natomas Basin Conservancy</p> <p>Web site: www.natomasbasin.org</p>	<p>Regular Meeting of the Board of Directors</p>	<p>Upcoming Regular Meetings</p>	<p><i>t h e</i> NATOMAS BASIN <i>c o n s e r v a n c y</i></p> <p>May 4, 2011</p>
	<p>4:00 p.m.</p> <p>2150 River Plaza Drive, #460 Sacramento, CA <i>(Meeting in 1st floor Large Conference room.)</i></p>	<ul style="list-style-type: none"> • June 1 • August 3 • September 7 	

Agenda

Agenda format and readings tips

• *Agenda packet sections*

Agenda packet #	Section name	What's included
①	Agenda	This is the main agenda. Reading this section will provide the reader with an understanding of the plan for the meeting.
②	Supplemental materials	On some agenda items, there are handouts that are more extensive than can be covered in the "Discussion" section of the main agenda. These materials are included in agenda packet #2.
③	Executive Director's packet	The Executive Director includes items of general interest to the Board of Directors in agenda packet #3. The items in this packet are for general information, not action.
④	Executive Session	Material in this packet is for Board members' information in closed, executive session. It is confidential and not made public.

• *Item organization*

This agenda is prepared in order to facilitate understanding of the Conservancy Board of Director's agenda packet. Each agenda item is numbered in the far left-hand column. Then, as the reader moves from left to right, more information is provided. Ultimately, the far right-hand column presents a discussion of the agenda item.

1	Call to Order	Call to Order of the Regular Meeting of the Board of Directors	Admin.	∅	○ The Board President will call the meeting to order if a quorum is present. Announcements by the Board President or Executive Director may be made at this time.
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• *Exhibit symbols attendant with agenda item*

Agenda exhibit symbol in the "Pg." column	Definition
∅	There is no supplemental information that accompanies an agenda item.
①	There is more information in supplemental handouts.
2.21	Means that in agenda packet number 2, there will be supporting information on page 21.

• *Staff agenda item recommendations symbols*

In the "Discussion" column, there are a series of symbols used, also in order to facilitate quick understanding. These indicate the status of staff recommendations.

Agenda exhibit symbol in the "Pg." column	Definition
○	There is no staff recommendation on the matter.
⊕	Staff recommends approval.
●	Staff does not recommend approval.

<h1>TNBC</h1> <p>The Natomas Basin Conservancy</p> <p>Web site: www.natomasbasin.org</p>	<p>Regular Meeting of the Board of Directors</p>	<p>Upcoming Regular Meetings</p>	 <p>May 4, 2011</p>
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#	Section	Item	Type	Pg.	Discussion
1	Call to Order	Call to Order of the Regular Meeting of the Board of Directors	Admin.	∅	○ The Board President will call the meeting to order if a quorum is present. Announcements by the Board President or Executive Director may be made at this time.
2	Action	Approval of the minutes	Consent	2.1	⊕ The Board President will request approval of the minutes of the Board of Directors meeting of April 6, 2011.
3	Action	Fund reallocation authorization; SYSCO Corporation funds from Sutter County	Consent	∅	<p>⊕ This item seeks to finalize a long-standing unresolved issue. That is, the payment to the Conservancy of funds from Sutter County for the SYSCO Corporation distribution and warehouse facility located at Sankey Road and Pacific Avenue.</p> <p>A brief history follows:</p> <p>The Conservancy's Board declined to accept \$222,220.83 from the County of Sutter in 2000 that the County had collected from SYSCO Corporation. The fees were paid to the County by SYSCO Corporation with respect to a large warehouse and distribution facility it constructed in the Natomas Basin. Sutter County expected that submitting the funds to the Conservancy would serve as mitigation of the habitat loss caused by the SYSCO facility. The Conservancy determined that receipt of the funds might create a mitigation liability for it, one that was not covered by the NBHCP. In 2004, the Conservancy and the County came to an agreement about the purpose of the funds, and the Conservancy's Board of Directors agreed to accept them as a contribution (not mitigation fees) to be applied toward the Conservancy's work as NBHCP Plan Operator. The money was set-aside on the Conservancy's balance sheet as "Supplemental-HCP". In 2007, Sutter notified the Conservancy it had inadvertently sent the wrong amount to the Conservancy and requested the Conservancy return \$25,171.83 that was the interest portion on the initial SYSCO payment. The Conservancy's Board of Directors agreed to return the overage.</p> <p>At present, the amount held in "Supplemental-HCP" for the Sutter contribution (for the SYSCO</p>

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					<p>project) is \$197,049.00. Sutter is now in a position to begin using its ITP, so Conservancy staff recently met with the U.S. Fish and Wildlife Service to verify that the SYSCO project's 25 acres should be deducted from Sutter County's 7,467 acres of Authorized and Permitted Development. The relevant excerpt from the NBHCP cited to the Service is as follows:</p> <p><i>Although the SYSCO project was approved prior to the adoption of the NBHCP and issuance of Incidental Take Permits, the SYSCO project is located within the Sutter County Industrial/Commercial Reserve and was required to comply with the provisions of the NBHCP. Sutter County collected funds from SYSCO in the amount of the NBHCP fee in place at the time of project approval. These funds will be utilized to purchase 25 acres of TNBC reserve land. The 50 acre SYSCO project, located within the Sutter County Permit Area, is considered part of Sutter County's 7,467 acres of Authorized Development.</i></p> <p>The Service agreed the 25 acres should be subtracted from the County of Sutter's Permitted Acres.</p> <p>With that determination, Conservancy staff now requests that the Board correspondingly reallocate the SYSCO project funds of \$197,049.00 out of Supplemental-HCP funds and into NBHCP funds.</p> <p>SYSCO paid its amount based on the 2000 NBHCP fee, which did not include the Supplemental Endowment Fund, so this item requests that the reallocated funds not include the Supplement Endowment Fund. The fund allocation, if approved, would be as follows: Land Acquisition \$125,000, Restoration and Enhancement \$21,150, O&M Endowment \$9,500 and Administration and Fee Collection \$41,400.</p>
4		Overage approval of \$2,000 on BKS North Course bridges	Consent	∅	<p>⊕ The Board of Directors earlier approved an expenditure of \$25,000 for the acquisition of railroad box cars to disassemble and use as bridges on the BKS North Course maintenance and renovation effort. Staff believed that acquiring three such bridges could be achieved over the winter and early spring at a very low cost given the state of the economy. The three bridges were acquired for \$27,000, \$2,000 over budget, but staff believes this is still a very good acquisition price. The acquisition took the form of periodically walking through a railroad car "graveyard" and bargaining with the owner for boxcars that were in various states of repair. Before this can be paid, Board authorization is requested for the overage.</p>
5	Discussion	City of Sacramento report	No action	∅	<p>○ Report from the City of Sacramento regarding HCP-related activity and other topics.</p>

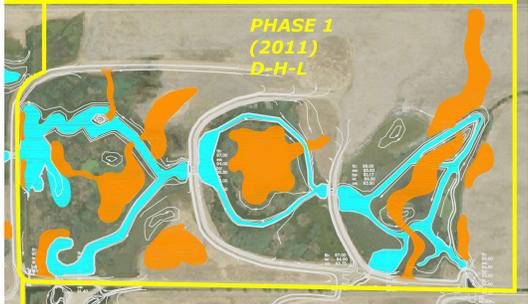
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6	Discussion	Financial statement review	No action	①	○ A financial statement will be provided for the period ended March 31, 2011 (unaudited).
7	Discussion	Report from Conservancy auditor	No action	∅	○ The Conservancy's auditor, Gilbert & Associates, Inc., met with the Audit Committee at its March 23, 2011 meeting. At this meeting, the Committee was briefed by the auditor with respect to the December 31, 2010 year-end financial audit. The Committee also met independently with the auditor. At the conclusion of the presentation by the auditor, the Committee felt it was appropriate to request that the auditor make the same general presentation to the Board of Directors, especially since this was the first year of the five-year planned engagement between the auditor and the Conservancy. Peggy Vande Vooren, CPA, will conduct this briefing. There is no action on this item since the Board moved to accept the audit at its April 6, 2011 meeting.
8	Discussion	Report from endowment funds investment advisor	No action	∅	○ A first quarter 2011 performance review will be presented by the Conservancy's endowment funds investment advisor, Pam Kossian of T. Rowe Price.
9	Discussion	Form 990 presentation to the Board for review	No action	2.13	○ As a "best practice," this item presents the Conservancy's draft 2010 Form 990 for Board review. With the newest version of the IRS's Form 990, information is requested as to whether or not the Board has had a chance to review the Form 990 before it is submitted to the IRS.
10	Discussion	Governance practices briefing from legal counsel	No action	∅	○ Periodically, the Board of Directors hears from legal counsel on the fundamentals of governance for the members of the Board. The Board has requested another such refresher course on this topic, which will be provided by Conservancy legal counsel Ed Quinn and others with the law firm of Best, Best & Krieger.
11	Discussion	Update on BKS North Course channel clearing and maintenance project	No action	∅	⊕ Staff will update the Board on the Conservancy's BKS North Course channel clearing and maintenance project. The Conservancy continues planning for the budgeted BKS North Course channel clearing and maintenance project. However, as the Board has been advised, the Conservancy's consultants notified the Conservancy that their earlier estimates that the project could be done as regular maintenance under the provisions of the Clean Water Act and others (stream bed alteration permits, SWPPS, etc.) had proven to be mistaken. Now the Conservancy is engaged in a very substantial permitting process in order to accomplish the work. It is unclear if the North Course project can be permitted, let for bid, awarded, commenced and completed during the time remaining in the year for ground disturbance.

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					<p>However, the Conservancy continues planning on the project. As the Board requested, it has submitted a prioritization plan for the work, and this was mapped out and previously presented to the Board. The planned work takes a “worst first” approach. That is, it addresses the ponds and managed marsh areas that have the most sedimentation and related issues, and balances the need to address them on a priority basis with other issues. The prioritization established is as follows:</p> <p><u>BKS Channel Maintenance Priorities/Schedule</u></p> <p>Phase One (proposed for 2011) Ponds D, H, L, O and P</p> <p>Phase Two (proposed for 2012) Ponds M, N and Q</p> <p>Phase Three (proposed for 2013) Pond R</p> <p>In order to further conserve budget, the Conservancy has not requested a detailed engineering drawing for the proposed Phase One North Course work this year, but rather, a less formal version. A similar modest specification process was successfully used on the South Course project in 2009.</p>  <p>The engineer’s estimate for the work remains at \$221,413.50. All costs have been estimated conservatively.</p> <p>It is likely this item will be presented again at the August 3, 2011 Board of Directors meeting for bid awards in the most optimistic forecast.</p>
12	Discussion	BKS water supply discussion	No action	∅	<p>○ The Conservancy relies heavily on tail water from Stolt Sea Farm to irrigate its BKS Preserve. The manager of Stolt Sea Farm has notified the Conservancy of permitting problems being faced by the company. Conservancy staff will brief the Board on this matter.</p>
13	Discussion	Proposed Greenbriar HCP and discussions with the development proponents and the Wildlife Agencies	No action	∅	<p>○ The Conservancy has been asked by U.S. Fish and Wildlife Service and the California Department of Fish and Game to participate in discussions with the developer proponents of the Greenbriar HCP. Staff has participated in these discussions and will provide a briefing on the matter.</p>

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14	Discussion	Update on proposed alternative fee for the Metro Air Park HCP	No action	∅	○ Following presentations by the Metro Air Park development interests on the proposed alternative HCP fee payment methodology, the Board asked that the matter be referred to the U.S. Fish and Wildlife Service and the California Department of Fish and Game for review. Staff participated in lengthy discussions on the matter and will report back to the Board.
15	Public Comments	Public Comments	No action	∅	○ Opportunity for members of the public to address the Conservancy's Board of Directors.
16	Executive Session	Executive Session	Action	∅	○ Executive Session pursuant to Government Code Section 54957, Employee performance evaluation. Executive Director.
17	Executive Director's Report	Executive Director's Report	No action	Ⓢ	○ Various matters for Board members' general information.
18	Adjournment	Adjournment	Admin.	∅	○ Official adjournment of the meeting.

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