

<p>TNBC</p>	<p>Regular Meeting of the Board of Directors</p>	<p>Upcoming Regular Meetings</p>	
<p>The Natomas Basin Conservancy Web site: www.natomasbasin.org</p>	<p>4:00 p.m. 2150 River Plaza Drive, #460 Sacramento, CA <i>(meeting in 1st floor Large Conference room)</i></p>	<ul style="list-style-type: none"> • May 1, 2013 • June 5, 2013 • August 7, 2013 	<p>April 3, 2013</p>

Agenda

Agenda format and readings tips

- *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*

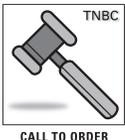
Agenda exhibit symbol in the "Pg." column	Definition
∅	There is no supplemental information that accompanies an agenda item.
①	There is more information in supplemental handouts.
2.21	Means that in agenda packet number 2, there will be supporting information on page 21.

- *Staff agenda item recommendations symbols*

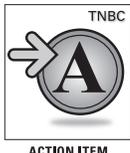
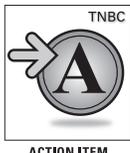
In the "Discussion" column, there are a series of symbols used, also in order to facilitate quick understanding. These indicate the status of staff recommendations.

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>4:00 p.m.</p> <p>2150 River Plaza Drive, #460 Sacramento, CA (meeting in 1st floor Large Conference room)</p>	<ul style="list-style-type: none"> • May 1, 2013 • June 5, 2013 • August 7, 2013 	<p>April 3, 2013</p>

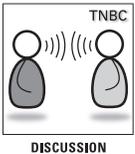
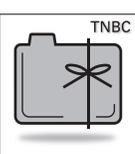
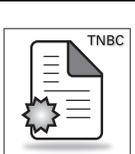
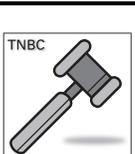
#	Section	Item	Pg.	Discussion
1	 CALL TO ORDER	Call to Order of the Regular Meeting of the Board of Directors	∅	○ The Board President will call the meeting to order if a quorum is present. Announcements by the Board President or Executive Director may be made at this time.
2	 ACTION BY CONSENT	Approval of the Minutes	2.1	⊕ The Board President will request approval of the minutes of the March 6, 2013 Board meeting. Draft minutes from the March 6, 2013 Annual Meeting of the Corporation are also included for review purposes only.
3	 ACTION BY CONSENT	Cancellation of July 3, 2013 Board meeting	∅	⊕ The Board customarily cancels its July Board meeting because getting a quorum has typically been difficult due to the July 4 Independence Day holiday. This item requests the Board cancel its planned July 3, 2013 meeting.
4	 ACTION BY CONSENT	Authorization for Farm Air to utilize landing strip on TNBC's Bianchi West tract	∅	<p>⊕ The only remaining agricultural aircraft operator in the Natomas Basin is Farm Air Flying Service, Inc. TNBC and its tenants use Farm Air, and without the firm operating in the Basin, costs would likely rise, and delays in planting crops could also result. (Rice is frequently seeded by air.) Farm Air has requested permission to use TNBC's Bianchi West tract landing strip for use in serving its customers, including TNBC and its tenants.</p> <p>Before acquiring the Bianchi West tract, TNBC completed Phase One and Phase Two environmental testing on the airstrip. This was done in order to ascertain the level, if any, of toxicants in the soil at the landing strip site. (The studies revealed acceptable levels, so TNBC moved forward with its acquisition of the tract.) With this baseline data, TNBC can keep track of the status of soils on and around the runway.</p> <p>Staff requests authorization to enter into an agreement with Farm Air Flying Service, Inc. to allow it to utilize TNBC's Bianchi West landing strip. The authorization would include the following restrictions, among others:</p>

				<p>1.) the authorization terminates December 31, 2013,</p> <p>2.) only seed and fertilizer are permitted to be used on the landing strip,</p> <p>3.) no pesticides may be used on the strip without the written authorization of TNBC's Executive Director,</p> <p>4.) only in-Basin sites may be served by Farm Air from the landing strip, and</p> <p>5.) a properly executed right-of-entry (ROE) agreement must be in TNBC's office prior to Farm Air's use of the landing strip, and that the ROE contain TNBC's standard indemnification, hold harmless protections, and that TNBC be named as an additional insured on the relevant Farm Air insurance policy or policies.</p> <p>The Executive Director expects no authorization request for pesticide use on the landing strip. However, there could be special occasions that might warrant such authorization, but only for the use by TNBC or its contractors and tenants.</p>
5	 ACTION BY CONSENT	Investment policy amendment, corporate funds	2.10	<p>⊕ As a result of regular communications with investment managers of the Conservancy's corporate funds, Wells Fargo Advisors, staff recommends that the Conservancy's investment policy for corporate funds be amended to provide that fixed-income mutual funds and fixed-income exchange traded funds (ETFs) be included as allowable investments.</p>
6	 ACTION BY CONSENT	Investment policy amendment, endowment funds	2.13	<p>⊕ This item recommends that the Conservancy's Endowment Funds Investment Policy be amended such that the 20 percent limitation (cap) in mutual funds be changed so that the maximum is 30 percent. The Conservancy's current investment manager, T. Rowe Price, invests in mutual funds, and advises that since mutual funds are of their nature diversified, there is a limitation with the Conservancy's policy that doesn't normally exist.</p>
7	 ACTION ITEM	Accept the Conservancy's 2012 audited financial statement.	①	<p>⊕ The Audit Committee reports on the audited financial statements for the year ended December 31, 2012. The Committee has reviewed the audit report with the auditor, Gilbert & Associates. The auditor has issued a clean opinion on the Conservancy's 2012 financial statement. The Committee recommends the Board accept the audit, along with the auditor's report contained in the financial statements for the year ended December 31, 2012.</p>
8	 ACTION ITEM	Implementation Agreement No. 2 between the Conservancy and the SAFCA; Novak tract	2.17	<p>⊕ This item requests authorization for the Executive Director to execute and deliver agreements between the Conservancy and the Sacramento Area Flood Control Agency (SAFCA). The agreements pertain to the Novak tract located at Del Paso and Powerline Road. The Conservancy is asked by SAFCA to manage a portion of the property and accept a conservation easement on the property. The two agreements included in this agenda item are as follows:</p> <p>1.) Implementation Agreement No. 2 Between the Natomas Basin Conservancy and the Sacramento Area Flood Control Agency Regarding the Natomas Levee</p>

				<p>Improvement Program Novak Property.</p> <p>2.) Conservation Easement Deed, Novak Property.</p> <p>The primary purpose of these agreements is to provide the Conservancy with a conservation easement on the Novak tract and to provide for its management in a manner that is helpful to the goals and objectives of the NBHCP.</p> <p>Staff recommends approval of the items so that the Executive Director is authorized to execute and deliver these agreements on behalf of the Conservancy.</p>
9		<p>Agreement to enter into an agreement for Dennis Bastiao of Bastiao Farms, Inc. to farm the Novak tract</p>	<p>∅</p>	<p>⊕ The Conservancy needs a farmer to accept farming responsibilities on the SAFCA Novak tract. SAFCA relied on the farming cost information from Bastiao Farms, Inc. in estimating the costs necessary to include in an agreement with the Conservancy so that the Conservancy could accept management responsibilities on the property.</p> <p>All costs incurred by the Conservancy for this purpose will be directly reimbursed by SAFCA, so there is no adverse impact to the Conservancy's budget. Exhibit D of the Conservancy-SAFCA Novak agreement specifies pricing (see agenda item #8).</p> <p>This item requests that the Board of Directors authorize the Conservancy's Executive Director to execute and deliver a farming agreement with Bastiao Farms, Inc. for purposes of providing specific farming activities on the SAFCA Novak tract.</p>
10		<p>Implementation Agreement No. 3 between the Conservancy and the SAFCA; Pappa Rosa tract</p>	<p>2.49</p>	<p>⊕ This item requests authorization for the Executive Director to execute and deliver an agreement between the Conservancy and the Sacramento Area Flood Control Agency (SAFCA). The agreement pertains to the Pappa Rosa tract located on West Elkhorn Road near Garden Highway. The Conservancy is asked by SAFCA to manage a portion of the property. No conservation easement on the property is anticipated. All costs incurred by the Conservancy for this purpose will be directly reimbursed by SAFCA, so there is no adverse impact to the Conservancy's budget.</p> <p>Staff recommends approval of the item so that the Executive Director is authorized to execute and deliver this agreement on behalf of the Conservancy.</p>
11		<p>Agreement to enter into an agreement for Dennis Bastiao of Bastiao Farms, Inc. to farm the Pappa Rosa tract</p>	<p>∅</p>	<p>⊕ The Conservancy needs a farmer to accept farming responsibilities on the SAFCA Pappa Rosa tract. SAFCA relied on the farming cost information from Bastiao Farms, Inc. in estimating the costs necessary to include in an agreement with the Conservancy so that the Conservancy could accept management responsibilities on the property.</p> <p>All costs incurred by the Conservancy will be directly reimbursed by SAFCA, so there is no adverse impact to the Conservancy's budget. Exhibit D of the Conservancy-SAFCA Novak agreement specifies pricing (see agenda item #8).</p> <p>This item requests that the Board of Director authorize the Conservancy's Executive Director to execute and deliver a farming agreement with Bastiao Farms, Inc. for purposes of providing specific farming activities on the SAFCA Pappa Rosa tract.</p>

12		Acquisition of construction services for continuation of the BKS North Course Channel Clearing Project	<p>2.55 ⊕ The Conservancy continues its program of systematically maintaining managed marsh complexes on Conservancy preserves in order to keep them fully functional, as is required by the NBHCP and MAPHCP. Following discussions at recent Board meetings with regard to contracting matters, the Board has adopted a process for managed marsh channel maintenance projects and other construction projects that:</p> <ol style="list-style-type: none"> 1.) adequately and appropriately manages costs, 2.) obtains reasonable certainty for the Conservancy, and 3.) fulfills the desire of the Conservancy to continue to have “tested the market,” especially on significant contract items. <p>In February, Conservancy staff met with the Board to share planning work for 2013’s BKS North Course Phase 3 portion of the project. Staff proposed to meet with CalSierra Construction (“CalSierra”) and determine if it could conduct the Phase 3 planned work at the same or lower price on the major items as it did on the bid Phase 1 and conducted Phase 2 portions. Most importantly, this included the movement of soil for \$2.25 per yard or lower and that other costs are at or about Conservancy estimates. Staff completed those meetings and has received a bid proposal from CalSierra in the amount of \$219,547.95.</p> <p>The 2013 budget for the project is \$250,000.00, but this includes planning and permitting expenses as well. An additional \$25,000.00 is available to cover these additional costs in a reserve for preserve access construction which appears now to not likely be needed.</p> <p>At the Board’s February Board meeting, the Board directed the Executive Director to prepare an agreement between the Conservancy and CalSierra to complete the BKS North Course Phase 3 work during the 2013 summer, pending successful acquisition of necessary permits.</p> <p>This item requests authorization for the Executive Director to execute and deliver on behalf of the Conservancy an agreement with CalSierra Construction to conduct the BKS North Course Channel Clearing Project, Phase 3 during the summer 2013 construction season in an amount not to exceed \$219,547.95.</p>
13		Adoption of policy and resolution to acquire, provide and manage the use of tablet computers for Board members’ use in their service as a Conservancy Board member	<p>2.65 ⊕ The Conservancy’s Board has entertained the notion of reducing paper and labor in the preparation and distribution of Board agenda packets. The use of tablet computers has been discussed as the best way to achieve this, and is consistent with other organizations which have taken similar steps.</p> <p>In this case, the proposal requests that the Executive Director be authorized to acquire Apple iPads for each Board member to use in his or her service as a Conservancy Board member, and distribute those devices to each Board member not otherwise providing their own device at their own expense. The Executive Director is also requested to execute on behalf of the Conservancy an acknowledgement by each Board</p>

				<p>member receiving an iPad device which acknowledges Conservancy policies and practices.</p> <p>This item also adopts a policy for the use of these devices (the "iPad Usage Policy").</p>
14		Conservancy endowment funds investment manager	①	<p>○ The Conservancy's endowment funds are managed by T. Rowe Price. Representative Phil Burger of T. Rowe Price will meet with the Board for the purposes of introducing himself and providing the 2012 annual report.</p>
15		BKS North Course Project Phase 3 Permit Update	2.69 ∅	<p>⊕ Conservancy staff will update the Board on permitting for the BKS tract's North Course Channel Clearing Project, Phase 3 permitting.</p>
16		City of Sacramento report	∅	<p>○ Report from the City of Sacramento regarding HCP-related activity and other topics.</p>
17		Financial statement review	①	<p>○ A financial statement update will be provided for the period ended February 31, 2013 (unaudited). Additional financial information will be provided. Staff will also update the Board on any matters associated with the audit of the Conservancy's December 31, 2012 financial statement.</p>
18		Public outreach effort; reception	∅	<p>○ Board members requested staff engage in stepped-up public outreach efforts. One initiative includes a photographic documentation of Conservancy preserves throughout the four seasons. The documentation will be used for purposes of public education, enhancing the Conservancy's web site, and generally creating awareness. There may be donations that result from the effort, and this follows efforts by the Conservancy to allow contributions to the Conservancy via the Conservancy's web site.</p> <p>This item shares with the Board that a reception to meet Gerry Tsuruda, the fine art landscape photographer who took the photos. Joining the Board in meeting Tsuruda and seeing examples of his works will be invited guests that include the parties to the NBHCP, including the Sutter County Board of Supervisors and the City of Sacramento City Council. The invitation will read as follows (draft):</p> <p>The Natomas Basin Conservancy invites you to join the Conservancy's Board of Directors at a reception announcing the release of images of the Conservancy's preserves taken by renowned photographer, Gerry Tsuruda. Titled <i>Seasons of the Natomas Basin Conservancy</i>, Tsuruda's fine art landscape photographs chronicle the four seasons of the Conservancy's preserves in beautiful black and white, high-resolution photography. We think you will be amazed at the sheer beauty of these images.</p>

				<p>Time: 5:30 p.m. to 7:30 p.m. Day and Date: Wednesday, June 5, 2013 Place: Offices of The Natomas Basin Conservancy 2150 River Plaza Drive, Suite 460 Sacramento, CA 95833 RSVP: Contact Gale Lovell at the Conservancy, 916.649.3331</p> <ul style="list-style-type: none"> •Space is very limited; please RSVP early. •Parking is free and abundant. <p>Conservancy staff will share plans for this reception and associated activities with the Board, discuss it, and seek any guidance the Board might offer on the topic.</p>
19		Airport land use plan	2.70 ∅	<input type="radio"/> Staff will brief the Board on information available to it regarding an update to the Sacramento International Airport land use plan.
20		Assumptions on which to base the NBHCP Finance Model	2.75	<input type="radio"/> Staff will share with the Board the latest information on obtaining funding for flood control efforts.
21		Public Comments	∅	<input type="radio"/> Opportunity for members of the public to address the Conservancy's Board of Directors.
22		Executive Session	∅	<input type="radio"/> Executive Session is scheduled to initiate discussion on performance review and evaluation of the Executive Director. Executive Session for the performance review is pursuant to Government Code Section 54957, Employee performance evaluation.
23		Executive Director's Report	①	<input type="radio"/> Various matters for Board members' general information, if any.
24		Adjournment	∅	<input type="radio"/> Official adjournment of the meeting.