


<h1>TNBC</h1> <p>The Natomas Basin Conservancy</p> <p>Web site: www.natomasbasin.org</p>	<h2>Regular Meeting of the Board of Directors</h2>	<h2>Upcoming Meetings</h2> <ul style="list-style-type: none"> • March 1 • April 5 • May 3 	 <p>February 1, 2006</p>
	<p>4:00 p.m.</p> <p>Offices of TNBC</p> <p>2150 River Plaza Dr. #460 Sacramento, CA</p>		

#	Section	Item	Type	Pg.	Discussion
1	Call to Order	Call to Order of the Regular Meeting of the Board of Directors	Admin.	Ø	○ The Board President will call the meeting to order if a quorum is present. Announcements by the Board President and Executive Director may be made at this time.
2	Action	Approval of Minutes	Consent	2.1	⊕ The Board President will request approval of the minutes of the Board meeting of December 7, 2005 and January 23, 2006.
3	Action	Fence contract for portion of Rosa tracts	Consent	2.17	⊕ Approval of contract with Delbert Foster Fencing Company to provide a livestock fence along the north side of Del Paso Road along the southerly boundary of the Rosa East and Rosa Central tracts in the amount of \$16,450.00 (note that 1.23.06 meeting handout materials are attached to the minutes).
4	Action	Voting Conservancy shares in the Natomas Central Mutual Water Company election of Board of Directors	Action	2.20	⊕ The annual election of Director of the Natomas Central Mutual Water Company (NCMWC) takes place on February 14, 2006. The Conservancy holds 3,080 shares of stock in the Company (out of approximately 32,000). Conservancy staff recommends that votes be cast for candidates committed to preserving the NCMWC's historic policy of keeping the NCMWC stock linked to the land owned by the shareholder (that is, not allowing the stock to be severed from the land). Also, the Conservancy's Executive Director be authorized to vote the shares after getting verbal okay from the Conservancy's Board President.
5	Action	2005 Finance Model recalculation and request for fee increase	Action	2.21 + Ⓢ	○ The 2003 NBHCP requires that in February of each year, the Conservancy must recalculate the Finance Model to determine if the fees being charged are adequate. A draft of the 2006 Finance Model was presented to the Board at the January 23, 2006 Board of Directors workshop for review. It is now submitted for acceptance along with a request to the City of Sacramento to request the Finance Model's indicated fee adjustment from \$24,897 per acre (\$12,397 with land dedication) to \$42,356 per acre (\$19,856 with land dedication). Also for the City of Sacramento, County of Sutter and Metro Air Park will be a prepared

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					message that discusses the anticipated challenges facing the implementation of the NBHCP, especially the need to adapt rice farming management practices.
6	Action	Request to City of Sacramento City Council to re-authorize option of requiring land dedication in lieu of payment of the Land Acquisition portion of the NBHCP fee	Action	2.31	<p>⊕ The Conservancy Board has previously acted to elect an option provided for in the 2003 NBHCP that land dedication would be required in lieu of payment of the Land Acquisition Fund portion of the NBHCP fee. Given the dynamic real estate market in the Natomas Basin, the Conservancy determined that in order to ensure accurate Finance Model calculations, to provide an extra level of certainty on “assured funding,” and also in order to minimize any effect of subsequent fee payers having to subsidize prior fee payers due to inadequate funds in Land Acquisition to acquire mitigation lands, the land dedication option was essential. The land dedication process has worked very well.</p> <p>In 2005, the Sacramento City Council supported the Conservancy Board’s action with a resolution that required land dedication in lieu of payment of the Land Acquisition Fund portion of the NBHCP fee. Like the Conservancy Board’s action, the City Council action also provided for a “small developer” exemption (less than 50 acres), provided sufficient surplus mitigation land was available.</p> <p>The City Council added one item not contained in the Conservancy Board resolution, and that is that if “small lots” were needed to make up a land dedication effort, provided the small lot was less than 50 acres, even a large land dedicator could in effect draw on the Conservancy’s mitigation land surplus to meet the odd lot amount. (Example: A developer needed 100 acres of mitigation land but could only find 79 acres for sale. That developer could dedicate land on the 79 acres and satisfy the balance of the mitigation acres by paying the NBHCP fee.)</p> <p>Conservancy staff notes that land prices in the Natomas Basin are even more dynamic today than they were last year. Given the success of the program and the certainty it provides, Conservancy staff recommends that the Conservancy Board of Directors again request that the City Council support the Conservancy’s decision not to accept the Land Acquisition Fund portion of the NBHCP fee in lieu of land dedication. The request would allow for the small developer exemption, whereby the developer of less than 25 acres (this is a change from 50 acres last year) could pay the full NBHCP fee and not be required to dedicate land in lieu of Land Acquisition Fund fee payment, provided that adequate surplus land is available to accommodate these. The</p>

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					request does not include the "odd lot" allowance contained in the 2005 resolution from the City Council.
7	Discussion	City of Sacramento report	No action	∅	○ Report from the City of Sacramento regarding HCP-related activity and other topics.
8	Discussion	Financial statement	No action	Ⓢ	○ A draft year-end, December 31, 2005 financial statement will be handed out at the Board meeting. Discussion will follow. Staff will also discuss preparations for the audit of the final 2005 year-end statement.
9	Discussion	Endowment Funds performance review and report	No action	Ⓢ	○ Representatives with Wells Fargo Investments' (WFI) will report to the Board on the Conservancy's endowment funds. WFI acts as the Conservancy's investment advisor.
10	Public Comments	Public Comments	No action	∅	○ Opportunity for members of the public to address the Conservancy's Board of Directors.
11	Executive Session	Executive Session	Action	Ⓢ	○ Executive Session for real estate.
12	Executive Session	Executive Session	Action	Ⓢ	○ Executive Session pursuant to Government Code Section 54956.9 for the purpose of meeting with legal counsel regarding threatened litigation on one matter.
13	Executive Director's Report	Executive Director's Report	No action	Ⓢ	○ Various matters for Board members' general information.
14	Adjournment	Adjournment	Admin.	∅	○ Official adjournment of the meeting.

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