

<h1>TNBC</h1> <p>The Natomas Basin Conservancy</p> <p>Web site: www.natomasbasin.org</p>	<p><b>Annual Meeting of the Corporation and Regular Meeting of the Board of Directors</b></p>	<p><b>Upcoming Regular Meetings</b></p> <ul style="list-style-type: none"> <li>• April 5</li> <li>• May 3</li> <li>• June 7</li> </ul>	 <p><b>March 1, 2006</b></p>
	<p>4:00 p.m.</p> <p>Offices of TNBC</p> <p>2150 River Plaza Drive, #460 Sacramento, CA</p>		

## Annual Meeting of the Corporation

#	Section	Item	Type	Pg.	Discussion
1	Call to Order	Call to Order of the Annual Meeting of the Corporation	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	Action	2.1	⊕ The Board President will request approval of the minutes of the Annual Meeting of the Corporation on March 2, 2005.
3	Action	Election of Officers	Action	∅	○ The Compensation and Governance Committee has met and is prepared to recommend a slate of officers to serve until the next Annual Meeting of the Corporation. This will be presented by the Committee Chair, Anne Rudin.
4	Action	Establish time, date and location of regular Board meetings	Action	∅	⊕ The time, date and location of regular meetings of the Conservancy's Board of Directors will be at the offices of the Conservancy, 2150 River Plaza Dr., Suite 460, Sacramento, California.  Date and time: 1st Wednesday of each month, 4:00 p.m. except as noticed.
5	Discussion	Public Comment	No action	∅	○ Opportunity for members of the public to address the Conservancy's Board of Directors.
6	Executive Director's Report	Executive Director's Report	No action	∅	○ Various matters for Board members' general information.
7	Adjournment	Adjournment	Admin.	∅	○ Official adjournment of the Annual Meeting of the Corporation.

## Regular Meeting of the Board of Directors

#	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.

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2	Action	Approval of the Minutes	Action	2.3	⊕ The Board President will request approval of the minutes of the Board meeting of February 1, 2006.
3	Action	Barn repair contract	Action	2.10	⊕ The action requested in this item is to approve a contract with RAB Construction Services, Inc. of Davis, California for the repair of the roof of the Silva tract's milking parlor (field operations office), pole barn roof repair and north barn roof repair and structural support and related items. The amount of the contract is \$6,285.00.
4	Action	Employment Agreement between Conservancy and Executive Director	Action	2.12	<p>○ The employment agreement between the Conservancy and its Executive Director, John Roberts, expires March 15, 2006 (begin date: March 15, 2003). This action would extend the employment agreement for three additional years and add reimbursement of reasonable premiums for disability insurance.</p> <p>Due to IRS laws and the California Non-Profit Integrity Act, the Board is required to determine there is no excess benefit transaction in this respect. See excerpt from California Government Code, Section 12586(g):</p> <p><i>The board of directors of a charitable corporation or unincorporated association, or an authorized committee of the board, and the trustee or trustees of a charitable trust shall review and approve the compensation, including benefits, of the president or chief executive officer and the treasurer or chief financial officer to assure that it is just and reasonable. This review and approval shall occur initially upon the hiring of the officer, whenever the term of employment, if any, of the officer is renewed or extended, and whenever the officer's compensation is modified. Separate review and approval shall not be required if a modification of compensation extends to substantially all employees.</i></p>
5	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	2.26	<p>⊕ <b>Background.</b> The Conservancy Board has previously acted to approve the 2006 NBHCP Finance Model recalculation, adjusting the NBHCP fee from \$24,897 per acre (\$12,397 with land dedication) to \$42,356 per acre (\$19,856 with land dedication). (A slightly revised cover memo, reflecting Board members' comments at the February 1, 2006 Board meeting, is included in this agenda packet for Board member reference.)</p> <p><b>Past practice, land dedication.</b> In recent years, the Board chose 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</p>

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					<p>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 Board's action, adopting a resolution requiring 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><u>Council modifies Conservancy request.</u> 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><u>Current request.</u> The resolution proposed for Board adoption allows that the small developer may elect to pay the full NBHCP fee in lieu of being compelled to dedicate land, provided the Conservancy staff can make a determination that the payment of the Land Acquisition fees will not reduce the Conservancy's land holdings below the 200 surplus acres required at May 1 of each year or in any other way compromise the ability of the Conservancy to successfully implement the NBHCP. The request does not include the "odd lot" allowance contained in the 2005 resolution from the City Council.</p>
6	Discussion	City of Sacramento report	No action	Ø	○ Report from the City of Sacramento regarding HCP-related activity and other topics.
7	Discussion	Financial statement review	No action	2.38	○ A financial statement update will be provided period ended January 31, 2006. A report will be presented on the progress of the audit of the Conservancy's December 31, 2005 financial statement.
8	Discussion	Biological Effectiveness Monitoring Report for 2005	No action	Ø	○ Staff will introduce team from Jones & Stokes for a report on 2005 biological effectiveness monitoring.
9	Discussion	Investment advisor review	No action	2.60	○ After a 2005 annual performance review by the Conservancy's endowment fund investment advisor, staff will return with a

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					requested report to the Board after having conducted interviews and consulting experts.
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 – Real Estate	Action	Ⓢ	○ Executive Session for real estate.
12	Executive Session	Executive Session – Litigation	Action	Ⓢ	○ Executive Session pursuant to Government Code Section 54956.9 for the purpose of meeting with legal counsel regarding litigation on two matters.
13	Executive Session	Executive Session – Personnel	Action	Ⓢ	○ Executive Session pursuant to Government Code Section 54957, Employee performance evaluation. Executive Director.
14	Executive Director's Report	Executive Director's Report	No action	Ⓢ	○ Various matters for Board members' general information.
15	Adjournment	Adjournment	Admin.	∅	○ Official adjournment of the meeting.

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