

<p>TNBC</p> <p>The Natomas Basin Conservancy</p> <p>Web site: www.natomasbasin.org</p>	<p>Annual Meeting of the Corporation and Regular Meeting of the Board of Directors</p>	<p>Upcoming Regular Meetings</p>	 <p>March 4, 2009</p>
	<p>4:00 p.m.</p> <p>2150 River Plaza Drive, #460 Sacramento, CA <i>(meeting in Suite 400)</i></p>	<ul style="list-style-type: none"> • April 1 • May 6 • June 3 	

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.

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	4:00 p.m. 2150 River Plaza Drive, #460 Sacramento, CA <i>(meeting in Suite 400)</i>	<ul style="list-style-type: none"> • April 1 • May 6 • June 3 	March 4, 2009

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 5, 2008.
3	Action	Election of Officers	Action	2.4	⊕ The Compensation and Governance Committee requested nominations from the members of the Board to fill the Board's officer positions. Additional nominations may be heard. Election of officers of the corporation.
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	2.6	⊕ The Board President will request approval of the minutes of the Board of Directors meeting of February 4, 2009.
3	Discussion	Follow-up report on the SAFCA Natomas Levee Improvement Program (NLIP)	Action	2.15 + ①	○ The Board will hear from staff on the Sacramento Area Flood Control Agency's (SAFCA) Natomas Levee Improvement Program. This will be an update report and action item. SAFCA representatives will request that the Board consider the Phase Two Master Agreement among other aspects of the Natomas Levee Improvement Project (NLIP).
4	Action	Natomas Central Mutual Water Company and Conservancy Groundwater Exchange Agreement proposed amendment	Action	2.24 + ①	<p>⊕ The Natomas Central Mutual Water Company ("Water Company") proposed, and the Conservancy Board of Directors accepted (Resolution #07.11.06), a groundwater and surface water exchange agreement ("exchange agreement") in 2007. The agreement was effective immediately, but the groundwater exchange provisions were not scheduled to begin until 2010 under the terms specified in the agreement.</p> <p>The arrangement would provide reasonable compensation to the Conservancy from the Water Company. This would include full cost reimbursement for energy and power necessary to operate the Conservancy's groundwater wells, an allowance for wear and tear (10 percent of billed electricity or energy costs), and a financial consideration that would cause the Water Company to pay the Conservancy 10 percent of electricity or energy costs (on top of the 10 percent for repair and service costs on the wells and well pumps) for administration. If for any reason the Conservancy's ground water well production fails to deliver adequate water to any of its preserves, including rice fields, the Water Company would be required to cease the water exchange arrangement.</p> <p>The Water Company has evidenced notices and declarations from the state and federal governments that drought conditions are likely to restrict water deliveries in California, and more specifically, the Sacramento Valley. In order to be prepared, the Water Company requests that the exchange agreement be amended so that if drought conditions warrant, the actual groundwater exchange provisions are moved forward to 2009 from 2010.</p> <p>Conservancy staff supports the request from the Water Company.</p>
5	Action	Amending the Employment Agreement between the Conservancy and its Executive Director	Action	2.27 + ①	⊕ The Conservancy Board is asked to authorize the Board President to execute and deliver an amendment to the existing employment agreement between the Conservancy and the Conservancy Executive Director. The Executive Director requests that his right to a cost of living increase and merit increase be waived again this year so that no compensation adjustment is

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					<p>anticipated. The amendment would extend the agreement for a three-year period beginning March 15, 2009.</p> <p>The Board is required to determine that changes to a chief executive officer's compensation are "just and reasonable." 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> <p>A copy of a salary survey and other resources are presented in order to assist the Board in making this determination.</p>
6	Discussion	City of Sacramento report	No action	∅	○ Report from the City of Sacramento regarding HCP-related activity and other topics.
7	Discussion	Financial statement review	No action	①	○ A financial statement update will be provided for the period ended January 31, 2009 (unaudited).
8	Discussion	Investment Advisor year-end report covering Conservancy's endowment funds	No action	①	○ A report will be presented on the 2008 performance of the Conservancy's endowment funds. Sheree Arntson of Arnerich & Massena will present.
9	Discussion	Update report: partial channel maintenance for the Betts and Kismat tracts	No action	2.29	<p>○ Conservancy staff discussed with the Board at its last meeting the matter of the proposed channel maintenance work on the Betts and Kismat tract. Due to the project's relative small size, last year's successful channel maintenance work, and the level of training and education invested in last year's channel maintenance contractor, whether the Board preferred to see:</p> <ol style="list-style-type: none"> 1. a time-and-materials contract with a cap (e.g., a not-to-exceed amount), and selection of the last year's contractor, or 2. if the Board preferred a bid procedure be conducted. <p>The Board stated it preferred an informal bid process. Staff was to return to the Board with a progress update on this.</p>
10	Discussion	Follow-up on long-range economic planning	No action	2.33	○ At the last Board meeting, Board members requested that staff follow up on a matter discussed in last month's discussion on long-range financial planning. The matter pertained to out-year increases over status quo in respect to the two-year (2009 and 2010) no-action scenario presented to the Board. This item responds to the

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					Board's request.
11	Discussion	Annual Report on Biological Monitoring	No action	①	○ Representatives from ICF Jones and Stokes will present the results of the 2008 biological monitoring report.
12	Discussion	Managing Sacramento County Airport Systems' interactions	No action	2.35	○ At the last Board meeting, the Board was briefed on Sacramento County Airport Systems (SCAS) actions which undermine the ability of the Conservancy to conduct its Plan Operator function as fully envisioned in the 2003 NBHCP and the MAPHCP. The Board requested staff prepare a briefing paper that can be used to guide meetings with others on the topic. Staff will present its draft of this paper to the Board and seek comments on it and the matter in general.
13	Public Comments	Public Comments	No action	∅	○ Opportunity for members of the public to address the Conservancy's Board of Directors.
14	Executive Session	Executive Session – Real Estate	Action	∅	○ Executive Session for real estate is planned.
15	Executive Director's Report	Executive Director's Report	No action	①	○ Various matters for Board members' general information.
16	Adjournment	Adjournment	Admin.	∅	○ Official adjournment of the meeting.

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