

Minutes of a Regular Meeting
of
The Natomas Basin Conservancy

May 4, 2016

8701 E. Levee Road
Elverta, CA
4:00 p.m.

BOARD MEMBERS

PRESENT:

= attended

= did not attend

- Kay Backer
- David Christophel
- William Edgar
- Kevin McRae (arrived at 4:18 pm)
- Davin Norene
- Jeff Norton
- Charee Thurman
- Steven Willey

STAFF/LEGAL COUNSEL
PRESENT:

John Roberts, Kim Burns, Jennifer Skupic, Valerie Huezo,
Jeremy Lor, and Ed Quinn

GUESTS:

Angela McIntire, Thomas Law Group

TAC:

None

CALL TO ORDER

Norene called the Regular Meeting of the Board of Directors to order, noting a quorum was present.

ANNOUNCEMENTS

Roberts thanked the Board for coming out to the preserves. Roberts announced that the Implementation Annual Report was filed by the April 30, deadline and that the Executive Summary of the Report will be available at the June Board meeting. He also requested that agenda item #8 be pulled from the agenda, as it was a duplicate to agenda item #11.

PUBLIC COMMENTS

There were no public comments heard.

ACTION-REGULAR SESSION

Norene requested approval of the April 6, 2016 Board of Directors meeting minutes and consent items.

¹ Notice of meeting posted on TNBC website.

<p>3</p> 	<p>Approval of the minutes</p> <p><i>All items listed under the Consent Calendar, including minutes, are considered and acted upon by one Motion. Any Board member may request an item be removed for separate consideration.</i></p>	<p>Action</p>	<p>⊕ The Board Chair will request approval of the minutes and consent items of the Board of Directors meeting of April 6, 2016.</p>
<p>4</p> 	<p>Cancellation of July 6, 2016 Board meeting</p>	<p>Action</p>	<p>⊕ The Board typically cancels the July Board meeting as it has traditionally been difficult to obtain a quorum due to the Independence Day holiday. This item requests Board approval to cancel the July 6, 2016 Board meeting.</p>
<p>5</p> 	<p>Purchase of a lawn tractor</p>	<p>Action</p>	<p>⊕ In last year's budget discussion, the Board was advised of the Conservancy's intent to purchase a lawn tractor. The equipment was to be used for heavy lawn mowing at the Conservancy's Casa de Pedro residence, Pedro barn area, Silva residence as may be needed, and the Quonset and Tretheway Grove areas at a minimum. The equipment is supplemented with a scraper to smooth dirt roads that have been rutted by wet-weather usage (light duty). The overall purpose of the acquisition is to reduce land management expense.</p> <p>Three bids were received by the Conservancy for the desired equipment.</p> <p>The 2016 budget includes \$10,000.00 for this purchase; however, the bids came in over the Executive Directors' \$10,000.00 spending limit. This item requests authorization to acquire a John Deere X758 lawn tractor with mowing deck, hitch and box blade scraper from Valley Truck and Tractor in the amount of \$13,380.67.</p>

(Res.16.05.01) On a motion by Norton and a second by Edgar, the Board unanimously approved the April 6, 2016 minutes and consent items.

Board members

- | | |
|-------------------------------------------------------|--------------------------------------------------|
| <input checked="" type="checkbox"/> Kay Backer | <input checked="" type="checkbox"/> Davin Norene |
| <input checked="" type="checkbox"/> David Christophel | <input checked="" type="checkbox"/> Jeff Norton |
| <input checked="" type="checkbox"/> William Edgar | <input type="checkbox"/> Charee Thurman |
| <input type="checkbox"/> Kevin McRae | <input type="checkbox"/> Steven Willey |

Vote symbols

- = "aye" vote
- = "no" vote
- = not present
- ◆ = abstain or recuse

McRae joined the meeting at 4:18 pm.

Budget adjustment for 2016 due to cancellation of the 2016 Groundwater Exchange Program. This item requested Board of Directors approval for a budget adjustment that reduces the 2016 planned revenue in the amount of \$800,000.00. The original budgeted 2016 revenue was \$4,000,687.00. With this change it will be reduced to \$3,200,687.00. This reflects the recent and unexpected withdrawal of the San Luis and Delta-Mendota Water Authority as a purchaser of water generated by the 2016 Groundwater Exchange Program.

(Res.16.05.02) On a motion by Backer and second by Edgar, the Board unanimously approved the 2016 budget adjustment to reduce revenue by \$800,000.00.

Board members

<input checked="" type="checkbox"/> Kay Backer	<input checked="" type="checkbox"/> Davin Norene
<input checked="" type="checkbox"/> David Christophel	<input checked="" type="checkbox"/> Jeff Norton
<input checked="" type="checkbox"/> William Edgar	<input type="checkbox"/> Charee Thurman
<input checked="" type="checkbox"/> Kevin McRae	<input type="checkbox"/> Steven Willey

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IRS Form 990. As a "best practice," and to respond affirmatively to the Conservancy tax reporting with the IRS and CFTB, this item presented the Conservancy's 2015 Form 990 for Board review. The Board of Directors had an opportunity to comment on the Conservancy's 2015 annual State and Federal tax filings..

(Res.16.05.03) On a motion by Christophel and second by Norton, the Board unanimously accepted the annual filings with state and federal tax authorities, including the IRS Form 990.

Board members

<input checked="" type="checkbox"/> Kay Backer	<input checked="" type="checkbox"/> Davin Norene
<input checked="" type="checkbox"/> David Christophel	<input checked="" type="checkbox"/> Jeff Norton
<input checked="" type="checkbox"/> William Edgar	<input type="checkbox"/> Charee Thurman
<input checked="" type="checkbox"/> Kevin McRae	<input type="checkbox"/> Steven Willey

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DISCUSSION

Financial statement review. Burns provided financial statements for the period ended March 31, 2016 (unaudited). Additional financial information was provided.

Update on State of California Board of Equalization letter regarding assessment methodology and County of Sutter's property tax assessments; County of Sutter Assessor. Roberts and Burns updated the Board on progress in the matter of the County of Sutter Assessor's compliance with instructions from the State of California Board of Equalization in its letter and action pursuant to that letter and property tax relief for the Conservancy.

McRae stepped out of the meeting at 4:45 pm.

Report back: the Board requested staff obtain historic groundwater well water soundings and report back. Conservancy Board members requested that Conservancy staff look back several decades to groundwater levels in the Natomas Basin so that a comparison could be made with reference to 2015's groundwater exchange program. Roberts reported back on this matter.

McRae returned to the meeting at 4:51 pm.

PUBLIC COMMENTS

There were no public comments heard.

EXECUTIVE DIRECTOR'S REPORT

Various matters for Board members' general information were presented by the Conservancy's Executive Director.

EXECUTIVE SESSION

Executive Session was held for real estate matters.

The Board reported that various real estate matters were discussed.

ADJOURNMENT

Official adjournment of the meeting.

(Res.16.05.04) On a motion by Christophel and a second by Backer the Board unanimously voted to adjourn the meeting at 5:50 pm.

Board members

- | | |
|-------------------------------------------------------|--------------------------------------------------|
| <input checked="" type="checkbox"/> Kay Backer | <input checked="" type="checkbox"/> Davin Norene |
| <input checked="" type="checkbox"/> David Christophel | <input type="checkbox"/> Jeff Norton |
| <input checked="" type="checkbox"/> William Edgar | <input type="checkbox"/> Charee Thurman |
| <input checked="" type="checkbox"/> Kevin McRae | <input type="checkbox"/> Steven Willey |

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ATTEST:

David Christophel, Secretary

date