

Minutes of a Regular Meeting¹
of
The Natomas Basin Conservancy

June 1, 2016
Offices of the Natomas Basin Conservancy
2150 River Plaza Drive, Suite 460
Sacramento, CA
4:00 p.m

BOARD MEMBERS

PRESENT:

= attended

= did not attend

- Kay Backer (via conference call)
- Chandra Chilmakuri
- David Christophel
- William Edgar
- Kevin McRae
- 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:

Nick Avdis, Thomas Law Group; Tanya Shea, California
Department of Fish & Wildlife; Kellie Berry, Rick Kuyper,
U.S. Fish & Wildlife Service; and John Bolce, LP Insurance

TAC:

None

CALL TO ORDER

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

ANNOUNCEMENTS

Roberts announced City of Sacramento Board appointees; new Board member Chandra Chilmakuri and reappointment of Board member Kay Backer.

PUBLIC COMMENTS

There were no public comments heard.

IMPLEMENTATION ANNUAL MEETING (Implementation Agreement §5.4)

- A. Meeting notes were contained in the June 3, 2015 Board of Directors meeting minutes, previously made available to the Board and approved by the Board.
- B. Discussion of Annual Report. Concerns, comments, recommendations.
- C. City of Sacramento issues.

¹ Notice of meeting posted on TNBC website.



- D. County of Sutter issues.
- E. California Department of Fish and Wildlife issues.
- F. U.S. Fish and Wildlife Service issues.
- G. Adjourn Implementation Annual Meeting.

The Chair called on each listed “party” to the NBHCP, offering each an opportunity to comment on the 2015 Implementation Annual Report. Berry spoke for the USFWS, noting it was pleased with the Conservancy’s implementation of the HCP and that it was a pleasure working with the Conservancy.

Norene thanked the representatives from the Wildlife Agencies for participating in the Implementation Annual Meeting and adjourned the meeting.

ACTION-REGULAR SESSION

Norene requested approval of the May 4, 2016 Board of Directors meeting minutes and consent item.

4		Approval of the minutes <i>All items listed under the Consent Agenda, including minutes, are considered and acted upon by one motion. Any Board member may request an item be removed for separate consideration.</i>	Consent	⊕ The Board Chair will request approval of the minutes and consent items of the Board of Directors meeting of May 4, 2016.
5		Cancellation of September 7, 2016 Board meeting	Consent	⊕ The September 7 Board meeting follows the September 5 Labor Day national holiday. Historically, it has often been difficult to obtain a quorum when these dates are so close together. Staff recommends cancellation of the Board meeting for September.

(Res.16.06.01) On a motion by Edgar and a second by Christophel, the Board unanimously approved the May 4, 2016 minutes and consent items.

Board members

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

Vote symbols

- = “aye” vote
- = “no” vote
- = not present
- ◆ = abstain or recuse

Item taken out of order – Insurance update.

Christophel recused himself and left the room before the next agenda item.

Authority to cast ballots in the Conservancy’s interest in the matter of the Consolidated Capital Assessment District 2 by the Sacramento Area Flood Control Agency. The Board was requested to authorize the Conservancy’s Executive Director to cast ballots on the Conservancy’s behalf for the Sacramento Area Flood Control Agency (SAFCA) assessment proposed and due June 13, 2016.

On April 29, 2016, SAFCA mailed ballots to 160,000 property owners requesting they cast a ballot in the planned assessment to add flood protection to the area. One of the key projects is the funding to complete an additional 24 miles of improvements to levees surrounding the Natomas Basin, addressing underseepage and levee stability, all by the year 2025. Roberts recommended that he be authorized to cast all ballots in the affirmative, in the Conservancy's interest.

(Res.16.06.02) On a motion by Edgar and second by Norton, the Board unanimously voted to authorize the Conservancy's Executive Director to cast all Sacramento Area Flood Control Agency (SAFCA) assessment ballots in the affirmative on behalf of the Conservancy.

Board members

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|--|---|
| <input checked="" type="checkbox"/> Kay Backer | <input checked="" type="checkbox"/> Davin Norene |
| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jeff Norton |
| <input checked="" type="checkbox"/> David Christophel | <input type="checkbox"/> Charee Thurman |
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Christophel returned to the meeting.

BKS Outfall Swale Modification. The BKS Pond Q serves as the last stop before water is shunted southward or, for future use, westward onto the Conservancy's as-yet developed Frazer South managed marsh complex. In order to take advantage of no-cost water, the Conservancy has long envisioned a plan when water used on the BKS North Course could be re-used on additional marsh complexes. By providing the management option of sending water either south or west (or both), the Conservancy can maximize its use of water and save money.

The Conservancy has the Frazer South managed marsh facility listed next on its rice-to-marsh conversion schedule, and proposes to construct it as soon as new HCP fee payments warrant the conversion. The cost of the proposed BKS outfall swale modification work is \$30,079.82. The project will be let to bid as soon as construction drawings are complete.

Roberts recommended approval of this project and authorization to execute and deliver the necessary instruments to effectuate completion of the project in a timely manner.

(Res.16.06.03) On a motion by Willey and second by Christophel, the Board unanimously voted on the Executive Director to execute and deliver the necessary instruments to effectuate completion of the project in a timely manner.

Board members

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

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DISCUSSION

Financial statement review. Burns provided financial statements for the period ended April 30, 2016 (unaudited). Additional financial information was provided.

Biological Effectiveness Monitoring Program Document revision. Roberts updated the Board on progress in completing the Biological Monitoring Program Document. This document is the basis for biological monitoring work so that it is compliant with the NBHCP and MAPHCP. The work is being done prior to releasing a Request for Proposals to conduct biological monitoring work in future years.

Insurance update. Roberts updated the Board on the transition with insurance brokerage services, and John Bolce with LP Insurance, the Conservancy's new insurance broker, reviewed the policies that renewed in May.

PG&E easement activity. PG&E's worked on the high-pressure gas pipeline through the Natomas Basin is about to commence. Roberts updated the Board on new developments in the matter.

Update on State of California Board of Equalization letter regarding assessment methodology and County of Sutter's property tax assessments; County of Sutter Assessor. 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.

EXECUTIVE DIRECTOR'S REPORT

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

Willey left the meeting at 5:45 pm

EXECUTIVE SESSION

Executive Session was held for real estate matters.

ADJOURNMENT

Official adjournment of the meeting.

(Res.16.06.04) On a motion by Chilmakuri and a second by Norton the Board unanimously voted to adjourn the meeting at 6:13 pm.

Board members

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| <input checked="" type="checkbox"/> Kay Backer | <input checked="" type="checkbox"/> Davin Norene |
| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jeff Norton |
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ATTEST:

David Christophel, Secretary

date