

**Minutes of a Regular Meeting<sup>1</sup>**  
of  
**The Natomas Basin Conservancy**

August 8, 2018

Offices of the Natomas Basin Conservancy  
2150 River Plaza Drive  
Sacramento, CA  
4:00 p.m.

**BOARD MEMBERS  
PRESENT:**

= attended  
 = did not attend

Chandra Chilmakuri  
 David Christophel  
 Steve Cohn  
 Jeff Helm  
 Michael Johnston (arrived at 4:20 pm)  
 Jill Leal  
 Kevin McRae  
 Jeff Norton  
 John Shirey  
 Anthony Van Ruiten

**STAFF/LEGAL  
COUNSEL PRESENT:**

John Roberts, Kim Burns, Jennifer Skupic, Jeremy Lor  
Ed Quinn, Best Best & Krieger, Laura Fowler, Best Best &  
Krieger and Isabel Safie, Best Best & Krieger

**GUESTS:**

Nick Avdis, Attorney; John Bolce, LP Insurance; Allie  
Essert, U.C. Davis, PhD student; Cheryle Hodge, City of  
Sacramento; Doug Leslie, ICF International; John  
Norman, Brookfield Land Co.; and Margie Ose

**TAC:**

None

**CALL TO ORDER**

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

**PUBLIC COMMENTS**

There were no public comments.

**CONSENT AGENDA**

Shirey requested a motion to approve the June 6, 2018 Board of Directors meeting minutes and consent items.

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<sup>1</sup> Notice of meeting posted on TNBC website.

Leal asked to remove from the consent agenda the following matters: the minutes, BKS emergency forebay clean-out ratification, and Executive Director legal expense.

Shirey asked for a motion on the remaining consent item, bollard and cable fence at the Atkinson tract.

Bollard and cable fence at Atkinson. Staff requested Board authorization to install bollard and cable fencing along a portion of the westerly property line of the Conservancy's Atkinson tract totaling \$13,500.00.

(Res.18.08.01) On a motion by Cohn and a second by Christophel, the Board unanimously approved the expenditure of \$13,500.00 to install the bollard and cable fence on the Atkinson tract. This action also approves of an adjustment to the 2018 budget if necessary.

Board members

Chandra Chilmakuri  
 David Christophel  
 Steve Cohn  
 Jeff Helm  
 Michael Johnston

Jill Leal  
 Kevin McRae  
 Jeff Norton  
 John Shirey  
 Anthony Van Ruiten

Vote symbols

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

Approval of the minutes. The June 6, 2018 minutes were discussed. Shirey noted that the location name should be changed to remove "Offices of..." Leal made a motion to remove the paragraph:

"Roberts noted at mid-point in the item that the next portion of his presentation covered matters of a strategic nature regarding Conservancy business practices, concerning rice land leasing and offered an opportunity for Board members engaged in the rice business to recuse themselves. None recused."

...from the June 6, 2018 minutes. Van Ruiten seconded the motion. Motion failed.

Board members

Chandra Chilmakuri  
 David Christophel  
 Steve Cohn  
 Jeff Helm  
 Michael Johnston

Jill Leal  
 Kevin McRae  
 Jeff Norton  
 John Shirey  
 Anthony Van Ruiten

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Shirey called for a motion to approve the June 6, 2018 minutes. Leal wanted it memorialized that at the April 4, 2018 meeting that while the minutes reflect she re-joined the meeting after the SCAS proposed development, she wanted to return to the meeting earlier but the agenda item was dismissed before she returned.

(Res.18.08.02) On a motion by Chilmakuri and a second by Van Ruiten, the Board approved the June 6, 2018 minutes.

Board members

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input checked="" type="checkbox"/> David Christophel  | <input checked="" type="checkbox"/> Kevin McRae        |
| <input checked="" type="checkbox"/> Steve Cohn         | <input checked="" type="checkbox"/> Jeff Norton        |
| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
| <input type="checkbox"/> Michael Johnston              | <input checked="" type="checkbox"/> Anthony Van Ruiten |

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BKS emergency forebay clean-out ratification. Shirey called for a motion to approve the BKS emergency forebay clean-out ratification. Roberts discussed with the Board the location of the forebay and what necessitated the emergency clean-out.

(Res.18.08.03) On a motion by Chilmakuri and a second by Helm, the Board unanimously ratified the BKS emergency forebay clean-out expense.

Board members

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| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input checked="" type="checkbox"/> David Christophel  | <input checked="" type="checkbox"/> Kevin McRae        |
| <input checked="" type="checkbox"/> Steve Cohn         | <input checked="" type="checkbox"/> Jeff Norton        |
| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
| <input type="checkbox"/> Michael Johnston              | <input checked="" type="checkbox"/> Anthony Van Ruiten |

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Johnston arrived.

Executive Director legal expense. Cohn requested this item be removed from this agenda and moved to Executive Session at the October 3, 2018 Board meeting.

(Res.18.08.04) On a motion by Cohn and a second by Johnston, the Board unanimously moved the agenda item – Executive Director legal expense – to the October 3, 2018 Board meeting in Executive Session.

Board members

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| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input checked="" type="checkbox"/> David Christophel  | <input checked="" type="checkbox"/> Kevin McRae        |
| <input checked="" type="checkbox"/> Steve Cohn         | <input checked="" type="checkbox"/> Jeff Norton        |
| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
| <input checked="" type="checkbox"/> Michael Johnston   | <input checked="" type="checkbox"/> Anthony Van Ruiten |

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**ACTION**

Insurance presentation. John Bolce with LP Insurance reviewed with the Board the Conservancy's recently renewed insurance policies. The Conservancy presently holds the following policies: Directors & Officer, non-owned and hired auto, workers' compensation, employee practices liability, general liability, umbrella and flood insurance. Management sought Board approval of all policy coverage limits and premiums.

(Res.18.06.05) On a motion by Christophel and a second by Norton, the Board unanimously approved of all insurance policy coverage limits and premiums as presented.

Board members

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| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input checked="" type="checkbox"/> David Christophel  | <input checked="" type="checkbox"/> Kevin McRae        |
| <input checked="" type="checkbox"/> Steve Cohn         | <input checked="" type="checkbox"/> Jeff Norton        |
| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
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Pollution insurance. John Bolce with LP Insurance reviewed with the Board pollution insurance coverage, the need for it, the benefits of it and costs associated with it.

(Res.18.06.06) On a motion by Cohn and a second by Leal, the Board unanimously approved adding a pollution insurance policy at the \$1 million limit, with a \$25,000.00 deductible and an annual premium of \$9,388.26. This action also approves a commensurate adjustment to the 2018 budget if necessary.

Board members

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| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input checked="" type="checkbox"/> David Christophel  | <input checked="" type="checkbox"/> Kevin McRae        |
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| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
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Christophel stepped out of the meeting.

Authorization to approve the demolition of the structure at 9055 E. Levee Road. Management requested the Board's authorization to demolish the house at 9055 E. Levee Road. The cost of maintenance of this old farm house has continuously exceeded the revenue brought in by rent. Staff recommended the Board approve \$22,400.00 for the demolition and \$7,500.00 for contingencies.

(Res.18.06.07) On a motion by Johnston and a second by Chilmakuri, the Board unanimously approved of the demolition of the house at 9055 E. Levee Road for \$22,400.00 for the demolition and \$7,500.00 for contingencies. This action also approves a commensurate adjustment to the 2018 budget if necessary.

Board members

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Chandra Chilmakuri | <input checked="" type="checkbox"/> Jill Leal          |
| <input type="checkbox"/> David Christophel             | <input checked="" type="checkbox"/> Kevin McRae        |
| <input checked="" type="checkbox"/> Steve Cohn         | <input checked="" type="checkbox"/> Jeff Norton        |
| <input checked="" type="checkbox"/> Jeff Helm          | <input checked="" type="checkbox"/> John Shirey        |
| <input checked="" type="checkbox"/> Michael Johnston   | <input checked="" type="checkbox"/> Anthony Van Ruiten |

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Christophel returned to the meeting.

GGS translocation project. Allie Essert from U.C. Davis presented the Board with an opportunity for the Conservancy to participate in a Giant garter snake translocation project, whereby adult snakes would be removed from the Conservancy's BKS tract and other locations, bred and relocated to Fisherman's Lake area preserves. This is a two-year project.

Helm inquired as to any mortality of the snakes being held and bred and whether or not those mortalities would count against the Conservancy's BEMP contractor's three-mortality limit per year. Management will follow up with him on that.

(Res.18.06.08) On a motion by Christophel and a second by Chilmakuri, the Board unanimously approved the expenditure of \$39,000.00 (over two years) as part of the GGS translocation project. These funds will be taken from GGS designated funds.

Board members

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Park & Water Bond issue and Conservancy participation. Management requested Board authorization of \$4,000.00 per month with Michael J. Arnold & Associates for the purpose of attempting to acquire grants from the June 2018 referendum ("California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018") and future initiatives. The consultant would also represent the Conservancy in matters pertaining to the water bond referendum on the November 2018 ballot.

(Res.18.06.09) On a motion by Cohn and a second by Christophel, the Board unanimously approved of the \$4,000.00 per month to Michael J. Arnold & Associates for government relations services with a 30-day termination clause and status update no less than every six months.

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McRae left the meeting at 6:55 pm.

**DISCUSSION**

Financial statement review. Burns provided financial statements for the period ended June 30, 2018 (unaudited). Additional financial information was provided.

Meeting with legal counsel on Board and staff rights and responsibilities. Isabel Safie with Best Best and Krieger briefed Board members on their rights, responsibilities and obligations, including duty of care, duty of loyalty and a discussion of the business judgment rule. Safie responded to questions from the Board.

## EXECUTIVE DIRECTOR'S REPORT

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

## EXECUTIVE SESSION

Executive Session for real estate was held.

## ADJOURNMENT

Official adjournment of the meeting.

(Res.18.08.10) On a motion by Johnston and a second by Chilmakuri the Board unanimously voted to adjourn the meeting at 9:00 pm.

### Board members

- Chandra Chilmakuri
- David Christophel
- Steve Cohn
- Jeff Helm
- Michael Johnston

- Jill Leal
- Kevin McRae
- Jeff Norton
- John Shirey
- Anthony Van Ruiten

### Vote symbols

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## ATTEST:

\_\_\_\_\_  
*Chandra Chilmakuri, Secretary*

\_\_\_\_\_  
*Date*