

**Minutes of Regular Meeting
of
The Natomas Basin Conservancy**

October 4, 2023

Offices of the Natomas Basin Conservancy
(Meeting was held in person and Zoom)

5:30 p.m.

Notice of meeting posted on Conservancy website.

Regular Meeting of the Board of Directors

1. Executive Session: The Board of Directors Executive Session was held from 4:04 p.m. to 5:38 p.m.

2. Call to Order. Chilmakuri called the regular meeting to order at 5:39 p.m., noting a quorum was present. Roberts introduced newly-appointed Board member Michael Critchfield to the Conservancy's Board of Directors.

Board Members Present: Melinda Bradbury, Chandra Chilmakuri (Zoom attendance), David Christophel, Steven Cohn, Michael Critchfield, Michael Johnston, Doug Libby, John Shirey, and Gabrielle Stadem.

Staff Present: John Roberts, Kim Burns, Jennifer Skupic, Yvonne Melkonian, Paulina Lu, and Spencer Rees, IT consultant.

Legal Counsel Present: Ethan Walsh.

3. Public Comments. Chilmakuri called for public comments. None were heard.

Consent Calendar

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.

Request: Board Approval of Consent Items #4, Approval of the minutes, #5, Internal Financial Controls Policy, Item #6, Corporate credit card account changes, and Item #7, Rosa East lift pump repairs.

Action: Moved/Seconded: Johnston/Libby

Yes: Melinda Bradbury, Chandra Chilmakuri, David Christophel, Steven Cohn, Michael Johnston, Doug Libby, John Shirey and Gabrielle Stadem.

Abstain: Michael Critchfield

4. Approval of the minutes. Action: Passed **Resolution No. RS 23.10.01.** Chilmakuri called for approval of the June 7, 2023 Board of Directors Implementation Annual Meeting and Regular Meeting minutes.

5. Internal Financial Controls Policy. Action: Passed **Resolution No. RS 23.10.02.** The Conservancy's Internal Financial Controls Policy was last updated and approved by the Board of Directors on December 7, 2022. This policy was presented to the Audit Committee for

review with minor changes and adjustments. The Audit Committee recommended the Board approve the proposed changes to the Conservancy's Internal Financial Controls Policy.

6. Corporate credit card account changes. Action: Passed **Resolution No. RS 23.10.03**. The Conservancy's Internal Financial Controls Policy requires Board approval to establish or close any new bank account. The Conservancy had two Chase corporate credit cards, each with a \$10,000.00 limit. The Chase corporate credit cards were impacting Conservancy employees' personal credit. Card Assets, a credit card provider recommended by River City Bank, would use the Conservancy's information rather than employees' according to River City Bank.

Request: Board approved opening two Card Assets corporate credit cards, each with a \$10,000.00 limit and closure of two Chase Bank corporate credit cards and authorize and direct either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all action deemed necessary or appropriate to implement this change.

7. Rosa East lift pump repairs. Action: Passed **Resolution No. RS 23.10.04**. The Rosa East lift pump recently suffered a blow out and emergency repairs were made to get the pump through the growing season and avoid crop loss. The Rosa East tract is a property that produces a Swainson's hawk-friendly crop and partially lies in the NBHCP's Swainson's Hawk Zone. The repairs to the lift pump were \$33,285.71. Management requested ratification of this emergency expenditure, authorized by the Executive Director.

Action Items

8. 2023 mid-year budget revision. A 2023 mid-year budget revision was presented for Board review. The only adjustments proposed were for reallocation of specified line items, staying within current budget limits.

Request: Management requested reallocation of funds within current budget.

Action: Moved/Seconded: Johnston/Christophel

Yes: Melinda Bradbury, Chandra Chilmakuri, David Christophel, Steven Cohn, Michael Critchfield, Michael Johnston, Doug Libby, John Shirey and Gabrielle Stadem.

Passed: Resolution No. RS 23.10.05.

9. Marsh design and management. In 2023, the Board-approved budget included \$200,000.00 for restoration and enhancement expenditures related to permitting and planning activities for future managed marsh construction projects, in 2023, 2024, and 2025. On April 5, 2023 the Board approved (Reso. 23.04.01) the release of \$100,000.00 to engage landscape architects, surveyors, and engineers to prepare documentation for these projects.

In continuance of preparation for the marsh projects, staff proposed to enter into a Service Agreement with Westervelt Ecological Services for the design element of the proposed Bennett North, Elverta, Frazer South, and Nestor marsh development projects. Westervelt sent the engineering portion of the project out for best-value bid consideration. Under the terms of this agreement, Westervelt will handle the project management on all projects while engineering firm Baker Williams Engineering and/or engineering firm NHC will handle the design work on the project.

Request: Board of Directors approval: 1) Authorization of the remaining budgeted \$100,000.00, previously approved, to continue the permitting and planning phase of the managed marsh projects, 2) an additional \$245,000.00 (including a 15% contingency) in the restoration and enhancement budget and authorization for the design and management phase of the projects, and 3) authorization for the Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to execute and deliver a contract between the Conservancy and contractors for design, permitting, and construction management services on the Conservancy's Bennett North, Elverta, Frazer South and Nestor marsh development projects.

Action: Moved/Seconded: Christophel/Libby

Yes: Melinda Bradbury, Chandra Chilmakuri, David Christophel, Steven Cohn, Michael Critchfield, Michael Johnston, Doug Libby, John Shirey and Gabrielle Stadem.

Passed: Resolution No. RS 23.10.06.

10. Triangle Service Agreement renewal. Conservancy contractor Triangle (Board resolution #20.10.03 and #22.08.03) currently holds the land maintenance contract for the Conservancy's Marsh Reserve Areas, covering approximately 840 acres. In the time since Triangle submitted its Request for Proposal response in 2019, many changes have occurred that have affected the cost of maintenance, including labor, fuel, and products. Additionally, the severe drought in 2022, followed by heavy rains, revealed the importance of preventative maintenance actions. Triangle and the Conservancy have concluded that based on what Triangle has learned about the properties, given the need for continuity, and the Conservancy's desire for additional care, the Services Agreement between the Conservancy and Triangle should be extended and the level of care broadened. This action proposed to extend the Service Agreement between the Conservancy and Triangle with a three-year Service Agreement with two optional one-year extensions at the discretion of Conservancy management with the proposed updated Board-approved terms. The proposed costs were as follows: 2024 – \$501,230.00, 2025 – \$516,267.00, 2026 – \$531,755.00, 2027 & 2028 are optional; renewals increase 3% per year.

Request: Board approval on: 1) an extension of the Service Agreement between the Conservancy and Triangle for land maintenance services on the Conservancy's Marsh Reserve Areas covering years 2024-2026 with two optional one-year renewals at the discretion of management under Board-approved updated terms, and 2) authorization for the Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions necessary to execute and deliver on the above-referenced Service Agreement and contract amounts.

Action: Moved/Seconded: Johnston/Bradbury

Yes: Melinda Bradbury, Chandra Chilmakuri, David Christophel, Steven Cohn, Michael Critchfield, Michael Johnston, Doug Libby, John Shirey and Gabrielle Stadem.

Passed: Resolution No. RS 23.10.07.

Discussion Items

11. City of Sacramento Report. No City of Sacramento report was presented.

12. Sutter County Report. No County of Sutter report was presented.

13. Financial Statement Review. Burns reviewed with the Board the unaudited financial statement for the period ending August 31, 2023.

14. Draft 2024 budget. Burns discussed with the Board the draft 2024 budget. The submitted draft is for familiarization and review by the Board. The final 2024 budget will be included with the NBHCP Finance Model update and presented for approval to the Board at its December 6, 2023 meeting. Several Board members had requests for this agenda item; Bradbury requested to see the proposed fee without the rolling average methodology on the Endowment fund, Cohn requested to see the City of Sacramento's board and commission schedule to determine a competitive Board compensation rate, and Shirey proposed the Board consider the Board fee be changed to \$200.00 per meeting and the City of Sacramento's Line of Credit have a minimum payment of \$250,000.00 each year, to be offset by NBHCP mitigation fees. Burns stated that she would address each of these matters at the next Board meeting.

Executive Director's Report

15. Executive Director's Report. The Conservancy's Executive Director presented various matters for the Board members' general information.

Adjournment

16. Adjournment. Chilmakuri called for a motion to adjourn the Regular Meeting of the Board of Directors.

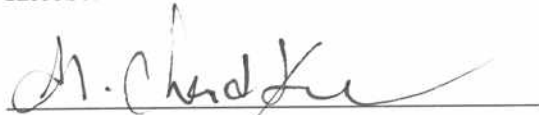
Request: Meeting adjournment at 7:05 p.m.

Action: Moved/Seconded: Shirey/Bradbury

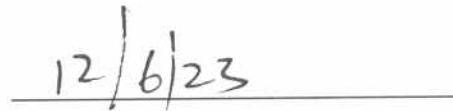
Yes: Melinda Bradbury, Chandra Chilmakuri, David Christophel, Steven Cohn, Michael Critchfield, Michael Johnston, Doug Libby, John Shirey and Gabrielle Stadem.

Passed: Resolution No. RS 23.10.08.

Attest:



Chandra Chilmakuri, Chair



Date