Minutes of Regular Meeting
of
The Natomas Basin Conservancy

June 4, 2025

Offices of the Natomas Basin Conservancy
(Meeting was held in person and Zoom)
4:00 p.m.
Notice of meeting posted on Conservancy website.

Regular Meeting of the Board of Directors

Board Members Present: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard (remote attendance), and Gabrielle Stadem.

Board Members Absent: Mike Johnston and Ethan Valburg.

Staff Present: John Roberts, Kimberli Burns, Jennifer Skupic, Eric Dubovik, Yvonne Melkonian, Paulina Lu, Celeste Ingvaldsen, and Spencer Rees, IT consultant.

Legal Counsel Present: Ethan Walsh.

Guests Present: Matthew Aijala, Nick Avdis, Amy Callahan, Steve Cohn, Brett Gray, Neal Hay, and Cheryle Hodge.

1. Call to Order. Chilmakuri called the regular meeting to order at 4:01 p.m., noting a quorum was present. Chilmakuri asked if there were any announcements. Roberts informed the Board of Steve Cohn's invitation to the meeting to acknowledge his service to the Conservancy. Roberts then shared the Conservancy had received a signed compliance statement from the IRS regarding the Conservancy's SEP-IRA, resolving a complex matter of long-standing. Roberts also asked the Board to move the agenda item (#15, Water outlook for 2025) with guest presenter Brett Gray to immediately after the Consent Calendar items, then Item #7, Proposed insurance renewals regarding insurance policies and guest presenter Amy Callahan of LP Insurance.

2. 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: Approval of the Consent Calendar in one motion, including Items #3, Approval of the minutes, #4, Septic system replacements, #5, Beaver damage repairs, and #6, Field Services Truck #3.

Action: Moved/Seconded: Bradbury/Libby

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

3. Approval of the minutes. Action: Passed **Resolution No. RS 25.06.01.** April 2, 2025 Board of Directors Regular Meeting minutes were presented to the Board.

4. Septic system replacements. Action: Passed **Resolution No. RS 25.06.02.** Septic system replacements were requested to maintain safety and hygiene standards at the Conservancy's corporate yard on the BKS tract. The 2025 Board-approved budget for the septic system replacement is $69,000.00.

This item requested: 1.) Board approval to replace two septic systems, one at the Pedro house ($28,922.00), and one at Quonset hut ($28,722.00). Both are on the Conservancy's BKS tract where the Conservancy's corporate yard facilities are located. The requested total was $57,644.00. 2.) Also requested was a 10% contingency to allow for any unforeseen circumstances, bringing the total maximum possible to $63,408.40. 3.) Board approval of this item authorizes and directs either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

5. Beaver damage repairs. Action: Passed **Resolution No. RS 25.06.03.** At the April 2, 2025 meeting, the Board approved entering into a Service Agreement with Triangle Land Restoration (Triangle) for repair of beaver damage on the Conservancy's Frazer North and Lucich North tracts in the amount of $29,250.00 (Resolution No. RS 25.04.06). A change order was requested by Triangle which resulted in an additional $805.00 for additional fill material. The 2025 Board-approved budget for habitat land management (including beaver damage repair) is $567,894.00.

This item requested: 1.) Board ratification of the additional $805.00 to the previously Board-approved $29,250.00 expenditure, bringing the new total to $30,055.00 spent for Triangle to repair damage on the Conservancy's Frazer North and Lucich North tracts, and 2.) Board approval to authorize and direct either the Executive Director, John Roberts, or the Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

6. Field Services Truck #3. Action: Passed **Resolution No. RS 25.06.04.** Previously the Board approved the purchase of two trucks for the expanded Conservancy's field services operations. The Conservancy continues to expand its field services staff and requested Board authorization to purchase a third field services vehicle.

This item requested: 1.) Board approval to execute and deliver all required documents necessary to purchase a new truck for a price not to exceed $50,000.00 with a 10% contingency ($55,000.00 total), 2.) authorization to increase the Conservancy's insurance premium, to properly insure the vehicle, 3.) increase the 2025 budget for this expenditure, and 4.) authorize and direct either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

The Board recognized former Board member Steve Cohn for his service to the Conservancy.

Action Items

7. Proposed insurance renewals. Amy Callahan with LP Insurance reviewed with the Board the Conservancy's insurance policies that are set for renewal on July 1, 2025. The Conservancy presently holds the following policies: auto, crime, cyber liability, directors and officers (D&O), employee benefits liability, employee practices liability (EPL), flood, general liability, inland marine, pollution liability, property, workers' compensation, and umbrella (also known as excess). The cost of insurance for 2024 was $91,283.51. The 2025 Board-approved budget for insurance is $111,000.00.

Request: 1.) Board approval to acquire recommended insurance coverage based on LP Insurance's presentation, including two Builders risk policies for two new barns, and 2.) authorize and direct either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

Bradbury made a motion to authorize:

1.) the amount of $129,118.00 for all insurance policies,

2.) with a $10,000.00 buffer if needed,

3.) switch Auto coverage to Progressive Insurance (six-month policy),

4.) to include insurance coverage for the third field services vehicle, and

5.) authorization to adjust the 2025 budget as may be needed.

Action: Moved/Seconded: Bradbury/Stadem

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.05.

8. Legal services agreement. The legal services agreement between Best, Best & Krieger, and the Conservancy is expiring in 2025. The 2025 Board-approved budget for legal services is $100,000.00.

Request: Board authorization for either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to execute and deliver an agreement which continues the services of Best, Best & Krieger as Conservancy legal counsel for two years and under the same terms and conditions as the existing agreement.

Action: Moved/Seconded: Huber/Libby

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.06.

9. Audit services contract extension. The audit services contract between Gilbert CPAs and the Conservancy is expiring in 2025. The 2024 cost was $27,500.00.

Request: 1.) Board approval to execute and deliver a three-year contract extension with two one-year options to renew with Gilbert CPAs for the annual audit of the Conservancy's financial statements. The cost proposed for each year is detailed below. 2.) Staff requested an annual 10% contingency, and 3.) authorizes and directs either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

2025 – $38,000.00

2026 – $39,900.00

2027 – $41,900.00

2028 – $43,900.00

2029 – $45,900.00

Action: Moved/Seconded: Stadem/DiGiacomo

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.07.

10. NBHCP Finance Model and fee update contract extension. The NBHCP Finance Model and mitigation fee update contract between Economic and Planning Systems, Inc. (EPS) and the Conservancy is expiring in 2025. The 2025 cost was $22,500.00.

Request: 1.) Board approval to execute and deliver a three-year contract extension with two one-year options to renew with EPS for the annual NBHCP Finance Model and mitigation fee update, the cost proposed for each year is detailed below. 2.) Staff requested an annual 10% contingency, and 3.) authorizes and directs either the Conservancy's Executive Director, John Roberts, or Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

2026 – $27,500.00

2027 – $28,250.00

2028 – $29,000.00

2029 – $29,750.00

2030 – $30,500.00

Action: Moved/Seconded: Bradbury/Stadem

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.08.

11. Managed marsh construction bid clarification and project updates. Westervelt Ecological Services (WES) obtained bids on behalf of the Conservancy for the Bennett North and Nestor tracts managed marsh construction projects and reviewed them with the Board at its last meeting. The Board authorized awarding a contract to Apex Environmental & Engineering Inc. based on that presentation. An error on the bid pricing calculation exhibit presented to the Board was brought to Conservancy staff attention by WES after the meeting. As a result, an adjustment in the Board's action (Resolution No. RS 25.04.08) is requested. The 2025 Board-approved budget for the Bennett North and Nestor restoration & enhancement project is $3,031,800.00.

Request: 1.) Board ratification to adjust the construction services contract price to $1,834,164.86 (up from the previously-approved contract amount of $1,642,741.32) for this project, 2.) as approved previously, include a contingency of twenty percent (20%) of the contract amount for associated and unforeseen circumstances. The total amount with contingency is $2,200,997.83, up from the prior approved amount of $1,971,289.58. This would be an additional $229,708.25 to the total, 3.) authorizes and directs either the Executive Director, John Roberts, or the Chief Financial Officer, Kimberli Burns, to take all actions deemed necessary or appropriate to implement this action.

Action: Moved/Seconded: Libby/Huber

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.09.

Discussion Items

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

13. County of Sutter Report. Hay provided updates to the Sutter Pointe and Lakeside development projects.

14. Financial Report. Burns reviewed with the Board the unaudited financial statements for the period ending April 30, 2025, and other financial updates.

15. Water outlook for 2025. Brett Gray, General Manager of the Natomas Central Mutual Water Company reviewed with Board members the water outlook for the Natomas Basin for 2025.

Executive Director's Report

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

A recess was held from 5:56 p.m. until 6:01 p.m.

Executive Session

17. Executive Session. Executive Session was held for real estate matters pursuant to Government Code 54956.8 from 6:01 p.m. until 6:49 p.m. The Board concluded real estate matters to be further explored by Conservancy staff. Nothing warranted reporting out.

Adjournment

18. Adjournment. Chilmakuri reconvened Regular Session after the adjournment of Executive Session. Chilmakuri made a motion to adjourn the Regular Meeting of the Board of Directors.

Request: Meeting adjournment at 6:49 p.m.

Action: Moved/Seconded: Libby/DiGiacomo

Yes: Melinda Bradbury, Chandra Chilmakuri, Matthew DiGiacomo, Patrick Huber, Doug Libby, Sean Minard, and Gabrielle Stadem.

Passed: Resolution No. RS 25.06.10.

Attest:

Gabrielle Stadem 8-6-25

Gabrielle Stadem, Secretary *Date*