

**Newport Bay Naturalists and Friends
Final Draft Minutes
Board of Directors Meeting
Back Bay Science Center
October 16, 2008**

1. Call to Order

President Dennis Baker called the meeting to order at 6:35.

Board members present: Dennis Baker, Matt Yurko, Blake Anderson, Larry McKenney, Krista Sloniowski, Don Krotee, Peter Bryant, Rita Goldberg and Tom Mooers

Board members absent: Carolyn Kraber and Jack Keating

Staff present: Roger Mallett

Others present: None

2. Minutes

The minutes of September 18, 2008 were approved.

3. Accountant's Report

The Accountant's Report was received and filed by the Board

Baker suggested that we attempt to get overhead specifically added into future contracts to carry some of the administrative costs that NBNF must pay to operate. Specific programs and projects that are undertaken by NBNF ought to be fully covered by the funding/sponsoring organization. There was general board consensus that this is a good idea. Mallett said that, indeed, this is a feature that already exists for some programs and is something he does when he is negotiating new contracts and making grant applications.

The board discussed available cash and unrestricted reserves. Mallett reported that he attempts to keep a fund balance of over \$40,000 on hand but that isn't always possible as the incoming funding stream and outgoing expense stream are so variable. Mallett reported he keeps a 6-month cash forecast in mind and uses that to make month-to-month decisions on cash management.

Mallett reported that 60% of the City of Newport funding for the data cataloguing project for the comprehensive resource inventory remains to be invoiced by NBNF.

Mallett reported that NBNF is financially stable.

4. Executive Director's Report

Executive Director Mallett provided the board with a written ED's Report and it is incorporated into these minutes by reference.

Mallett reported that the review of bound draft 2 of the Central Orange County Integrated Regional Water Management Plan is still underway. A number of stakeholders, including NBNF, believe that the Plan still needs some work. Some specialty areas are more adequately addressed than others. NBNF dilemma is to decide how to provide clear and relevant comments that will be incorporated into the Plan, without actually rewriting the deficient sections.

Mallett reported that he would like to move the draft Desired State Document he has authored to a point where it can be presented to the Newport Bay Watershed Executive Committee for adoption at its February meeting as a guidance document. He would like to reach out to members of the Executive Committee before its February meeting with the intention of getting support before the draft is deliberated. McKenney suggested that the NBNF Advocacy Committee reach out specifically to Peer Swan and Paul Jones.

5. Annual Meeting, November 6, 2008

Baker reported that the Annual Meeting of NBNF is set for November 6 at the Muth Center. Members will begin to arrive at 6:30 and the meeting begins at 7:00 PM. The notice will be in the mail by October 25. It is typically a short meeting. Baker and Mallett urged all board members to attend the meeting and to mix with members. Yurko said that it important for the board members to develop a higher profile and presence for the general membership. This is an important (and not the only) opportunity to show the flag.

6. Interpretive Center Theatre System Status Report

A re-design is needed for the existing AV system. Better sound and a wrap-around screen is needed to make the theatre more effective. OC has funds to move forward but money needs to be raised to offset as much as possible to preserve the funds for other projects. Mallett reported that Ray and Elsa Watson already have naming rights to the theater, and have provided funds for upgrading the theater. Mallett will get with Keating to resolve how this and the entry exhibit project will be funded/managed. Vantage is the consultant under consideration for the AV work.

7. Sustainable Bay Dredging: A Possible Initiative for NBNF?

Anderson raised the question of whether it is realistic and sustainable to continue to attempt to fund the ongoing maintenance dredging of Upper Newport Bay through federal grants. Federal and state funds are hit-and-miss at best. The California budget woes make it increasingly improbable that the State will provide money for the work. Congressman Campbell's consistent resistance to all forms of federal earmarks makes it unlikely that money will be available. Besides, the federal government's own deficit spending makes it hard to get the money down to the local level here in OC.

For this reason, isn't it time to bring locally-derived funding to bear on this ongoing problem? Dredging and source control in a coordinated fashion would be the best strategy for managing the problem.

Local funding sources could include some form of user fees or parcel taxes that are levied against those properties that impact the Bay or that benefit from the maintenance of the Bay. A feasibility report would be the first step toward pursuing this idea.

Anderson and McKenney estimated it could take 5 to 10 years to get a regular funding stream established and estimated that it would take \$3 or \$4 million per year to maintain a suitable program of dredging and management.

Watershed-wide sediment management that includes abatement of upstream sources of sediment could be cost-effective. A first step might be a meeting with OC staff to determine whether OC would be willing and able to fund the up-front studies that are needed to understand the sources of money.

Motion by Anderson, second by Mooers and approved unanimously by the NBNF Board:

Authorize the Advocacy Committee to return to the NBNF Board at a future meeting with a mission statement and position paper regarding locally-based funding of the long-term sediment management program in Newport Bay and describe an approach for pursuing such a program.

McKenney reported that today the county-wide expenditure for urban runoff is approximately \$100 million per year. Baker asked McKenney to provide the board with a briefing in January about the overall urban runoff and watershed program as a background piece for the board's overall consideration of this issue. McKenney agreed to do so.

8. DFG/NBNF Agreement Status Report

Mallett reported that he has not pursued a a master agreement with DFG because DFG staff locally and in San Diego have been reluctant to enter into such an agreement. Instead the groundrules for grants, projects and other activities that NBNF takes on in support of DFG are determined on a case-by-case basis through discussion with Robin Madrid and Jeff Stoddard, the local DFG staff, and/or Karen Miner, their supervisor. The advantage is that NBNF can move forward with local staff authorization. A master agreement would provide NBNF with some additional certainty and predictability about the terms and conditions of future project contracts. However, a master agreement must pass up the chain of command to Sacramento for approval and authorization. Baker agreed that Jeff Stoddard has said he wants to move forward cautiously and slowly on a master agreement. In the meantime, Mallett reported that, though individual agreements are reached quite informally, they are well-documented by e-mail exchanges which DO work as far as safeguarding NBNF and its donors. We are building credibility with DFG which will make an ultimate master agreement possible.

Baker reiterated his concern that all agreements are well-documented and that all of the correspondence that is the underpinning of the terms and conditions of agreements with

anyone is organized and filed. Baker said that a well-documented record is essential to the long-term interests of NBNF and guarantees informed continuity should any of the employees of NBNF or its funding partners were to leave. Mallett indicated that this is already being done.

9. Report of the Advocacy Committee

The Committee is chaired by McKenney and includes Keating and Anderson.

McKenney reported that he drafted an advocacy policy last month and has circulated to all members of the Board. He recommended that the policy be brought to the November board for consideration and approval.

McKenney reported that Keating has requested that the existing “Partnership” and “Strategic Decision Policy” documents be incorporated into the draft advocacy policy to form a unified and coherent piece.

Presently a strategic decision requires that it be approved by the NBNF board of directors.

McKenney reported that he is working on describing a procedure for the NBNF board of directors to address emerging State and federal proposed legislation. For 2009, it is his desire that we address the legislative process more systematically than we did in 2008. 2008 was done on an ad hoc basis, triggered by a particular piece of legislation being brought to the board’s attention in one way or another. Presently NBNF doesn’t have a systematic way to formulate a position on pieces of legislation as they come into view and there is no procedure for reviewing the entire list of proposed legislation to set priorities, set targets and manage our efforts.

10. Report of the Board Development Committee

The Committee is chaired by Keating and includes Goldberg.

Baker reported that Cathy Lam will be on the slate of incoming directors for consideration by the general members at the November 6 meeting. Baker reiterated his interest in finding board candidates that bring green money or green competency onto the board.

Baker reported that existing directors Yurko, Goldberg, Kraber and Mooers have elected to not stand for election to the board for 2009

11. Report of the Research Committee

The Committee is chaired by Bryant and includes Yurko, Sloniowski and Haydock.

Bryant brought to the attention of the Board that there are a number of fire-resistant plants that are native and that could be used for restoration purposes within Newport Bay and its watershed.

Bryant proposed that NBNF should consider issuing an RFP for research by local experts for those issues of particular concern for NBNF.

Sloniowski reported that she attended a mitigation banking workshop conducted by the Corps of Engineers. Several State and federal resource agencies require mitigation projects to offset the impacts of projects on natural resources. One approach for providing mitigation is to buy credits from a third party that has itself restored previously degraded land or resources and offers it for sale to a project proponent that must provide documented mitigation. A mitigation bank manager is usually a competent NPO that funds the long-term operation and maintenance of the resource through some sort of an endowment established to guarantee long-term funding.

Sloniowski offered to ask the Center for Natural Lands Management for additional information on this program and will report back at the January board meeting.

12. Delhi cleanup Fund Status Report

Baker reported on his meeting with Robert Caustin. The settlement agreement with TIC requires that the \$1.5 million designated for Delhi Channel cleanup be expended within a 6-year period or the money reverts back to TIC. Likewise, the \$1.5 million designated for Big Canyon must be spent within a 3-year period then it rolls over into the Delhi Channel account, again with the overall 6-year spending requirement. The money is now in the hands of the City of Newport Beach.

Baker met with Caustin for 2 ½ hours to discuss options and possibilities. NBNF would like to influence the project spending to the extent it can.

While several ideas were kicked around, Baker had no specific direction or intention from the Board that would aide him in making suggestions that were informed. For this reason, a board retreat to develop our strategic intent is necessary.

There was general Board consensus that scheduling a retreat in December or January is desirable and necessary for initiatives like this one.

13. East Bluffs Improvement Project Status Report

Yurko reported that the invasive plants removal work is completed. The replacement plants have not yet been selected because he is awaiting a planting plan and the number purchased won't be decided until he has a better understanding of the money remaining in the budget.

Yurko reported that the affected home owners have met with Keating and their concerns have been allayed.

14. Vista Point Project Status Report

Baker reported that the ribbon cutting ceremony has been re-scheduled to November 8 awaiting City of Newport Beach sign-off on the completed project.

15. Development Efforts of Full Committee using Donors' List

Baker reported that there has been little progress reported on successfully getting new pledges from private parties and companies because of the economic conditions that are now prevailing.

16. Report of the Finance Committee

Tom Mooers is the sole member of the Finance Committee.

There was no report provided.

17. Report of the Fund Raising Committee

The Committee is chaired by Baker and includes Goldberg, Krotee, McKenney, Bryant and Mooers.

The BBSC Event is still on for October 23. Mallett reported that we need 50 people in the room so it does not look empty, with 35 paying and 15 comp'd to break even on the actual food and drink costs. The \$1,600 or so expended for invitation printing and mailing, etc. is lost whether or not the event proceeds. There are 11 people paid as of October 16. Baker found a few people that have indicated they will come but haven't formally RSVPed

18. New Business

There was no new business reported

19. Announcements

There were no announcements reported

20. Adjournment

The board meeting was adjourned at 8:50 PM.