

**SPOKANE CONSERVATION DISTRICT**  
 210 N. Havana, Spokane, WA 99202  
**BOARD MEETING MINUTES**  
 Tuesday, April 14, 2015

**PRESENT**

**Supervisors:** Jerry Scheele, Jaki Shrauger, Tom Miller  
**Absent:** Randy James, Mary Sullivan  
**Associate Supervisors:** Dixie Riddle  
**SCD Staff:** Vicki Carter, Erica Johnson, Cori Turntine, Ty Meyer, Rick Noll, Jilla Loan, Barry Tee, Pat Munts, Eric Choker, William Hulings.  
**Guests:** Chad Greif, BIAS; Jill Clapperton and Avril Stevenson, Rhizoterra; Fred & Vicki Flemming of Rhizoterra, Sheppard's Grain, and Reardan Seed; Wendy Knopp, SCD Supervisor elect.

Chair Scheele called the meeting to order at 5pm.

**Approval of Agenda**

Chair Scheele presented the agenda for board approval.

**Motion Shrauger/Miller to accept the agenda. Motion carried.**

**Previous Meeting Minutes**

Minutes from the March 10, 2015 board meeting had previously been distributed for review.

**Motion Shrauger/Miller to accept the March 10, 2015 Meeting Minutes. Motion carried.**

**TREASURER'S REPORT**

**Auditor Jaki Shrauger, presented the Treasurer's Report for March, 2015.**

ACCOUNT	BEG. BALANCE	DEPOSITS	WITHDRAWALS	END BALANCE	OUTSTANDING BALANCE	ADJ. BALANCE
NW Pipeline Savings Acct	66,224.32	0	0	66,224.32	0	66,224.32
PayPal Merchant Acct	3,439.64	10,280.39	13,720.03	0	0	0
PayPal Transfer Acct	350	9,076.84	9,076.84	350	0	350
Bank of Fairfield Checking	874,576.23	334,802.14	645,177.69	564,200.68	138,945.47	703,146.15
Bank of Fairfield MMA	301,939.82	265,105.55	0	567,045.37	0	567,045.37
<b>LGIP</b>	<b>2,352,560.61</b>	<b>315.43</b>	<b>2,352,876.04</b>	<b>0</b>	<b>0</b>	<b>2,352,876.04</b>

Prior to the meeting, Auditor Shrauger reviewed the bank statements for March to verify the balances on all accounts. She went through the checks to verify signatures and endorsements. Everything matched up. **March Treasurer's Report: Claims: 42964-43042; Receipts: 1123-1125, 11233-11235, 11237, 11244-11379, 11382-11385; EFTs: 413, 419, 574-586, 621-623, 625-638, 653, 707, 716, 722, 727, 730, 732-734, 766; Voids: none; Refunds: Tree Sale Douglas Fir and Dallas Blues (EFTs 483-485, \$198.32). April Accounts Payable: \$96,218.10.**

**Motion Miller/Shrauger to approve the March TREASURER'S REPORT and April Accounts Payable as presented. Motion carried.**

**NEW BUSINESS / LINKAGE TO COMMUNITY**

**Public Comments/Introductions**

Chair Scheele introduced Dr. Jill Clapperton, Avril Stevenson from Rhizoterra and Fred and Vicki Flemming from Rhizoterra, Sheppard's Grain and Reardan Seed.

Dr. Clapperton presented “Measuring Success: Looking at Soil Health Indicators”. Clapperton has been licensing the calibrations she has developed. Calibrations for ground and powdered food grains have been developed as well as for soil. The FDA and EPA have formally recognized the instruments. The instruments identify that elements are present, but need calibrations in order to specify the level of a given element in a sample. Rhizoterra will sell calibrations and eventually reporting software from their website. Calibrations will continue to be proven, a leaf sample method will be patented, and additional surrounding technology like apps, etc... will be developed. Clapperton gave a demonstration with the equipment. Rhizoterra sold their first calibration, one for soils, to Rutgers University. A Field Day will be held July 22 at Fred Flemming’s farm in Reardan.

### **Department Report Review**

Erica Johnson relayed the results of the tree sale; it was procedurally one of the smoothest and best pick up days and surplus sales, but it did not exceed last year for gross revenue.

William Hulings reported that the Vets on the Farm team is working hard. He is going to school full time and spreading the word there. He and Vicki Carter will have a showing of the film “Ground Operations” in May at the Spokane Community College; the AgHort club may sponsor the film showing so we don’t have to pay the facility fee. They are also working on connections with the Vet center based out of Mirabeau. Barry Tee added that St John hardware is donating their time for the mechanical repairs on the tractor and we are still looking for someone to do the paint job.

Pat Munts announced that the Vets on the Farm Mechanics class at SCC was cancelled because the instructor had an accident and was no longer able to teach. The Vets on the Farm Vegetable class has 6 students.

## **GOVERNANCE CULTURE**

### **Policy Review**

Carter and Cori Turntine are working on a refund policy, a public records request policy has been drafted and a sole source and emergency purchases policy was included in the board packet this month. All three will be reviewed at the next board meeting.

### **Financial Report**

Chad Greif gave the financial report. In the SRF account, there has been a 3.5% drop in book to loan assets gap since last month (9% drop compared to last year). Greif did some adjusting entries with Carter to more accurately display our finances. Most of our assessment funds for this half of the year will be coming in May/June. Chair Scheele asked about the line item regarding interest on debt with zero entries; it is a line item to track the interest paid on our car loan, but it is a duplicate and is one of the clean-up items that Greif and Carter need to address. There was a mistake in generating the reports this month so that beginning and ending balances were included and our balances are displayed in the negative. Greif and Turntine are looking at old claims to see which can be taken out of our system.

### **Public Officers’ Training**

A public officers’ training will be held in conjunction with the annual planning session, the same day as the August 11 board meeting. The July board meeting will be July 14 from noon to 2pm.

## **BOARD/CEO RELATIONSHIP**

## **2014 Annual Financial Report**

Turntine announced that the report is about 95% complete and it will be ready by the next meeting. The Direct Seed money in 2014 qualified us for a “single federal audit” in addition to our usual audit. The federal filing deadline is September 30, 2015.

## **OPERATIONAL EXPECTATIONS**

### **SRF Program Update**

Ty Meyer gave an annual overview of the production agriculture department. Our portfolio now includes equipment financing and operating loans for direct seed producers. 2014 saw \$1.2 million in loans including 18 loans averaging about \$66,000. The average dollar amount per loan has risen consistently in the past three years. The low interest rate environment makes it difficult to increase volume and have a decent margin on the loans. The custom seeding program with our no-till drill rolled out with our new drill March 15, 2014 and has seeded 10,000 acres. Conditions this fall were exceptionally difficult this fall and a shank drill was rented from AgPro. Some of the acres had to be reseeded in the spring due to winter kill. In dry country, the advantage was to deep furrows, but in the Palouse, it was Direct Seed that had fewer instances of re-seeding. Much of Meyer’s time lately has been with Pacific Northwest Direct Seed Association and the development of the Farmed SMART Certification. The thinking behind Farmed SMART Certification shows that direct seeding is a buffer in and of itself and mitigates the need for buffers or “set backs” that take away farmable acres along streams. His next step is to do some water quality monitoring to prove the sediment delivery in a direct seed system is as good as a 100 foot buffer.

Meyer and Munts are working with Scott Gail on a potential operating and equipment loan to practice regenerative agriculture in small acreage farms in our area. His consulting firm is Palouse Country, LLC. His small farms custom operating business that the loans would fund would be holistic and full service; he would practice regenerative agriculture using livestock and cover crops in 20-50 acre tracts.

### **OSS Program Update**

Barry Tee reported an early start to on-site septic system connections to the sewer; about 10 projects worth \$40,000 have been completed. A postcard mailing was sent to 1,400 addresses from the Spokane Regional Health District’s list of people who need to connect. Still only one repair project has been completed, but we will start to emphasize repair/replace after we have completed most connections.

### **Vets on the Farm Update**

Carter updated the board on the Vets on the Farm timeline including what we’re doing for outreach between now and November 13, 2015. Carter and Hulings have about one meeting per week lined up to speak to various groups. Our tractor will be taken to local parades and fairs; it is currently in Fairfield at St John Hardware where it is being repaired at no cost. We need someone to do the painting. We may use the Skills Center students to do the base coat. The Vets on the Farm program is partnered with Upper Columbia RC&D so that we have access to funding that is available to 501c3 entities. We are looking for producers who are conservation-minded to become partners as well and host our veteran interns. November 13 is the day of the Tilth Conference we are hosting as our INW Small Farms Conference. It will be the big launch for the Vets on the Farm program. In the future, the program will utilize the 2 acre parcel of land that the Emtmans have donated and continue looking for land acquisition. Munts and Carter will travel west to visit Growing Veterans. Munts was interviewed by Lacey Gray on the Ag Report and Carter will be interviewed by the Fig Tree. Carter distributed almost 500 brochures so far, many to our legislators in Olympia.

### **Cost-share Agreement 1440C2-2015-1**

A cost-share agreement was presented for board approval. The project includes off-creek watering for 10 head of cattle (soon to expand to 20) that currently have direct access to a creek and 4,800 feet of fence in Latah. WSCC Implementation funding up to \$14,500 will be used.

**Motion Shrauger/Miller to approve the cost-share agreement 1440C2-2015-1 of \$14,500 from WSCC Implementation Funding. Motion carried.**

### **CLOSING OF MEETING**

#### **Correspondence and Announcements:**

Senate Bill 5322 Passed. Pierce Conservation District was successful in their efforts to change their rates and charges maximum. The final bill included all conservation districts and if we change to a rates and charges system in the future, we could charge up to \$10 per parcel.

The Commission's capital budget was published and included a \$350K line item under research and development for deep furrow drilling. The board discussed the conflict of interest this presents with our long range plan.

#### **Dates:**

- July 13, 2015: NACD Summer Meeting in Spokane. Tour stops will highlight farming on the Palouse. 200-250 people could attend; 50-60 policy people, CD supervisors from the nation and local officials.
- July 22, 2015: Rhizoterra Field Day at Fred Flemming's Farm in Reardan.
- November 13, 2015: INW Small Farms Conference and Country Living Fair, part of Tilth Conference, November 13-15.

### **READING OF THE MOTIONS**

**Motion Shrauger/Miller to accept the agenda. Motion carried.**

**Motion Shrauger/Miller to accept the March 10, 2015 Meeting Minutes. Motion carried.**

**Motion Miller/Shrauger to approve the March TREASURER'S REPORT and April Accounts Payable as presented. Motion carried.**

**Motion Shrauger/Miller to approve the cost-share agreement 1440C2-2015-1 of up to \$14,500 from WSCC Implementation Funding. Motion carried.**

Meeting adjourned at 7:30pm. Respectfully submitted by: Erica Johnson

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**Jerry Scheele, Board Chair**

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**Jaki Shrauger, Auditor**