

SPOKANE CONSERVATION DISTRICT
 210 N. Havana, Spokane, WA 99202
BOARD MEETING MINUTES
 Tuesday, October 14, 2014

PRESENT

Supervisors: Randy James, Jaki Shrauger, Tom Miller

Absent: Jerry Scheele, Mary Sullivan

Associate Supervisors:

SCD Staff: Vicki Carter, Erica VanNatta, Garth Davis, Jim Armstrong, Ty Meyer, Walt Edelen

Guests: Chad Greif, BIAS; Les Linton, SCD Volunteer; Grant Rice, citizen; Rich Edlund, NRCS; Craig Volosing, L&L participant; Elsie Mack, OSS participant.

Acting Chair James called the meeting to order at 5:00 pm.

Approval of Agenda

Acting Chair James presented the agenda for board approval and suggested a slight change.

Motion Miller/Shrauger to accept the agenda with James' suggestion to move Jim Armstrong to director's discussion section. Motion carried.

Previous Meeting Minutes

Minutes from the September 9, 2014 board meeting had previously been distributed for review.

Motion Shrauger/Miller to accept the September 9, 2014 Meeting Minutes. Motion carried.

TREASURER'S REPORT

Auditor Jaki Shrauger, presented the Treasurer's Report for September, 2014.

ACCOUNT	BEG. BALANCE	DEPOSITS	WITHDRAWALS	END BALANCE	OUTSTANDING BALANCE	ADJ. BALANCE
Argonne Mit. Fund	65,852.06	0	0	65,852.06	0	65,852.06
NW Pipeline Savings Acct	61,224.32	0	0	61,224.32	0	61,224.32
PayPal Merchant Acct	145.05	2,204.75	2,218.16	131.64	0	131.64
Bank of Fairfield Checking	348,143.22	231,894.07	440,661.49	139,375.80	126,783.51	266,159.31
Bank of Fairfield MMA	706.08	.19	10	696.27	0	696.27
LGIP	2,351,274.38	189.32	0	2,351,463.70	0	2,351,463.70

Auditor Shrauger reviewed the bank statements to verify the balances on all accounts. All matched to the penny. ***September Treasurer's Report: Receipts: 10757-10758, 10760, 10775-10805, 10808, 10814-10823; Claims: 42495-42537, 42539-42583, 42585-42591; EFTs: 2297, 2392-2404, 2415, 2422-2436, 2446, 2451, 2484; Voids: 42538, 42584. October Accounts Payable: \$232,945.98.***

Motion Miller/Shrauger to approve the September TREASURER'S REPORT as presented. Motion carried.

NEW BUSINESS / LINKAGE TO COMMUNITY

Public Comments/Introductions

James introduced Elsie Mack and Craig Volosing. Walt Edelen presented a Water Resources 2014 presentation to show the conservation his department has put on the ground and FY 16 Grant Proposals that are in the works. Launch of the On-site Septic Program was a major 2014 accomplishment. Edelen credited Barry Tee with the program implementation success. There have been an estimated 341 project related emails, 120+ phone calls, 25 projects completed, 5 scheduled, \$90,000 disbursed: \$26,000 in

grants and \$65,000 in loans. Edelen continued his presentation to highlight a broad range of projects completed by the Water Resources Department in 2014.

OSS customer Elsie Mack shared her OSS experience. She said it was very difficult until she was connected with Edelen, then it was smooth sailing and everyone at SCD was really helpful. Mack said that without the OSS Financial Assistance, she would've had to put her home up for sale. She noted that many elderly people are in the same situation. The county is prosecuting those who cannot comply with their connection demands. Mack and Edelen were very happy with the contractor. Edelen presented Elsie Mack with a SCD hat and shirt to thank her for her support.

Edelen presented Craig Volosing with a Livestock & Land sign for being a Watershed Steward Demonstration Site. He is a founding member of our Peer Leader Program in L&L. Volosing described how he found out about the program at his Back Country Horsemen meeting. Volosing is also on the WRIA 54 committee and is very aware of his seasonal creek that travels a mile and a half to the Spokane River. In regard to protecting water quality, Volosing knew he wanted to be part of the solution, not part of the problem. He looks forward to using and selling his organic manure compost; he believes that he will recuperate his investment and turn a profit in about five years. Volosing has been happy with every person at the district he has spoken with.

GOVERNANCE CULTURE

NE Area Resolutions

Jim Armstrong passed out the WACD Executive Committee Resolution which runs against our proposed resolution (to raise the assessment cap in 2015) that Armstrong presented at the Officers and Directors Meeting. At that meeting, Armstrong's proposal was very positively received. A few weeks later, this resolution was released that recommends that assessment funding issues be tabled until 2016. Pierce CD has made a proposal with a contract lobbyist in order to see the assessment cap legislation in 2015 (bypassing WACD). Armstrong explained that the 15% cut required by the governor is trying to be reacquired by WSCC and some people believe that if we win the assessment legislation, it will be at the cost of that 15%. Also, WACD has been interested in a statewide assessment rather than spending time on current assessment policies.

Our view is that the raise on the assessment cap enables county government to make funding decisions appropriate for their areas and keep the control of funding decentralized; this coincides with districts' traditional operating policy – operating from a locally led level. Furthermore, it is a separate issue, separate funding and can be communicated separately to legislatures and not get confused with the 15% budget reacquisition.

The resolution presented by Armstrong needs to be passed by the SCD Board tonight in order to be brought to the NE Area Meeting and have a chance to continue to WACD. Miller suggested that an eliminated cap rather than a raised cap could be more palatable to some opponents who could see a dollar amount and think that is a set amount (misunderstanding that each county would choose the amount locally). Miller also suggested removing the wording "in perpetuity" because it can also cause a knee jerk reaction. James suggested getting letters of support from our County Commissioners. Carter suggesting using the WACD language of "long term funding" in the title.

If we don't get support from WACD or at least, non-interference from WACD to seek our legislature, CDs in favor of this resolution may consider withdrawing from WACD. Pierce CD is looking into a lobbyist that

would cost a total of \$4,000 per month and the cost would be shared by all interested districts, likely Spokane, Snohomish, King, Pierce and San Juan. Armstrong and Carter expressed discomfort in hiring a lobbyist. Carter believes we could run the legislation with or without WACD, without a lobbyist, and be successful.

Motion Miller/Shrauger to pass the NE Area Resolution as presented by Jim Armstrong with the wording changes as discussed. Motion carried.

Armstrong will get the new resolution to the board tomorrow morning for presentation at the NE Area meeting.

Motion Miller/Shrauger that the SCD Board is opposed to the "Conservation District Long-Term Funding Opportunities" resolution prepared by the WACD Executive Committee. Motion carried.

Carter presented a resolution from Stevens County CD regarding funding from DOE in case of government shut down or similar situation. Carter suggested that this problem could be resolved if the DOE offered initial payments like other granting agencies. Ty Meyer is attending a Financial Assistance Council meeting in Seattle and might be able to address this issue there; he is under the impression that DOE gets their money upfront from the EPA, so their shouldn't be an issue.

Armstrong presented a resolution titled Fire Resiliency from Skagit County. This raises concerns because we currently have a great working relationship with DNR and this resolution looks like it seeks to take money to the commission rather than DNR. We do like our Firewise branded program that is currently funded by DNR and WSCC and this resolution doesn't mention the Firewise brand. Garth Davis had indicated to Carter prior to the meeting that Firewise money from any source would be put to good work by the SCD.

Financial Update

Chad Greif gave an overview of our accounts, book-cash balance and loan assets. In September, Greif and Carter made adjustments to the budget. October and December property tax incomes are expected. Total revenues are still on track to meet the budgeted amount. The MMA account had a \$10 service charge, so we may want to close it. PERS contribution changes pushed our employment cost budget over what was estimated, the amended budget reflects these costs. We didn't have control over this change. Most districts have employees enrolled in PERS, some of the smaller ones do not. Greif estimates that any district with three or more employees would be enrolled. General fund is at 72% of revenues, 85% of expenditures. Fall Tree Sale advertising costs have been incurred and sales have come in. SRF maintenance expenses were incurred due to disc damage on hard ground.

Director's Discussion

Meyer will be helping with a WA Soil Health Committee that is part of a NRCS national campaign. Lynn Bahrych is heading up the committee. October 28 meeting will bring in other larger organizations like WA Grown and PNDSA to take this program and run it through existing channels.

Carter is working with Les Linton on Veteran programming we could provide. We have a new partner, NW Farm Credit Bank which has a young and beginning farmer program that provides funding for Veterans. NWFCB will offer \$3,000 in scholarships for our SCC Winter and Spring Quarter farming classes that target Veterans. On October 30 we will show From Battlefield to Farm Field at SCC and present our

winter quarter offering with the funding provided.

Garth Davis is working with the Veteran Cemetery on a memorial tree program.

We are staying in the loop on a group working on Palouse Specific Riparian Standards in the Whitman County area. The SCD doesn't have any stake in the game right now, but our landowners might ask us what is going on.

Draft Budget

Carter had distributed the 2015 Draft Budget to the board. Right now the budget gives us \$10,000 revenue. The assessment revenue is budgeted conservatively. This budget will be added to by the staff and further drafts will be brought to the board. The new hire has been made an offer and Carter will keep the board updated. Carter had previously distributed the SCD ACH Policy to the board.

Motion Miller/Shrauger to ratify the SCD ACH Policy with the change from 45 days retention to 90 days retention. Motion Carried.

OPERATIONAL EXPECTATIONS

Correspondence and Announcements

Carter received letters from Enduris regarding our 2015 premium and WACD regarding budget work at the state level. She recently received correspondence from WEST Consultants for an official resolution process to begin with their named agent. We have been notified by Chad Adkins of DOE of a complaint of a large sediment plume on the Little Spokane River due to soil erosion. Another complaint has come to our attention from DOE regarding a Livestock issue. These landowners have been notified by DOE that we are available for non-regulatory technical assistance; we will only act if invited by the landowner.

The Morrow, OH group of 43 participants was given a tour by Carter, Meyer and Walt Edelen. The tour went great. They loved the rolling hills, the pine trees, and the tour stops.

Dates:

- October 22: NE Area Meeting at Enduris
- November 1: 4th Annual Small Farms Conference: Farm-a-Palouse-a.
 - Tom Miller and Les Linton are attending.
- November 12: Board Meeting at 5pm (one day late due to Veterans' Day)
- November 12: Jim's Retirement Open House at our office from 3pm-5pm
- December 1-4: WACD Suncadia
- February 3-5: NACD New Orleans
- Winter Quarter: Online Veteran Farmers Course through SCC and Cultivating Success
- July 2015: NACD Summer Meeting in Spokane. 200-250 people could attend.

CLOSING OF MEETING

READING OF THE MOTIONS

Motion Miller/Shrauger to accept the agenda with James' suggestion to move Jim Armstrong to director's discussion section. Motion carried.

Motion Shrauger/Miller to accept the September 9, 2014 Meeting Minutes. Motion carried. Motion Miller/Shrauger to approve the September TREASURER'S REPORT as presented. Motion carried.

Motion Miller/Shrauger to pass the NE Area Resolution as presented by Jim Armstrong with the wording changes as discussed. Motion carried.

Motion Miller/Shrauger that the SCD Board is opposed to the "Conservation District Long-Term Funding Opportunities" resolution prepared by the WACD Executive Committee. Motion carried.

Motion Miller/Shrauger to ratify the SCD ACH Policy with the change from 45 days retention to 90 days retention. Motion Carried.

Meeting adjourned at 7 pm.
Respectfully submitted by: Erica VanNatta

Randy James, Acting Board Chair

Tom Miller, Board Supervisor