

**SPOKANE CONSERVATION DISTRICT**  
 210 N. Havana, Spokane, WA 99202  
**BOARD MEETING MINUTES**  
 Tuesday, April 12, 2016

**PRESENT**

**Supervisors:** Jerry Scheele, Tom Miller, Wendy Knopp

**Absent:** Randy James, Jaki Shrauger

**Associate Supervisors:**

**SCD Staff:** Vicki Carter, Cori Turntine, Erica Johnson, Walt Edelen, Ty Meyer, Garth Davis, Pat Munts, Eric Choker and Josie Bjordahl.

**Guests:** Chad Greif, BIAS

Chair Scheele called the meeting to order at 5:00pm and led the pledge of allegiance.

**Approval of Agenda**

Chair Scheele presented the agenda for approval with additions: Ed Kuhn memorial discussion under Governance Culture, and district participation in civil rights issue review at NRCS, and WADE Employee of the Year applications.

**Motion Miller/Knopp to accept the agenda with additions. Motion carried.**

**Previous Meeting Minutes**

Minutes from the March 8, 2016 board meeting had previously been distributed for review.

**Motion Miller/Knopp to approve the March 8, 2016 Meeting Minutes. Motion carried.**

**TREASURER'S REPORT**

**Acting Auditor Tom Miller, presented the Treasurer's Report for March 2016.**

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	2,315.87	7,113.39	9,151.11	278.15	-50	228.15
PayPal Transfer Acct	350.00	9,151.11	9,042.38	458.73	0	458.73
Checking Inland NW Bank	420,444.97	396,224.65	840,378.37	-23,708.75	50,104.08	26,395.33
MMA Inland NW Bank	370,169.10	46.07	235,000.00	135,215.17	0	135,215.17
<b>LGIP</b>	<b>3,108,579.22</b>	<b>1,184.81</b>	<b>3,109,764.03</b>	<b>0</b>	<b>0</b>	<b>3,109,764.03</b>

Prior to the meeting, Miller reviewed all of the balances with the bank statements and verified all of the bank statements. He verified the signatures and payees on all of the cancelled check copies. Everything was in good order. **Claims:** 43895-43924, 43928, 43930-43976; **EFT:** 356, 489, 629, 631, 644-658, 734, 776-793, 795-796, 884, 887-889, 896, 917; **Receipts:** 12534-12628, 12631-12690; **Voids:** Ch#43925-43927, 43929 – printer error; Receipt 12629-12630 – duplicate; EFT 586 – duplicate.

**Motion Knopp/Miller 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 Maggie Regis our intern from Whitworth University. She is our first intern in our new program that offers a for-credit, un-paid internship for students. Seth Flanders helped create this program.

## **GOVERNANCE CULTURE**

### **Policy Review**

Vicki Carter distributed the Good Governance Checklist and the Schedule 22 for the board to review at the previous meeting. They didn't have any comments or questions. Tom Miller's will be the next seat open for appointment in 2017.

### **Financial Review**

Chad Greif reviewed the balance sheet that now encompasses the small acreage equipment assets. There is a 16.7% increase from this point last year and 8% increase from last month. Fund 155 is a new fund to represent the OSS department interest (revenue), principal repayments, loans made, expenditures, etc. The current fund balance is negative, but there are outstanding receivables that would change that. The new custom small acreage program will also be given its own fund.

Highlights: \$68,000 tree sale revenue generated as of April 11 with surplus sales still happening and a fall sale planned with heeled in surplus. Assessment funds, good governance funding, and first quarter vouchers all have money coming in. Equipment purchases of \$81,000 for small acreage are in the General Fund but will be reclassified when the new fund is created. Expenditures are close to where they should be this time of the year. In SRF, we have 20% of loans repaid by producers; this is good and means we aren't getting too many early payoffs that decrease our potential revenue from interest.

## **BOARD/CEO RELATIONSHIP**

### **Ed Kuhn Memorial**

Carter reported that we have been working with the Veteran's Memorial Cemetery and Kuhn's family to plant a memorial tree. We will have a formal dedication ceremony. Chair Scheele would also like to continue the tradition of contributing money to the Leaving a Legacy book fund and enter Ed Kuhn into the book this fall.

### **Motion Miller/Knopp to approve the expenditure of \$250 for the Washington Conservation Society in memory of Ed Kuhn. Motion carried.**

Chair Scheele asked the room if there are any civil rights issues they'd like to bring up regarding NRCS. Eric Choker and Scott Gail have been doing a lot of work with NRCS, but neither have any concerns of that nature and have often commented on the quality staff and work provided by our NRCS field office.

Chair Scheele noted that everyone has received the emails for the WADE Employee of the Year application process starting. Applications are due May 27, 2016.

### **Directors Report**

Carter announced that the director of the Washington State Veterans Affairs, Alfie Ramos, met with her about their offerings to Veterans regarding career transition into agriculture. They discussed the possibility of taking Vets on the Farm statewide. Carter gave her the contact information for Mark Clark at WSCC, offered to play an advisory role herself, and recommended conservation districts as the vehicle to make it happen. Moses Lake and Stevens County are making progress in getting their own Vets on the Farm programs started.

Carter notified the board that we have a public records request regarding the Vets on the Farm program and our recent request for bids for seed. Our attorney has reviewed our process and wrote the citizen a letter verifying that we went above and beyond the requirements of our bid law. Part of his records request includes all emails regarding Vets on the Farm. We will have to purchase new archiving software to achieve this level of search. Carter will continue to work on the public records request but is concerned about the significant amount of staff time and resources it has already taken.

Our learning farm is moving forward! April 23 is a big clean up day at the property. Nate Lewis will bring a group of fraternity volunteers, and additional volunteers are welcome. We are taking down an old barn. Once the cleanup is completed we will start fencing, building greenhouses, and more. 4,500 plants have been planted and will be transferred in late May to the farm.

Carter and Chair Scheele will be attending a statewide WSCC meeting in Ellensburg. Ron Schultz was able to change the language and access matching funds for our Spokane River Watershed RCPP. We are working with PNDSA to finalize contracts for Charlie Peterson to be a contracted auditor for the FarmSMART Certifications. Jim Armstrong negotiated storage at the fairgrounds at 25 cents a square foot for the small acreage equipment. Managers and staff are working on the annual plan and long range plan of work. In 2020 we need to do stakeholders meetings in conjunction with the revisions of our long range plan.

### **Annual Financial Report**

Cori Turntine updated the board on her progress. It is due in May. It is helpful to know that board has reviewed and accepted the Schedule 22.

### **Board Planning Session Schedule**

The last two or three years we have had an all day planning session in July or August with a lunch break for the regular board meeting. The board scheduled July 12 from 8am-4:30pm for 2016.

## **OPERATIONAL EXPECTATIONS**

### **SRF Update**

Ty Meyer informed the board that we completed a high value loan for a customer getting equipment from Canada. Seeding in Lamont area has gone well including chem-fallow and re-crop; the weather included great precipitation. The drill continues next in Peone Prairie to seed peas and alfalfa. Wheat market is down and prices are tightening up, so custom no-till business is low. However, we can take credit for increasing the no-till market and creating market opportunities for other custom operators. Many acres of CRP should be expiring, cover crop interest is increasing, and we could be in a good position to help fill those upcoming needs.

There is a new precision ag technology with an electric eye that sees weeds and targets the spray rather than broadcast spray. The newest version is faster and uses fewer electric eyes per nozzle and has fewer issues with dust. There is an opportunity for us to be a third party in the purchase of this equipment. There is not a competitor in our area using this specific technology. It is not for in-crop spray; it is for fallow ground. It saves \$6-7 per acre in chemicals, but that washes out if the customer already owns a sprayer and has to pay a custom operator to do this spraying. It would be less risky for us to simply finance the equipment, but the two customers haven't found a secure partnership with each other and think a third party could help. The board is not interested in being the third party and getting caught in the middle or stuck with the equipment. We could, however, find a way to loan them the funds.

### **OSS**

Barry Tee is out on an OSS site visit and we hope that projects pick up this spring. There is a situation at Honeymoon Bay that we are exploring with engineers to decide how to address cesspools that are in connection with lake water. The county has a storm water program happening at the same time and we are coordinating our efforts. Improvements will be at landowner expense, but our program can help with financing in loans and grants. It is still being determined whether a community system or individual systems will be used as the solution. The problem stems from previously summer-only use changing to year-round use on systems that weren't designed for that level of volume. CDBG grants process continues to progress and money will be available to use after July 1.

## **Vets on the Farm**

Carter reported that our KIVA loan is fully funded. This money is for fencing, and on the ground costs at the learning farm. This is a zero percent loan and we will be paying back the contributors. Pat Munts and Vicki Carter will attend a grant workshop in Fort Worth, TX for an RMA grant we received to help train mentor farmers in the Vets on the Farm program. Several new people are expected at the upcoming Vets on the Farm meeting this Thursday. Carter and Gail attended the Boots for Business meeting at Fairchild and gave a 30 minute presentation that was received very, very well! They will do a total of four of these presentations through the year. Wendy Knopp explained that Northwest Farm Credit Services has a new team building and volunteering program; each department will pick an organization to volunteer with and each employee will be given \$300 to contribute to a charitable organization. Knopp has been approached by various departments who are interested in designating Vets on the Farm as their organization to contribute their volunteer hours and \$300 toward.

## **Correspondence & Announcements**

The WACD Executive Director position is open for application. Mike Baden has asked that WSCC be listed on the agenda as a standing item to provide time for updates. Carter has all the contracts mentioned tonight available for review by board members who are interested.

### **Dates:**

- April 14 – Vets on the Farm Meeting
- April 23 – Free Tree Giveaway (City of Spokane Program, SCD is a pick up location)
- April 23 – Vets on the Farm Learning Farm Clean Up Day
- April 29-30 – Willow Warriors

## **READING OF THE MOTIONS**

**Motion Miller/Knopp to accept the agenda with additions. Motion carried.**

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

**Motion Miller/Knopp to approve the expenditure of \$250 for the Washington Conservation Society in memory of Ed Kuhn. Motion carried.**

Meeting adjourned at 6:45pm.

Respectfully submitted by: Erica Johnson

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**Jerry Scheele, Board Chair**

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**Tom Miller, Board Member**