

SPOKANE CONSERVATION DISTRICT

210 N. Havana, Spokane, WA 99202

BOARD MEETING MINUTES

Tuesday, September 13, 2016

PRESENT

Supervisors: Jerry Scheele, Tom Miller, Jaki Shrauger

Absent: Randy James, Wendy Knopp

Associate Supervisors:

SCD Staff: Vicki Carter, Erica Johnson, Josie Bjordahl, Ty Meyer, Seth Flanders, Stacey Selcho, Cori Turntine

Guests: Chad Greif, BIAS

Chair Scheele called the meeting to order at 5:07pm and led the pledge of allegiance.

Approval of Agenda

Chair Scheele presented the agenda for approval.

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

Previous Meeting Minutes

Minutes from the August 9, 2106 board meeting had previously been distributed for review.

Motion Miller/Shrauger to approve the August 9, 2016 Meeting Minutes. Motion carried.

TREASURER’S REPORT

Auditor Jaki Shrauger presented the Treasurer’s Report for August, 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	824.60	6,476.84	6,928.70	372.74	0	372.74
PayPal Transfer Acct	2,970.27	6,928.70	9,548.97	350.00	0	350.00
Checking Inland NW Bank	54,987.97	486,032.13	432,733.77	108,286.33	164,528.02	272,814.35
MMA Inland NW Bank	753,477.2	95.73	0	753,573.02	0	753,573.02
LGIP	3,014,413	1,242.19	0	3,015,655.54	0	3,015,655.54

Jaki Shrauger reviewed the treasurer’s report and noted a \$19 difference between the NW Pipeline report and statement. Vicki Carter explained that first, the account had to be reactivated so that we had a current signor to close the account and seek refunds for the maintenance fees we were being charged. She and Chair Scheele have completed this step, but it no longer looks like we will be able to recoup the fees. Carter has prepared a letter on the board’s behalf to close the account and have the remainder of the funds returned to our general fund. Prior to the meeting, Shrauger verified account balances and they match when the \$19 NW Pipeline difference is accounted for by Carter. **August Treasurer’s Report: Claims:** 44333-44365, 44367-44378, 44380-44413; **EFTS:** 1951, 2024-2037, 2097, 2201, 2219-2233, 2265, 2266, 2268, 2307, 2315-2317; **Receipts:** 13194, 13202-13223, 13238-13363, 13367-13402; **Refunds:** none; **Voids:** ch#44311-44330, printer error. 44366, 44379 (duplicate), receipts: 13224-13227. **September Accounts Payable:** \$93,066.96

Motion Miller/Shrauger to approve the August Treasurers Report and September Accounts Payable as presented. Motion carried.

NEW BUSINESS / LINKAGE TO COMMUNITY

Public Comments/Introductions

Chair Scheele introduced Stacey Selcho for the Education Department Report. In the 2015-16 school year, Selcho gave Classroom Lessons for inside and outside for 2,860 students. She has revamped her offerings to coincide the new science standards. Wheat Week curriculum reached 886 students over 10-12 weeks; she already has nine wheat week programs scheduled this year. Trout in the Classroom program has evolved so that Selcho has more of a hands-off approach with the teachers; 870 students from grades 2-12 actively use the tanks, but even more students within the school will observe and enjoy the tank. Spokane Public Schools may have the program go district-wide. Selcho helped set up *Kids in the Hills* with the Dishman Hills Conservancy where classrooms come and hear presentations from three different scientists. They are working with four schools that don't have an annual field day or similar outside learning opportunity. Backyard Conservation Stewardship Program sold out again with 35 participants; with Urban Ag grant funding from Pat Munts, the program may include a field day next year. Selcho partnered with City of Spokane and Spokane County to create a Rain Barrel Program. They buy the barrels, and she uses grant funding to buy the retrofit parts. The first class went well but had a few too many no shows. As a result, there may be a class fee in the future. The next class will be the evening of September 26 from 5:30pm-7:30pm. The Green Zone is celebrating its 20th Anniversary with an open house on September 21 with a brand new pollinator garden with a pollinator hotel. Selcho also continues to be involved in Tree School, the Farm & Food Expo (aka Small Farms Conference), The River Mile, Envirokids/Project TREE, hosting teacher workshops such as Vermiculture in the Classroom, and other special events. Selcho would like to develop curriculum with Munts for school gardens. Selcho's goals for 2017 are to expand rain barrel program, explore other options for urban conservation, and help bring students to the Vet's Farm.

Elections

Carter pointed out our need for a mid-term appointment policy. She distributed information from the Washington State Conservation Commission (WSCC) including a sample appointment policy. Carter received notice from James discussing his need to resign due to his time commitments. The action discussed was to approve a policy for mid-term appointment procedures in the event James' resignation is finalized.

Motion Shrauger to accept the resignation of Randy James from the SCD Board of Supervisors. Motion dies for lack of a second.

Miller will correspond with James to clarify the desire and status of his resignation. Miller was of the opinion that James' remarks left room for doubt and did not use present tense, final language. Miller will report back next month.

Financials

Chad Greif reviewed the financial position. He noted that the OSS loans due to Department of Ecology are not represented and payments on this loan do not start until 2018. We are down 33% in our gap compared to last year because our assets are being more accurately accounted. Vets on the Farm will soon have its own fund to more accurately show its activity separate from the general fund. It is self sustaining at this time.

GOVERNANCE CULTURE

On-Site Septic (OSS) Loan Programs

Carter reported for Barry Tee that the first Community Building and Development Grant (CBDG) project has been approved and the first Airway Heights connection has been made. Tee and Walt Edelen are working on

a new OSS grant with DOE for additional funds to help address issues at Newman Lake with a feasibility study.

Vets on the Farm

Carter reported that the hoop house and the green house will be constructed in late September with a completion goal of October 15. She also mentioned a vehicle was donated to the Vets on the Farm program; however, it is in need of repairs that may exceed our capacity. As is it would probably sell for \$1,500, which could be used toward the purchase of a farm vehicle.

SRF Program Update

Ty Meyer reported that harvest season has made a slow month for loans. Yields are mostly good but prices are very low. Many farmers are reporting having sprout damage analyzed by third party labs. Even grain elevators are losing money due to quality issues.

Meyer reported that we will be meeting with DOE to explore two different proposals: one for Spokane County to match up with our RCPP program and one to compliment the Farmed Smart program. There is a DOE provision for a one-time \$175,000 grant for any public entity to purchase equipment; there must be a water quality benefit. Edge of field monitoring stations could be a good use of the funds. Meyer and Miller will both be attending an Ag Water Law meeting in Union Gap, WA. We will also be applying for DOE Green Project Reserves funding which would allow up to 25% principle forgiveness on loan funds.

Meyer continues to work on the drill and tractor to prepare it for sale. There is an interested buyer and progress will be made after harvest season has come to a full stop. Equipment is getting cheaper by the day. It's not a seller's market, but ours is unique and should hold its value.

Meyer will forward a resolution to the board to take to the WACD Area meetings regarding CRP cost-share. Resolutions need to be submitted by October 11. Meyer will also contact Jill Clapperton as request her to attend an upcoming board meeting to discuss the soil sampling and water quality monitoring technology.

2017 Budget

Carter updated the board on the process that she and the managers are undergoing to submit a draft budget to the board at the October meeting.

Millwood Proposal

The City of Millwood has a south Riverway Park Proposal in which they are seeking a potential loan from our internal loan fund. Carter let them know that there needs to be a link to conservation in the project. It would be similar to our Island Trailhead project due to a boat launch feature. Miller noted that the loan would be secured by the property and if they defaulted on payments we would keep the property or sell it commercially and if it's sold, there probably wouldn't be a conservation benefit. The board would like Carter to investigate the neighboring households' awareness of the proposed project. Carter will be asking our contact, Tom Richardson, at City of Millwood.

Vets on the Farm

A greenhouse has been ordered using funds that were awarded to Vets on the Farm at the Dan Kleckner Golf Tournament from Spokane Teachers Credit Union and the Veterans Golf Association. We also acquired a hoop house from Avista that is 20 ft wide by 60 ft long. There will be construction at the farm starting Friday and we will unveil the greenhouse and hoop house on October 15. We also acquired flats, pots, grow lights, a seeder and other equipment from Avista. Avista had purchased a property, formerly Upriver Green House,

and the equipment and supplies that were left on the property are now being sold or dispersed. Lions Club gave \$500 toward hoop house and asked for a list of needs so they could find other ways to help out. Carter is working with South Douglas, Chelan, Whitman and others to start Vets on the Farm Chapters. There is an extensive Vets project that is proposed in South Douglas.

Rates and Charges

Jim Armstrong has been working with Pierce County to adopt their Rates and Charges system. He is working with WSCC and the Spokane County Commissioners to develop a recommended package. He will present this in November so that it is ready when we decide we need to move to a rates and charges system.

Wire Transfer Agreements

Carter clarified that the limit for wires that needs to be determined is not daily, but per wire. She set up the form so that all board members, except James, could sign off on a wire. Multiple wires could be made per day but each would not individually exceed the limit the board will set. In addition to the initiation of the wire, there would also be a call to verify that the wire should be sent. The form designates each person to initiate, verify, or both. Carter suggests that she and Meyer would only be able to initiate, and board members would verify. Also, we can designate that there must be two verifications. If a wire needs to be sent above the limit we set, a written process will be followed rather than the phone call verification. We have seen INB take great care with their due diligence process regarding wires. The board selected a high level of security that parallels our written check process: one person will initiate the wire (Meyer or Carter), and then it will be verified by two board supervisors. Meyer, Carter and the board filled out security question forms for INB for verification purposes.

Motion Miller/Shrauger to approve a daily wire limit of \$250,000 per wire transfer and that any wire transfer be initiated by Meyer or Carter, and be verified by two board supervisors by phone. Anything over the limit must be verified in writing by two board supervisors. Motion carried.

Check signing authority proposal

Carter asked the board to consider moving the printing responsibility to Turntine, and then Carter could be a signor on the general checking account. Also, Carter proposes that claims under a certain dollar threshold could be signed by only one person, and individual could be staff. This will be brought up at the next meeting for further discussion.

Spokane Complex Fire

Garth Davis will be hosting a Post-Fire Meeting at Freeman High School Multipurpose Room on Sept 20. We have \$50,000 in implementation funds that have not been implemented yet and we would like to put together criteria to use this money for cost share for reseeded, reforestation, riparian plantings and erosion control, fencing, and other post-fire natural resource needs. Our current WSCC cost-share policy is up to 100%, but for this situation we might set different rates based on natural resource concerns in this post-fire situation.

Motion Miller/Shrauger to expand intermediate outcome 2 to include fire recovery cost-share assistance with criteria to be developed by SCD staff. Motion carried.

OPERATIONAL EXPECTATIONS

Correspondence & Announcements

Dates:

Deutschesfest, Odessa, September 17

Post Fire Recovery Meeting, September 20

Green Zone 20th Anniversary, September 21

Spokane ValleyFest, September 23

Rockford SE County Fair, September 24
Cultivating Success, starts September 27
NE Regional Meeting in Ferry County – October 25
WACD Meeting, Blaine, WA – November 28-November 30
Farm & Food Expo with Joel Salatin – November 5

READING OF THE MOTIONS

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

Motion Miller/Shrauger to approve the August 9, 2016 Meeting Minutes. Motion carried.

Motion Miller/Shrauger to approve the August Treasurers Report and September Accounts Payable as presented. Motion carried.

Motion Shrauger to accept the resignation of Randy James from the SCD Board of Supervisors. Motion dies for lack of a second.

Motion Miller/Shrauger to approve a daily wire limit of \$250,000 per wire transfer and that any wire transfer be initiated by Meyer or Carter, and be verified by two board supervisors by phone. Anything over the limit must be verified in writing by two board supervisors. Motion carried.

Motion Miller/Shrauger to expand intermediate outcome 2 to include fire recovery cost-share assistance with criteria to be developed by SCD staff. Motion carried.

Meeting adjourned at 8pm.

Respectfully submitted by: Erica Johnson

Jerry Scheele, Board Chair

Tom Miller, Board Member