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Harney Soil & Water Conservation District Regular Monthly Meeting June 25, 2026

Present: Board Chair (BC) Jeff Hussey, Vice Chair (VC) Doverspike, Secretary/Treasurer (S/T) Scott Franklin, Board Director (BD) Carol Dunten; District Manager (DM) Jason Kesling, Rangeland Biologist (RB) April Mack, CWMA Tyler Goss, Admin Assist (AA) Barbara Pearson

Absent: BD Ken Bentz, Sue Ramsay, Stacy Davies

Guest: ODA Eric Nusbaum

BC Hussey called the meeting to order at 3:33 p.m. A dial-in option was made available for remote participation. As no participants joined remotely, the dial-in was discontinued approximately 15 minutes after the meeting began.

Item #1: Meeting Agenda (action item)

There were no proposed changes or additions. VC Doverspike moved, and BD Dunten seconded, approving the agenda as presented. All eligible voters present were in favor; no one was opposed, and the motion passed.

Item #2: Financial Report and Balance Sheet (action item)

DM Kesling reported that the negative balance shown on the balance sheet has not yet been fully resolved and that Oster Professional Group is working on the issue. He explained the reported negative balance of \$134,137 is an accounting adjustment required for the audit and does not represent an actual loss. Additional accounting entries will be needed to balance the books. He offered to have Janae Trindle of Oster Professional Group provide the Board with a more detailed explanation.

VC Doverspike agreed that an explanation would be beneficial. ODA Nusbaum added that the balance reflected a long-term profit/loss accounting adjustment.

DM Kesling also advised the Board that the June financial report would likely show significant negative balances due to ongoing project expenses. He explained that the District will recover those costs as additional project invoices are submitted and reimbursements are received.

Following discussion, VC Doverspike moved, and S/T Franklin seconded, to approve the May 2026 Financial Report as presented. All eligible members voted in favor, and the motion passed unanimously.

Later in the meeting, ODA Nusbaum recommended that future motions state the Board "accepts" the financial report rather than "approves" it. No action was taken to amend the motion.

Item #3: May 2026 Meeting Minutes (action item)

Board directors were provided with a copy of the meeting minutes the week following the last meeting. DM Kesling said that he, RB Mack, CWMA Goss, LIT Priscilla Doan, and AA Pearson all reviewed them before submission. There were no proposed corrections. All present who were eligible to vote were in favor of approving the meeting minutes. There was no one opposed.

Item #4: Ethics Training (discussion)

ODA Nusbaum presented ethics training for public officials, and copies of the presentation were provided to the Directors. He explained that District policies should align with and clarify state law, and that a copy of the Oregon ethics guidelines is available in the District office.

ODA Nusbaum reviewed the requirements for actual and potential conflicts of interest, emphasizing that all conflicts must be disclosed and recorded in the meeting minutes. Board members with a potential conflict may participate in discussion and vote after declaring the conflict, while those with an actual conflict must refrain from discussion and voting. Staff is required to submit written conflict disclosures to the District Manager, who must report any conflicts to the Board.

The Board discussed situations involving directors whose family members may bid on District projects. ODA Nusbaum advised that conflicts must be disclosed each time they occur. He also encouraged directors to consult the Oregon Government Ethics Commission with ethics questions, noting that the Commission provides legal guidance.

ODA Nusbaum concluded by noting that a conflicted Board member may vote only to break a tie, although he cautioned that this should be avoided when possible. He also reminded the Board that directors participating remotely must be present for the entire discussion before voting.

Item #5: Ethics Policy (review/action item)

DM Kesling had no additional information to present. ODA Nusbaum explained that the District may either rely on state law or adopt policies that clarify state requirements. DM Kesling recommended providing annual ethics training. The Board reached consensus to rely on the Oregon ethics guidelines and seek additional guidance as needed.

ODA Nusbaum also noted that the Oregon Government Ethics Commission provides guidance on public meetings law and briefly outlined the complaint review process.

Item#6: Five-Year Plan (action item)

DM Kesling reviewed the District's Five-Year Plan, explaining that it is a state requirement and serves as a guide for District priorities. He noted that any projects not identified in the plan would be brought to the Board for approval.

Discussion focused on the inclusion of food security and the Resource Concern objective. DM Kesling explained that food security was added based on similar plans from other districts and referenced the District's previous partnership on a community garden and food distribution grant. He also noted that the Resource Concern objective was added to address potential future mitigation opportunities, including those related to BioArmor and the mine mitigation, at the suggestion of BD Stacy Davies.

Following discussion, S/T Franklin moved, and BD Dunten seconded, to approve the Five-Year Plan as presented. All eligible members voted in favor, and the motion passed unanimously. There was no opposition, and the motion passed.

Item #7: CWMA Drone Purchase Transfer Budget to LGIP (action item)

DM Kesling reported that the District's LGIP investment, established in January 2024, has earned approximately \$45,000 in interest. He also informed the Board that the Malheur National Wildlife Refuge provided \$60,000 in grazing fee funds earmarked for the future purchase of an herbicide application drone. Because federal requirements mandate the use of U.S.-manufactured drones on federal lands, the purchase is expected to occur in approximately one year. Until then, DM Kesling requested the board's approval to transfer the \$60,000 into the District's LGIP investment to earn interest while awaiting the purchase.

CWMA Goss reported that he is completing the specialized training required to operate the drone. The drone will be used on federal lands to treat invasive species, including phragmites, hybrid cattails, whitetop, and thistles, and may also be used for seeding. Discussion included the advantages of drone applications over traditional ground and helicopter methods, particularly for accessing difficult terrain.

After discussion, VC Doverspike moved, and S/T Franklin seconded moving the \$60K to LGIP until a time when a U.S. manufactured drone can be purchased. All eligible to vote were in favor; no one was opposed, and the motion passed.

Item #8: 22-26-005: Cow Creek Thinning, Conflict of Interest and Mack Solar Well (action items)

- a) The Mack Solar Well—RB April Mack is the landowner. DM Kesling put the project together, resolving any potential conflict. DM Kesling said the grant has not yet been approved but wanted to disclose. Based on previous ethics training, approval from the board is not necessary since RB Mack informed the District Manager.

- b) Cow Creek Thinning Project: DM Kesling said that the landowner preferred to work with Quicksilver, who subcontracts locally with Blue Mountain Custom Excavation (Jason company). RB Mack developed the project and LIT Doan signed the grant agreement. DM Kesling has not been involved in the development. A written conflict of interest form was provided to the board. ODA Nusbaum complemented the form and said written notification satisfied the requirement.

Item #9: FIP Juniper Treatment Bid Review (action item)

RB Mack presented the project and provided copies of the submitted bids to the Board. She reported that all bids exceeded the project budget. After contacting the lowest bidder, she was informed the project could be completed within budget by removing 52 acres from the contract. RB Mack clarified that the project budget had not been disclosed during the bidding process.

The Board discussed the higher-than-expected bids and the lower number of bids received compared to previous projects. S/T Franklin suggested rebidding the project with the available budget identified in the bid package. DM Kesling and RB Mack agreed this approach would provide contractors with clearer expectations.

By Board consensus, the project will be rebid with the budget information included. No formal motion was required.

Item #10: Continue Conversation on the Bidding Process (discussion)

The Board continued its discussion from the May meeting regarding contractor selection and the potential for giving preference to local contractors. DM Kesling summarized the previous discussion, including a request from local contractors to limit bid awards to contractors within 100 miles of Harney County. He also reviewed the District's current bid evaluation process for projects exceeding \$10,000.

ODA Nusbaum advised that a local preference may be permissible if it is applied consistently through a written policy and objective scoring criteria. He emphasized that the District's procurement process must remain transparent, defensible, and compliant with grant requirements. He noted that factors such as price, equipment, experience, and a limited local preference could be incorporated into the scoring process if consistently applied.

The Board discussed balancing support for local contractors with responsible use of public funds. DM Kesling reported that his research found the policy referenced at the previous meeting belonged to the Grant County Watershed Council rather than the Grant County SWCD and therefore was not directly applicable. He also expressed support for the District's current competitive bidding process, stating it helps achieve the best value for project funds.

The Board discussed possible revisions to the bid score sheet, including adding points for local contractors. ODA Nusbaum advised that any local preference should be clearly defined if adopted. No action was taken.

Item #11: Public Comment

There was no public comment.

Item #12: Adjournment

S/T Franklin moved, and VC Doverspike seconded, adjourning the meeting. All present were in favor (no opposition). The meeting adjourned at roughly 5:33 pm.

Respectfully submitted,

Barbara Pearson, Admin Assist

District Representative

Date