**Regular Monthly Board Meeting**

**August 25, 2022 Harney County Courthouse Basement Conference Room**

Present: Board Chair (BC) Jeff Hussey; Vice Chair (VC) Scott Franklin; Board Director (BD) Ryan Peila; Secretary/Treasurer (S/T) Carol Dunten; District Manager (DM) Jason Kesling; CWMA Coordinator (CC) Tyler Goss; Sage-Grouse Habitat and Rangeland Restoration Planner (SGH) Danielle Reynolds; Admin Assist (AA) Barbara Pearson

Remote: S/T Dunten, Justin Farrell (Lake County SWCD), Jan Lee (OACD)

Absent: BD Susan Doverspike, Ken Bentz

BC Hussey called the meeting to order at 3:32 pm. VC Franklin and S/T Dunten both advised they would need to leave the meeting around 5 pm.

Item #1: Approval of Meeting Agenda

DM Kesling said there were two additions to the agenda, to be labeled 4a and 4b. One (4a) is the appointment of District Secretary/Treasurer (per request of Carol Dunten). The other (4b) is to discuss purchase of a flatbed trailer. VC Franklin moved that the agenda be approved with the listed additions. S/T Dunten seconded and those present and eligible to vote were in favor and the motion passed.

Item #2: Update of RCPP

Jan Lee from OACD provided a historical run down as to what had happened and may happen. This was later affirmed by Justin Farrell. This RCPP issue began in 2015, with the NRCS RCPP All Counties CCAA grant administered by OACD. The former executive director and former District Conservationist in the area worked together to prepare a coding system to protect landowners’ identity. The 2018 Federal Farm Bill included exemption of listing RCPP recipients (even with a Freedom of Information Act), but the exemption wasn’t in place prior.

In 2018, the RCPP was audited and this issue was to have been closed in 2020. Auditors pressed further and were told the information was coded and not available. The auditors responded if required information was not provided OACD would be penalized. The audit was through the Secretary of Agriculture. Jason Jeans (Oregon NRCS) worked with auditors and got the penalty reduced, but Harney SWCD’s current penalty would be $79,600. There will be no more appeals to USDA for this. A bill will be sent to the OACD for collection and then passed to the Districts for reimbursement.

Discussion followed on various solutions—could landowners provide minimal information to remove the penalty from the district? The updated Farm Bill indicates there is no longer public access to this information. Landowner information is redacted.

Justin affirmed what Jan had to say and added this is an “Unfortunate situation. It is imperative we work through this best we can.” He and Jan were at the meeting to answer any questions.

S/T Dunten asked about public access if these records are released. Jan said the 2018 Farm Bill set out an exemption on records reporting of landowner information not being allowed to the public. She offered to send that portion of the Farm Bill text to S/T Dunten who said, “I would like to see that.”

DM Kesling explained the information provided in the board directors’ notebooks. One page was of information that could be shared with landowners and the second was a spreadsheet. The items in red are what the district will owe if this is not otherwise resolved (see attachment). He proposed creating another spreadsheet with the HC numbers, landowner tax lot, ID or name and then ask the landowners if they will allow the district to provide this information to NRCS. With the Letters of Interest (LOI) the district has always said it would pay that money back. Many of these recipients were those who expressed interest in the program 2014-2017, but did not have any CCAA work done to date. He would not want to scare them from participating.

At 3:40 pm SGH Reynolds arrived at the meeting.

VC Franklin noted S/T Dunten has the most history of anyone in the room with the CCAA program. He expressed concern that the people who initially signed up with the program had the guarantee of confidentiality. “Now we have to let them know their information will be released?” DM Kesling said no; if the landowners do not give permission the district will be on the hook to repay $79K. Discussion followed on the willingness of landowners to provide this information, what was actually promised to the landowners at the inception of the CCAA, alternative actions, and how this would affect district finances.

DM Kesling and Jan Lee will put together “an elevator pitch” for landowners to address this. DM Kesling said he would be as upfront as possible and will ask landowners if they would be comfortable in providing their names. The issue will not be forced because the community should not see the district going back on its word.

VC Franklin said, “I understand it has to be done, but I don’t like it.” BC Hussey noted that this is not an action item for the meeting, just an information and discussion topic. The OACD will receive the bill from RCPP in October.

Frustration was shared and accountability discussed. S/T Dunten said it wasn’t the district’s fault this happened because it was given this assurance at the time and now this fell through. Jan apologized that the issue had gotten to this point.

DM Kesling also said the district could say no to the repayment and then NRCS could proceed, but he didn’t know how effective that would be. Another option was to contact State Representative Mark Owens or U.S. Senators Merkley and Wyden and U.S. Representative Cliff Bentz. BD Peila agreed this was a good option. VC Franklin said this is one government agency punishing another government agency. He concurred with BD Peila but said the DM will have to speak to the landowners as well.

SGH Reynolds asked how the other counties were responding. DM Kesling said that Crook County owes around $10K and is waiting to hear what we will do. He felt the easiest and safest response is to see what landowners will do. The consensus was for DM Kesling to contact landowners. DM Kesling said he will create a one-page document indicating what landowners were spoken to. He also said things will be completed differently in the future in that the landowner will need to contact NRCS to request project funds. There was discussion if the penalty is paid if that would be the end of this issue. Jan and Justin left the meeting at 4 pm.

Issue #3: July Financial Report

DM Kesling explained the report. The district finances are currently good. The pick-up has been purchased. BC Hussey asked him if there is anything the board should be aware of and DM Kesling said if there is (beyond what is on the reports and discussed) he is not currently aware. VC Franklin moved and BD Peila seconded approving the July Financial Report. Board directors present were in favor and the motion passed.

Issue #4: July 28, 2022 Meeting Minutes

There were no additions or corrections. VC Franklin moved and BD Peila seconded approval of the minutes as presented. Board directors present were in favor and the motion passed.

Issue #4a: Accepting S/T Dunten’s Resignation and Appoint a new Secretary/Treasurer

S/T Dunten said she has not been able to exercise her duties in signing checks and reviewing bank statements (VC Franklin also has bank signing privileges and has been coming to the office for this. The task takes about 45 minutes at a time and he has come in twice a month on a regular schedule). She asked the board to accept her resignation and appoint someone who can fulfill these duties.

VC Franklin said he can continue on in his current capacity, but there is a need for another board director to have signatory privileges. VC Franklin moved and S/T Dunten seconded appointing BD Peila as Secretary/Treasurer. Board directors present were in favor and the motion passed. DM Kesling will contact the bank when a draft of the meeting minutes is created.

Both Dunten and Peila were thanked for their service. Note: Peila will now be referred to as S/T Peila and Dunten will now be referred to as BD Dunten.

Issue 4b: Flat Bed Trailer (discussion)

CC Goss said the rangeland drills have been repaired and are available for use. Damage was sustained because the drills have been pulled behind vehicles. A trailer is needed, one long enough to haul one drill or two ATVs (the district’s current trailer is only long enough for one ATV). The trailer would be for us to deliver the rangeland drills. Binders and securing equipment would also be needed. Big R currently has an 18-foot big tandem axle available for $5500. CC Goss priced other local businesses and will continue to research. VC Franklin suggested in pricing, “compare apples with apples” and that he liked the stoutest option. DM Kesling said funding for the new trailer would come from the Rangeland Drill account, CWMA and Admin funds. The DM said while this wasn’t an action item he did want the board to be aware of the need and to let VC Franklin know that this was discussed at a board meeting when he is signing the check.

Issue #5: Wilber-Ellis Purchasing Policy.

This is a follow up from the last meeting. Opening a purchase account through Wilber-Ellis was approved, but BD Doverspike requested a policy with a purchasing cap. The proposed policy was in the board director notebooks. Anything under $50K allows the District Manager authority to charge against. CC Goss said the account is opened at $10K. He didn’t foresee it being used much unless herbicide costs went through the roof. The only time the district would utilize the account is if the CWMA applies herbicide, there is a bind with a grant, or if the county backs out of sponsoring the free spray day and the CWMA assumes sponsorship.

S/T Peila asked what if the CWMA doesn’t want to purchase through Wilber-Ellis? CC Goss said it doesn’t prevent using another vendor. It opens up the option of purchase and that herbicide can be obtained at a lower rate compared to not having an account. Wilber-Ellis is good at sending a representative to meet with CC Goss and explain new chemicals. The other businesses consider the CWMA too small.

Upon reviewing the policy VC Franklin moved and S/T Peila seconded approving. Board directors present were in favor and the motion passed.

Item #6 Employee Evaluation

This would be for SONEC Sam Artaiz. Recently DM Kesling, District Conservationist Zola Ryan, and Sam met for his six-month evaluation. DM Kesling had good things to share with the board—Sam is really tackling heavy items and preparing grants. DC Ryan also had favorable comments on Sam’s performance in NRCS. DM Kesling said Sam will be eligible for benefits in September and requested he move to a step one in the 2023 salary schedule. S/T Peila moved and BD Dunten seconded the merit increase for SONEC Sam Artaiz. Board directors present were in favor and the motion passed.

#7 Update on Requested Waiver on the Use of a Horse during Work Hours

Further information on this is on the previous month’s meeting minutes. CC Goss had asked to use his horse during work hours for trail inspections. The Board approved a waiver from CC Goss.

DM Kesling and AA Pearson prepared the waiver and (in accordance with a policy also approved at the last board meeting) contacted SDAO’s law review. AA Pearson said SDOA General Council Spencer Rockwell responded that a horse owner cannot waive district responsibility of horse and trailer. CC Goss would be covered through workmen’s comp but if there is damage to his property (trailer and horse) the district would be responsible since this is during work hours. No waiver of responsibility is possible and damage to the horse or caused by the horse would need to be covered by the district and its liability insurance. CC Goss said he currently does not have insurance on his horse.

CC Goss said “If you don’t approve, it is what it is. It would be nice.” BD Dunten said the sad thing is CC Goss could do his work faster on a horse. Based upon discussion that followed VC Franklin moved and S/T Peila seconded the board to withdraw the past decision to request waiver on the use of an employee’s horse. BC Hussey, VC Franklin, and S/T Peila were in favor; BD Dunten opposed. CC Goss pointed out that even though the motion didn’t pass there is no waiver so he technically cannot use his horse. There was further discussion on the matter. S/T Peila said that perhaps CC Goss can provide a dollar amount of the value of his horse and trailer to see about coverage or the district to investigate the possibility of insurance coverage. This will continue to be an agenda item topic.

Items #8 and #9 Discussion of Grants and FY 2022-2023 Proposed Budget

DM Kesling said #8 and #9 went together, with # 9 being an action item. He explained Item #8, page two of $1.2M in grants available and open and $829K for salary. Current admin is $93,024,also counting Admin through CWMA. There were no questions.

Regarding July 2022 to August 2023 budget, DM Kesling said the board doesn’t really have to approve but he thought it good for the board to have an idea and input as to how funds will be spent in this current FY year. BC Hussey asked what would happen if the board didn’t vote. The DM answered that the vote is not required for audits but thought the board would want to know and that it would be good to have this as an action item. S/T Peila asked if this was a budget or earmark what the district might need to pay? DM Kesling said this would go through Admin and can be updated—it’s more of a projection or outline. It could change if a staff member leaves or if the district is able to hire additional staff. The district is constantly adding and removing grants—finances are very fluid. VC Franklin moved and S/T Peila seconded approval of the FY 2022-2023 budget. BC Hussey, VC Franklin and S/T Peila were in favor; BD Dunten abstained. She said she saw nothing right or wrong—just needs more time to study them. This item was tabled for the next meeting.

Item#10: Joint September Meeting HSWCD, HDP and HWC in Fields

DM Kesling said that while the meeting will have call in capability it would be great if board directors would attend. The meeting is scheduled at the Fields school. The district will present and vote on financials and meeting minutes and then he would provide information about the district. The High Desert Partnership (HDP) and Harney Watershed Council (HWC) would do a similar overview. HDP has put together a schedule including a field tour if people want to attend. Lunch and possibly dinner will be provided. This would be in place of the regular board meeting. District can provide mileage or people can carpool. Fields is in an area currently without a board member so this could be a recruiting opportunity.

BD Dunten asked if there was any advertising being done about the event. DM Kesling felt word of mouth would be more effective than advertising. S/T Peila suggested a flyer be posted at the school. VC Franklin suggested instead at the store.

Item #11 Public Comments

There were no comments.

Meeting Adjournment

VC Franklin moved and BD Dunten seconded adjourning the meeting. All present and eligible to vote were in favor and the meeting ended at approximately 4:55 pm.

Respectfully submitted,

Barbara Pearson, Admin Assist

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| District Representative |  | Date |