

**Marion Soil and Water Conservation District
Budget Hearing & Board of Directors Meeting – 06/21/2018**

Handouts and attachments available on request

Location: Marion SWCD Conference Room
338 Hawthorne Ave. NE, Salem, OR 97301
Date: Thursday, June 21, 2018
Time: 7:05 PM to 7:22 PM (Budget Hearing)
Time: 7:22 PM to 9:39 PM (Board Meeting)

Date Approved: August 1, 2018
Recorder: Susan Ortiz
Chair: Tim Bielenberg

ATTENDANCE:

Directors

Bielenberg, Tim
DeSantis, Bob
Krahmer, Doug
Walker, Scott

Associates

Fields, Mark
Hsu, Terry

Staff

Keppinger, Jane
Ortiz, Susan

Guests / Partners

Bachelor, Les (NRCS)
Alexander, Catherine (Straub Env.)
Decker, Antonia (Straub Env.)
Stevenson, Brent
McCoun, Rebecca
Budeau, David

Directors not in attendance

Hetsel, Ken (*deceased*)
Olson, Darin

BUDGET HEARING

CALL TO ORDER: Brent Stevenson, Budget Committee Chair, called the budget hearing to order at 7:05 PM.

RECEIVE PUBLIC COMMENT:

Stevenson related that the comments from the Budget Committee would like to see the District get as much conservation work on the ground as possible; and that the voters approved the permanent tax rate and that they expect those funds to be used for conservation assistance. Bielenberg noted that to get conservation on the ground that it is important to have adequate technical assistance, and that it is important to use the taxes that the public has set-aside for conservation. Walker noted that the proposed budget does not accept the full 0.05 per thousand, instead sets a flat amount to receive, and that next year if a large project comes in then the full amount can be taken in. Keppinger stated that there has been carry-over that has been building up over the past several years for various reasons and the flat rate amount of taxes to receive should allow for that carry-over to be spent down. Bielenberg noted that there are adequate funds in the budget to allow for normal operations. Walker stated that the programs need to be created first before staffing is hired. Bielenberg noted that there is a lot of the assistance that goes for technical assistance to answer phone calls, emails and related contacts, that aren't necessarily related to a project that is brought forward for grant funding. Walker indicated that the District is not working throughout the county but is focusing in just certain locals and asked that the urban areas are a stronger focus. Hsu noted that the LAP program ebbs and flows with the number of applications received. Walker stated that the LAP program did not spend all of the funds that were budgeted, and that there is even more funding being

allocated for the 18-19 fiscal year; Keppinger noted that not all projects qualify for LAP for various reasons. Keppinger stated that the staff has made additional program requests to the Board over the past year, however, those were not approved by the Board. Bielenberg stated that there are often other practices that can be offered to clients under the LAP program. Stevenson stated that this is the conversation that the Budget Committee would like to see the Board continue to have.

CLOSE BUDGET HEARING: Budget Committee Chair Stevenson adjourned the budget hearing at 7:21 PM.

BOARD MEETING

CALL TO ORDER: Chair Bielenberg called the Board Meeting to order at 7:22 PM. Introductions were made, and Programs Assistant Ortiz noted that the meeting was being recorded.

SPECIAL RECOGNITION / SPECIAL ACKNOWLEDGEMENTS / SPECIAL BOARD ACTION:

It was announced that Ken Hetsel had passed away on June 19, 2018. Services for Ken will be held on July 10th at 6:00PM at Calvary Baptist. A moment of silence was held in remembrance.

Walker stated that he was appointed to a task force to look at solar arrays on agricultural lands, he encouraged comments and input from those present and noted that he will likely seek assistance and input from the District staff. Committee was appointed by the county commissioners.

PUBLIC COMMENTS: None.

AGENDA CHANGES:

Additions:

- Appoint a Board Secretary – Treasurer, it will be added to F. to address the Board vacancy.
- Address other conservation programs – added after G.

Straub Environmental Center Presentation: Catherine Alexander, Executive Director of Straub Environmental Center, and Antonia Decker, Outreach Coordinator with Straub Environment, presented two media presentations, Straub Environmental Center Programs 2017-2018 and Naturaleza Ahora! / Nature Now program.

The high school program assisted with building trails, clean-up; the students did a two-week program which as stipend based in cooperation with AmeriCorps, and they are doing following up with the students through surveys, and they will continue to work with these students to continue to have dialogue with these students. They want to expand the program and hope to do another pilot in 2019 with additional partners.

Naturaleza Ahora! / Nature Now program is to reflect the cultural diversity in our communities, including tribal youth and Latino populations. Ms. Decker reaching out to community members and educators to learn about the community needs and through an engagement team including students, parents, educators to have a dialogue as an advisory board. The goal of the program is to get the youth outdoors as their time outside is currently limited (Kaiser study stated that it is only 15 minutes per day, with over 7 hours indoors most of that in front of a screen). Ms. Alexander noted that they are continuing to do focus groups and outreach, and they are compiling the information that they are collecting to share with partners in the area.

Ms. Alexander passed around the MOU with the District that was just completed along with posters for their Summer Nature program and stated their appreciation for the District as a partner. Alexander also provided a sponsorship proposal and noted that their programs run May through October; therefore, she the draft MOU begins more in line with their schedule. The proposal is asking for two funding cycles for Straub (one for the District), but that they would not come to ask for additional funding again until for the 2020-2021 District fiscal year. Alexander noted that Straub was able to purchase a van to assist with transportation and it is helped to get additional students involved with the assistance of the District support. Alexander requested that the Board consider the proposal at a later meeting.

NATURAL RESOURCE CONSERVATION SERVICE REPORT: Bachelor stated that they have about 15 more plans to write before their August 10th deadline. Bachelor submitted three conservation plans for the Board to consider. *They were added to the Consent Agenda.* Bachelor noted that they funded a lot through the Initiatives and are a bit behind on the regular EQIP. He stated that if the District ever wanted to hire an engineer that was qualified to do irrigation design that planning for NRCS could be paid for as a Technical Service Provider; he noted that Marion County has the highest irrigated acres in the state.

PUBLIC or BOARD COMMENTS ON CONSENT AGENDA: None.

CONSENT AGENDA: Bielenberg presented the Consent Agenda; he asked Board Members to state any comments or conflicts of interest.

A. **MARION SWCD MINUTES:**

1. May 2, 2018 Board Meeting Minutes
2. May 21, 2018 Budget Committee Meeting Minutes

B. **ACTION ITEMS:**

1. NRCS Conservation Plans
 - a. Henry Hazenberg – Animal Feeding Operation (pipeline and a pumping plant)
 - b. Brentano Farms Inc. – Irrigation – sprinkler system, IWM in the Champoeg CIS
 - c. Kristine Dahl Mitchell – High Tunnel Initiative, cover crop, mulching
2. Extend Current Garten's Janitorial Contract with increase of \$28.44 per month
3. Accept Lease for Office Space with the Confederated Tribes of Warm Springs

ACTION: Krahmer moved for the Board to approve and adopt the items contained in the Consent Agenda. 2nd by DeSantis; passed unanimously 4-0.

FINANCIAL REPORTS: Keppinger provided the Board with the April financial report. The QuickBooks reconciliation detail report showed that as of the close of business 5/31/2018 the balance held under the Local Government Investment Pool (LGIP) to be \$2,414,231.08.

The account for the 125 Flex Plan had a balance of \$502.32 on 4/30/2018 and \$5,233.68 on 5/31/2018. The balance of the District's checking account on \$113,096.01 on 4/30/2018 and \$103,622.09 on 5/31/2018 was. The District's checking account activity report for May and June were reviewed and all questions regarding the checks paid out were addressed.

ACTION: Krahmer moved for the Board to approve the financial report as presented. Motion was 2nd by DeSantis, Motion passed 4-0.

UNFINISHED BUSINESS

A. Reconsideration of North Santiam Watershed Council & SWCD Partnership Agreement

DeSantis brought the Agreement back for reconsideration (DeSantis had voted No previously). It was noted that Olson desired a longer timeframe under the Agreement; Keppinger stated that the Agreement did not have an end date, however, the work plan is for one year and it would be revised on a yearly basis. The agreement would provide technical assistance to the North Santiam. Bielenberg stated that the District would have a full-time employee and would provide work for the North Santiam WC through the contract. The District would be reimbursed on time and expenses (incl. mileage).

ACTION: Krahmer moved for the Board to approve the contract between the North Santiam WC and the Marion SWCD. Motion was 2nd by DeSantis. Discussion: Walker inquired if the difference between the Agreement and the workplan was explained to Olson; Keppinger responded that she reviewed it with him earlier in the week. Keppinger noted that if/when the WC has additional projects or work that the workplan can be updated. Brent Stevenson, North Santiam WC Vice-Chair, is very supportive of the Agreement and it is a great solution for the council to be able to get their projects done. Rebecca McCoun, NSWC Coordinator, looks forward to working with the District under the Agreement; she also talked to Darin Olson and explained the way the Agreement and work plan would work. Vote: Motion passed 4-0.

B. Discuss New Natural Resources Educator Position Description

Keppinger noted that at the budget committee meeting additional position would be considered; Keppinger reminded that Board that Ron Crouse would be retiring within the next year, if not earlier; in consideration of Crouse retiring it would be very helpful to hire his replacement before Crouse retires. It would be preferable to hire full-time, as it would be more attractive to potential candidates; also, Salmon Watch will be starting in September and will require fulltime work for the new educator. There was discussion that the new hire not be full time; however, Keppinger noted that Crouse will likely be cutting back on his hours. Keppinger noted that staff put together what they wanted this position to include and one item of importance to the rest of staff was to have this person work on adult education. Keppinger stated that the work plan was put together to demonstrate the need for the position.

Bielenberg asked if this was just for information for the Board; Keppinger stated that it was for information and for the Board to see what the position would entail. Keppinger plans to release the position announcement on Monday.

C. Update on Audit Services Proposals Received

Keppinger states that 4 proposals were received; she would like to review the proposals and ask a few more questions, then bring it back to the Board at either the July or August meeting. Previous audit cost \$5,800; proposals came in between \$3,800 and \$7,000.

D. Discuss District Manager's Evaluation Form and Process

Bielenberg stated that he would complete the performance evaluation with Keppinger. Walker stated that he would like to have all of the Board members involved in the evaluation; he stated his concern that having one person do the evaluation is not adequate to reflect the Board. Kraemer voiced that he feels that this is the most effective way to complete a performance evaluation. Bielenberg reminded Board members that if they have a concern regarding one of the areas on the list then they can fill out the evaluation and provide it to the Chair. Walker stated that he did not agree with the proposed methodology for completing the evaluation. Bielenberg stated that he does not believe that the 360 review reflected a true performance evaluation. Keppinger noted that there were no recommendations for improvement, discipline, merit raise, etc, that came from the 360 review.

Bielenberg stated that as be the Board Chair will sit with the District Manager to do an evaluation; he asked for each Board member to review the list and write down their comments/concerns and provide it the to him. Kraemer noted that the Board Chair is the direct supervisor of the District Manager and is the proper person to perform the performance review.

E. Chemeketa Community College

Keppinger stated that she does not have a current report; but believes that the building is moving forward for Chemeketa Community College and that OSU Extension-Marion County will also be housed there. Keppinger has not been able to make contact with Chemeketa to schedule a time to meet. Bielenberg noted that the District has a lease here through 2021. Keppinger noted that Chemeketa is building more space for additional occupants, but at this point it is unknown if the District is interested, what the cost would be, or how much space would the District need. Walker would like a better idea of what the options are with the space.

NEW BUSINESS:

A. Adopt 2018-2019 Budget, Impose Tax, and Categorize Tax Resolution (See handouts)

ACTION: Walker motioned for the Board to adopt the 2018-2019 Fiscal Year Budget as approved by the Budget Committee. The motion was 2nd by Kraemer. Motion passed by unanimous vote

ACTION: Kraemer motioned for the Board to adopt Resolution 062118 as presented. The motion was 2nd by DeSantis. Motion passed by unanimous vote.

B. Approve 2018-19 Employee Annual Work Plans for ODA Grant Funds

ACTION: Walker motioned for the Board to accept the employee work plans as presented. The motion was 2nd by DeSantis. Motion passed by unanimous vote.

C. Approve Landowner Program Payment Requests and Needed Extensions

ACTION: Walker moved to approve the Requests for Payment for the completed LAP projects. Motion was 2nd by Krahmer. Motion passed unanimously.

ACTION: Walker moved to approve the extensions to the LAP projects as presented. Motion was 2nd by Krahmer. Discussion regarding how end dates for projects are determined; it was noted that the end dates are based upon the dates that are listed on the applications by the applicant and reviewed by the technical staff. Vote: Motion passed unanimously.

Ortiz noted that the Board was provided with statistics and information regarding the applications received for the 2017-2018 LAP program. She noted that the irrigation projects for 2017-2018 have an estimated water savings of 301,658,421 gallons or 925.76-acre feet of water for one year; this is enough water to supply the population of Stayton for one year.

D. Adopt NRCS Component Costs to use for Landowner Assistance Program

Ortiz advised the Board that the District staff has noted that the LAP Practice Cost List is in need of updating. Updates to the cost list have had to be approved by the Board prior to implementation as the rates are used to value in-kind labor and equipment usage; with the most recent list approved by the Board on 8/3/2016. She noted that originally the cost list was based upon the NRCS's EQIP cost-share rates; however, for at least the last 10 years District staff would research costs from local businesses with updates occurring every two to three years. In the intervening time since the previous approval the cost of minimum wage as increased by 14%, and staff believes that the cost list should better reflect increases in the cost of wages and better reflect rates accepted by our partner agencies. NRCS now publishes both their cost-share rates and the component rates on their website; all rates are reviewed and updated yearly by the USDA Economic Research Service. Ortiz brought forth the recommendation that the Board adopt the use of the NRCS costs for practices and practice components to set cost rates for in-kind labor and equipment usage. Ortiz noted that staff already utilizes the NRCS practice scenarios to create initial budgets for projects, and that OWEB accepts the NRCS costs. An example of three items was provided to demonstrate the District's current rate and the NRCS rate.

DeSantis suggested that equipment rates should be set by getting a cost-rate list from a local equipment rental company and utilizing those rates to value in-kind equipment use. Discussion regarding setting the wage rate. Walker stated that there were only three examples provided to the Board and no information regarding the overall cost to the LAP program; and he would like to table the conversation. Ortiz noted that this is only to value the in-kind matching labor and use of their own equipment, otherwise the District pays on actual costs that has documentation including receipts. Keppinger stated that using the NRCS rates will save a tremendous amount of staff time that is spent to create a rate list that is only a best guess. Walker stated that there are many more than three items and that the Board is only seeing a small fraction of the information; Keppinger noted that the NRCS document is about 1200 pages. Bielenberg noted that an increase in the

valuation of in-kind labor and equipment usage could result in the District paying out more under the LAP program, this will generally only occur on projects that are not up to the maximum \$7,500. *The discussion was tabled until a later date.*

E. Approve Purchasing New District Vehicle

Keppinger presented three quotes for a 2018 Honda CRV, with trade-in for the car.

ACTION: Krahmer motioned for the Board to the purchase of a 2018 Honda CRV from Power Honda at a price of up to \$29,000 after trade-in. The motion was 2nd by DeSantis. Discussion: Walker stated that he questions purchasing a 2018 vehicle and that in his opinion it would be more cost effective to look at a 2017. Motion failed. Vote: 3-1 (Walker voted no).

F. Request to ODA to Vacate At-Large 2 Position

Ken Hetsel, Director At-Large 2, passed away on June 19, 2018.

ACTION: Walker motioned for the Board to direct ODA to vacate the At-Large 2 position that had been held by Ken Hetsel. The motion was 2nd by Krahmer. Motion passed by unanimous vote.

ACTION: Bielenberg appointed Krahmer as Board Secretary Treasurer.

Discussion regarding how to appoint an individual to fill the vacate Board positions. Bielenberg stated a preference for applications from interested individuals, and if there are applicants received they can be reviewed at the next board meeting. Any appointment to the Board would be to fill the vacancy until the term ends on December 31, 2018.

G. Set New July Board Meeting Date

Following the regular schedule of holding the monthly board meetings on the first Wednesday of the month will result in the July board meeting falling on July 4th which is a holiday. Consensus was to hold the July meeting on July 18, 2018.

There was a handout of the Marion SWCD Board Member Meeting Attendance for the 2017-2018 fiscal year.

H. Additional Conservation Programs

Walker stated that the new staff should be thinking of new programs for the District to implement. Bielenberg stated that when staff brings a program to the Board, the Board should provide direction to staff if the program is not what the Board wants. Further discussion postponed until a later date.

REPORTS FROM DIRECTORS, COMMITTEES, AGENCIES, STAFF

A. Oregon Association of Conservation Districts (OACD): Keppinger reported that the OACD Executive Director, John Keith, has resigned his position. OACD Lower Willamette Basin meeting was held May 23rd and Marion SWCD hosted. OACD is going to hold a meeting this fall to include all the member SWCDs.

B. Marion Co. Water Quality Advisory Meeting/Ag Heritage Program Update:

Krahmer reported that the Water Quality Advisory meeting postponed.

The Ag Heritage program has finished working on the administrative rules and will present them to the OWEB board next week; the rules will then be made available for public comment. The committee will meet again on August 8th to approve the final version of the administrative rules, which will then be finalized by the OWEB Board.

MEETING WAS ADJOURNED BY CHAIR BIELENBERG AT 9:39 PM.

Minutes submitted by Susan Ortiz, Programs Assistant. Attachments and handouts are available upon request.

Upcoming Meeting Dates:

Next Regular Board Meeting: **Wednesday, July 18, 2018 beginning at 7:00 PM**
Location: Marion SWCD Multnomah Falls Conference Room
338 Hawthorne Ave NE, Salem, OR 97301

August Regular Board Meeting: **Wednesday, August 1, 2018 beginning at 7:00 PM**
Location: Marion SWCD Multnomah Falls Conference Room
338 Hawthorne Ave NE, Salem, OR 97301

The Marion Soil and Water Conservation District complies with the American with Disabilities Act (ADA) and does not discriminate in employment based on race, color, religion, sex, national origin, political affiliation, sexual orientation, gender identity, marital status, disability and genetic information, age, or membership in an employee organization. Anyone who wishes to attend a meeting but needs special accommodations, please telephone the District office 48 hours in advance at 503-391-9927.