



Wasco County Soil and Water Conservation District
Board Meeting Minutes – January 5, 2022

Directors via Teleconference: Bill Hammel Stan Shephard Ken Bailey
Phil Kaser Pat Davis Shawn Sorenson

Associate Directors via Teleconference: Bryce Molesworth

Directors Absent: Bob Krein

Staff via Teleconference: Shilah Olson Samantha Filbin Josh Thompson
Drake Gilbert Scott Susi Jennifer Sampson
Abbie Forrest

Guests via teleconference:

FSA: Lissa Biehn, County Executive Director
NRCS: Emily Huth, District Conservationist
Wy'East: Robert Wallace, Executive Director
OSU Ext: Jacob Powell, County Agent
Auditor: Rich Cyphers, CPA
Public: Dan Hazel

1:01 PM Call to Order

Bill called the meeting to order and asked if there were any additions to the agenda. None were made.

Minutes: Bill asked if there were any additions or corrections to the December board meeting minutes. None were made. *Ken moved to approve the December board meeting minutes as presented; Phil seconded. Motion carried unanimously.*

Treasurer's Report: Shilah reviewed the November Treasurer's Report, noting income, expenses, account and fund balances. *Ken moved to approve the November Treasurer's Report; Phil seconded. Motion carried unanimously.*

Shilah reviewed the December Treasurer's Report, noting income, expenses, account and fund balances. She noted there was a payment to Molly Simer on the highline ditch project, which was previously approved to pay using the leftover balance on the OWEB grant. Shilah noted we put a deposit down on a new security camera upgrade for the office building. She reviewed several transfers, which were mostly cleanup at the end of the calendar year. Shilah reported the board levied the full tax amount for this fiscal year and estimated \$600,000 in revenue from the tax levy. As of the end of December they've received \$587,127.66 which is approximately over 95% of our budgeted tax revenue. Ken noted there are a couple negative depreciation amounts in the additional financial

reports. Shilah will double check the formulas on the spreadsheet. *Ken moved to approve the December Treasurer's Report; Stan seconded. Motion carried unanimously.*

Public Comment (5 Min. limit/person) – none at this time.

Action Items

a. Officer Elections – Shilah reported board officers are elected on an annual basis and reviewed the current officer designations: Chairman Bill Hammel, Vice-Chairman Bob Krein, Secretary/Treasurer Shawn Sorensen. *Phil moved to re-elect all the officer positions as they currently are held; Ken seconded. Motion carried unanimously.*

b. Budget Committee Appointments – Covert, Lindell, Wagenblast – Shilah reported there were three budget committee appointments that expired at the end of December: Chuck Covert, Robert Lindell, and Dave Wagenblast. The budget committee consists of seven members of the public to match the seven members of the SWCD board. Lindell and Wagenblast have both stated they are willing to continue serving on the committee. Shilah has not yet heard a response from Covert. Dave Wagenblast remarked that he will be retiring from the bank at the end of July but is still willing to serve on the committee or will step aside for a new bank member. Shilah recommended to reappoint Lindell and Wagenblast and see if Covert responds. *Ken moved to reappoint all three budget committee members, with the caveat that if Covert declines, they'll reconsider the committee members at that time; Phil seconded. Motion carried unanimously.*

c. Policy Review – Legal/Land Use – Shilah reported this is a one-page chapter so it is included in the meeting packet. This chapter has one policy that was adopted in 1992, stating the board delegated to the District Manager the permission to review and comment on any land use applications in the county that might have an impact on natural resources. If any conflict of interest arises, the District Manager will bring the land use application to the board for approval. Ken commented that the policy needs to be updated with a current date of approval. *Phil moved to approve the policy as stated with an updated date; Shawn seconded. Motion carried unanimously.*

d. Cost-Share Requests – Shilah presented a cost share application from Ruby Land and Cattle:

Ruby Land & Cattle – Shilah reported they are applying to install an irrigation system, which will double as a demonstration project. The VC1 MK1 irrigator system will be installed along Fifteenmile Creek in a 20-acre field owned by Phil Kaser and his sister. Josh and Robert Wallace have both looked at the project and think it will be an interesting demonstration project. This system is popular in Australia and involves a mobile irrigator that moves through the field on its own. Discussion ensued regarding the logistics of the system, and Shilah recommended the board read the full application as there was a lot of reference material included. They were requesting \$3,500 with an estimated total cost of \$7,000. However, Ruby Land & Cattle has said that their original estimate is no longer valid as prices have gone up. There is currently \$3,509 left in the cost share budget as of today, and Shilah recommends approving this project for the remaining \$3,509. *Stan moved to approve the Ruby Land & Cattle cost share application for an amount of*

\$3,509.00; Shawn seconded. Phil abstained due to a conflict of interest. Motion carried unanimously.

Scott presented two haul road applications:

B.Hazel – Scott reported this is a fairly basic haul road and apologized for the snowy pictures. He confirmed he did see the project before the snow fell and can confirm they could benefit from rock. Britney Hazel’s property is just south of Wamic.

D.Hazel – Debbie Hazel’s property is west of Wamic and is a couple miles away from Brittany Hazel’s project. The landowner has done some work to smooth out the road, but it is pretty rough in some places and needs additional rock. *Phil moved to approve both haul road applications; Stan seconded. Motion carried unanimously.*

e. River Democracy Act – Shilah reported she is still working on this. The board previously approved putting together a letter opposed to the act, and she wants to make sure it’s specific to Wasco County and our concerns as a District. She requested to table this topic until the next board meeting.

f. Step Increases for Office Assistant & NRCS Liaison – Shilah reported both Jennifer and Samantha have been doing an amazing job and she’s requesting to give them each a step increase effective January 1. Jennifer has also just completed her Certified Public Bookkeepers license and Shilah would like to add proficiency pay to encourage her to keep up the certificate. *Ken moved to approve step increases for both Samantha and Jennifer, and add proficiency pay for Jennifer; Shawn seconded. Motion carried unanimously.*

g. Extending GSI Contract for Mosier GW Project – Josh reported the District contracted with GSI for the Mosier ground water project and there is plenty of money left in the budget. He’s requesting to extend the contract through June 30, 2022. *Pat moved to extend the contract with GSI through June 30, 2022; Ken seconded. Motion carried unanimously.*

FY 20/21 Audit

Rick presented the audit for the fiscal year ending June 30, 2021. He reported that all the financial statements are in good shape, and this is an unmodified or clean opinion. No fraud was detected; however, an audit is not a failsafe. He commented the best defense against fraud is having internal procedures and checks and balances, which the SWCD has. He noted the last few pages in the report is a report required by the State of Oregon which involves tests of district compliance. It includes how deposits of public funds are handled, if they are held in an approved bank, a review of debt, confirming payments and balances, investments, public contracts and purchasing. Rick did not find any non-compliance with state requirements.

Rick stated that a deficiency of the District’s internal control is having him prepare the financial statements, and notes that this is a very common compliance issue that most districts have. It’s not cost effective to have one CPA firm prepare the statements and then also pay Rick to audit them.

Rick noted that currently board members and employees are allowed to participate in the district cost share program and other conservation projects, and that board members abstain from voting when there is a conflict of interest. He suggested the board consider if they would be more comfortable asking those involved to step out of the room while the board discussed the project. Ken commented that the board has considered that but in most cases no one on the current board had an issue talking about projects in front of the involved board members. Board consensus was that if it was a major issue being discussed, they may ask affected board members to step out of the meeting, but for the most part this isn't necessary.

Rick and Shilah will coordinate and confirm the depreciation formulas are updated on the spreadsheet for capital assets reported to the board. Rick commented that he confirms the SWCD is paying insurance premiums, but suggested the board discuss coverage with an attorney and insurance agent to confirm all liability requirements are being met.

Pat moved to approve the FY 2020/2021 audit as presented; Ken seconded. Motion carried unanimously.

Updates:

a. Next Meeting - The next regular meeting is scheduled for February 2, 2022, 1:00 PM, at the USDA Service Center (TBD) or Zoom.

b. Mosier Groundwater: Deep Well #2 & Mosier Million #2 – Josh reported that deep well #2 is nearly completed and they are only waiting for contractors and weather to be aligned. They have purchased a pump through Mather and Sons and are waiting on Pacific Power to install service to the well. For Mosier Million #2, he is working on the contract with Biz Oregon. They are continuing along the same framework as was done with the first Mosier Million well.

c. Tygh Valley Water Projects: Highline Ditch & Lindell Dam Removal – Josh reported he and Shilah met with Simers on the Highline Ditch project, and they are trying to work with them to get a plan for a fish screen for their operation. Their pump is working, but there are some logistics they need to figure out on the fish screen. They have three out of 4 wells completed in Tygh Valley and are waiting on weather for the last well. They have an extension on the well project through the end of 2022. The original diversion was installed in the late 1800s, but the existing structure went in in the 1970s.

d. White River Fire Restoration – Josh reported they received \$75,000 from round one from OWEB, but they were late getting that contracted as they didn't get a grant agreement in place until June. So, the land did not get sprayed. However, they were able to get an extension and have a year to complete round one. OWEB is encouraging the SWCD to apply for round two funding as well.

e. Fifteenmile MUS Study – Josh reported this project is on track and the next stakeholder meeting is February 17th. Permits through water resources have been applied

for. They are having discussions on the logistics of this project, including generator versus solid power from Wasco Electric and other issues.

f. FY 20-21 Annual Report – Josh reported this still needs a bit more attention but is on track.

g. Annual Meeting & Neighborhood Meetings – Josh reported that these in person meetings are still delayed due to COVID.

h. Insurance Renewal – Josh shared that John Anderson will join us at the February board meeting to review all the district's insurances.

Agency Reports:

a. NRCS (Conservation Plan Review/Approval) – Emily was unable to attend the meeting, but Josh read her updates in her absence. Both Wasco Soil Conservationist positions were advertised over the holidays, so maybe she will hear something about applicants in the coming months. She is currently processing CSP payments for participants who elected for 2022 annual payments. They are working through 41 EQIP applications. The CSP Classic application deadline will likely be mid-April. She has some upcoming meetings with USFS and ODF to discuss future funding possibilities for fuels management.

b. FSA – Lissa reported they had the election results from last December and Mike H. Kelly will be representing Central Wasco County, and Trent Wiseman will be representing Hood River County. They will be onboarded at the County Committee meeting on Tuesday. Amy Kaser was a write in for an alternate. The acreage reporting deadline for fruit producers is January 15th. The deadline for LFP/drought program and ELAP are at the end of the month. There are additional components, not just wildfire ground burned, or buying extra hay, or hauling water, but they are also counting actual hay transportation costs. ARC/PLC contracts are due by March 15th. CREP signups are going on right now, and you can also sign up for state acres for wildlife and the highly erodible initiative. General CRP signup has not yet been announced. They anticipated the deadline to be in December, but soil rates are highly disappointing, so they asked the national office to revisit the rates and have not yet heard back. If you do have CRP and have mid-management projects you need to do like bird boxes, brush piles, etc, make sure you're doing those before year six of a ten-year contract and before year nine of 15-year contracts. If you have an appointment or need to stop by the office, please call first when the weather is like this to make sure there is someone in the office.

c. Wy'East RC&D – Robert reported he has been working on irrigation projects, sprinkler upgrades, and more. BPA is offering new rebates, one of which is for wheel lines so many producers are looking to upgrade for spring. In the Ruralite magazine, there is an article about the E-tractor and the demonstration that took place at Wasco Electric. Over the next 12 months, they are considering acquiring 10-12 pieces of new electric powered equipment, such as a Polaris Ranger, more tractor models, and a new pickup sized like a Toyota Tacoma. The Monarch E-tractor should be arriving approximately the 2nd quarter of 2022. This is a driver optional model that has approximately 40 horsepower but can peak at 70 horsepower.

d. **OSU Extension** – Jacob reported he has in person and virtual programming coming up. On January 19th, there will be a farm first aid class at CGCC. The cost is \$15 per person and SAIF will be there to talk about emergency trauma and first aid. There will be a virtual option for the same class on February 2nd from 1-3pm, also \$15 per person. A Wildfire refresher training will be held on February 16th online from 1-3pm, and February 23rd from 1-3pm in person at CGCC. He has also been working to address precision ag issues with farm equipment and has been working with grain growers trying to get more local training for technicians with ag technology. CGCC is conducting a feasibility study on whether to start a similar ag technology program that's already in place at Blue Mountain Community College.

Committee Reports:

a. **Audit Committee** – Phil and Shawn looked at the register and did not have any questions.

b. **Facilities Committee** – Josh reported he hired a contractor to come in to remove the shrubbery near the building that people can hide behind. We have had some issues with transients harassing staff in the evenings. Other security upgrades are being considered such as an automatic gate, better lighting, etc. They have completed the internet update and all the district computers are switched over to it. He also ordered a new security camera system that will be digital with higher resolution. They are ordering eight cameras and are moving the hard drive into the secured server room so it will be behind two locked doors.

c. **Watershed Council** – To be discussed in the coordinating board meeting immediately following this meeting.

d. **OACD/OAHP/SWCC** – Ken reported OACD held their annual meeting in November and elected new board members as of the first of December. He did not elect to run again but the board did appoint someone from Hood River to fill his position. He's continuing as Treasurer for a period of time. No updates for OAHP as they are still lacking funding. The next SWCC meeting is in the middle of February as they meet on a quarterly basis.

District Manager Report:

a. **Work Plan Progress and Grant Status** – Josh reported for Shilah as her internet connection was failing. He shared her reports were included in the meeting packet, and so far, everything is on track. He commented that she and staff are very busy with end of year reporting.

b. **Activity Reports and Schedules** – No activity reports were emailed however they are available for review upon request. The schedule was distributed with the agenda.

Bill shared his condolences to Tammy on the passing of her husband.

Adjourned: 2:41 PM

Jennifer Sampson