



Wasco County Soil and Water Conservation District
Board Meeting Minutes – December 6, 2023

Directors: Bill Hammel Ken Bailey Shawn Sorensen
Larry Powell Phil Kaser Bob Krein

Directors via Teleconference: Stan Shephard

Associate Directors Absent: Bryce Molesworth

Staff: Shilah Olson Josh Thompson Jennifer Sampson
Abbie Forrest Drake Gilbert

Staff via Teleconference: Samantha Filbin

Guests:

NRCS: Emily Huth, District Conservationist
Dellaina Morse, Soil Conservationist

Wasco SWCD: Pat Davis, Director Emeritus

Public: Shane & Amy Cargo

Guests via Teleconference:

RTO: Carol Friend, CPA

1:00 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 November board meeting minutes. None were made. *Ken moved to approve the November meeting minutes as presented; Bob seconded. Motion carried unanimously.*

Treasurer's Report: Shilah reviewed the October Treasurer's Report, noting income, expenses, account and fund balances. She noted there were no tax deposits in October, but there will be some received in November. Ken asked about the balance on the DEQ loan. Shilah reported the loan did receive 50% forgiveness and our current balance owing was \$199,690 as of August 1, 2023. *Ken moved to receive the October Treasurer's Report; Phil seconded. Motion carried unanimously.*

Shilah reviewed the November Treasurer's Report, noting income, expenses, account and fund balances. Phil asked what the ASAP flying services payment of \$36,000 was for. Josh explained

it was for Open Range G aerial application for the August 2020 White River fire. *Phil moved to receive the November Treasurer's Report; Shawn seconded. Motion carried unanimously.*

FY 2022-23 Audit Presentation – Carol Friend

Carol greeted the board and presented the fiscal year 2022-23 audit. She noted RTO included two letters in the audit. The first letter is a significant deficiency letter, which explains that while the District is responsible for their financial statements, RTO prepared the financial statements as the District lacks staff qualified to prepare the statements. This is very standard as almost no small districts are able to prepare their own financial statements. The second letter was to note errors they found during the audit: some errors in the payroll items in QuickBooks; and interest posted to the LGIP account that was recorded as applying to July 2023 but should have been applied to June. Carol explained that she worked with Jennifer and the payroll corrections have been made and it was very minor.

Carol went on to review some of the financial statements and the structure of the audit report. She noted they do not look at every transaction, but rather look at a sample of transactions. They did find one more error, in that the Vehicle Reserve Fund ended up with a -\$8 compared to what was budgeted, but again, that is very minor. Phil asked if the QuickBooks program was satisfactory for the District's uses. Carol confirmed that QuickBooks should work just fine for an organization of this size, and noted that Jennifer is doing a fine job with it.

Ken moved to receive the Fiscal Year 2022-23 Audit Report; Larry seconded. Motion carried unanimously.

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

Action Items

a. Cost Share Requests – Abbie presented four district cost share applications:

Stevens & Maduro – This application for a rain collection and filtration system was presented at the November board meeting, but the board tabled it for further discussion. Abbie reached out to Mimi with the board's questions. Was this for strictly residential use? Fire suppression? Any wildlife or conservation benefit? The board also requested a breakdown of the project budget. Mimi responded that she did not know fire suppression needed to be included in the application as that is not the primary purpose. She also said they could use the rain collection system to fill water buckets for wildlife, but that this was also not the primary purpose. The estimated total project will cost approximately \$56,137: \$18,494 for labor and equipment, \$26,110 for materials, \$11,533 startup costs (pump and electrical portions). Abbie noted that if all the applications are approved today, the cost share general conservation project budget will be overspent by \$5,900. Discussion ensued. Some policy changes were suggested, to consider ranking applications in the future based on SWCD priority levels. However, board consensus was to not change policies halfway through the fiscal year, but rather consider this during the budgeting process for 2024-25.

Hammel – Bill recused himself as this is a conflict of interest. This is an application for the first phase of a 3-phase haul road. Abbie noted an older cost share application form was used, and

the limit is \$3,000, not \$2,500 as the form states. Scott went out to look at the road and it is an eligible project.

Ashbrook – This is a cost share application for an irrigation upgrade from wheel lines to a pivot. The pivot was purchased over a year ago but has yet to be installed. This application is only including the mainline work, hookups and installation of the pivot. The electrical cost quote has not yet been received, but the cost estimate is already over \$15,000, so he is requesting the maximum of \$7,500. Josh noted this pivot is also signed up for EQIP, but that does not exclude it from being eligible for the cost share program.

Dulings Natural Pasture – Abbie apologized to Bill and Phil as this application was not received in time to make it in their mailed meeting packet. This application is for a livestock water pipeline. Josh provided technical assistance on this project. The budget included with the application consists of materials and labor provided by the landowners, as well as a separate quote from Fred Ashley Plumbing. Total project cost is estimated at \$21,105.

Discussion ensued on the future path of district cost share projects and future policy decisions that will need to be made.

Bob moved to approve all four cost share applications; Ken seconded. Bill abstained due to a conflict of interest. Larry, Bob, Phil, and Ken voted in favor of the motion; Shawn opposed the motion. Motion carried.

Shane Cargo – Shane addressed the board and presented a rain water collection system that he has recently completed on his property in Mosier. In July 2023, his well went dry, leaving them without water. He quickly ordered four holding tanks, but was unable to take delivery of those until September. For most of the summer he trucked in water himself to him and his neighbors. His well was a shared well with his immediate neighbor, so the neighbor was also without water. Shane was able to trade a roofing job and a framing job for use of an excavator, and he was able to install the water tanks underground with a 60-micron filtration system going into the cistern. They have a total water holding capacity of 8600 gallons, and the household use is consistently approximately 30 gallons per day. When they first purchased the property, they were aware that Mosier has been having ground water problems, and decided if they lost their well, they weren't going to drill another one. Therefore, the roof on the house they built was designed to catch water in the event they would need to invest in a system such as this. The project cost him \$17,000 which included doing most of the work himself. If he had to hire contractors, the project would have easily cost over \$60,000. The system is working well; however, he did not hear about the cost share program until he had already completed the project. He also noted given that it was an emergency situation, he's not sure he would have had time to apply if he had known about the program at the time. He is asking the board for a 50% cost share at this time.

Shane excused himself from the board meeting, and discussion amongst the board ensued. The board noted that the current cost share policy does state that the SWCD will not fund any projects completed before an application has been submitted to the board. The board understood it was an emergent situation, and debated on the precedent that would be set by funding this request.

Shawn moved to not fund Shane Cargo's rainwater harvesting project as a cost share, as the project has already been completed and it goes against board policy; Larry seconded. Motion carried unanimously.

b. Landowner Assistance – Warnock EQIP – Josh reported this project was originally funded under EQIP. Warnocks have a well that is not located near any power, so they are using a generator to power a pump, to fill a nearby fenced pond, which is plumbed to a trough for watering livestock. There was miscommunication with the NRCS planner they were working with. They completed the project, but there were no engineering designs done. Despite the project working great, there is not enough elevation between the pond and the trough to meet NRCS specifications, so, it cannot be funded by EQIP. Shilah noted the Warnocks are out \$7,181.00 on the project, the amount that EQIP would have funded. Josh proposed reimbursing the Warnocks the \$7,181.00 through the Landowner Assistance Bridge Funding (a budgeted expense), since this is a good project and Warnocks were not at fault for the misunderstanding. The back and forth with NRCS has been going on for approximately three years, with both Josh and Shilah trying to facilitate communications with NRCS to find out if the project could somehow meet specifications. Josh provided some background on how Warnocks also had issues with FSA surrounding someone else's goats that trespassed in their CREP land. They reported the issue to FSA and were ultimately going to be fined, despite being the ones to bring the problem to light and ask for help addressing it. Josh was able to testify to the FSA County Committee on their behalf and get their fine greatly reduced. *Phil moved to fund the Warnocks livestock water project for \$7,181.00 from the Landowner Assistance Bridge funding; Ken seconded. Motion carried unanimously.*

c. Fifteenmile MUS TA Grant Award from OWEB & Contracting GSI – Shilah reported the District has received a grant from OWEB for \$75,000 which they wrote in partnership with GSI. GSI's scope of work and fee estimate is \$47,000, which is below the threshold for direct appointment of public services contracts. Shilah proposed the board approve GSI's scope of work and fee estimate, to be paid for out of the \$75,000 OWEB grant. *Shawn moved to contract with GSI for \$47,000, based on their scope of work; Bob seconded. Motion carried unanimously.*

Updates

a. Next Meeting - The next regular meeting is scheduled for January 3, 2024, at 1:00 PM, at the USDA Service Center and via Zoom.

b. SDAO Annual Conference – Feb 8-11, 2024 – Seaside – The conference agenda was emailed out and is included in the board packets. Let Jennifer know if anyone would like to attend.

c. 15Mile Managed Underground Storage (MUS) – Tabled until the January board meeting due to time constraints.

d. Highline Ditch Elimination – Tabled until the January board meeting due to time constraints.

e. 2020 White River Fire & 2022 Miller Road Fire – Tabled until the January board meeting due to time constraints.

- f. **Mosier Million #2** – Tabled until the January board meeting due to time constraints.
- g. **SDAO Best Practices Checklist – Emergency Preparedness Planning** – Tabled until the January board meeting due to time constraints.
- h. **Insurance Renewals – Health, Auto, General, etc** – Tabled until the January board meeting due to time constraints.
- i. **Pesticide Stewardship Partnership (PSP) Strategic Planning** – Tabled until the January board meeting due to time constraints.
- j. **Neighborhood Meetings** – Tabled until the January board meeting due to time constraints.
- k. **Instream Leasing** – Drake shared a spreadsheet showing data from past instream leases within the Fifteenmile Basin. He highlighted some of the data, noting that each row represented a water rights certificate that had been leased, and that the expiration date for the leases was listed as well. There are 4 landowners whose leases expired in 2023, 6 landowners whose leases expired in 2022, and 3 landowners whose leases expired in 2019. The landowners in most urgent need of new leases are those whose leases expired in 2019, as it has been 4 years since their last recorded beneficial use assuming the water rights had not been put back in production. The total acreage of pre-1910 water rights are just above 300 acres. Drake added that the cost of the instream leasing application may be a concern for landowners. The application fee is \$410 for applications with fewer than 4 landowners or individual water rights involved, and \$610 for applications with more than 4 landowners or individual water rights involved. Drake had a phone call with Bob Wood, our local Watermaster; who said he would be willing to teach district staff how to fill out instream lease applications for landowners. Bob also mentioned that landowners can sign up for a 5-year lease that has a clause allowing landowners to cancel each year if they want. This would be greatly beneficial for landowners, as it would allow for 10 years of water rights retention (5-year lease + 5 years since last beneficial use), while allowing landowners some flexibility in their decision to terminate the lease.

Drake discussed how the monetary evaluation of water was fairly significant should we decide to apply for funding and pay landowners for instream leasing. The spreadsheet shows how much each landowner was being paid as well as the total cost of the program, which comes in at just over \$300k for the 4-year period. Ken suggested that we help landowners with the applications, and maybe the application costs, and not fund the instream leases. Drake thinks the good neighbor thing to do going forward would be to help landowners fill out the forms and possibly cover the application cost should the board decide to do so; but to forego seeking funding to build out a robust instream leasing program with monetary compensation. He mentioned that as far as he was aware, the legal liability and capacity needed to distribute state or federal funding is significantly more challenging than simply helping landowners fill out the application as a service. Ken suggested if we're going this route, we should set up something in the budget in the future for these. Bob suggested clients pay a buy in fee to access the service, such as paying the district \$100 (as an example) to show that they're seriously invested in completing an in-stream lease. In exchange, the district would cover the application fee, and have staff fill out the application for landowners. Pat asked if there was any mechanism that would actually lead to a landowner losing their water rights in the event that they don't have beneficial use in the last 5-

years. Drake replied that satellite imagery can be used to show if a water right has or has not been used in the last 5-years. For example, if you go to sell it or transfer it or something, you have to show that you have used it in the last 5-years. Drake doesn't think it's a huge deal if you don't plan on giving up your water rights as there isn't really an established water rights police, but it can catch up to you. Shawn suggested that Drake bring a proposal to the board at a future meeting.

l. Poster Contest Update – Tabled until the January board meeting due to time constraints.

m. Eightmile Strategic Implementation Area (SIA) – Tabled until the January board meeting due to time constraints.

Agency Reports

a. NRCS – Emily thanked Josh and the board for rectifying the Warnock situation. Emily introduced Dellaina, the new Soil Conservationist that started in July. She should also have a Soil Conservationist Technician starting next month, but they are still working on the final job offer. Friday, she will be interviewing a candidate for the GS-11 Soil Conservationist position. Emily thanked the SWCD staff for their assistance with field visits. They just completed a large EQIP signup with 67 applications, including fuels reduction, pivot/irrigation upgrades, fish screen replacements, and climate smart livestock projects. The Local Work Group meeting is coming up and she asked the board for any feedback and/or suggestions on format/location/etc. She also gave a shoutout to Amy Kaser as she will be featured in an article on the benefits of no-till for climate change.

b. FSA – Lissa was unable to attend the board meeting.

c. OSU Extension – Jacob was unable to attend the board meeting.

d. Wy'East RC&D – Robert was unable to attend the board meeting.

Committee Reports

a. Audit Committee – The audit committee had nothing to report. Shilah reported during the meeting, we received official notice that RTO is resigning as the District's auditor, due to staffing constraints, so we will be going out for bid for a new one for the FY23-24 audit.

b. Facilities Committee – Josh reported he will coordinate a facilities committee meeting in January. He also mentioned that the District purchased a new furnace. Scott recently discovered our natural gas meter was leaking so that has been replaced.

c. Watershed Council Updates – Drake reported the Fifteenmile Watershed Council will meet on December 13th. He, Ken, and Pat presented the watershed council annual report to the Wasco County Commissioners today. They felt the presentation went well, and the commissioners seemed to be a little more knowledgeable on their projects compared to last year.

District Manager Report

a. Work Plan Progress & Grant Status – Shilah reported she reviewed the Annual Work Plan and everything appears to be on track. The grant status report was emailed to the board and

printed in the meeting packets. Currently the District has 26 active grants. The 8Mile SIA grant was going to be closed at the end of the year, but they can extend it and continue to do monitoring and outreach with those dollars. The District has also secured an OWEB grant for \$75,000 for the 15MUS project. Since 1990, the District has completed 338 grants worth \$19.5 million. Shilah shared that she, Scott and Drake met with Tyler Stone and Phil Brady from the County to look at some property they recently acquired, and they discussed possibly doing a joint project with the Riders Club to repair the stream banks behind the Riders Club clubhouse that could benefit everyone. Josh, Abbie, and Shilah are going to meet with Wasco County Planning next week to discuss some of the issues surrounding planning permits that tend to slow down OWEB-funded projects.

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

Shawn commented that it has been a great year, the staff have done a great job and he appreciates all the staff and board. The board wished everyone a great holiday.

Adjourned: 3:00pm

Jennifer Sampson