Polk Soil and Water Conservation District

November 13, 2018 Board Meeting Minutes

Polk SWCD Office: 580 Main Street Suite A., Dallas, Oregon 97338

Attachments available on request

In Attendance:

Directors	**Staff**	**Directors Emeritus/Associates/Guests**
Matt Crawford (Chair)		Mel Chase - Associate
Mike Wilson (Secretary)	Patti Gray (Admin)	Judy Beebe - Associate
Chad Woods (Vice Chair)		Eric Nusbaum - ODA
Jock Dalton (Treasurer)		G. Simmons - Guest
David Simmons		
David McKibben		
Terry Lamers		

BOARD MEETING

CALL TO ORDER & INTRODUCTIONS: Matt Crawford Chair, called the Board Meeting to order at 6:04 PM. Directors Crawford, Wilson, Dalton, Woods, McKibben, Lamers and Simmons, and were present to start the meeting. Introductions were made. Wilson walked in at 6:05 PM

PUBLIC COMMENT: None

Updated Agenda:

Director Simmons requested an update on Bogdan Caceu Water storage tanks project.

ACTION ITEMS:

Treasurer's Report: (attachment A):
Simmons asked if the Budget to Actual is something Karin is generating or is it coming out of QuickBooks? Dalton replied it is coming out of QuickBooks. Beebe confirmed the reports are coming from QuickBooks.

Dalton and Simmons talked and asked the auditors questions. One of the questions they asked was, if we changed the current QuickBooks to the Governmental nonprofit QuickBooks, would that affect the reports? Auditor replied no. Dalton said the auditor stated the difference between the current QuickBooks we are using and the Government (Non-profit) QuickBooks is only the names of the reports, but the reports are the same. The auditor saw no problem if we switch. Dalton stated that the auditors had two suggestions of Best Practices. 1. That we get scans of the checks and at the monthly reconciliation compare the QuickBooks print out with the bank statement and scan checks. To look at the check to make sure the check was made out to the same entry. Beebe added that happens the with the bank reconciliation therefore you do not need the scan of the check. Dalton agreed with Beebe. 2. To have staff include a form that explains the reason for the check request and that it matches the expense up to a budget line item. Beebe added that she talked to Rich, one of the auditors and the final audit report should be out within a week or two. ***Woods moved to approve the Finances as presented to allow for some discussion, Simmons 2nd. Discussion; passed unanimously.***

Correction to September Special Board meeting minutes: (see attachment B):
Crawford explained the September Special Board Meeting Minutes did not record that Simmons was on the telephone, but it is now recorded on the minutes. ***Dalton moved to accept the* Correction to September Special Board meeting minutes, *Woods 2nd. Discussion; passed unanimously.***

Special Board Meeting held February 28, 2018- Executive Session to review advice from an attorney - minutes going in and coming out: (attachment C):
Crawford explained we didn't have those minutes on file to verify it actually happened that way. The sealed minutes are now on file. Dalton explained Eric Nusbaum from ODA had input with that recently. Dalton went on to explain we open with a regular meeting, then you go into Executive Session for discussion, come out of executive session and do whatever you are going to do, then adjourn in public. Dalton added to have Public Comment first. Eric Nusbaum pointed out you can have Public Comment whenever you want. Dalton replied you are not going to have Public input in the Executive Session. Crawford reiterated this is proof this happened and that is all we are trying to do with this. ***Dalton moved to accept this formality. Woods 2nd. Discussion; passed. Crawford, Wilson, McKibben and Dalton voted.*** Simmons, Woods and Lamers abstained.

OACD dues -voting rights minimum: (attachment D):
Crawford explained we paid OACD $1000.00 and they wrote back stating that does not work anymore without an appeal. There is a special equation to find out your dues in order to have voting rights. According to Stutzman's calculation our dues to OACD are now $2008.58. Now we need to decide what we are going to do. Are we going to give them the minimum? Or not? Woods stated policy says we have to be members. Simmons informed the group there are Districts that cannot afford the $1000.00 and that membership keeps decreasing. Wilson suggested we pay $2008.58 and see how next year goes. Beebe asked Simmons if he can still go to this meeting and have our voice heard without paying the dues? Simmons confirmed yes. Beebe suggested waiting to paying the dues until after the meeting, then make a decision. ***Woods moved to table this topic. Dalton 2nd. Discussion.***

NACD dues – Silver level again: (attachment E):
Crawford asked the group what we want to do with this one. Beebe pointed out $500.00 is the Bronze level. Simmons informed the group NACD reports on what NRCS and partners are doing on a National Level and there are weekly reports and sometimes it's twice weekly. If anyone is interested Simmons can provide the link. ***Woods moved to pay $501.00 Silver level. Dalton 2nd. No Discussion; passed unanimously.***

DISCUSSION:

While Stutzman is on Leave:
Crawford assumed everyone had been provided with a copy of the Stutzman leave letter. Beebe pointed out that letter was only provided to the Personnel Committee. Beebe reminded Crawford if he delves too much into the letter the board will need to go into Executive Session. She is on a Family Medical Leave for two weeks. Crawford informed the group that Stutzman has taken a couple weeks and will be followed up by a vacation. Crawford's question was how the District should run in the time of her absence? Woods pointed out that Bell is an exempt employee, therefore he needs minimal supervision. Bell and Morgan can handle themselves and that Gray holds the fort and calls Crawford with questions. Dalton pointed out he and Woods are close regarding logistics wise for signing checks. He also pointed

out that Beebe has not been assisting with entering QuickBooks. Beebe pointed out she has not been entering QuickBooks, but doesn't mean she is incapable. Stutzman informed her that the passwords were in the safe and asked that if there was an emergency, would I be willing to come in? Beebe replied yes on QuickBooks, not managing employees. Wilson believes there still needs to be a manager. Dalton pointed out that Stutzman has helped Jane in Marion and wondered if Jane could help out here. Woods asked Wilson what are his main concerns? Wilson replied we have great staff, but what if there is a conflict, a question or work priorities? Woods reminded Crawford he is the administrator of employees. Crawford ensured the group he will keep it going.

Bank Account Signer Update:

Crawford informed Woods he has one done, but not the others. Woods informed the group that OSU is ready to add signers.

July Board Meeting Minutes – correction "letter of reprimand added" and other discussion: (attachment F):

Dalton stated that he believes that we should note that Simmons requested the discussion of the allegations; to be an open session. Dalton's recollection is that Pender asked Stutzman if that was ok with her and she agreed. Crawford corrected Dalton that Stutzman did not agree or disagree. Crawford went on to explain she felt it turned into a trial, so Stutzman was basically just at the meeting. She does not want the minutes changed to say that she agreed. Stutzman has no problem the way the minutes are and if the minutes are changed it puts words in her mouth. Dalton thinks that puts us in a bad spot, because he feels they proceeded under the assumption that she was acquiescing at least to the open session. Crawford reiterated to Dalton again that Stutzman does not believe it is a Stutzman against Simmons issue. Simmons asked if anyone listened to the recording. Beebe pointed out that part of the meeting was not recorded. Crawford explained the recorder ran out of memory. So against his own will he started recording with his own cell phone. Beebe pointed out the minutes do not mention Stutzman did not agree or disagree anyways. Crawford requested Gray to pull up the audio recordings and that Crawford would be in the morning to listen to the recording.

Special Personnel Committee Resolution Adoption- Dalton's suggestions: (attachment G):

Crawford stated he is happy to have a double reading but where does it stop; since the District has never used double readings before. Woods stated it is in our policy manual and resolutions should be used sparingly. Woods pointed out he would like to withdraw the 2014 Addendum Resolution giving executive privileges to the Manager, and go back to double readings and motions. Simmons pointed out one third of the resolutions on the usb stick do not have a signature on them. Crawford asked Simmons if he was supposed to sign them. Simmons pointed out those were when Claud and Jock were the Chair. **Woods motion to Whereas the Polk SWCD Board approved Resolution 081-080818 at the meeting August 8, 2018 and the Board reviewed that decision at the Board on September 12, 2018 and voted to approve the minutes of the August 8th, 2018 meeting, which included description of approving Resolution 081-080818, and the listing of the members of the Special Personnel Committee constitutes their appointment to the Committee and The Board hereby declares and affirms that the approval of the minutes of the August 8th, 2018 Board meeting constitutes the second reading and formal adoption of Resolution 08-080818 as required by Polk SWCD Policy and Procedures and, The Board further declares and affirms that any action taken in a good faith by the Special Personnel Committee after September 12, 2018 was taken by a legal constituted Committee of the Polk SWCD Board. Simmons *2nd. No Discussion; passed unanimously.* Lamers abstained since he was not around at that time.**

Stewardship Agreement (Smithfield Oaks) Woods, Wilson, & Simmons to handle?: (attachment H): Woods explained Mr. Wainwright would like to have access to the property to serve as a volunteer steward after selling the property. Woods also pointed out he would like to know what EPA, the attorney, and Fish and Wildlife will say about it. Crawford stated when you sell something you give something up. Woods was not comfortable. Dalton pointed out there are access issues with this property. Dalton also pointed out E3 #12 "Any action to terminate, amend or modify this agreement must be initiated by providing 30 days advanced written notice to the other party." Wilson reminded the group there is an Easement sub-committee who is also following this. Dalton pointed out on Page E2 paragraph # 5 The District will implement a permit system to control and regulate access by the public to Smithfield Oaks property and the Wainwright property parking area and access via easement roads and pathways, some of which remain in the ownership of Wainright. **Woods motion to accept Stewardship Agreement and Dalton 2nd. *Discussion; passed unanimously.* Woods withdrew his motion and would like to table this topic until there is further information.**

Board Best Practices Assessment Review – Committee facilitators to lead path for board to use to get the yellows to green for each section that has a yellow section to improve: (attachment I): Crawford stated that was basically what we came up with to work on. Simmons pointed out that OACD did a very detailed report in the past.

4H and Farm Bureau Annual Meetings Report: (attachment J):
Woods reported this was the 34th year of sponsoring the 4H Award for Public Speaking at the Fair. Woods informed the group the awardee was a young dairyman about 12 years old and he was the winner who received $500.00 and a registered bread red Holstein Heifer to start him out, so he is on his way.

Farm Bureau Annual Meeting Report:
Woods reported he blew it and did not attend.

FDIC Official Custodian requirement with plenary authority and higher insurance levels when split between savings and on demand accounts, Who as CFO?:
Woods passed out a Business Signer Form from Citizens Bank. Dalton informed the group that Edward Jones has 6 month CD's for 2.24% and they are FDIC Insured. Woods pointed out, for the funds to be insured with FDIC, there must be a Custodian. This Custodian can do everything; deposit, withdraw and transfer. If the District is going to have a person like this they should be bonded.

Rock House Creek permit cost:
Woods informed the board that Stutzman called him and explained that when Hunt left; he had not anticipated having to pay a fee of $1,000 for DEQ to review the large woody debris placement project and had not budgeted for it in the grant, but now they were expecting someone to pay this fee to approve the project. Woods added this permit needed to be paid within the hour of the telephone call, so without Board permission Woods gave Stutzman authority to pay for that permit to avoid of having to pay out a whole lot of other money. This is the 1st meeting after that telephone call, so Woods wanted to let the Board know what we did. Woods went on to update the Board that Morgan is continuing with that program. There is more in stream wood to put in. Dalton asked if there was a possibility of being reimbursed. Woods and Beebe said the grant money has already been paid and spent. Woods added he made the small decision to move it forward to avoid missing the deadline on such a large project.

Cornerstone Fund Management Resolution:

Woods suggested in the near future, just after the first of the year we need to create a resolution policy on how to spend the money. The fund has not been properly created and we should have the restrictions and goals for how those funds should be used. Crawford asked if this has to be done. Woods replied yes, ORS 294 series. Dalton explained those funds need to be fire walled from everything else. Woods added other details.

Draft Changes to the 2018-2019 Budget to Address Wood's October Resolution 059-110514:

Lamers asked how would you fix this? Woods replied I would make a notice for a Supplementary Budget and pull that money in to where it belongs and we vote on it. With Karin being gone for the next month or so somebody has to step in. Woods stated he has already given the figures to Stutzman. Woods is willing to correct this. Beebe added it's not that Stutzman has done anything illegal. Beebe went on to add Stutzman put together a budget to the best of her ability. The Department of Revenue approved it. Stutzman does not have a crystal ball to figure out what the balance is going to be at the end of the year. Woods added page 22 of the Budget Manual has a descriptive way of figuring what it is supposed to be. Crawford stated when Woods goes through it with him he understands a little more and the same with Stutzman. When she explains it to him he understands a little more and it's very helpful. Crawford continued by stating there is no doubt that either Woods or Stutzman in his mind are doing anything but what they think is best for the District. He also added he knows that she understands the new budget needs a more directive approach, but she also doesn't think we need to get too drastic with it. Crawford added he does understand Woods is trying to alleviate some liability. Lamers stated we could beat this dead horse for hours. He stated he thinks the best way to handle this is to have Woods and Gray try to work on an excel spreadsheet. Woods asked Gray if he gave her all the figures, could she format it on Excel. Gray replied I can try but I do not know any more than Crawford on budgets. Dalton believes the risk is too great. **Dalton made a motion to have Gray assist Woods to put together a proposal for a Supplemental Budget to be presented on Wednesday November 28, 2018 at 6 PM. Lamers 2nd. No *Discussion; passed unanimously.***

Draft Cornerstone Management Plan – with BPA for approval: (attachment J):

Lamers pointed out in the Cornerstone Management Plan, talks about harvesting 7 acres of young timber then on J44 under K. Prohibited Uses. 1. Residential, Commercial or Industrial Uses. Any residential, commercial, or industrial uses of the Protected Property are prohibited, including timber harvesting. Chase pointed out under Easement it says absolutely no cutting, or shaping or trimming. Crawford asked who put this together. Woods replied Bell. (After Stutzman had the chance to review these minutes, she would like to add that the management plan is a collaborative effort between ODFW, BPA and the District. It has been passed around between the parties mentioned and is now at review with BPA. BPA will share their edits with the District and ODFW to allow for any additions or corrections. The document is not in its final approved form.) Woods also pointed out this is why he requested to see a copy of this document, so they know what is going on. Lamers pointed out acres were misspelled all over this document. Lamers also pointed out in the contract it states soil cannot be moved so if a road needs to be put in that would be another issue, there are some problems. Lamer strongly believes there is Holly on this property, yet no mention on this contract. He also believes there should be a paragraph about minimal dirt moving to make roads safe and more level. Another topic he thinks is missing is a paragraph regarding wildfire. This document talks about human caused fire. He ended by stating he

would not sign this document the way it is currently. Wilson pointed out he thinks this document has been submitted, but when it comes back to Stutzman and or Bell, Wilson would like to schedule some time to go through it in more detail. Lamers would like to go take a look at the property and suggested the rest of the interested directors should also look at the property.

Resolution – Annual Meeting time: (attachment L):
Crawford explained this is the new resolution so it is more general on the date and time of year. Dalton expressed he would like for it to read that the board be involved on selecting the date. Crawford added he had that same question. Why are we handcuffing ourselves to January? Simmons explained that the core annual meeting came to be in August or September. ODA informed us that we cannot have our Annual Meeting until your audit is finished. This is why Simmons thinks January came to be. Dalton thinks the resolution should read six months after the audit. Simmons added there was a time where it brought awareness of the District and generates some money for some odds and ends with a silent auction. Crawford suggested after audit before the new fiscal year. ***Dalton moved that the District have the Annual Meeting be performed after the audit but before the end of fiscal year and the date, time and place to be approved by the board. Lamers 2nd. Discussion; passed unanimously.***

Resolution – Smithfield oaks signer: (attachment M):
Crawford informed the board Stutzman cannot sign. Dalton stated this is the first reading for this resolution and we can do the final approval of it after the 2nd reading at the next meeting. Dalton added this resolution designates how, where, and what is signed by whom. Simmons stated we could have the 2nd reading on the 11-28-18 meeting. Crawford recalled a conversation from Stutzman that she was told it was best that the Chairman doesn't sign it at all. Dalton recalls it is called concentration of powers. Crawford reminded the group this is the 1st reading. Dalton added, basically by signing, the document you are affirming is that the Board looked it over and decided to delegate it to the Chair.

INFORMATION:

Bank Statements and ledgers available:
Crawford informed the group that they are available. Dalton informed the group that he talked to Stutzman literally in passing regarding getting the images of the checks. He claims that she stated that right now they can go on line to get the images but when you sit down with a bank statement that is cumbersome. Crawford stated Woods has access to all of that.

Schedule Strategic Planning meetings beginning in 2019:
Crawford explained it would be real nice to decide where we want to go and match the budget. According to Stutzman the reason there is so much reserve funds is because she doesn't know what direction to go and Crawford agreed with Stutzman's statement. Woods stated it seems in the past six months the direction has changed, but not sure which direction we are headed in either. Dalton thinks the Work Plan is a big key in Strategic Planning. Crawford suggested looking at this the first week in March.

October 4, 2018 Finance Committee Meeting Minutes from October: (attachment N):
The Finance Committee Meeting Minutes from the October 4, 2018 were presented.

2014 Resolution 2:

Woods explained back in 2014 a 3 page resolution was adopted and according to the lawyer it is a conflicting document with the policy. Dalton commented that by rescinding it, it will put policy back to the regular policy.

REPORTS:

- Crawford explained so that partners and staff do not have to stay for the entire meeting reports will be changing to be presented in front of votes.
- Simmons updated the group that the collaboration project with Glen Gibson and Rickreall is moving forward with individual interviews and a retreat on the 29 to review the interviews.
- Staff reports are in the binders
- Crawford feels in has been months since any real conservation has been in the agenda. It would be nice to do that again.
- Wilson stated Grand Ronde sent an engine crew to California. Right now they are locating lost animals. It's still dry.
- McKibben still dry.
- Woods a report from staff every 3 months projects going on. It is still is dry.
- Dalton agreed with Woods regarding 3 months of reports and committee.

ADJOURNED 8:25 PM

Respectfully submitted by Administrative Assistant Patti Gray on November 29, 2018.

Matt Crawford - Chair

12/12/18

DATE