

Polk Soil and Water Conservation District

March 13, 2019

Board Meeting Minutes

Roth's 1130 Wallace Road NW, Room O, Salem, Oregon 97304

Attachments available on request

In Attendance:

Directors

Judy Beebe (Chair)
Michael Wilson (Secretary)
Chad Woods (Vice Chair)
Jock Dalton (Treasurer)
Brad Ford
Matt Crawford
David Simmons

Staff

Karin Stutzman (DM)
Patti Gray (Admin)

Directors Emeritus/Associates/Guests

BOARD MEETING

CALL TO ORDER & INTRODUCTIONS: Chad Woods Vice Chair; called the Board Meeting to order at 6:37 PM. Directors Crawford, Wilson, Woods, Dalton, Simmons, Beebe, and Ford were present to start the meeting. Introductions were made.

PUBLIC COMMENT: None

Additions to the agenda : HB2958, ODFW Tax Deferral and OACD By-laws and Rep to go to the OACD Annual meeting at CONNECT, call to add, Jock moves to add, David Simmons seconds. Comments: how time sensitive are these items? OACD is looking for an answer for the April 9th board meeting at CONNECT. All in favor to discuss if time available at end of meeting.

REPORTS:

None

Staff Reports:

They are in the board packet.

Nominate a new Chair:

Simmons nominates Woods. Crawford nominates Beebe. Three votes for Woods: Simmons, Dalton, and Woods. Four votes for Beebe. Crawford, Wilson, Ford and Beebe. **Beebe is the new chair.**

ACTION ITEMS:

(Beebe took over the meeting as the Chair)

January 9, 2019 Meeting Minutes: (attachment E)

Crawford made a motion to approve the January 9th Board meeting minutes to allow for some discussion, Ford 2nd. No Discussion; passed unanimously. Wilson was gone so he abstained.

February 13, 2019 Meeting Minutes: (attachment F)

Wilson made a motion to approve the February's 13, 2019 Board meeting minutes to allow for some discussion, Crawford 2nd. No Discussion; passed unanimously.

Treasurer's January/February 2019 Report: (attachment G)

Stutzman updated the group with the following incoming funds: the CREP payment increased from \$1799.67 to \$1836.66, and the quarterly RCPP payment has been received. Several small grants were processed during Jan/Feb, so money came in and went out to pay those. Some discussion about putting the money the District took out of the Cornerstone WAFED account to pay property taxes. Should a physical transfer be done, not just a reflection on the supplemental budget. Should this money go back to the WAFED account or not? Stutzman is going to double check with BPA if the District can use interest garnered from the O & M funds over the year to pay property taxes. If they say no then she will put the money back in the WAFED account. Beebe acknowledges it sounds reasonable to her.

Crawford made a motion to approve the January and February Treasurer's Report, Ford 2nd. Discussion; Wilson asked if the Finance Committee looked over these numbers. Dalton replied it is not given to them until the board meeting. Stutzman stated they can do that and informed the group the FC is provided with the QuickBooks spread sheet and bank statements for all the accounts and they compare incoming and outgoing. Wilson would like to have more discussion later regarding what it is he is agreeing to or voting on. Crawford asked if he is asking for a check by check ledger of accounting. Wilson replied no just a level of confidence that the Finance Committee has reviewed the pages. More discussion. Beebe will work with Stutzman regarding coming up with something to present to the Finance Committee and then provide some training to the board on how to review what they are looking at. **Passed unanimously.**

Date and time for Annual Meeting: (attachment H)

Beebe reminded the group the Annual Meeting needs to happen after the audit, but prior to the end of the fiscal year, which is June 30. **Woods made a motion to have the Annual Meeting as a portion of the next regular Board meeting April 10 at the office, Crawford 2nd. Discussion; give a five-minute presentation, then move on. Passed unanimously.**

Manager Evaluation:

Beebe asked the Personnel Committee to present their recommendation. Is it ok to have an open meeting? Only need executive session if performance is being discussed. Wilson read the 11-27-18 meeting minutes from when Beebe asked Stutzman about her goals for the coming year. Stutzman mentioned the top three was improving a working relationship with the Board, working with OSU Extension with hiring committee to

lead to better hires, and to work with the board to find solutions to Salt Creek flooding questions. Evaluation is based on July 2017 to June 2018. By consensus the committee decided to recommend to the board a retroactive to July 1, 2018 pay increase to GS 10 Step 7. More detail and discussion. This review was scheduled to take place in December 2018 but got tabled. Beebe asked Wilson to reread the recommendation again. Wilson explained the recommendation has two parts. 1. Utilizing the Federal Pay Scale. 2. Placing Stutzman at a GS 10 step 7 which is a figure of \$71,015.00 from \$65,489.00. Wilson stated by consensus the committee decided to recommend to the board a retroactive to July 1, 2018 pay increase to GS 10 Step 7. Beebe asked if there was further discussion. **Beebe stated it has been recommended by the Personnel Committee that we approve the evaluation of Stutzman and set her with a retroactive pay to July 1, 2018 at the amount of \$71,015.00, the motion passed with four votes Beebe, Wilson, Ford, and Crawford. Simmons and Dalton did not vote, Woods voted no.**

7:28 p.m. Director Ford excused himself from the meeting.

Beebe asked Stutzman to have Ford contact Beebe if he would like to be assigned to committees.

Appoint a Budget Officer:

Crawford nominates Stutzman to be the Budget Officer 2019-2020. Simmons nominates Woods. Woods stated if he was the budget officer, he would allow Stutzman to prepare it all. Then he would go over it, answer questions, to see if he sees anything before the May meeting. A board member who is the budget officer can do this, if not, then no board member could see the budget before it comes to the Budget Committee meeting. Crawford compliments Stutzman on the budgets she has made in past years, but Chad has a vision for the budget, so if he is not involved at a fundamental level from the get-go, we could be in the same situation next year as what transpired with Chad feeling he needed to create a supplemental budget this year. So it would be better to have his involvement at the creation of the year's budget. Stutzman and others agreed with this approach. After a vote with hands Beebe voted for Woods, Wilson, Dalton, Ford, Crawford and Simmons stated **Woods will be the Budget Officer and has shown his intention to work with Stutzman as an advisory role to her position of creating the budget.**

Cornerstone Resolution 2nd Reading: (attachment I)

Stutzman asked if the example on L1 is the correct format. Woods explained he provided the text for the resolution; the formatting is up to staff. Beebe explained we are concerned about the formatting. **Woods made a motion and Crawford seconded that the board is accepting the content of the proposal as amended from typos and in the agreed upon format, and this becomes the first reading for the resolution. It will be presented at the next meeting. A copy will be sent out with the packet so it can be reviewed. Crawford 2nd. No Discussion; passed unanimously.**

Approving the Budget Calendar: (attachment J)

The group agreed that the best date for the Budget Committee meeting would be Thursday May 16, 2019. If we need a 2nd Budget Meeting May 22, 2019. Nothing else changes. Board agreed by consensus.

Jont Creek Contracting:

Stutzman presented her reasoning for considering hiring River Design Group to act as our agent to advertise, collect bids for, and ultimately hire a contractor to install the bridge for the Jont Creek project. After discussing the bid proposal with RDG and looking at the current grant budget, it seems like the best way to move forward, no one was aware that concrete prices would go up as much as they did over the past couple years and have this kind of monetary effect on the project. The pros including: they know how to bundle the bids for the best value and at the right timing.

Woods stated there are 5 resolutions the board has adopted that have to do with contracting. Numbers 28 and 29 don't invalidate the previous resolutions, they only invalidate rules not resolutions. Rules are the administrative application of statutes done by the executive branch. Wood's thinks we can't do a direct appointment of a project that is \$50,000.00 or more according to our resolutions. Woods provided contracting rules that he thinks were adopted by the board along with cost accounting, ORS, AGC rules, etc. He believes the five resolutions are in force.

Stutzman stated Resolution # 25-062805, is another resolution, not included with what Woods handed out, is the original adoption of our regular Public Contracting Regulations. Then it was superseded later by 28-012406 & 29-012406. Those contracting rules do say that we can directly appoint. Woods went on to say that 28 and 29 were created because of change in statutes in 2005, and we can direct appoint, and use the limit applied to that, but we have to have in writing, our criteria for how we appoint, we have to have a contract review board adopt those, then staff has the authority to go out (and utilize them). Stutzman asked how the board would like to go about creating criteria. Chad said staff prepares it from the guidelines provided and we can have a special meeting over the phone. We can't just direct appoint, we must give a rationale for appointing; his other issue is general contractor liability, insurance bonding, and licensing to be on sight and overlooking this. We are dealing with a crane moving many tons.

Stutzman stated the contractor would be the one responsible for that, not the District. We are not the general contractor. Wilson asked if there was someone who could help with this. Stutzman stated it is all in the emails from Eileen that were sent out to the board earlier in the month. She used our resolutions and our contracting rules that Chad gave you and that I gave out earlier in the month to define the fact that we are not the contractor and we are not responsible for the BOLI reporting, etc. the contractor that would be hired by River Design Group for us, on our behalf, that contractor is the one responsible for those items Chad is talking about. Woods stated that they need to be a general contractor and we have to have all the rules for that laid out and go through the bidding process. (all of that has already been answered by Eileen's emails)

Woods went on to state he thinks the District is in violation of a contract we have with Mark Comstock and Garrett, Hemann, Robertson that states they are our attorney of record and we could end up having to pay Comstock for work that we have sent anywhere else without a referral. We didn't get a referral from Comstock to go ahead and use Eileen as counsel. Stutzman said she would need to look into this. David Simmons reasoning is that we need to end the exclusive contract agreement with Comstock, instead of just asking for a referral, so that he is not our exclusive attorney. Ending that contract now will end that exclusive agreement. Dalton read from a GHR contract, "as general counsel and in relation to specific matters, etc." Stutzman doesn't see how this conversation is related to the Jont Creek contract at all. The substance of the conversation is about something else, not the fact that we went outside of a referral process to contact Eileen Eakins for advice about Jont Creek. More Discussion.

Beebe redirected the group and stated we are talking about Jont Creek contracting, if this is delayed a month what are the repercussions if it is delayed? Woods stated staff needs to prepare the scope of work (Stutzman showed the SOW already prepared by RDG), and that RDG qualify's with us because they are an out of state ownership, they are registered through a Nevada Corporation, etc. Argument around what to do. Judy asked

if we waited till the next board meeting what would be the repercussion of that? Woods replied there is a narrow window of instream of work we need to do & also the availability of contractors, so waiting narrows that window even more. Judy understands that RDG was the only company that had the expertise to handle this. Woods says no. Judy clarified that RDG is not the contractor, we are hiring them to find a contractor for us. Woods stated he is trying to avoid liability issues in the future and as long as we have our ducks in a row as far as doing a direct appointment of them. Beebe asked is there a reason we cannot vote to appoint RDG as our agent? Woods stated we don't have the documents in place to do that. We can do a direct appointment, but the contracting board must vote on the criteria for hiring them. All we must do is say why they meet our qualifications. Must be in writing and voted on before we can do a direct appointment. Woods would like staff to come up with the criteria for the board to approve. Use the criteria in the contracting rules. Judy is the contracting officer. Beebe stated this is a direct appointment to be our agent, not a contractor. Woods says we have to follow the protocol for directly appointing an engineering consultant. Woods wants to make sure we give preference to Oregon businesses with the quotes RDG gets from contractors.

Beebe explained River Design Group will gather the bids and then make the recommendations to the board then the board decides who to hire. Beebe disclosed the company she works for will not be bidding due to conflict of interest. Beebe asked what we are allowing Stutzman to do? Woods stated going through the paperwork to make sure we can do direct appointment. Beebe stated she will be working with Stutzman to ensure all the paper work is done. Once it is all done is the board willing to let it go to the next step of contracting with River Design Group? Woods would like to review the consulting bid, it could be a little high at \$13,900, but price shouldn't be the only criteria, and if we need to find money to do this we can, just want to show we have correctly engaged this. Dalton asked what is our liability for workplace safety? Simmons stated it would be whatever is in excess of the bond the contractor holds. Contractor should have more than a million on their insurance. Beebe stated for a commercial level 2 it's a minimum of a million-dollar liability insurance. If it's more than \$30,000.00 of state or federal funds there will have to be a \$30,000.00 public contractor bond; unless they are a certified contractor under which by state standards they are exempted. Woods stated that there is a BOLI requirement that they are notified 30 days before work begins. RDG would be responsible for filing this. Beebe asked Stutzman to get these criteria to the board as soon as possible. Stutzman agreed.

Election of other Officers:

We have three positions to consider at this point: currently Woods as Vice Chair, Dalton as Treasurer, Wilson as secretary. **Simmons *made a motion a motion* that the same of officers for Vice Chair, Woods, Treasurer, Dalton; and Secretary, Wilson continue into next year. Crawford 2nd. No Discussion; passed unanimously.**

Registered Agent:

Beebe stated she would entertain a motion to allow the secretary to continue to be the Registered Agent with the Secretary of State's Office. Dalton motioned that the Secretary, Michael Wilson is the registered agent with the State of Oregon Simmons 2nd. **No Discussion; passed unanimously.**

Long Range and Annual Work Planning: (attachment K & L)

Tabled

DISCUSSION:

Next meeting will be Wednesday April 3rd at 5:00 to cover:

- Long Range
- Annual Work Planning
- Jont Creek Consultant
- GHR Contract
- OACD Bylaws, representative for annual meeting


INFORMATION:

None

REPORTS:

None

ADJOURNED 8:37 PM respectfully submitted by Administrative Assistant Patti Gray on March 18, 2019.



Judy Beebe - Chair



Date