



CLACKAMAS COUNTY

## Soil and Water Conservation District

Approved 9/18/12

### SWCD Board Meeting Minutes for August 21, 2012

#### Present:

**Directors:** Ron Oberg (Chair), Mike Weinberg (Vice Chair), Don Guttridge (Treasurer), Joan Zuber (Secretary), Jan Lee, Jesse Nelson

**Associate Directors:** Janiece Miller

**Staff:** Jeremy Baker, Clair Klock, Lisa Kilders, Marlene Lloyd, Eann Rains, Tom Salzer

**Guests:** Earl Bowerman, Richard Winkel

**Partner:** Kris Homma

#### **1 – CALL TO ORDER and AMEND/ACCEPT AGENDA/ PUBLIC COMMENT**

Vice Chair Weinberg called the meeting to order at 1:00 p.m. on Tuesday, July 17, 2012 in the Clackamas County SWCD (CCSWCD) conference room at 221 Molalla Avenue, Oregon City, Oregon. No changes were proposed for the agenda. The agenda was accepted by consensus.

#### **2 – MINUTES AND OLD BUSINESS**

- A. Minutes from the July 17, 2012 board meeting were accepted. Directors Guttridge/Lee moved/seconded to accept the minutes for the July 17, 2012 Board meeting as presented. Motion carried unanimously.
- B. Minutes from the August 8, 2012 executive committee meeting were accepted. Directors Guttridge/Lee moved/seconded to accept the minutes for the August 8, 2012 executive committee meeting as presented. Motion carried unanimously.

#### **3 – MONTHLY FINANCIALS**

- A. Staff Lloyd reviewed the balance sheet. Lloyd noted that the District issued the first loan repayment invoice on our first loan. Already three of the four required loan payments have been made by the landowner.

Manager Salzer reviewed the monthly summary of accounts.

Staff Lloyd gave an overview of the profit and loss statement. No unusual activities occurred during this month. Directors Guttridge/Zuber moved/seconded to accept the financial reports as presented. Motion carried unanimously.

- B. Staff Lloyd also presented the voucher approval list. She noted that the District had made ten conservation implementation payments this month. Directors Lee/Nelson moved/seconded to approve the voucher list as presented. Motion carried unanimously.
- C. Staff Rains reviewed the Conservation Fund expenditures and commitments spreadsheet for 2012-2013. Staff will develop a comparison of the previous year to the current year for the Board.
- D. Vice Chair Weinberg asked for a round of introductions as there was a visitor present.

#### 4 – NON-RECURRING FINANCIALS/FUNDING

- A. Staff Lloyd introduced Richard Winkel, our auditor. Mr. Winkel gave an update of the audit process and explained the issue of requiring a municipal CPA to prepare audit forms. This rule was put in place for large corporations, but most organizations do not have the resources to hire a municipal CPA to do this task. Most organizations do not have personnel who understand the schedules to prepare the documents as government accounting is very complicated. Auditors are quite often asked to prepare the audit documents. There is no punishment from the state for this action and organizations just accept this weakness.

Director Guttridge stated that he thought that the District funds would be better spent on conservation projects rather than a municipal CPA.

The board agreed, by consensus, not to spend additional money on hiring a municipal CPA and to ask Richard Winkel to prepare the audit documents.

- B. Staff Lloyd reported that the District had received a refund from our insurance company on the workers compensation estimate for the year.
- C. Lloyd also reported that during the 2009 payroll audit it was discovered that the District did not pay tax on District-paid contributions to employee 457(b) plans. In light of this finding, Lloyd conducted an internal audit of 2012, 2011 and 2010. She found the mistake continued and estimated that over the three years \$14,000 in taxes were owed. She contacted Wells Fargo, the bank that the District hires to perform payroll services, pointed out the continued mistake and asked them to fix the problem and amend the tax returns and W-2 forms for 2010-2012. Wells Fargo was going to charge the District \$3,000 for this task, but changed their mind and waived the fee. There is still a possibility that the IRS may assess penalties and interest on the unpaid taxes, but since it was a self-correction she hopes they will forgive the interest and penalties.
- D. Staff Lloyd updated the board on the Wells Fargo and LGIP account information. Both institutions need to change board officer names on the accounts. She also requested all board members sign the necessary paperwork.

(Chair Oberg arrived at this time)

## 5 – PROJECTS, PROGRAMS, SPECIAL ACTIONS

- A. Manager Salzer reported that the District no longer has a current operational agreement with Fischer Mill Supply to run the Equipment Rental Program. The executive committee said that they felt the Equipment Rental Program was valuable and thought the District should retain it.

Staff Baker gave an update on the equipment rentals over the last several years. He noted that he had heard landowners state that the rental rates were too high, but we are not able to change the price without an agreement. Directors Lee/Guttridge moved/seconded to temporarily suspend the program and relocate the equipment, maintaining insurance coverage, until the District can revamp the program. Motion carried unanimously.

- B. Manager Salzer informed the board that the Conservation Innovation Grant that the District had been awarded for the Northwoods Nursery Rainwater Harvesting and Irrigation Water Recycling project was about to be declared in default. The tank had been installed in 2010, but the rest of the system has not been completed. This was due to staff turnover at the nursery and financial constraints. The USDA sent the final notice that we would be in default if the system was not completed by September 30, 2012.

Staff Faucera and Manager Salzer met with the nursery owner and property manager and reported that their desire is for the nursery to have a functioning system. They negotiated a redesign of the collection system that would reduce the cost of the installation so they could install it on their own. Even if the system is installed on time, there is not enough time to collect data, use the data to write a tech note and hold workshops, tasks required in the grant agreement. Staff recommends that the District default on the CIG grant agreement and continue working with Northwoods Nursery to complete a functioning system.

Directors Lee/Oberg moved/seconded to default according to the NRCS terms. They instructed staff to write a letter to Northwoods Nursery asking them to continue construction and requiring a complete and functioning system by October 30, 2012 or the District will request Northwoods return all of the District funds. Motion carried unanimously.

- C. Staff recommended Jim Toops as the District Cooperator of the Year. They also reported that Mr. Toops is eligible for the OACD Cooperator of the Year award. Directors Guttridge/Lee moved/seconded to select Jim Toops as Clackamas County Soil and Water Conservation District Cooperator of the Year 2012. Motion carried unanimously
- D. Manager Salzer reported that a private contractor submitted a proposal for a fish passage project on Potter Creek that will cost \$32,000. There are three other fish barriers on the creek that this project does not address, so staff recommends the board reject this proposal. Staff recommends working with upstream landowners to fix all of

the fish passage barriers. The District will follow public procurement process for hiring restoration contractors. The board agreed with staff.

- E. Manager Salzer reported that construction will start on Monday on the Milk Creek project. The work will start on the Haushalter property first. All permits and contractors are in place.

Salzer thanked Staff Reische, Rains and Givens for all of their good teamwork on this project.

- F. Staff Kilders reported that the District won second place on our booth at the Clackamas County Fair. The booth was in a new location that seemed to bring more activity to the booth. The consistent theme of questions from visitors was the problem of Tansy ragwort.

- G. Manager Salzer reported that the database developer confirmed the estimate of \$17,600 not to exceed \$20,000 for building the Conservation Actions and Tracking database. In September Salzer will bring a personal services contract to the board. Funding for this project was budgeted under contracted services.

## 6- PERSONNEL

- A. Manager Salzer presented a draft IGA for engineering and technical services between the District and Clark Conservation District in Washington for Doug Fenwick, an engineering technician. The Clark Conservation District said Fenwick could start at any time. Fenwick has many years of experience in riparian restoration work, including construction inspection. This contract is not to exceed \$14,400.

## 7.- MANAGEMENT REPORT

- A. Kris Homma, USDA Natural Resources Conservation Service, presented the operating agreement between the NRCS and the District. The only change to the operational agreement was adding one desk space in consideration of the District's phone and alarm system. Staff recommends approval of the agreement. Directors Oberg/Guttridge moved/seconded to approve the operating agreement between Clackamas County Soil and Water Conservation District and the USDA Natural Resources Conservation Service. Motion carried unanimously
- B. Manager Salzer proposed language to clarify his delegated authority for expenditures. The board discussed the proposal and instructed Salzer to bring back a final proposal with the policy revisions at a future meeting. In the meantime, an emergency session can be called to address any overages that need approval. In the past it has been practice that the chair plus the vice chair, or any three of the four officers can act in the name of the District in an emergency situation. This may not currently be in the policy.



- C. Manager Salzer suggested that the September 18, 2012 board meeting time change to 5:00 p.m. at the Event Center as it is the same day as the Annual Dinner that begins at 6:00 p.m. at the Event Center. The board approved the meeting change by consensus.

## **8 – COMMITTEE, PARTNER, DIRECTOR REPORTS**

Kris Homma of the USDA Natural Resources Conservation Service has scheduled the Equal Employment Opportunity and Civil Rights training for the October board meeting.

Homma also reported that Ralph Meyer's mother had passed away. Ralph was the former CED for Clackamas County Farm Services Agency. She also announced that Judy Cooney, former FSA employee, had also passed away recently.

Director reports:

- 1) Director Lee explained to guest Bowerman about the Oregon Association of Conservation Districts. She requested that Manager Salzer distribute their electronic newsletter. The OACD website will be up by the first week of September. She reminded the board that the OACD conference registration form will be out this week. One session is being coordinated by Manager Salzer; that session is tentatively titled "District Management: Whose Job Is It?"  
  
Lee attended a National Association of Conservation Districts at the White House. She gave an update on legislation and participated in a "field office of the future" work session.
- 2) Chair Oberg reported that the county fair was pretty successful in spite of the hot weather. He thanked the District for their participation. Numbers were down due to the heat, but livestock numbers are increasing every year.
- 3) Director Zuber stated that she will be out of town the first week of September, but she will be attending the Molalla Pudding LAC meeting on September 20.  
  
She attended the Molalla Farmers Market recently and reported that only one produce vendor was present.
- 4) Associate Director Miller reported that she attended a composting appeals hearing. The decision on the appeal will be made on September 17, 2012. She also reported seeing yellow star thistle near Sandy and lots of tansy.
- 5) Director Guttridge reported that he had enjoyed his time at the District's fair booth. He agreed that we need more education on tansy in Clackamas County. Don will be attending the OACD meeting in Eugene and he encouraged the other board members to participate as well.
- 6) Director Weinberg reported that he had attended the Clackamas Stewardship Partners tour. Nathan Poage and Cheryl McGinnis coordinated the tour. There were experts at each site. Staff Baker was the expert present at the Metro restoration site. This was a good example of partnership.

**ADJOURN and NEXT MEETING**

There will be no Executive committee meeting in September.

The September Board meeting will be held September 18, 2012. The Board meeting will convene at 5:00 p.m. at the Clackamas County Event Center in the meeting room at the new restroom facility.

There being no further business, the meeting was adjourned at 3:07 p.m.

Respectfully submitted,

Lisa Kilders, Assistant Manager

ML  
08/21/2012

**Voucher Approval List 07/17/2012**

MEMO:	Check No.	DATE:	AMOUNT PAID:
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**Recurring Expenses Authorized for Payment by Resolution 2011-002:**

Clackamas County Department of Finance	4545	8/8/2012	\$ 13,960.39
Comcast	4546	8/8/2012	\$ 201.90
Integra Telecom	4547	8/8/2012	\$ 573.80
MODOC Investments dba Redside Equities, LLC August Rent & Utilities	4548	8/8/2012	\$ 7,167.50
Pacific Office Automation	4549	8/8/2012	\$ 314.41
Sonitrol	4550	8/8/2012	\$ 149.00
August Benefits			
August 2012 DSL for District Network			
Payment for District's monthly Telecom Service			
June Copier Expense			
August Monitoring			
<b>Subtotal</b>			<b>\$ 22,367.00</b>

**Board Approved Expenses:**

1day Signs	4551	8/21/2012	\$ 313.50
DOG 1213-002	4552	8/21/2012	\$ 3,555.00
AT&T	4553	8/21/2012	\$ 189.04
Busy Beaver Contracting, LLC	4554	8/21/2012	\$ 4,200.00
C. Klock	4555	8/21/2012	\$ 38.30
Donald Guttridge	4556	8/21/2012	\$ 63.66
Eileen Eakins, LLC	4557	8/21/2012	\$ 1,224.00
Erik Carr	4558	8/21/2012	\$ 29.61
H2Oregon	4559	8/21/2012	\$ 22.00
ING - State of Oregon Plan	4560	8/21/2012	\$ 6,928.86
Jenne Reische	4561	8/21/2012	\$ 56.63
Jeremy Baker	4562	8/21/2012	\$ 478.09
Minuteman Press	4563	8/21/2012	\$ 743.50
N. Clackamas Parks & Recreation District	4564	8/21/2012	\$ 4,375.00
N. Clackamas Urban Watershed Council	4565	8/21/2012	\$ 2,500.00
Occidental College	4566	8/21/2012	\$ 1,000.00
Oregon City Signs	4567	8/21/2012	\$ 170.00
Oregon Events & Tent Co	4568	8/21/2012	\$ 1,250.00
Oregon State University, Business Affairs	4569	8/21/2012	\$ 3,000.00
Oregon Timber Resources, Inc.	4570	8/21/2012	\$ 4,303.00
Various Signs			
DOG Recipient			
Cell phone service			
Milk Creek Project			
July Expense Reimbursement			
July Expense Reimb			
July Legal Services			
July Expense Reimb			
July Bottled Water for Board Room			
August 3 Employer & Employee OGSP Contributions			
July Expense Reimbursement			
July Expense Reimbursement			
Small Farm Flyers; Milk Creek Project Postcards			
DLW 1112-006			
Partner Assistance			
Scholarship Award			
Fair Booth Signs			
Small Farm School Tent Rental			
Three Scholarship Awards			
Milk Creek Project			

Pitney Bowes  
 R Franco Restoration, Inc.  
 Rhoda Givens  
 Roger Fantz  
 DOG 1113-008  
 Star Mooring Farm  
 DOG 1015-005  
 Tom Salzer  
 USDA/NRCS  
 Voyager Fleet System  
 Wells Fargo

Postage  
 Herbicidal Applications  
 July Expense Reimbursement  
 Milk Creek Project Woody Material  
 DOG Recipient  
 Milk Creek Project Woody Material  
 DOG Recipient  
 July Expense Reimbursement  
 2nd Qtr Postage (April-June 2012)  
 July Fuel for District Vehicles  
 Various Expenses

4571	8/21/2012	\$	70.00
4572	8/21/2012	\$	6,113.97
4573	8/21/2012	\$	115.77
4574	8/21/2012	\$	2,310.00
4575	8/21/2012	\$	7,000.00
4576	8/21/2012	\$	1,000.00
4577	8/21/2012	\$	440.00
4578	8/21/2012	\$	51.00
4579	8/21/2012	\$	290.86
4580	8/21/2012	\$	193.45
4581	8/21/2012	\$	3,596.85

**Board Approved Subtotal \$ 55,622.09**

**Total July Payments \$ 77,989.09**

Approved By Board:

Board Chair   
 Board Treasurer 