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**Oregon Soil and Water Conservation Commission
Regular Quarterly Meeting
April 21-22, 2014
Willow Lake Water Pollution Control Facility
5915 Windsor Island Road N, Keizer, OR 97303**

Monday, April 21, 2014

Soil and Water Conservation Commission (SWCC) Members Present

Chair Barbara Boyer; Vice Chair Tim Kerns; Gary Jensen; John Morris; Mel Omeg; Marilyn Rice; Jerry Ward.

Oregon Department of Agriculture (ODA) Staff Present

Ray Jaendl, Natural Resource Program Area Director; John Byers, Soil and Water Conservation District (SWCD) and Ag Water Quality Management (Ag WQ) Programs Manager; Manette Simpson, SWCD Program Lead; Eric Nusbaum, SWCD Operations Specialist; Heather Rickenbach, Ag WQ Program Analyst; Anne Friend, SWCD Program Support.

Advisors Present

Jeremy Baker, Oregon Conservation Education and Assistance Network (OCEAN) President; Mark Saelens, Oregon Association of Conservation Districts (OACD) President; Jerry Nicolescu, OACD Executive Director; Mike Borman, Oregon State University (OSU) Extension Agriculture and Natural Resources Interim Program Lead; Jim Cathcart, Oregon Department of Forestry (ODF) Cooperative Forestry Manager.

Visitors Present

Tom Salzer, Clackamas SWCD; Karin Nembach, Polk SWCD; Gene Foster, Oregon Department of Environmental Quality.

Call to Order and Introductions

Chair Barbara Boyer called the regular quarterly meeting to order at 12:02 p.m. on Monday, April 21, 2014. Introductions were made.

Special Presentation: Internal Controls

Tom Salzer gave a presentation about internal controls SWCDs can establish and methods to detect, correct, and prevent theft, fraud, and the loss of public assets. Tom reviewed problems due to lack of internal controls such as: personal purchases made with the district credit card; accounting records and bank statements were falsified; the district's certificates of deposit were cashed; signatures were forged on checks, credit accounts opened, and other forgeries; an employee had complete control over finances and no one checked their work; and policies being changed by the manager without receiving board approval. Tom noted such issues can ruin the public's trust in the district and directors are personally liable. The Tillamook County SWCD is a good example of a district redeeming their reputation. Tom pointed out internal controls are designed to provide reasonable assurances regarding effectiveness and efficiency of operations, compliance with applicable laws and regulations, and reliability of financial reporting. An effective internal control

process prevents or limits losses, protects board members and employees, and preserves the trust and reputation of the district. He suggested steps are to follow the money, segregate duties, check work being done, establish policies and procedures, keep the board informed of the good and the bad, and bring in qualified help when needed.

Discussion about internal control processes followed. Specifically discussed was no single staff person or director should have all of the control, even in districts with one or two employees and boards should be actively involved the financial process of the district. SWCC members described their SWCD procedures including: the board chair drops in unannounced and randomly chooses transactions, then follows the transaction from the very beginning to the end to make sure the steps were completed correctly; visiting the district every Friday to review bills and sign the checks; requiring two signatures on all checks; having the bank statements opened by one board member that is not the treasurer and all checks need to have a board action to be written; retaining an outside bookkeeper that completes the reports for the board; having two board members that will randomly go to the office at different times to review the financial documents.

Approval of Meeting Minutes

The SWCC reviewed the minutes from the February 10-11, 2014, SWCC regular quarterly meeting held in Keizer, Oregon. Corrections were noted.

Gary Jensen moved and Mel Omeg seconded the motion to approve the minutes with corrections from the February 10-11, 2014, SWCC regular quarterly meeting. John Morris abstained as he was not present at the February meeting. The motion carried unanimously.

Natural Resource Program Area Update

Ray Jaindl gave a brief update. Pesticides have been under a lot of scrutiny because of concerns or issues like spray drift and honeybee die-offs; drift cases are challenging because odor doesn't mean that drift occurred, but isn't known until samples are completed. Pesticide violations impact ODA's ability to defend the appropriate use of pesticides for the agriculture industry; the balancing act is very difficult. Staff recruitments have been continuing since the beginning of the biennium; great staff has joined the program area; he was able to successfully fill the water resource specialist position. Legislative concepts for 2015 are in the process of being developed; Coastal Zone Act Reauthorization Amendment (CZARA) comments were due to the Environmental Protection Agency (EPA) March 20; the state submitted comments and is now waiting for EPA's response.

SWCC members and ODA staff presented John Morris with a commemorative plaque for participation and commitment to the SWCC, and for representing the seven SWCDs in the John Day Area; John thanked everyone and stated how much he enjoyed his time on the SWCC.

SWCD and Ag Water Quality Management Programs Update

John Byers gave an Ag Water Quality Program update at the Grant SWCD Annual Meeting; there were over 65 in attendance and discussion was good. He briefly outlined the discussions from the 6+2 (6 SWCD Managers, plus Barbara, and Jerry Nicolescu) meeting on April 11. He initiated several field tours with different agencies and landowners in May to look at agricultural lands; the purpose is to facilitate understanding and discussion of water quality improvement efforts in the state that will be successful. John gave the SWCC a Strategic Implementation Area (SIA) progress update and reiterated compliance can only be determined with an on-site evaluation; initial letters

will be mailed to landowners within the SIAs on April 23rd; the informational open houses for landowners and communities are being held on May 7th for the Clackamas SIA and May 9th for the Wasco SIA; tax lots will be evaluated and categorized as No Concern, Low Concern, Moderate Concern, Significant Concern or Serious Concern; the process will be to send all evaluated properties an initial letter; all Low Concern, Moderate Concern and Significant/Serious evaluated property owners will be sent additional outreach material, with the possibility of a request from the Department to the landowner for an on-site evaluation. He noted that any property evaluated as Significant or Serious Concern are only categorized as such if the property has been physically seen from a public vantage point. ODA staff is working on protocols to move forward with a statewide SIA process. The Ag Program Advisory Committee meetings have been going very well; everyone agrees not doing anything is not an option. There are 46 Focus Areas across the state at this time and 15 pre-assessments have been completed. Discussion about Focus Areas and SIAs followed.

Department of Environment Quality (DEQ)

Gene Foster gave a brief update on the Total Maximum Daily Load (TMDL) litigation briefings; briefings were supposed to start in March but now settlement discussions are happening. CZARA public comment closed in March; EPA and National Oceanic Atmospheric Administration are supposed to have recommendations in early May; due to the number of comments received EPA could ask for an extension of the deadline; all comments are posted on the NOAA website. Discussions are continuing regarding the temperature standard. DEQ staff continues to collaborate and work with ODA staff; collaboration is leading to productive outcomes for water quality and moving forward. Discussion about E-coli and TMDLs followed.

Public comment

Chair Barbara Boyer asked for public comment; no comments were provided.

Local SWCD Presentation

Tom Salzer, Clackamas SWCD District Manager, gave a PowerPoint presentation outlining the Clackamas County SWCD's more recent accomplishments. Last year water, wildlife, and weeds were the focus for the district; they hold pesticide collection events each year and every year the amount collected increases; exclusion fencing, erosion management on Christmas tree farms and nurseries, water quality sampling, removing parking lot pavement and installing rain gardens, small farm issues, and creating manure composting facilities on private land are a few of the projects they have worked on; Corral Creek Dam removal was successful; now fish are able to move upstream and fish habitat has improved; there are a lot of invasive weeds in the district; the SWCD is an ad hoc weed board and they are in charge of removal; the district uses bio controls when possible; they provide two scholarships each year to students who are interested in the ag industry; and the district recently purchased a 15-acre farm that has a lot of potential for the many educational projects the district wants to conduct. The board is currently going through long-range planning; they have been using a facilitator from the county; a new focus will be developing a working lands legacy fund to help sustain working farms in the county; they are focusing on the vision of "what legacy do you want to leave for your children's children"; they are discussing conservation easements and talking about options for land owners without heirs that want to preserve the lands; and they are looking at where the district wants to be in 50 years. Discussion about purchasing the 15-acre farm and potential future plans followed.

Advisor Reports

Oregon Conservation Education and Assistance Network (OCEAN)

Jeremy Baker gave a brief update on Connect; he provided a highlights handout and a copy of the agenda; there are 42 breakout sessions; as of last week, there are 137 SWCD employees attending, representing 35 SWCDs; 20 watershed council employees, representing 14 councils; eleven sponsors from outside brought in over \$20,000; OCEAN gave \$9,950 worth of scholarships to 49 people; there are approximately 37 people on the planning team for Connect; 11 SWCDs, ODA, and the Network of Watershed Councils were represented on the core planning team that met monthly; he expressed his appreciation for their hard work on the training conference.

Oregon Department of Forestry (ODF)

Jim Cathcart updated the SWCC on the ODF program option packages being developed for the next legislative session; there will be a meeting on May 22 of the Stewardship Coordinating Committee and Committee for Family Forestlands; Oregon will be holding the Tools for Engaging Landowners Effectively Workshop on May 20-21; the Joint Chief's Landscape Restoration Initiative is a combined initiative with US Department of Agriculture and Department of Interior; Oregon was selected to host the implementing pilot project for the Cohesive Wildfire Strategy; location is along the "East Face" of the Elkhorn Mountains; Forest Legacy applications for the fiscal year 2016 is underway; and the Oregon Forest Biodiversity Explorer is being updated and will be placed on the Oregon Explorer platform. Anyone that would like more information is welcome to contact Jim.

Oregon State University Extension Service (OSU Extension)

Mike Borman reported that the Ag Department of OSU has merged with the Animal Sciences Department and is now the Animal and Range Sciences Department; he is the interim program lead until the position can be filled; OSU is in the process of recruiting to fill some of the positions that have been unfilled for several years; they are reviewing needs for the 12 regions around the state. Some positions filled are master gardeners for areas within the Willamette Valley and a research person in Pendleton again. While they have gained some capacity back, they are still about 25% below capacity as compared before the recession in 2008; OSU will be able to work more with the SWCDs with increased capacity.

Oregon Association of Conservation Districts (OACD)

Jerry Nicolescu has secured office space at 707 13th Street, Suite 260, Salem, Oregon, and is sharing the space with the Network of Watershed Councils; they have hired a person to help with the accounting systems for merging shared funding but keeping finances separate at the same time. Candidate Conservation Agreements with Assurances (CCAA) is going to work in Harney County on approximately 250,000 acres of private lands with landowners who are willing to work on the sage-grouse issue; all but two states with sage-grouse habitat have signed on to the National Association of Conservation Districts (NACD) resolution addressing sage-grouse that Oregon introduced during the annual national conference.

Mark Saelens introduced himself to the SWCC as the new president for OACD and gave a brief background of his experience; he is a member of the Newport City Council; he has worked with the Department of Fish and Wildlife where he spent 17 years handling ground fish discussions; and has been a board member with the Lincoln SWCD for the last four years. OACD and the Network of Watershed Councils have launched their partnership; OACD is working to move forward with partnerships as a focus of their work; there will be an OACD Executive Board meeting on May 14;

September 14-18, OACD will be hosting the NACD regional meeting in Portland at the Red Lion; and the OACD Annual Convention will be November 12-14 in Redmond at Eagle Crest Resort.

Chair Boyer adjourned the meeting at 4:18 p.m. to reconvene in the morning at 8:30 a.m.

Tuesday, April 22, 2014

Soil and Water Conservation Commission (SWCC) Members Present

Chair Barbara Boyer; Vice Chair Tim Kerns; Gary Jensen; John Morris; Mel Omeg; Marilyn Rice; Jerry Ward.

Oregon Department of Agriculture (ODA) Staff Present

John Byers, Soil and Water Conservation District (SWCD) and Ag Water Quality Management (Ag WQ) Programs Manager; Manette Simpson, SWCD Program Lead; Eric Nusbaum, SWCD Operations Specialist; Heather Rickenbach, Ag WQ Program Analyst; Anne Friend, SWCD Program Support.

Advisors Present

Bill White, U.S. Department of Agriculture (USDA), Natural Resources Conservation Service (NRCS) Partnership Liaison; Meta Loftsgaarden, Oregon Watershed Enhancement Board (OWEB) Deputy Director.

Visitors Present

Karin Nembach, Polk SWCD; Jane Keppinger, Marion SWCD; Ron Crouse, Marion SWCD.

Welcome and Introductions

Chair Barbara Boyer called the meeting to order at 8:33 a.m. Introductions were made.

SWCD Program Lead Update

Manette Simpson reported she has now attended all 45 SWCD board meetings; she learned about each district and their work; and she found that every SWCD has some type of weed program. She attended an OWEB listening session for the Focus Investment Partnership; the session was informative and SWCDs were well represented. She, Eric, and the regional water quality specialist have been providing assistance to a one-staff person district; she will continue to work with districts in a more focused way as needed. She has been working with Harney SWCD to help districts respond to possible public information requests for sage-grouse CCAAs.

SWCD Operations Specialist Update

Eric Nusbaum reported he has been working on the ODA website redesign; the State of Oregon is redesigning all agency websites to be more mobile and user friendly; he is trimming content and shifting information into databases. He is working on long-range plans with many districts and has attended two SWCD annual meetings. He will be working with Upper Willamette SWCD for board training; Tuesday, April 29 is the mid-term directors training that will briefly cover ethics law and board responsibility basics. The 2015 director training session planning is starting; there will be sessions for both new and experienced board members; and role-playing will be included as part of the effective board meeting session. Discussion for director training topics followed.

Grants Administrative Officer Update

Heather Rickenbach gave a brief update on director elections; she gave information to the SWCC members listing all the positions that will be on the November ballot. Quarterly reports were due April 15 and there are a few reports not in yet. She is working with the Regional Water Quality Specialist to track and ensure the Scope of Work Focus Area task is being completed according to the Action Plan. She is also reviewing and approving the district-wide tasks to make sure the funds are spent appropriately; and the Regional Ag Water Quality Specialists will be assisting the districts with the Focus Area Action Plans.

Advisor Reports

OWEB

Meta Loftsgaarden reported OWEB has been working closely with OACD and the Network of Watershed Councils. The watershed council support grant process is moving forward and will be funding 60 watershed councils; a more rigorous process to qualify will be added; any questions should be directed to OWEB. The OWEB Board meeting is April 29-30 in Bandon; there will be a town hall in Coquille to discuss conservation and working lands on the coast. OWEB will be putting forward \$300,000 towards funding the sage-grouse effort in eastern Oregon (called SageCon), and potential early implementation work in advance of USFWS decision on whether to list sage grouse. OWEB is also supporting a National Fish and Wildlife Foundation effort to work with local organizations to develop a Coastal Coho business plan; OWEB is concentrating on the work that the watershed councils and SWCDs are doing; the plan will cover all of the coast, but will be focused in three specific areas and will be voluntary. OWEB is moving forward with their Focus Investment Partnership strategy and will be soliciting in July for priority areas; an example of priority areas would be like the sage-grouse habitat area or other large areas; the priority areas are a broad-spectrum area and then the funding within those areas will be more focused.

NRCS

Bill White reported that the NRCS basin team leaders on the eastside of Oregon have set up a training session for their staff and interested district staff to learn more about conservation easements; Kelley Beamer of the Collation of Oregon Land Trusts (COLT) is assisting with this training. The Agricultural Act of 2014 (Farm Bill) was signed in February; NRCS is still in the process of getting information and rules about specific programs to state staff; NRCS will be offering conservation programs in the 2014 funding cycle. The Regional Conservation Partnership Program (RCPP) and the Agricultural Conservation Easement Program (ACEP) are new programs and may present opportunities for Oregon; under the RCPP, third parties (partners) will need to provide a proposal for conservation funding; there will be three priority levels to consider; more information will be coming out in May. Landowners, SWCDs, and partners participating in local workgroup meetings are the way to get the process moving. Realignment is almost complete; NRCS is keeping the eight basins, but have reduced to four basin team leaders; each one will cover two basins; open positions will be finalized soon; there are two resource conservationist positions to be permanently filled, however, there are "actings" in the interim. Harney SWCD has set an example to address the possible sage-grouse Endangered Species Act (ESA) listing via a CCAA; other SWCDs will be embracing the Harney County model; each state has their individual sage-grouse issues affecting them; NRCS is hoping the US Fish and Wildlife Service will look at the individuality of each state when developing an effective strategy; the CCAA will be very useful for landowners; NRCS has had discussions with OACD about NRCS technical assistance; NRCS hopes to provide planning assistance for developing the CCAAs; a RCPP proposal by a third party may

help to obtain funding for implementing the CCAAs. USDA and NRCS are looking at being operationally more efficient especially in capital expenses, such as having more than one person share the same office space because they are each there only part-time; the US Secretary of Agriculture has set a goal of a 25% cost savings by 2016.

Marion SWCD Special Presentation

Ron Crouse, Education Coordinator and Envirothon Coordinator, with the Marion SWCD presented Marilyn Rice with a plaque of appreciation for all of her support and work for Envirothon; Marilyn thanked Ron and stated how much she enjoyed supporting Envirothon and youth in agriculture. Ron said Envirothon will be held on May 2nd in Silverton at the Oregon Gardens; there are over 200 people attending this year.

Long-range Plan Statutory Compliance

Manette re-introduced the discussion from February's SWCC meeting regarding the legal requirement for SWCDs to have a current long-range plan on file with ODA; by having these on file the SWCDs will comply with the Oregon Revised Statute and ODA will be able to verify compliance. Discussion about advantages and disadvantages of this proposal followed.

Marilyn Rice moved and Mel Omeg seconded the motion to recommend that beginning with the 2015-2017 biennium, each conservation district be required to have a current Long-range Business Plan, as per ORS 568.554, on file with ODA in order to be eligible for the SWCD Support Grants. Motion carried unanimously.

SWCC Member Reports

John Morris was impressed with John's presentation at the Grant SWCD's Annual Meeting and has received positive responses. There is one small population of sage-grouse in the southern end of Grant County; the district is going to ask Harney SWCD to possibly include it in their area. He said he has appreciated his time with the SWCC and would like to be kept informed on future issues.

Mel Omeg discussed how important partnerships between watershed councils and districts are; there are five watershed councils in his SWCD; although there are different approaches, Wasco County SWCD's approach is that three SWCD board directors are co-chairs from the watershed councils and others are associate directors; each SWCD can have more participation by having chairs of the watershed councils serve as an associate director on the SWCD board; the watershed council members often have broad backgrounds beneficial for both organizations.

Gary Jensen reported there are still issues ongoing with the Eugene Water and Electric Board and the McKenzie River collaborative effort; the district is in the process of creating a memorandum of understanding with the McKenzie Watershed Council; they will be hiring a part-time technician to help with the McKenzie River project.

Tim Kerns reported the SWCDs in his area are supportive of having to meet the Long-range Business Plan requirement; the districts will be asking the Harney SWCD to assist them in getting their sage-grouse program up and running; they filled the vacancy for the regional Conservation Reserve Enhancement Program (CREP) technician that covers five counties.

Jerry Ward reported his district is continuing to work closely with Clean Water Services on riparian and shade projects, he feels it is a great partnership; one of his represented SWCDs has a director that would like to remove the “soil and water” from their name, which is prohibited by Oregon Revised Statute; he will be meeting with the directors to offer assistance.

Marilyn Rice reported that water, fire, and funding are the big topics for her represented districts; they are all dealing with the continuing challenges of change; watershed councils are merging from four to one; they each have their strong programs and this will make an even stronger council; she thanked OWEB and NRCS for the way they have handled projects; the ODA SWCD Guidebook is helping her district to update their policies and several of her represented districts are making sure they are following processes correctly.

Barbara Boyer thanked Manette for the extra time she has spent with one of Barbara’s represented districts as there has been a positive change; Lincoln is proceeding with conducting outreach for a potential tax base; Yamhill SWCD is rolling out a grant to help Fender Blue Butterflies; they will be doing a thinning project at Miller Woods and plan to build a conference center with the wood harvested from the thinning project; Miller Woods won an educational award from La Casa Verde.

Follow Up Assignments

- SWCC members will be attending their represented districts’ board meetings.
- ODA will send SIA Open House information to the SWCC.
- ODA will include the SWCC when sending out information about SWCD director elections.
- ODA will forward ODF and OSU Extension information to the SWCC.

SWCC Member Recruitment

A handout was provided for the SWCC covering member recruitment; information will be sent through the ODA Newsletter and OACD's Everyone list; ODA would like nominations early enough to ensure a new commissioner is in place for the July SWCC meeting.

Additional Agenda Item

The SWCC members presented Heather with a letter of appreciation for supporting the SWCC; she thanked the members for their support and expressed how much she enjoyed working with them.

Upcoming Meetings

- July 16 and 17, Baker City, Oregon; actual meeting times to be determined.
- November, Redmond, Oregon; in conjunction with OACD Annual Meeting and Convention.

Chair Boyer adjourned the meeting at 11:33 a.m.