



Washington Association of Conservation Districts

Board of Directors Meeting

June 16, 2014

Wedge Mountain Room, Best Western Icicle Inn
Leavenworth, WA

MOTIONS

- **Motion:** Dean Longrie moved to approve the January 27, 2014 draft meeting minutes as written. Mark Craven seconded. The motion to approve the minutes as written carried.
- **Motion:** Dean Longrie moved to approve the May financial report and year-to-date status as presented. Kathy Whalen seconded. The motion to approve May's financial report and year-to-date status carried.
- **Motion:** Jerry Hendrickson moved to approve R1 to 2012-001, Travel and Other Expense Reimbursement Policy. Dean Longrie seconded. The motion to approve the revisions to 2012-001 carried.
- **Motion:** Wendy Pare moved that the Board approve the new District/Tribal Partnership Award and the selection criteria as presented. Mark Craven seconded. The motion to approve the new award carried.
- **Motion:** Michael Crowder moved that the Eugene Schloz Memorial Award's title be changed to Eugene Schloz Outstanding Supervisor Award. Kathy Whalen seconded. The motion to change the title of the award carried.
- **Motion:** Dean Longrie moved that the three new PMC Administrative Committee policies with the revised language suggested by Wendy in the Investment Policy be approved by the Board. John Preston seconded. Don Hatler suggested that a cross-check of WACD's Bylaws be done to ensure there are no conflicts between these new policies and the Bylaws. The motion to approve the three new policies, as revised, carried.
- **Motion:** Michael Crowder moved to approve the new dues structure and mail-out to the districts. David Guenther seconded. The motion to approve and mail the dues statements to districts carried.
- **Motion:** Dean Longrie moved to approve the 2013-14 close out budget. Jerry Hendrickson seconded. The Board thanked Wendy and staff for helping to realign the budget. The motion carried.
- **Motion:** Michael Crowder moved to approve the proposed budget for FY 2014-15, including Dave Vogel's salary increase. Mark Craven seconded. The motion carried.

Board of Directors Present

Alan Stromberger, President
Mark Craven, Vice President
David Guenther, Past President
Michael Crowder, National Director
Wendy Pare, Secretary Treasurer
Don Hatler, NW Area Director
Dean Longrie, SW Area Director

David Hall, SW Area Director
John Preston, NC Area Director
Gail Thornton, SC Area Director
Eddie Johnson, NE Area Director
Jerry Hendrickson, SE Area Director
Kathy Whalen, WADE President

Board Members Not Present

Bill Knutsen, NW Area Director
Mark Moore, SC Area Director
John McLean, NC Area Director
Tom Miller, NE Area Director
Larry Cochran, SE Area Director

Others in Attendance for All or Part of the Meeting

Mark Clark, WSCC
Roylene Rides at the Door, NRCS
Tanna Engdahl, Clark CD
Lynn Engdahl, Clark CD

WACD Staff Present

Dave Vogel, Executive Director
Deb Gregory, Administrative Coordinator
Jim Brown, Manager, PMC
Lori McLaughlin, Bookkeeper, PMC & WACD

President Alan Stromberger opened the meeting at 9:05 a.m.

Motion: Dean Longrie moved to approve the January 27, 2014 draft meeting minutes as written. Mark Craven seconded. The motion to approve the minutes as written carried.

Kathy Whalen's partner report was moved up on the agenda to allow for Kathy's early departure to help open the WADE conference at 1:00 p.m. Kathy reported that there are 207 registered attendees for WADE. They are at the maximum capacity that Sleeping Lady will hold and a number of people are staying at hotels in town. The Commission provided WADE with \$20,000 for scholarships this year which has helped to boost attendance. Kathy expressed WADE's gratitude to the Commission for their assistance in providing additional scholarships this year.

There is one on urban conservation which replaced the forestry track. There are several tribal sessions. One on integrating native plants' importance to tribal cultures presented by the Snoqualmie Tribe, and another on how the Tulip Tribe has partnered with Snohomish CD to work more cohesively together dealing with farms and fish.

President Stromberger congratulated WADE on the number of attendees at this year's conference.

Dave Vogel provided the Board with an update on the Whitman CD issue regarding full payment of registration fees at last year's annual meeting. Whitman's Board had sent a letter to WACD in response with full payment of their registration fees. President Stromberger replied in a letter to Whitman's Board explaining why payment of the full fee is important to WACD.

At this year's annual meeting, pre-registration will be required in full or payment in full at the door. WACD will no longer bill attendees for payment.

2013 Resolutions Status - Included in Board member packets was a status report on 2013 resolutions. Many dealt with the budget and those have fed into the revised State Conservation Commission biennial 15-17 budget process. Several resolutions are being fed into the Department of Ecology Agriculture and Water Quality Advisory Committee on which both President Stromberger and Dave Vogel are members of representing WACD. Another was adopted by NACD at their annual meeting in January in Anaheim, CA. Several others have no action taken yet due to time constraints.

WACD Committees – Dave V. provided the Board with a list of WACD's current committee membership and noted that some vacancies still exist on the District Operations and Education Committee with a representative needed from either the NE or NW areas. Clinton O'Keefe is the current chair.

The Natural Resources Policy Committee will need to select a Chair from within their membership. Dave V. will be assisting them in that process.

The Bylaws Committee is in need of representatives from the East, Central and West regions. Membership is typically filled by an Area Director from each of those areas. While it is not known whether there will be bylaws changes proposed during this year's annual meeting, appointments need to be made to assist the chair, David Guenther as Past President, in the event changes are recommended. Jerry Hendrickson volunteered to fill the East Region position; John Preston will serve as the Central Region representative and Dean Longrie will serve as the West Region member. David Guenther thanked each for volunteering to serve with him on this committee.

Treasurer's Report

Wendy Pare, Secretary Treasurer, presented the May financial report and year-to-date status of where we anticipate being at the end of June. Wendy reported that May came in as expected.

Motion: Dean Longrie moved to approve the May financial report and year-to-date status as presented. Kathy Whalen seconded. The motion to approve May's financial report and year-to-date status carried.

Annual Conflict of Interest Statement – Deb Gregory reported that she is still missing certification signatures from Bill Knutsen and Larry Cochran, both of whom were excused from today's meeting. Deb will try to obtain their signatures at the September Board meeting. There is still time as long as all signatures are obtained before the end of the calendar year. Rather than placing this on the Board agenda in the future, attempts will be made to secure signatures separately by mail, if necessary.

WACD Policy #2012-001 R1, Travel and Other Expense Reimbursement Policy – After the Board has had an opportunity to work with the reimbursement policy, it became apparent that

there was a need to make some adjustments to the policy to address the requirement that individuals requesting reimbursement of allowable expenses must do so within 30 days of the completion of travel. Exceptions to the 30-day requirement were included in a new section entitled "Special Considerations". After explanation of revisions by Dave Vogel, the Board was asked to approve the revision.

Eddie Johnson recommended that WACD make best effort to cover expenses associated with WACD duties, despite the fact that WACD may accept payment by other partners as outlined in the policy. Also, Eddie advised that some level of coordination may be needed with other parties to ensure reimbursement is properly claimed.

Motion: Jerry Hendrickson moved to approve R1 to 2012-001, Travel and Other Expense Reimbursement Policy. Dean Longrie seconded. The motion to approve the revisions to 2012-001 carried.

Proposal for a new WACD Conservation District/Tribal Partnership Award – Dave V. introduced Tanna Engdahl, Chair of WACD's Tribal Outreach Task Force (TOTF) and Elder of the Cowlitz Tribe. As part of the TOTF, a small subcommittee was formed to develop a new award to recognize partnerships between CDs and Tribes. Larry Davis of Whatcom CD served as Chair of the group. The subcommittee worked through email communication and conference calls to complete their task. They forwarded their recommendation to Tanna as Chair of the Task Force, who sent it out to the full Task Force for review and comment. Tanna gathered the comments received and incorporated them into a final proposed draft policy for review and approval by WACD's Board. The TOTF left the award broad so as not to limit ideas that come forward from CDs or Tribes. Their intent is not to establish a competition involving Tribes but to recognize the value of partnerships. There could be multiple awards in a calendar year if the partnerships meet all of the criteria. WACD's Executive Committee serves as the Awards Committee each year, but it was recommended that for this particular award, WACD's Executive Committee consult with the TOTF to help serve as the selection committee. Tanna noted that her task force would gladly accept that responsibility on behalf of the Awards Committee. Tanna said she would assume responsibility for writing press releases and doing more outreach with the state's Tribes relative to the CD/Tribal Partnership Award to generate more interest.

Motion: Wendy Pare moved that the Board approve the new District/Tribal Partnership Award and the selection criteria as presented. Mark Craven seconded. The motion to approve the new award carried.

Tanna and Lynn Engdahl reported on several recent visits to the Skagit and Snohomish CDs. During the Snohomish meeting, they were able to see a demonstration of a bio-digester and took a field tour of several projects underway in the district. They intend to do more field visits with districts throughout the summer.

WACD Sponsored Awards – Board members were provided a list of the current WACD sponsored awards. Dave V. noted that nominations for several of the awards have been waning over the past several years. He is hopeful that the CD/Tribal Partnership Award and Michael Crowder's work with Ducks Unlimited will spur more interest in all of these awards to ensure we are getting nominees from the districts, employees and partners to sustain them. Michael is confident he can generate some very worthy candidates for the wildlife awards. Michael urged the Board to do some additional outreach with the districts to raise awareness. David G.

suggested that it may also be time to review the awards currently offered for their continued timeliness.

David Guenther suggested that WACD offer scholarships to youth to attend summer camps to increase interest in conservation education. Tanna Engdahl agreed with David G's suggestion to award some youth scholarships in conjunction with the annual WADE training. This item will be considered by the Executive Committee and the District Operations and Education Committee.

Motion: Michael Crowder moved that the Eugene Schloz Memorial Award's title be changed to Eugene Schloz Outstanding Supervisor Award. Kathy Whalen seconded. The motion to change the title of the award carried.

Budget Development Process – The Conservation Commission's budget development process for 2015-17 is currently underway. Mark Clark said 15% budget reduction instructions have now been received by all state agencies from the Governor's Office of Financial Management (OFM). The reduction packages must be submitted to OFM in September along with the 2015-17 biennium operating and capital budget submittals. OFM has requested that it be submitted like a budget package outlining proposed cuts and include those items agencies would "buy back" if funding (e.g. new taxes' revenue) were available.

It will be imperative that WACD and districts have solid budgets crafted along with messages to convey to legislators. Dave V. emphasized that no one is saying there won't be any new funding this next biennium to meet our compelling needs, but it will be more difficult under the reduction scenario. It is important that supervisors begin making contacts with their elected representatives and hosting tours and events over the summer and into the fall.

To help get WACD's message out to our partner commodity groups, a memorandum will be sent to all district supervisors asking for a list of their supervisor affiliations so WACD can begin building a register of contacts for local contact purposes. Mark Clark believes it is essential that we engage other organizations as early as possible. Anything WACD's Board can do to work with the supervisors in an effort to make the messaging more lively along with outreach to all organizations that can be supportive of our efforts will be extremely helpful.

PMC Administrative Committee Policies – Wendy Pare was asked to look at WACD's overall financials. In doing so, she needed to understand how investment decisions were being made. She recommended to the PMC Administrative Committee that they develop policies for fixed asset and capitalization, funding reserve accounts and discretionary spending, and investments. In conjunction with Wendy's review of the financials, Jim Brown, PMC Manager, looked at all of the nursery's fixed assets with a value of over \$2500 to help determine a replacement schedule. Once a fixed asset list was developed as a starting place, the PMC Administrative Committee met and developed three draft policies as guidelines for reserves, capitalization and investments for WACD Board approval.

Alan Stromberger suggested that on the investment policy, the BoD be added as responsible for investment oversight. After discussion by Dave Vogel of options available to provide clarity regarding the Board of Directors' role, Wendy suggested that under C. Guidelines and Responsibilities, subsection d., the first sentence should read "The responsibility for investment oversight is assigned by the Board of Directors to the Plant Materials Administrative Committee."

Motion: Dean Longrie moved that the three new PMC Administrative Committee policies with the revised language suggested by Wendy in the Investment Policy be approved by the Board. John Preston seconded. Don Hatler suggested that a cross-check of WACD's Bylaws be done to ensure there are no conflicts between these new policies and the Bylaws. The motion to approve the three new policies, as revised, carried.

2014 Dues Statements – Wendy was asked to lead a small group of districts in a review of the WACD dues worksheet to look at the guiding principles and the ease of use in completing the worksheet by districts. The group made some changes to the form to help districts more accurately report their discretionary funds available to support WACD dues. They also reduced the number of reporting categories from 10 to seven and created a set of instructions to accompany the worksheet. For the most part, the districts did a great job. Wendy had questions on nine of the district worksheets and called each to discuss their discretionary funding reporting. Of those nine, only four revisions needed to be made. Adjustments were made by the districts and the dues amounts recalculated and ranked by WACD. Some districts will come in higher or lower than in previous years but Wendy believes this more accurately reflects the districts' ability to pay their dues. Michael Crowder asked Wendy and Lori McLaughlin if they could add another column to the dues calculation roll-up showing how the districts ranked within the WACD bylaws dues tiers. Wendy noted the request and indicated that would be easy to do.

Motion: Michael Crowder moved to approve the new dues structure and mail-out to the districts. David Guenther seconded. The motion to approve and mail the dues statements to districts carried.

The dues statements will be mailed to each of the districts on June 17 or 18 and Lori will provide regular updates to Dave V. on payments. Dave V. will keep Area Directors informed on dues payments from their area districts, in case follow-up is needed. Any questions from the districts about the dues may be directed to Wendy.

Executive Operations - Revisions to Original Operating Budget FY 13-14 – Wendy reported on where executive operations is as of May 31, 2014 and our anticipated ending balance as of June 30, 2014. On the revenue side, there were some drastic changes vs. where we anticipated ending up. We did not make any of the \$38,000 in fund raising, did not sign a contract with NRCS for \$20,000 and did not get the full value from the Commission contract. Wendy has also recommended a change in how we account for our restricted funds and has created a special account for specific items. For example, WACD received \$5,000 from the Commission to be disbursed specifically for an internship for the Commission. This is being shown as a separate line item because the funds cannot be used except for that specific purpose. Funds received from last year's auction are also being placed in the restricted category and are to be used only for educational purposes as approved by the Board of Directors. When money is distributed, it will be shown as two transactions. It will be pulled out of the balance sheet account and put into the release of restricted funds so the net impact is zero to our bottom line. We expect to end the fiscal year in the red with a deficit of about \$4,000.

Motion: Don Hatler moved to approve the close out budget. Jerry Hendrickson seconded. The Board thanked Wendy and staff for helping to realign the budget. The motion carried.

Update of WACD's 2014-15 Annual Work Plan – Dave V. updated the annual work plan to display what we have done to date and to lay out plans for the next fiscal year. The work plan outlines the work supported by the proposed 2014-15 WACD budget.

Proposed 2014-15 WACD Budget – Wendy discussed changes made to the budget. She looked at what our revenue was going to be (very similar to this year's) and also made an assumption that we would not receive a contract with NRCS, but are hopeful that Dave will be able to secure one with them. We are also hoping to find additional revenue before the end of the budget cycle. She believes we can accomplish our work with existing staff without adding new capacity. Based on current projections, we should end the year with net income.

Alan advised the Board that the Executive Committee in a special session voted to give Dave Vogel a salary increase which will need to be included in the draft budget presented here today. Lori McLaughlin will make the appropriate adjustment to reflect the salary increase.

Motion: Michael Crowder moved to approve the proposed budget for FY 2014-15 including Dave Vogel's salary increase. Mark Craven seconded. The motion to approve carried.

WACD Fundraising – Staff have taken Shamra Clark's fundraising report recommendations and incorporated some of them into the new WACD Annual Meeting sponsor packets that will be distributed this year. A mock-up sponsor packet was distributed to the Board for their review.

Supervisor Leadership Development Project – A proposal for the project has been developed together with the Conservation Commission and WCS. Dave V. will be working with our partners to help secure funding to get the program started. An outline is included in Board materials for information.

NRCS Partner Report

- Roylene reported that farm bill funds have finally become available. Her staff is busy obligating contracts at this time. They did receive additional funds in CSP last Friday, June 13, 2014 and are moving down the list to obligate several more contracts.
- Roylene thanked the Commission and WACD for their participation in a national announcement tour on the Regional Conservation Partnership Program (RCPP) with Kirk Hanlin from the Washington, D. C. office. Washington State was one of three states to host a tour tied to this new program.
- Ann Mills, Deputy Undersecretary, was in Washington State for a week-long tour, viewing projects on the ground. NRCS was able to pull together 35 to 40 partners to participate in the tour with Ms. Mills. Roylene and her staff appreciated the work of districts hosting tours on such short notice.
- The State Conservation Commission helped NRCS put together a CTA request. Four states were able to put in a special project and Washington State was one of the four getting an early opportunity at \$10 million for conservation technical assistance. Roylene thanked the partners for their help in making this happen. The remainder of the country will have an opportunity to compete for the funds this week. Roylene believes our state is in a good position to get what we ask for in full.
- There will be a CSP sign-up for renewals under the old contract until September 30.

- CRP will be extended, also until September 30. Roylene believes that it will include about 134,000 acres with Whitman, Adams and Lincoln counties incurring the greatest workload.
- NRCS in good shape budget-wise. They have requested an additional \$2.6 million in addition to what has already been authorized.

State Conservation Commission Partner Report

- Mark Clark reported on a number of items the Commission is currently working on with several of high importance:
- Technical capacity – The Commission is funding \$80,000 toward technical capacity building including work on two certification programs in development by the Technical Employees Work Group.
- Supervisor Leadership Development – A working team from WACD, WSCC and WCS have developed a white paper on a comprehensive program for supervisor leadership development that will be going out for a wider review and input.
- 15-17 Budget Development – The operating budget request forms have been sent to districts to complete by July 10 using a simplified format and electronic entry system developed by Debbie Becker. The three forms utilized are (1) implementation request (2) engineering request (by area lead district) and (3) a “Big Ask” request (optional and without commitment to use in decision packet development). The capital budget request system and forms are under development and will be sent to districts shortly.
- WSCC Strategic Planning – Ten priority actions were identified by the WSCC members at their May planning meeting. The members also revised their mission statement, reviewed powers and authorities, and discussed respective roles as a Commission member and ways to improve the WSCC board operations.
- Communications & Outreach – Communications, Partnership Building and Outreach (CPO) workgroup is developing a marketing campaign to (1) raise awareness about who CDs and the Commission are and what we do, and (2) increase landowner participation with CD services. By the end of 2014, the group plans to create a “marketing toolkit” that includes a slogan, key messages, templates, photos, and more that will be available for use by conservation districts, WACD, WADE and the WSCC.
- Farmland Preservation/WWRP Applications – In partnership with Eastern Klickitat and North Yakima CDs, five applications were submitted for consideration to the Washington Wildlife Recreation Program (WWRP) Farmland Category. Two projects in Eastern Klickitat total 18,044 acres. Three combined projects in North Yakima total 3,036 acres. These projects are a mix of rangeland (Eastern Klickitat and North Yakima – combined 20,620 acres) and irrigated ground (North Yakima – 460 acres). Funding will be determined by the Legislature in the 2015 session.
- The Commission closed the election group input from the districts at the end of May. Ron Shultz pulled together a summary of what the districts had to say. Mark provided copies of Ron’s summary report and noted that it would be good for WACD to read and

provide comments prior to the September Commission meeting. There will also be some tasks with legislators to complete. Mark will work with Dave Vogel on the best timing for those conversations.

The regular meeting adjourned at 1:00 p.m. and reconvened in a special facilitated session for Area Directors led by Jim Huckabay. (Notes will be prepared separately in cooperation with Mr. Huckabay.)

The next meeting of the Board of Directors is scheduled for Tuesday, September 16, 2014 at the Hal Holmes Center in Ellensburg.

Respectfully Submitted,

Deb Gregory
Administrative Coordinator