

Approved November 29, 2018



Washington State Conservation Commission Regular Business Meeting
Richland, Washington
September 20, 2018

The Washington State Conservation Commission (Commission/SCC) met in regular session on September 20, 2018, in Richland, Washington. Chairman Kropf called the meeting to order at 8:35 a.m.

COMMISSIONERS PRESENT

Jim Kropf, Chairman
Dean Longrie, Vice-chairman, West Region
Harold Crose, Central Region
Larry Cochran, Eastern Region
Sarah Spaeth, Governor Appointed Member
Daryl Williams, Governor Appointed Member
Perry Beale, Dept. of Agriculture
Carol Smith, Dept. of Ecology (DOE)
Lynn Bahrych, WA Association of Conservation Districts (WACD) on behalf of Tom Miller

COMMISSION STAFF PRESENT

Mark Clark, Executive Director
Ray Ledgerwood, District Operations Manager
Ron Shultz, Policy Director
Eleanor Dovey, Fiscal Manager
Lori Gonzalez, Executive Assistant
Josh Giuntoli, Office of Farmland Preservation
Shana Joy, Eastern Regional Manager

PARTNERS AT THE TABLE REPRESENTED AT THIS MEETING

Roylene Rides at the Door, State Conservationist, Natural Resource Conservation Service
Nick Peak, Environmental Protection Agency
Elizabeth Torrey, WA Dept. of Fish and Wildlife
Rod Hamilton, Farm Service Agency

GUESTS ATTENDED

Michael Crowder, Benton CD, Patricia Hickey, WACD, Ryan Baye, WACD, Amy McKay, Whitman CD, Jeff Burwell, Chairman Utah CD, Tom Salzer, NCDEA, and Larry Brewer, SCC.

Consent Agenda

The draft July 19, 2018 Regular Business Meeting and August 29, 2018 Special Meeting minutes were presented for approval.

Motion by Commissioner Longrie to approve the July 19, 2018 Regular Business Meeting and the August 29, 2018 Special Meeting minutes. Seconded by Commissioner Cochran. Motion passed.

Budget

Eleanor Dovey, SCC Fiscal Manager provided an update on the agency Operating budget for Fiscal Year (FY) 2018 and provided an update on the Capital budget biennia projects. The delay in using the Capital funds were due to the delay in approval from the Legislature.

Ms. Dovey reported the fiscal team's activity for FY2018, noting the team processed 1,639 vouchers, paid out \$13,465,270 million dollars, with an average payment processing time of three days. The number of vouchers

processed is a bit lower from FY2016, again, this is due to the delay in Capital funds. Also reported was the considerable increase of agency contracts being managed by staff.

2017-2019 Supplemental Budget

Staff provided members the supplemental budget requests for their review and approval for submittal to the Office of Financial Management (OFM).

- Additional Assistant Attorney General (AAG) funding - Operating- costs associated with the Thurston Conservation District has pushed the agency into insufficient funding for AAG costs. Supplemental request is for \$300K. Deficit as of now \$28, 281.
- Fires/Flood Recovery – Capital – SCC is currently collecting data from districts. Money would cover 2018 fires and also recovery from spring floods. Total estimated need: \$3.1 million possibly more.
- Conservation Easement- Capital –Landowner passed away unfortunately, no new funding, change in use of existing funding, and
- CREP PIP Loans – Capital request total \$449,000 this would be loans to provide bridge funding between landowner payments and Farm Service Agency.

Motion by Commissioner Longrie to approve the 2017-19 supplemental budget to be submitted to the Office of Financial Management. Seconded by Lynn Bahrych (delegate for Commissioner Miller). Motion passed.

District Operations

Conservation District Mid-term appointments

Motion by Commissioner Longrie to appoint Marshall Stowe to fill the mid-term position on the Wahkiakum Board of Supervisors and Bruce Anderson to fill the mid-term position on the Lewis Conservation District Board of Supervisors. Seconded by Commissioner Williams. Motion passed.

CREP PIP Loan Policy

Conservation Accountability Performance Program (CAPP)

At the July Commission meeting, members requested the districts who were in non-compliance of the 15 accountability requirements within the CAPP to have the Chair or member of the board attend the next Commission meeting in September to address an action plan to correct deficiencies identified. Two districts were notified to attend to present in Richland, Washington, the Whitman Conservation District and the Thurston Conservation District. A detailed memo with the background of the two districts are provided in the meeting packets. Inside the memo, the staff provided proposed options of actions for member review and consideration.

The Whitman Conservation District (WCD) was the only district of the 45 to not complete the State Auditor Schedules for political divisions of the State of Washington by the end of May deadline. Amy McKay, board supervisor was able to present to members a letter from the district apologizing and explaining why there was a delay in submittal. The WCD staff had a miscommunication on the deadline date thinking it was due at the end of the month; there are 31 days in May and the report was due on the 30th. The district has put actions in place to have deadlines posted and reminder around the office to avoid confusion in the future.

Motion by Commissioner Cochran to accept the staff recommendation to not withhold funds from Whitman Conservation District regarding the CAPP action plan. Seconded by Commissioner Beale. Motion passed.

Thurston Conservation District – CAPP

The Thurston Conservation District (TCD), CAPP non-compliance was presented. TCD Chairman Johnson notified the Commission TCD will not have a representative at the SCC meeting to present an action plan. Ray Ledgerwood, District Operations Manager provided the board a thorough timeline of the TCD communications between SCC and TCD staff regarding their CAPP status. The timeline begins in April of RM notifying deficiencies in CAPP prior to July report. Ray reported there was sufficient time for the district to respond to these warning of deficiencies. The [timeline and notification materials](#) can be found on the SCC meetings page online.

Ron Shultz, Policy Director, noted to members and guests, the items and discussions surrounding CAPP are separate from the current investigation. If a decision were to be made about the CAPP, they should be purely based on the operations of the district. They are two separate items.

Due to a scheduled phone call at 10:30 a.m., Commission members paused the current discussion regarding CAPP and went into Executive Session per RCW 42.30.110(1)(g) to discuss the performance of a public employee. Members convened back into regular session at 11:00 a.m.

Members returned from executive session and continued their discussion on the options proposed in holding TCD accountable for the items listed within the materials and report provided.

Motion by Commissioner Cochran to withhold all remaining WSCC funding with exception of funding for Commission approved training for supervisors and staff in accounting and budgeting, and the four CAPP elements, if the TCD Board requests. TCD to report back with CAPP Action Plan and status related to this motion at the November 29 Commission meeting. Seconded by Commissioner Crose. Motion passed.

Commissioner Spaeth noted the training for supervisors should be approved by the Commission and Commission staff should not be the ones to provide the training.

Clark Conservation District Rates and Charges

Stu Trefry, Southwest Regional Manager provided members a background report regarding the Clark County Council Hearing held on September 11 on the proposed system of rates and charges. He reported the Council voted 4-1 against the ordinance. This was also after county staff provided answers to questions the Council had in 2017 when the system of rates and charges was initially brought forward and voted against. The County Council received several letters of support for the district on the proposed rates and charges system. Commissioner Smith noted the Department of Ecology also sent a letter in support. Mr. Trefry stated some of the Council's concerns. One was the perception of duplication of services with other agencies and concern about conflicting numbers on how many people the district benefited over the past 10 years.

Conservation Reserve Enhancement Program (CREP) PIP Loan

Brian Cochrane, CREP Program Manager provided in the meeting packet a proposed CREP PIP Loan Policy to help define a process on how the Conservation Commission distributes PIP loans. Loans have been issued on a first come, first served basis with no verification of need or consistency with the original intent of the program. As a result, PIP loan funds have been exhausted the last two biennia creating hardship for projects that have not made and application for a loan but are proceeding with the expectation of receiving one. He also points out no current limits are placed on PIP loans that are consistent with other SCC cost share programs. The proposed policy for member's consideration would clarify and officially set forth the terms of the Conservation Commission PIP Loan funding under CREP.

The proposed policy was sent out to districts for the 45-day comment period, per the agency's policy on policies. Several comments were received and addressed by SCC staff. Comments and responses are provided in the meeting packet, pages 55-57.

Motion by Commissioner Williams to approve the SCC Policy 18-01, Conservation Reserve Enhancement Program (CREP) Practice Incentive Payment (PIP) Loan Policy as presented on page 51 of the meeting packet. Seconded by Commissioner Smith.

Conservation Commission Easement Update

Commission staff presented work done last spring related to establishing an updated agricultural conservation easement policy. Discussion focused on separating elements more in line with guidance from actual policy. The easement sub-group will convene in November 2018 to further work on guidance and policy.

Lunch break from 12:00 to 12:45 p.m.

Thurston Conservation District

Commission members returned from lunch and went into a scheduled executive session. Chairman announced at 12:45 p.m. per RCW 42.30.110(1)(i), members will discuss with legal counsel representing the agency, matters relating to agency enforcement actions or potential litigation. Members convened into regular session at 1:05 p.m. and made the following motions:

Motion by Commissioner Longrie for the SCC to no longer engage in settlement negotiations with Thurston Conservation District Supervisors who are subject to investigation. Seconded by Commissioner Williams. Commissioner Smith recuses from motion.

Motion by Commissioner Longrie to rescind the motion from the August 29, 2018 Special Commission meeting regarding timing of the Thurston Conservation District Supervisor investigation hearing from October 1 and October 31. Seconded by Commissioner Beale. Commissioner Smith recuses from motion.

Motion by Commissioner Cochran to set the Thurston Conservation District investigation hearing dates from November 14 through December 14, 2018. The Executive Director will work with the Executive Committee of the Commission and shall determine the date, time and location of the hearing. Seconded by Commissioner Longrie. Motion passed. Commissioner Smith recuses from motion.

Changes to Election and Appointment Manual

Bill Eller, SCC election officer, provided members proposed changes to the Conservation District Election and Appointment Procedure Manual for their consideration for approval. On pages 60-65 of the meeting packets, Mr. Eller provided brief summaries of issues needing addressed by change proposed through an RCW, WAC or through the Manual. Within the issue summaries, a proposed solution along with the effect of the action if members were to approve are provided in the meeting memo provided in the meeting packet. As staff presented each issue, members took action on the following items:

Issue #5 – Proposed WAC Chapter 135-110 changes

Motion by Commissioner Crose to accept staff recommendation authorizing staff to begin the rulemaking process for changes, amendments, and additions to WAC Chapter 135-110. Seconded by Commissioner Smith. Motion passed.

Issue #6 – Proposed RCW Chapter 42.56.210 – Public Record Act exemption for email addresses and telephone numbers collected as part of absentee ballot lists during elections.

Motion by Commissioner Williams to authorize staff to begin the process to seek a legislative amendment to RCW Chapter 42.56 to exempt email addresses and telephone numbers gathered as part of absentee ballot lists from disclosure. Seconded by Commissioner Cochran. Motion passed.

Issue #7- Conservation District Election policy proposal related to campaigning for inclusion in the Election Manual with accompanying sample policy for conservation districts. During the last election cycle, issues arose around campaigning versus recruiting candidates by conservation district staff and supervisors.

Motion by Commissioner Beale to adopt the change to the Election and Appointment Manual related to campaigning during an election, as presented and set out by staff. Seconded by Commissioner Crose.

Establishing date change for CD elections

Mr. Eller presented Commission members with four possible options for members to provide staff guidance on whether to proceed with establishing a single week for conservation district elections or some other actions, as proposed to address issues relating to conservation district elections. Meeting packet information pages 95-100.

Motion by Commissioner Smith to make the staff suggested changes to the agency elections WAC and manual and reserve discussion on setting the date for district elections at a future date. Seconded by Commissioner Williams. Motion passed.

Commission Operations

Area Member Election Process

At the WACD Annual Meeting in November, the SCC will conduct the election of the Eastern elected member to the Conservation Commission Board. This position is currently held by Commissioner Larry Cochran. Members who fit the required criteria and who has submitted their interest form into the Commission by November 2, will be considered by the WACD body at their Annual Meeting. Nominations are also allowed on the floor, when called for.

Chair and Vice-Chair Nominating Committee

Commissioners Spaeth, Cochran and Smith have volunteered to be on the nominating committee to discuss and propose to the Board for their consideration the next SCC Chair and Vice-Chair at their next meeting in November. Policy and procedures were provided to members.

Chairman Kropf adjourned the SCC meeting at 2:39 p.m.