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**Harney Soil & Water Conservation District Regular Monthly Meeting
June 22, 2023
Harney County Courthouse Breakroom**

Present: Board Chair (BC) Jeff Hussey; Vice Chair (VC) Scott Franklin; Board Directors (BD) Susan Doverspike, Stacy Davies; District Manager (DM) Jason Kesling; Rangeland & Ag Water Specialist (R/A) Breanna O'Connor; Admin Assist (AA) Barbara Pearson

Absent: BD Ken Bentz

Participating Remotely: Secretary/Treasurer (S/T) Ryan Peila, BD Carol Dunten

Guest: NRCS District Conservationist (DC) Zola Ryan

Side note: The meeting was originally scheduled to be held at the Harney County main floor conference room but a meeting scheduled in that room earlier ran long and we were moved to the breakroom.

BC Hussey called the meeting to order at 3:36 pm. Those participating remotely were asked to identify themselves.

Item #1: Approval of Meeting Agenda

BD Doverspike moved and VC Franklin seconded approval of the meeting agenda. All present who were eligible to vote were in favor and the motion passed.

Item #2: May Financial Report Approval

Prior to the meeting, the board received a copy of the credit card statement for review via email. DM Kesling explained the profit/loss and check registry. There were no concerns. DM Kesling said he will submit quarterly bills at the end of the month, so there will be some replenishment; things are looking good. VC Franklin moved and BD Davies seconded approval of the May financial report. All present who were eligible to vote were in favor and the motion passed.

Item #3: May Meeting Minutes Approval

There were some corrections: BC Hussey noted the May meeting began at 3:34 pm, not 4:34 pm as noted. On page 5, the last sentence of Item #8, the minutes will be changed to, "...All board members present were in favor and the motion passed." Lastly, when asked if the August meeting would take place, DM Kesling said it had been canceled by consensus. The meeting minutes will be updated to reflect these corrections. BD Davies moved and VC Franklin seconded approval of the May meeting minutes as corrected. BC Hussey, VC Franklin, S/T Peila, BD Doverspike and Davies voted in favor; BD Dunten abstained as she had not yet read the minutes; the motion passed.

Item #4 Records Retention Policy

DM Kesling said the district has been following state guidelines regarding record retention, but ODA's Eric Nusbaum suggested the district formally adopt a policy/resolution. This is the bare minimum requirement for a retention policy. BD Dunten Carol said if the resolution followed state guidelines that would be fine with her. S/T Peila agreed. BD Doverspike moved and VC Franklin seconded approval of the proposed record retention policy. All present who were eligible to vote were in favor and the motion passed.

Item #5: Audit Agreement (note: this was incorrectly worded on Agenda as *Audit Report*).

Robert Gaslin Accounting, PC sent an agreement for the '22-'23 audit, which included terms of his company's scope. The district has the option of continuing with Gaslin or advertising to find another auditor. Gaslin has proposed the cost of the audit to be \$10,300 and then \$11,400 for the next two years.

There is a concern that it is difficult to hire an auditor for a special district. If the district is able to locate and work with another auditor and then returns to use Gaslin's services, his fee will increase more than listed. BD Doverspike said traditionally auditors are changed ever 2-3 years but this is not normal times. If the district attempts to secure another auditor it may not get anyone, and the district wouldn't know what the fee would be. She suggested the district remain with Gaslin. While an audit could detect fraud, fraud could still occur. She felt confident we have integrity with the organization and it would be good to accept the offer. BC Hussey asked if the district had checks and balances in place, and DM Kesling said the financial checks and balances were in place when he began here. While the practices may have been in place for a while he believed the previous DM, Shannon Brubaker, was in office when it was put into writing. He listed the people who had financial responsibility and obligations. BD Davies asked if the district was required to have a yearly audit. DM Kesling said, yes. There was a proposal that SWCDs under a certain annual budget dollar amount would be exempt but that would not apply to the HSWCD. VC Franklin said if he recalled it was difficult to find Gaslin. BD Duntun agreed and said the only other one who submitted a bid at the time would have cost twice as much. BD Davies moved and VC Franklin seconded to approve the renewal of Gaslin Accounting, PC for the FY '22-'23 Audit. All present who were eligible to vote were in favor and the motion passed.

Item #6: Six-month Review

This was for R/A Breanna O'Connor. DM Kesling presented her review and suggested she be put on step one and then be put on the schedule for the next annual review. DM Kesling explained what the six-month probation would entail and how it would affect her if it approved. BD Doverspike moved and VC Franklin seconded to approve Breanna O'Connor's evaluation and provide a step increase. All present who were eligible to vote were in favor and the motion passed.

Side note: Somewhere during this vote and Item #9 discussion and vote S/T Peila dropped off the call.

Item #7: BLM Land Rule Letter Discussion

A copy of the letter sent to the Bureau of Land Management was included in the board's packet. BD Doverspike said it was a good letter and thanked Jason.

Last month's meeting minutes reflected a special meeting would be scheduled. BD Bentz contacted Congressman Cliff Bentz's office. Due to time constraints, the special meeting was not able to take place. Instead, the letter came from the District Manager. BD Bentz drafted the letter and had DM Kesling review; BD Dunten also contributed.

DM Kesling said he discussed the letter and issue with BD Davies, regarding the BLM allowing conservation groups to lease land to do conservation measures and BD Davies felt there may be a bright side to this: The BLM would receive the benefit of groups removing noxious weeds and juniper, with the possibility of the district being involved in these projects. BD Davies said the proposal has a lot of opposition. A bill was introduced in house to eliminate it. Both parties are involved and western governors are against the proposal. The bottom line is there is not enough detail to know what the proposal really is—it could be some positive, mitigation banking that could affect the district's and ranchers revenue stream.

BD Davies continued that landowners and managers don't usually get full use of the BLM allotments, anyway. This could provide an opportunity for landowners to get paid for using the allotments, but there's not enough information. The current rule will receive pushback. If another is proposed we need to read it before pushback.

BC Hussey asked if the HSWCD could be involved after, and DM Kesling said that is how he read it; it could be like CCAA agreement with us holding conservation efforts implemented on BLM land in Harney County. The district could try to beat conservation groups on allotments/geographic areas for SWCD. If the conservation groups want to give us funds to manage.

There was further concern and discussion of the BLM's phrase of "third party"—it could be the district, ONDA, a mining company. The vagueness of the term, dealing with a bureaucracy wanting to fix things, and how it will affect

landowners was discussed. The consensus was the letter sent by the DM was great.

DM Kesling said, "We can be poised to be first to make a proposal. As an SWCD, we want to help allottees. It would be similar to CCAA approach of outreach and education." He added the district will not want to give permittees the idea the SWCD is undermining them. BD Davies said the letter presented sets the district up for the next version of the bill, to guide it to something manageable. BLM grazing plans force allotment owners to use their permit every 3rd year or the permittees loses the permit. In this case, the permittee can do conservation efforts and not lose the permit. He used the example of AUMs and wild horses as an example. He felt the conservation rule in and of itself has some good in it. DM Kesling said he would do his best to continue on this—the letter has been submitted.

Item #8: BLM Sage Grouse Amendment Review and Discussion

Note: Some pages of an attachment were left out of the notebooks; the directors did receive them in their entirety via email. The first two documents, the district had seven days to review and comment. BDs Dunten and Bentz and DM Kesling missed the deadline to comment. The first one dealt with soft and hard triggers the BLM would do if sage grouse populations met one of those triggers or thresholds. The second one dealt with grazing habitat and will dictate what management action(s) the BLM would do.

DM Kesling asked that BD Davies' staff review the total document (it is 600 pages in length and not in the board director notebooks) to see how it will affect his operation. He said he doesn't have the expertise to know how it will affect a ranch, and Davies' staff may have time to correlate. The next round is due on Tuesday.

The final two documents DM Kesling said he has not had time to review. They include threats to sage grouse from predators and then livestock grazing. DM Kesling said he may ask Sarah, Breanna, or Danielle to read. He felt the "BLM will shove this down our throats anyway, but good to be able to formulate a response." DM Kesling asked the board to read and let him know how it will

respond, and asked directors to provide document, page number, and line for him to reference. BD Doverspike thanked him for giving the board some starting places. Carol: can we still respond to predator? DM Kesling said they have closed but he could still provide them for the record if she had subspecific comments. "I'm trying to wade through it." DM Kesling will prepare a letter on Monday. He will collect the board's opinions and condense it.

BC Hussey asked if this is from the BLM and DM Kesling said it was from the national office. There will be tables in the document as to how the new policy would affect Oregon grazing.

There was further discussion about the documents' wording and the difficulty in understanding them (DM Kesling said, "It's not intuitive."), and how the BLM decision and actions will affect landowners. DM Kesling explained the different opportunities for the BLM to decide (options provided by the agency were numbered). BD Davies noted the reason the district has the opportunity to respond is because of its cooperating agency status.

Item #9: Update on NRCS Audit

DM Kesling and DC Ryan provided a history of the NRCS audit. The district paid to the NRCS \$30,831.17 and the check was recently returned. The funds now have to be spent by the end of June 2023. BD Doverspike asked if this could happen again (the situation leading to the district's liability) and DM Kesling said it could theoretically, since the people involved in clearing this up will be leaving soon (Ron Alvarado will retire in September, Zola will be leaving the end of this month). There was discussion about safeguards now being in place to alleviate a repeat, and landowners being informed on information demands of various agencies or different programs within agencies. The previous landowners assisted did not have their confidentiality breached. DC Ryan said any NRCS release of information requests will be denied or have landowner names redacted.

This brought the discussion to what the district will need to do with the returned funds. DM Kesling said he would like to purchase the herbicide Rejuvra for future district projects. It could be stored at the county yard and be used for future projects. BD Dunten said with the results shown with Rejuvra she thought that was an excellent idea. BD Davies moved and VC Franklin seconded using the

returned funds to purchase Rejuvra. All eligible to vote were in favor and the motion passed.

R/A O'Connor left meeting at 4:39 pm.

Item #10: Public comment

DC Ryan informed the board that next Friday (June 30th) will be her last day with NRCS. She and her family will attend cross cultural training in North Carolina, return to Harney County in the fall to continue to raise missionary support and then attend school in Costa Rica in January 2024. She told the board it "Has been a joy to work with conservation district." BD Dunten said, "We will miss you. You have done a wonderful job." Others were in agreement. There was discussion on when she would be replaced and by who. BD Doverspike said she hoped DC Ryan's institutional knowledge has been documented for the next person.

Item #11: Adjournment

BD Doverspike moved and VC Franklin seconded adjourning the meeting. All still present and eligible to vote were in favor and the meeting ended at 4:56 pm

Respectfully submitted,

Barbara Pearson, Admin Assist

District Representative

Date