

MINUTES
NORTH DAKOTA ASSOCIATION OF SOIL CONSERVATION DISTRICTS
BOARD OF DIRECTORS MEETING
LINCOLN-OAKES NURSERY, BISMARCK
June 22, 2009

The meeting was called to order by President James Teigen at 10:13am.

ATTENDANCE: Dennis Reich, Edward Hauf, LeAnn Harner, James Cart, Marc Schriefer, Aaron Smestad, Curtiss Klein, Richard Faught, James Teigen

ABSENT: Dennis Haugen

OTHERS ATTENDING: J.R. Flores, NRCS State Conservationist
Scott Hochhalter, NDSU Extension, NDSSCC
Greg Morgenson, Nurseries Manager
Tom Hanson, NDASCD Executive Director

There were no additions to the agenda.

CONSIDERATION OF MINUTES

A clarification to the March 9, 2009 minutes under the NACD Report: The cost for each member state to support sending a representative to MRRIC meetings is \$500.00. President James Teigen declared the minutes approved as amended.

TREASURER'S REPORT

The Treasurer's Report was given by Tom Hanson. Jim Cart questioned the less "cost of sales" figure. Greg Morgenson responded this is an accounting anomaly we have always had. James Teigen thought we should take care of this in the budget discussion.

NURSERY MANAGER'S REPORT – Greg Morgenson

Greg Morgenson gave the Nursery report. We continue to have a labor problem. The nursery finished delivery in late May (approximately 1 ½ weeks later). We had a late spring and thus couldn't lift seedlings until much later than normal. Now employees are working on planting transplants and cuttings. Our mechanic had shoulder surgery and will be out about 6 weeks. The former mechanic is helping out. 2008-2009 was the lowest tree sales in the history of the nursery. A comment was made that more hand plants are being sold. Aaron Smestad stated most of their tree sales are hand plants and put in with a gas auger. LeAnn Harner inquired if the nursery ever asked districts to send in employees to work in nursery during busy times. Greg responded that Morton County SCD did this once. Dick Faught asked about green ash. Greg replied sales are plummeting and everyone is recommending to not plant them. Aaron had heard an

advertisement implying fertilizer could be used to combat European Ash Borer. Greg said this is false.

BUDGET

Tom and Greg presented the budget. It represents their best estimate of costs and income which results in a deficit of approximately \$138,600. They have tried to hold the line on expenses and are hoping for tree sales to increase this year. Much discussion on budget items ensued. Most of the discussion centered around capping purchases, salaries, sales, and prices

Salaries reflect a 2% increase and also hiring a technician to replace the open position lost two years ago. The effect of that position was deeply felt during the spring deliveries.

Marc Schriefer moved to increase the seedling price by 10¢ with corresponding proportional price increases as seedling size increases also. This will balance the budget. The budget item “cost of sales” should be amended to \$115,000. Curt Klein seconded the motion. All directors present voted aye. The motion passed with no directors abstaining.

The meeting was recessed for lunch.

James Teigien called the meeting back to order at 1:18pm.

Continued discussion on the budget:

Dick Faught suggested we should bring up a potential dues increase at the annual meeting.

Marc Schriefer moved to accept the budget as amended. Curt Klein seconded the motion. All directors present voted aye with none abstaining. The motion passed.

EXECUTIVE DIRECTOR’S REPORT

Tom Hanson gave the Executive Report – see page 7-8

AGENCY REMARKS

Scott Hochhalter – NDSU Extension/NDSSCC

Scott provided a handout depicting the adjustments for expenses as passed by the Legislature. He also stated some districts still need to expend funds for reimbursements. Scott provided a second handout which has gone to SCDs. It shows the participation in the technical assistance program (including the funding allocation to SCDs) Three SCDs didn’t apply but the SSCC members wanted to get them some funding so they used Forest Service NDFS) grant monies to do this. All 55 SCDs will be involved with SSCC in technical grants or NDFS grant funds. The requirements for reimbursement were shared. Scott thanked the Association as they were a key element in getting the extra

funding for the technical assistance grant. The SSCC will be meeting July 24 at Lincoln-Oakes Nurseries office. Scott will be meeting with ND Forest Service to discuss opportunities for future NDFS grant funding.

J.R. Flores – NRCS

J.R. Flores reported Kyle Hartel has accepted the McKenzie County SCD District Conservationist position. Regarding the recent RCA listening session, J.R. said comments will be taken until August 30. J.R. provided his latest understanding for the NRCS budget as that process has begun. NDASCD sent letters to the congressional delegation asking them to reject the Presidents' budget of decreased funding for conservation programs as described by NACD. J.R. explained the Ring Dike initiative which is for farmstead protection dikes in the Red River Valley. Landowners can use EQIP funds (\$1 million in ND at this time). J.R. stated \$1.3 million was provided in an organic farmer program in EQIP and NRCS has enough requests to cover this.

EQIP received additional funding for maintenance due to floods. Producers who do their own can't come back and get reimbursement. They have to be signed up prior to doing the work.

J.R. described the Cooperative Conservation Partnership Initiative. Four projects were approved nationally.

NRCS has received a significant amount of extra funding so the expected decrease in funding did not occur, in reality, during the 2009 fiscal year.

Regarding a question on the RCA Listening Sessions, J.R. mentioned he heard "single practice" concerns several times during the RCA session in ND. This may come up again during State Technical Committee meeting July 23 at the Comfort Inn. Marc Schriefer stated during the RCA Listening Session, it often was mentioned how available NRCS is to organizations.

COMMITTEE REPORTS

Legislative – LeAnn Harner passed out the minutes of the committee's last conference call. Aaron Smestad said the Grand Forks SCD learned Schedule C can only be used if you take the full mill allotment. Now with 2 mill authority, Grand Forks County will not get to take Schedule C since they will not be instituting the full 2 mill authority.

LeAnn also mentioned the Clean Water Act reauthorization. The Baucus amendment was passed out of committee which would change "navigable waters" to "waters". It is feared this effectively gives the Corps control over all water of the U.S. and may seriously erode states' rights.

The Ag Coalition will meet in July and will discuss carbon legislation and the Cap and Trade program.

No other committees have met since the last NDASCD Board meeting.

NACD REPORT

Dick Faught distributed a handout for small farms and urban conservation. The Northern Plains Region meeting was in Bismarck on June 14-16. All five states

were represented and discussed issues relating to the Missouri River, conservation partners, NACD legislative programs, state association and conservation district funding, and the NRCS Listening Session. Wichita, Kansas will be next year's site for the Northern Plains Regional Meeting.

NACD is looking for a CEO (Brad Ross is interim). Dick will be attending the Legislative Summer meeting in Washington D.C. in July.

CORRESPONDENCE

Correspondence was passed around. These included letters from Senator Dorgan, Senator Conrad and a copy of a letter to the Congressional delegation from the Slope-Hettinger SCD.

OLD BUSINESS

Annual Meeting Planning

Potential speakers and breakout sessions were identified. The theme will be "Soil, Water, Life, Meeting our Challenge." Speakers and presenters will be contacted for availability. The dates of the convention are November 22, 23, 24. Tom will begin finalizing details with the Ramkota Hotel.

Bismarck Parks and Recreation Department

As Bismarck expands and new developments occur next to Lincoln-Oakes Nursery, bike and walking paths have been planned. The agreement with the Bismarck Parks and Recreation Department was passed around and the board was told of the easements for walking trails on Lincoln-Oakes Nursery property.

NEW BUSINESS

Contingency Plan

In light of the declining financial situation, Tom distributed a proposed contingency plan for the Nursery and discussed the action items listed. James Teigen stated this was just for consideration and felt directors should give it some thought and address this at future meetings.

Marc asked for an equipment breakdown and salaries for next meeting.

More discussion ensued on various crops which might be grown on land not used for trees, i.e. cover crops, grass, etc.

Legislative Adjustments

State Adjustments to lodging and mileage reimbursements was discussed. The consensus was to leave mileage reimbursement the same as it is.

LeAnn Harner moved to adopt state guidelines for lodging. Curt Klein seconded the motion. All directors present voted in support of the motion and no nay votes were recorded. Motion carried.

September Meeting Date

To allow for more efficient travel from the September Board meeting to the Area V Annual Meeting, James asked if directors would approve changing the next meeting to September 22. Consensus of the board members was to make this change.

James Teigen adjourned the meeting.

Curtiss Klein,
Secretary

Recorded by Tom Hanson
Executive Director

EXECUTIVE DIRECTOR'S REPORT

June 22, 2009

Tom Hanson

March

16	Meet with Parks and Recreation	Bismarck
18-19	Employees Tree Promotion Workshop	Bismarck
23-25	SARE meeting and presentation	Kansas City
31	Meet with Ulteig Engineers	Bismarck

April

14	Plan Area III meeting	Towner
21	Legislative Committee Conference call	
22	Soil Biology Project meeting	LON
23	C2E2 meeting	LON
24	KNDC Awards	Washburn
28	Extension meeting re: SSCC	Bismarck
29	Northern Plains Region planning w/ Ramkota	Bismarck

May

12-14	MRRIC meeting	Bismarck
18	ND Forest Service Resource Assessment	Bismarck
21	NRCS planning-Listening Session	Bismarck
27	Command Labor	LON
27	Carbon Credit changes	Jamestown

June

3	RCA Listening Session teleconference	
8	Ramkota Planning meeting	Bismarck
11	Pre-construction meeting (Whispering Bay)	Bismarck
14-16	Northern Plains Region Leadership meeting	Bismarck

Narrative

During the early part of this reporting period, the legislative session was still considering the two bills we were engaged with (SB 2368 and SB 2020), which would raise the mill levy authority for SCDs to 2 mills and to provide \$837,000 the SSCC line item for technical assistance grants. I assisted Director Harner in her committee's efforts to pass these bills.

I have also given a significant portion of time to the Soil Health/Soil Biology project by attending a meeting in Kansas City (paid by grant) and further planning on the curriculum and interaction with the planning committee members. It has been extremely difficult to find a date when all project participants can meet so we may have to try to do our planning via e-mail and/or teleconference. At this point all instructors appear to have accepted and are committed to teaching a portion of the curriculum.

The Northern Plains Region Leaders meeting in Bismarck was held on June 14-16 and planning for this also required a significant amount of time.

The Bismarck Parks and Recreation Department is building bike and walking paths along Burleigh Avenue and S. 12th Street and their planning requires small easements of our property along the West 40 seed orchard. I have been working with BPRD in creating an agreement to eliminate our liability from the new softball complex to the north prior to signing the easement along S. 12th.

Greg and I continue to discuss our labor needs and budget/financial situation.