

MINUTES

CALL TO ORDER

The Oklahoma Conservation Commission met July 1, 2010, at the Agriculture Building Board Room located at 2800 N. Lincoln in Oklahoma City, Oklahoma. The meeting was called to order at 9:30 a.m. by Chairman Mike Rooker. He stated this was a regularly scheduled meeting in accordance with the Open Meeting Law, Title 25, Sections 301 and following as amended. The agenda for this meeting was posted June 29, 2010, at the front entrance of the building.

SWEARING IN OF AREA 5 MEMBER

Jana Chicoine, Administrative Officer, administered the Oath of Office to Jim Grego, Area 5 member.

ROLL CALL

Kim Tweed, Executive Secretary, took roll call and the following members were in attendance:

Mike Rooker, Chair
George Stunkard, Vice Chair
Jim Grego, Member
Matt Gard, Member

Members Absent:

Dan Lowrance, Area 4 Member

Others in attendance were:

Mike Thralls, Executive Director
Ben Pollard, Assistant Director
Steve Coffman, Financial Management and Human Resources Director
Robert Toole, Conservation Programs Director
Shanon Phillips, Water Quality Program Director
Mike Kastl, Abandoned Mine Land Program Director
Mike Sharp, Information Technology Director
Lisa Knauf, District Services Director
Mark Harrison, Information Representative
Janet Stewart, General Counsel
Jana Chicoine, Administrative Officer
George Moore, Watershed Technician
Johnny Pelley, Watershed Technician
Dennis Boney, Watershed Technician
Karla Beatty, Education Coordinator
Tammy Sawatzky, Conservation Programs Deputy Director
Ron Hilliard, Natural Resources Conservation Service State Conservationist
Clay Pope, Oklahoma Association of Conservation Districts Executive Director

Steve Thompson, Oklahoma Department of Agriculture, Food and Forestry Associate
Commissioner
Jeanette Nance, Office of the Governor
Trey Lam, Oklahoma Association of Conservation Districts President
Kim Tweed, Executive Secretary

PLEDGE OF ALLEGIANCE

Mr. Stunkard led the group in the Pledge of Allegiance.

MINUTES OF PREVIOUS MEETING

A motion was made by Mr. Stunkard and seconded by Mr. Grego to approve the minutes of the June 7, 2010, Commission meeting as written. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

DISTRICT DIRECTOR RESIGNATIONS AND APPOINTMENTS

Mike Thralls, Executive Director, presented recommendations for appointment of conservation district directors as listed in Exhibit #1. A motion was made by Mr. Grego and seconded by Mr. Stunkard to approve district director appointments as listed with terms to expire as indicated. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

CLAIMS/FINANCIAL STATEMENT

Steve Coffman, Financial Management and Human Resources Director, presented the claims and financial statement as listed in Exhibit #2. A motion was made by Mr. Gard and seconded by Mr. Stunkard to approve the claims and financial statement. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

EMPLOYEE RECOGNITIONS

Shanon Phillips, Water Quality Director, was recognized for 15 years of service and Mike Sharp, Information Technology Director, was recognized for 30 years of service.

PRESENTATION OF AGREEMENTS

Ben Pollard, Assistant Director, presented agreements for approval as listed in Exhibit #3. He recommended ratification of the new agreements listed as (a) and (b) as they were previously approved by Chairman Rooker. A motion was made by Mr. Stunkard and seconded by Mr. Gard to ratify approval of the agreements as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Pollard recommended approval of the new agreements listed as (c) and (d). A motion was made by Mr. Gard and seconded by Mr. Grego to approve the new agreements as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Pollard recommended approval of the amended agreements listed as (e) through (y). A motion was made by Mr. Stunkard and seconded by Mr. Grego to approve the amended agreements as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

NACD SOUTH CENTRAL REGIONAL CONFERENCE

The National Association of Conservation Districts South Central Regional Conference will be held on August 16-18, 2010 in Lubbock, Texas. Mr. Thralls recommended that one staff member attend and to discuss attendance by members. Mr. Rooker expressed interest in attending and staff will check with Mr. Lowrance. A motion was made by Mr. Gard and seconded by Mr. Stunkard to approve the attendance of two members and one staff. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

OUT OF STATE TRAVEL REQUESTS

Mr. Thralls presented travel requests for approval as listed in Exhibit #4. A motion was made by Mr. Grego and seconded by Mr. Stunkard to approve the requests listed as (b) and (c). Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

CONSERVATION DISTRICT JOINT PLANS OF OPERATIONS

Lisa Knauf, District Services Director, recommended approval of Joint Plans of Operations as listed in Exhibit #5. A motion was made by Mr. Grego and seconded by Mr. Gard to approve the plans as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

RECOMMENDATIONS OF THE BUDGET AND ALLOCATION COMMITTEE

Mr. Thralls stated that the Budget and Allocation Advisory Committee was charged to advise the Commission regarding budget and related policies in the coming fiscal year. It consists of OACD board members Trey Lam and Kim Farber, Commission members George Stunkard and Mike Rooker, and OACDE member Bradley Hamilton. The Committee receives staff support from Commission employees Mike Thralls, Ben Pollard, Lisa Knauf and Steve Coffman, OACD employee Clay Pope and NRCS employee Gary O'Neill.

Mr. Lam outlined the Committee's recommendations as listed in Attachment A.

Mr. Thralls stated that five separate items need to be acted upon. He recommended approval of 12(a) stating that every district and Commission position will need to be justified before rehiring and the equipment manager position is seasonal in nature and will transition to a cash allocation rather than a benefitted position. A motion was made by Mr. Gard and seconded by Mr. Stunkard to approve the Committee's recommendation to adopt a new policy to provide a cash allocation in place of benefitted Conservation District Equipment Managers as those positions become vacant. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls also recommended approval of Item 12(b) for a six month allocation to districts to see if the budget holds. If collections do not come in as expected then agencies could experience rescissions to their allocations. A motion was made by Mr. Stunkard and seconded by Mr. Grego to approve the Committee's recommendation to make a six month allocation to Conservation Districts to cover the first half of Fiscal Year 2011. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls stated that Item 12(c), Exhibit #6, outlines proposed budget cuts for FY11. He stated that the FY11 allocation for districts and the Commission operations is approximately \$200,000 smaller than last year's budget and proposes that the districts take approximately two-thirds of the cut and the Commission take one-third of the cut. He stated that there are 11 districts where employee positions were adjusted because of the budget and that those districts would not be recommended to take an additional cut. A motion was made by Mr. Grego and seconded by Mr. Gard to approve the Committee's recommendation to fund Conservation District operations and the Commission's operations in Fiscal Year 2011 as listed in Exhibit #6. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls stated that agency consolidation will be looked at during the next legislative session. The Committee is recommending incentives be developed to encourage voluntary consolidation such as a one-time lump sum payment. He recommended approval of 12(d) to have the Budget Committee prepare a plan for Commission consideration that would provide incentives to conservation districts that consolidate. A motion was made by Mr. Gard and seconded by Mr. Stunkard to approve the Budget and Allocation Committee to prepare a plan for consideration to provide incentives to conservation districts that consolidate. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls recommended approval of 12(e) for the Committee to develop a performance based evaluation system of conservation districts that can be used for future district allocations. A motion was made by Mr. Grego and seconded by Mr. Gard to approve the Budget and Allocation Committee to develop a performance based evaluation system of conservation districts that can be used by the Commission in making future district allocations. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

CONSERVATION COMMISSION - FISCAL YEAR 2011

Mr. Pollard stated that the legislature did not specify the Executive Director's salary in the appropriation bill for FY2011. He recommended the salary remain at the same level for FY11 in the amount of \$72,398.00. A motion was made by Mr. Grego and seconded by Mr. Stunkard to approve the Executive Director's salary as presented. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls recommended that the district director meeting expense be set at \$25.00 per meeting for a maximum of 12 meetings for FY2011. A motion was made by Mr. Grego and seconded by Mr. Gard to set the Conservation District Director meeting expense at \$25 per meeting (maximum of 12 meetings) in FY2011. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Thralls recommended approval of the six month allocations to conservation districts for personnel and operating expenses as listed in Exhibit #7. A motion was made by Mr. Gard and seconded by Mr. Grego to approve the six month allocations to conservation districts for personnel and operating expenses as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

Mr. Coffman stated that the Commission is required to prepare a Budget Work Program each year and recommended approval of the BWP as listed in Exhibit #8. A motion was made by Mr. Gard and seconded by Mr. Grego to approve the FY2011 Budget Work Program as listed. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF TOURISM

Mr. Pollard stated that the Commission has several projects of mutual interest with the Oklahoma Department of Tourism and Recreation (ODTR). He also stated that the legislature considered consolidating the Oklahoma Scenic Rivers Commission into the Commission and some of OSRC administration is performed by the ODTR. Mr. Stunkard stated that roadside parks could be another opportunity to work with the ODTR. Mr. Pollard recommended that the Commission authorize staff to prepare a memorandum of understanding between the Oklahoma Department of Tourism and Recreation and the Commission for partnering on projects and programs of mutual interest. A motion was made by Mr. Grego and seconded by Mr. Stunkard to authorize Commission staff to prepare a memorandum of understanding between the Oklahoma Department of Tourism and Recreation and the Commission for partnering on projects and programs of mutual interest. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried.

PUBLIC COMMENTS

None.

NEW BUSINESS

None.

OKLAHOMA CONSERVATION COMMISSION MEMBERS

Mr. Gard reported on unusual activity at the East Woods County Conservation District and stated that it sold off its machinery. The district secretary is retiring after 25 years. He spoke with Rogers County Conservation District director George Fraley regarding the loss of three employees over the last year. Mr. Gard stated that July 8 is the RC&D Kremlin fish fry.

Mr. Grego is looking forward to serving on the Commission and has the time to commit. He runs a cow/calf operation.

Mr. Stunkard serves on the Budget and Allocation Advisory Committee and commended the Commission staff for the assistance to the Committee.

Mr. Rooker also thanked the staff for their assistance with the Budget and Allocation Committee.

OKLAHOMA CONSERVATION COMMISSION STAFF

Administration - Executive Director: Mr. Thralls attended the NRCS all employees meeting and stated it was an exceptional event. He thanked Ms. Knauf, Mr. Pollard, and Mr. Coffman for their diligent work with the budget and Mr. Rooker and Mr. Stunkard for serving on the Budget Committee.

District Services Division: Lisa Knauf, Director, commended Ron Hilliard, NRCS State Conservationist, for an excellent all employees meeting. There were 8 conservation districts represented at the meeting.

Ms. Knauf stated that the secretary at East Woods County retired and a luncheon was held for her.

Water Quality Program: Shanon Phillips, Director, stated that the Carbon Program approved its first aggregator.

Abandoned Mine Land Reclamation Program: Mike Kastl, Director, reported that the Farley project will begin on July 6. He reported that the Department of Transportation will be back at work next week on the Highway 270 project.

Financial Management and Human Resources Division: Mr. Coffman stated that work has been on budget and getting the conservation district allocations prepared.

Information Technology Division: Mike Sharp, Director, has been working with the Office of State Finance on their move to the new state data center.

Conservation Programs Division: Robert Toole, Director, referenced the division's written report and invited questions. He noted that the division has been working on developing the budget. He reported that the Seminole County Conservation District withdrew from the watershed aide agreement. Mr. Toole stated that staff will be looking at ways to increase efficiency to maintain effectiveness in view of reductions in financial resources. He stated that all districts are now active on the Okie One Call system.

Administration - Assistant Director: Mr. Pollard thanked Commission staff for their work with the budget this year. He stated that the Commission took a \$1.6 million reduction over the last 18 months without using furloughs or reductions in force.

OKLAHOMA ASSOCIATION OF CONSERVATION DISTRICTS

Clay Pope, Executive Director, stated that good things were accomplished during the legislative session in spite of budget cuts. Questions have been raised about the Commission receiving an increase in its appropriation but Mr. Pope explained that the numbers look like an increase as they include full payment of the bond for this fiscal year.

Mr. Pope reported that an interim study on agency consolidation has been approved. He stated that a memorandum of understanding between the OACD and the Department of Tourism and Recreation for the carbon program will be announced in July. Mr. Pope met with a neighborhood association in Mustang to discuss a lake. He will be meeting with the Department of Wildlife Conservation to discuss the lesser prairie chicken and eastern red cedar issues. Work with Ken Burns continues on a dust bowl documentary that is being produced.

Mr. Pope stated that a farm bill hearing is today on the development of the conservation program. He reported that National Watershed Coalition Executive Director Dan Sebert has been

named to the National Association of Conservation Districts Farm Bill Task Force. The NACD legislative conference is this month in Washington, D.C. Also, the NACD South Central Meeting is scheduled in August in Lubbock, Texas. Oklahoma will host this meeting next year.

Mr. Pope stated that OSU is interested in the Conservation Stewardship Program and they are working with the NRCS to conduct a study.

Mr. Pope thanked the Commission staff, NRCS and OACD for working together on conservation issues.

USDA-NATURAL RESOURCES CONSERVATION SERVICE

Ron Hilliard, State Conservationist, stated that 317 employees attended the NRCS All Employees meeting recently and that only 7 were excused. He appreciated the attendance of Commission employees Robert Toole, Ben Pollard, Mike Thralls and Lisa Knauf as well as some district employees. A video of the landscape of Oklahoma was produced in house and was shown at the meeting.

Mr. Hilliard stated that a workload analysis will take place this summer and will take 60-65 hours per office to input the data.

Mr. Hilliard stated that the Sallisaw Watershed Site 18 project which is being rehabilitated with stimulus funds has made the top 10 list for a Presidential or Vice Presidential visit.

DEPARTMENT OF AGRICULTURE, FOOD AND FORESTRY

Steve Thompson, Associate Commissioner, stated that state veterinarian Dr. Brewer is in Fort Worth, Texas attending a meeting to discuss animal traceability.

Mr. Thompson reported on approved interim studies stating that the following topics have been approved: weights and measures enforcement relating to agriculture, agency consolidation, legal staffing cuts and needs, and tax credit exemptions and incentives.

Mr. Thompson stated that the Department's budget is ready to go as Commissioner Peach made the final decisions where the money will be allocated.

NEXT MEETING

A motion was made by Mr. Grego and seconded by Mr. Stunkard to change the August 2, 2010 meeting date to August 3, 2010. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: None. Motion carried. The meeting will be held in the Agriculture Building Board Room, 2800 N. Lincoln Boulevard, Oklahoma City, Oklahoma beginning at 9:30 a.m.

ADJOURNMENT

There being no further business a motion was made by Mr. Grego and seconded by Mr. Stunkard to adjourn. Those voting aye were: Gard, Rooker, Stunkard and Grego. Nay votes: none. Motion carried. The meeting adjourned at 11:48 a.m.

Approved by the Oklahoma Conservation Commission on August 3, 2010.

Mike Rooter
CHAIR

RECOMMENDATIONS FROM THE COMMISSION'S BUDGET AND ALLOCATION COMMITTEE

July 1, 2010

1. District allocations should be made for six months because of the real possibility of budget rescissions in FY 2011. The Commission would make a second six month allocation to districts for the period of January to June 2011.
2. The committee identified the need to make cuts of \$300,000 in light of the reduced general revenue appropriation from the legislature. It was agreed that \$150,000 would be cut in the first six month allocation. Of that cut \$100,000 would be from the Conservation District's budget and \$50,000 from the Commission's budget.
3. To accomplish the \$100,000 reduction each conservation district would be asked to cut \$1150 from their six month allocation. Each board would have the option to meet the \$1150 reduction by cutting their allocation for operations, meeting expense or personnel (or a combination of the three).
4. Again this fiscal year several sources of funds besides general revenue are needed to keep essential Conservation District and Commission operations in place. These sources are the NRCS Contributions Agreement for delivery of Farm Bill programs (\$405,089); Conservation Infrastructure Revolving Fund (\$788,310); and Indirect Cost from managing federal programs (\$100,000). The balance of funds needed for operations is approximately \$1,100,000. This money would come from earnings the Commission receives for managing NRCS construction contracts.
5. A plan needs to be developed to provide incentives to Conservation Districts that agree to consolidate. The Committee would like the Commission's endorsement of this recommendation.
6. All employee positions (District and Commission) that become vacant will be reviewed and will require justification before approval to fill the position.
7. Continue efforts to have two or more districts share positions (example: watershed aide positions).
8. When equipment manager positions become vacant they will transition to non benefitted positions. The Committee would like the Commission's endorsement of this recommended change.
9. The Commission should develop a performance based evaluation of conservation districts that could be used in the future allocation of funds. The Committee would like the Commission's endorsement of this recommended change.