

MINUTES

CALL TO ORDER

The Oklahoma Conservation Commission met February 12, 2007, in the Agriculture Building Board Room, 2800 N. Lincoln Boulevard, Oklahoma City, Oklahoma. The meeting was called to order at 9:30 a.m. by Chairman George Stunkard. 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 February 8, 2007, at the front entrance of the building.

ROLL CALL

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

George Stunkard, Chair
Dan Lowrance, Vice Chair
Virginia Kidd, Secretary
Matt Gard, Member
Rick Jeans, Member

Others in attendance were:

Mike Thralls, Executive Director
Ben Pollard, Assistant Director
Steve Coffman, Financial Management and Human Resources Director
Dan Butler, Water Quality Program Director
Mike Kastl, Abandoned Mine Land Program Director
Mike Sharp, Information Technology Director
Mark Harrison, Information Representative
Tammy Sawatzky, Administrative Officer
Joann Stevenson, Assistant Attorney General
Clay Pope, Oklahoma Association of Conservation Districts Executive Director
Kevin Norton, Natural Resources Conservation Service Assistant State Conservationist
Jackie Hill, Attorney
Bud Steffen, S and S Cattle Company, owner
Kim Tweed, Executive Secretary

PLEDGE OF ALLEGIANCE

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

MINUTES OF PREVIOUS MEETING

A motion was made by Mr. Jeans and seconded by Ms. Kidd to approve the minutes of the January 8, 2007, Commission meeting as written. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

DISTRICT DIRECTOR APPOINTMENTS

Mike Thralls, Executive Director, presented recommendations for appointment of conservation district directors as listed in Exhibit #1. A motion was made by Mr. Lowrance and seconded by Ms. Kidd to approve district director appointments listed as 1st Recommendation in Exhibit #1 with terms to expire as indicated. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. 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. After discussion, a motion was made by Mr. Lowrance and seconded by Mr. Jeans to approve the claims and financial statement. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

SERVICE AWARD RECOGNITIONS

Ben Pollard, Assistant Director and Mike Sharp, Information Technology Director recognized Shellie Willoughby, GIS Specialist, for 10 years of service. Mr. Pollard along with Steve Coffman, Comptroller, recognized Kelly Mockabee, Executive Secretary, for 25 years of service.

DISTRICT DIRECTOR ELECTIONS POSITION #3

To meet requirements for Conservation District Director Elections for Position #3, a motion was made Ms. Kidd and seconded by Mr. Jeans to authorize the Executive Director to certify eligibility of candidates and approve polling places in those districts that will be holding elections. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

APPEARANCE BY JACKIE HILL, ATTORNEY, REPRESENTING RODNEY P. STEFFAN, OWNER OF S AND S CATTLE COMPANY, LLC CONCERNING THE BMP INC CONTRACT

Jackie Hill, Attorney representing Rodney P. Steffan, owner of S and S Cattle Company LLC, appeared before the Commission to express concern with an agreement between the Commission and BMP Inc. for litter hauling

Mr. Hill stated that Mr. Steffan owns land in the Prague area and the Okemah area and is interested in applying poultry litter as fertilizer on his farm near Prague. After some inquiries about purchasing litter from BMP Inc., Mr. Steffan now has more questions than answers. His main concern is that the general public can purchase litter from the open market for the same price as the government subsidized program with BMP Inc. They have found the price to be anywhere from \$27.50 to \$29.00 per ton for transportation of litter to his farm in Prague. Mr. Hill is requesting the Commission look into the management of this contract and to postpone approval until this inquiry is complete.

Mr. Stunkard agreed that Mr. Steffan has legitimate concerns and that the Commission certainly has the ability to table the agreement until the matter is looked into.

Dan Butler, Water Quality Director, stated that the agreement with BMP Inc. is funded with an EPA 319 grant to subsidize the transporting of chicken litter to non-threatened watersheds. Mr. Butler would like to see these questions answered as well.

Mr. Jeans stated this contract has started a monopoly and that it needs to be addressed. He stated that Secretaries Peach and Tolbert should be apprised of this issue.

Mr. Stunkard expressed his appreciation to Mr. Hill for bringing this issue to the Commission.

PRESENTATION OF COMMISSION AGREEMENTS

Mr. Pollard presented agreements for approval as listed in Exhibit #3. Mr. Pollard recommended ratification of agreement (a). A motion was made by Mr. Gard and seconded by Mr. Jeans to ratify approval of agreement (a). Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

Mr. Pollard recommended approval of the new agreement listed as (b). A motion was made by Mr. Jeans and seconded by Ms. Kidd to approve the new agreement. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

Mr. Pollard recommended approval of amended agreements listed as (c), (d), (e) and (f) and recommended to table agreement g. A motion was made by Mr. Lowrance and seconded by Mr. Jeans to approve amended agreements (c), (d), (e), and (f) and to table agreement (g) to allow staff time to look into the procedures of the BMP Inc. Agreement. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

OKLAHOMA ASSOCIATION OF CONSERVATION DISTRICTS

Mr. Stunkard moved the OACD report as Clay Pope, Executive Director, has a committee meeting at 10:30 a.m. Mr. Pope reported on attending the NACD Annual Meeting stating it was a good meeting and was a great send off for President Bill Wilson.

Mr. Pope reported that several legislative bills have been introduced of concern to OACD in areas of carbon sequestration, buffer strips, and controlled burns.

Mr. Pope reported on an outreach meeting in Ponca City sponsored by OACD, Wheatland RC&D, and the Kay County Conservation District. He stated that the OACD State Meeting is coming together well with a good trade show planned. Speaker Cargill and Lt. Governor Askins are scheduled to speak. He reported that Conservation Day at the Capitol is scheduled for March 19 and that Secretary of Agriculture Terry Peach will represent the Governor. Mr. Pope attended the Oklahoma Farmers Union Convention.

The OACD has sent letters to conservation districts asking for donations for the National Land and Range Judging Contest. Mr. Pope is working on Stewardship Week activities.

OUT OF STATE TRAVEL

A motion was made by Mr. Lowrance and seconded by Mr. Jeans to approval out of state travel requests as listed in Exhibit #4. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

COMMISSION'S STRATEGIC PLAN FOR FY 2008-2012

Mr. Thralls recommended to table action on the strategic plan until the March meeting. A motion was made by Ms. Kidd and seconded by Mr. Gard to table action until March. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried.

ILLINOIS RIVER WATERSHED LAWSUIT UPDATE

Joann Stevenson, Assistant Attorney General, reported that during the month of January two Commission staff members, Ben Pollard and Shanon Phillips, were deposed with regards to the discovery request. At this time, a vendor hired by the defendants are copying documents submitted by the Commission. Ms. Stevenson stated that no agreement has been reached regarding electronic discovery.

LEGISLATIVE UPDATE

Mr. Thralls provided copies of the excerpts from the Governor's Executive Budget pertaining to the Commission (see Attachment A). The budget recommends \$4.7 million for conservation programs above last year's budget. However, it does not acknowledge \$2.5 million from REAP funds. It was discovered that during last year's session one bill provided REAP funds for five years; however, a second bill was passed that set aside this action. Secretary Tolbert is requesting an informal Attorney General's opinion.

PUBLIC COMMENTS

None.

NEW BUSINESS

None.

OKLAHOMA CONSERVATION COMMISSION MEMBERS

Mr. Jeans attended the NACD Annual Meeting and stated it was a good meeting. The 2008 meeting will be held in Reno, Nevada. The NACD Legislative Conference has been rescheduled from spring and will be held July 20 in Washington, D.C. The NACD Regional Meeting is also scheduled for July in the Tulsa area.

Mr. Lowrance also attended the NACD Annual Meeting. He stated that the committee structure of NACD is changing and that he attended his last meeting as Chairman of the Water Resources Committee.

Mr. Gard reported on attending the Enid Farm Show and commended the Garfield County Conservation District on their activities. He attended a no-till meeting in Alva and the Oklahoma Farmers Union meeting in Oklahoma. Mr. Gard also attended the NACD annual meeting and stated that Olin Sims was elected the new President. He will be attending a no-till meeting in Garfield County and a pesticide meeting in Drummond.

OKLAHOMA CONSERVATION COMMISSION STAFF

Administration: Mike Thralls, Executive Director, commended the following staff members for their work with the OACD's strategic plan: Karla Beatty, Lisa Knauf, Ben Pollard and Robert Toole. Mr. Thralls attended the NACD Annual Meeting and was pleased with the sessions he attended.

Mr. Thralls reported on the NRCS budget stating that watershed planning and new construction for this fiscal year has been zeroed out. Watershed rehabilitation is at the same level as last year which may allow NRCS to maintain watershed staff.

District Services Division: Ben Pollard reported that Lisa Knauf, Director, has completed the third 10 minute guide for conservation districts directors.

Water Quality Program: Dan Butler, Director, stated that the no-till meeting held at Fort Cobb was well received and that around 300 producers attended. Mr. Butler reported on the Conservation Reserve Enhancement Program for the Illinois River and Spavinaw Watersheds stating that the Farm Service Agency has not approved rules for this program but that the proposal has been accepted. Staff is expecting an April signing.

Mr. Butler stated that the initial meeting was held for the Honey Creek project and producers are signing up for participation.

Abandoned Mine Land Reclamation Program: Mike Kastl, Director, reported on congressional activities stating that Congress will no longer appropriate funding for the AML program. He stated that the Office of Surface Mining has developed a distribution time chart that divides all the AML funds among the states and tribes. Annual funds will come directly from the U.S. Treasury. A hearing is scheduled for February 22 for the Energy and Natural Resources Committee to look at OSM's budget. Congressman Dan Boren serves on this committee and needs to be briefed on this issue. Mr. Kastl provided copies of letters and a chart of the proposed AML re-authorization proposal.

Financial Management and Human Resources Division: Steve Coffman, Director, attended the NACD Annual Meeting stating the session on marketing conservation districts presented by the State of Virginia was particularly good.

Information Technology Division: Mike Sharp, Director, stated that weather issues have stalled work in the Tar Creek area projects.

Mr. Sharp reported that the Geographic Information Council adopted its strategic plan last Friday which includes a budget request totaling \$371,000 as well as 3 FTE. He provided copies to Commission members as they will be asked to consider this plan for approval at the March meeting.

Conservation Programs Division: Tammy Sawatzky, Administrative Officer, reported on watershed rehabilitation activities stating that four construction projects are underway totaling \$4.2 million. Staff is working on land rights issues on 12 sites. A pre-bid meeting is scheduled for Double 2.

Administration: Ben Pollard, Assistant Director, reported on the Illinois River lawsuit stating that staff, particularly water quality staff, has done tremendous work gathering records. There are 120 boxes of documents, 90 of which are water quality documents, in a room on the second floor. This process has shown staff that work needs to be done on records management and a workgroup has been developed to address this issue.

Mr. Pollard reported that the Commission sits with agriculture organizations in weekly meetings to discuss issues of mutual concern and he attended a meeting this past week. Mr. Pollard also reported on attending the Oklahoma Farmers Union meeting and banquet.

Mr. Pollard expressed appreciation to Mr. Lowrance, as OACD President, for inviting Commission staff to participate in the strategic planning process for OACD.

USDA-NATURAL RESOURCES CONSERVATION SERVICE

Kevin Norton, Assistant State Conservationist, provided copies of the NRCS monthly activities report and a fact sheet on the USDA's 2007 Farm Bill Proposals. He stated that the NRCS is under a continuing resolution through February 15 at a level not to exceed the same period in fiscal year 2006. Mr. Norton stated that HJR 20 was passed in the House to appropriate funds for the remainder of FY2007. Senate action is still required. Mr. Norton also stated that Secretary of Agriculture Mike Johanns released details of President Bush's FY2008 USDA budget and that this process will be watched closely.

Mr. Norton reported on the Emergency Watershed Protection Program stating that there are indications funds may be available in a supplemental bill for drought and other types of damage; however, there are no indications of including recent ice storm damage in the bill. The NRCS has estimated \$13 million is needed for debris removal in streams.

Mr. Norton stated that State Conservationist Ron Hilliard has asked the leadership team to look at operational restrictions and a staffing plan.

Mr. Lowrance stated that Gary Mast has been named Deputy Under Secretary for Natural Resources and Environment.

USDA-FARM SERVICE AGENCY

No representative present.

NEXT MEETING

The next regular meeting of the Oklahoma Conservation Commission will be held on March 5, 2007, 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. Jeans and seconded by Ms. Kidd to adjourn. Those voting aye were: Stunkard, Lowrance, Kidd, Gard and Jeans. Nay votes: none. Motion carried. The meeting adjourned at 11:57 a.m.

Approved by the Oklahoma Conservation Commission on March 5, 2007.

Chair