

PO Box 848

530 Hwy 20 South, Hines OR 97738

Phone: 541-573-6446 [admin@harneyswcd.net](mailto:admin@harneyswcd.net)

**Annual Business Meeting and Monthly Business Meeting Minutes**

**September 25, 2025**

**USDA Service Center**

Present: Board Chair (BC) Jeff Hussey, Vice Chair (VC) Susan Doverspike, Secretary/Treasurer (S/T) Scott Franklin, Board Director (BD) Carol Dunten, District Manager (DM) Jason Kesling, County Weed Management Agency (CWMA) Tyler Goss, Sage Grouse Coordinator (SG) Sarah Mundy, Range Biologist (RB) Alex Dohman, LIT Coordinator Priscilla Doan, SONEC Breanna O’Connor, Admin Assist (AA) Barbara Pearson

Present/remote: BD Stacy Davies

Note: This was detailed in the previous month’s minutes--due to an advertising error the District was notified the Annual Meeting that was held in February 2025 was not valid and would need to be held again with adequate public notification. It was scheduled right before this month’s regular business meeting.

The annual meeting was called to order at 3:15 pm. The meeting was open to the public and there was an option provided for people to attend remotely.

At 3:15 pm, BD Davies arrived as a remote participant.

At 3:19 pm, LIT Doan arrived.

At 3:21 pm, SG Mundy arrived.

There were no public comments and the annual meeting ended at 3:25 pm. Since there was a quorum it was decided to begin the regular business meeting at 3:25 pm, and BC Hussey called the meeting to order (Item #1).

**Item #2: Agenda (action item)**

VC Doverspike moved and S/T Franklin seconded approval of the meeting agenda without change. Everyone present who was eligible to vote was in favor and the motion passed.

Priscilla Doan joined the HSWCD staff as LIT September 15th. DM Kesling introduced her to the Board, and Board directors present introduced themselves and welcomed her. LIT Doan provided a brief overview of her position.

At 3:26 pm RB Dohman arrived.

**Item #3: June 2025 and August 2025 Financial Reports (action item)**

This issue was noted in the August 2025 meeting minutes--while preparing for that meeting, DM Kesling generated a financial report for June 2024, not 2025. He said the issue would be corrected and presented at the September meeting for approval.

LGIP funds have been taken out to pay on projects. VC Doverspike asked how there could be a negative balance regarding rangeland drill rentals, and DM Kesling said revenue could come in after the report was generated. Regarding other balances DM Kesling said he bills quarterly so that may show a log of negative balances in some months and positive balances in others.

BD Dunten asked when money comes in if it is deposited at the Bank of Eastern Oregon and DM Kesling said yes. The two accounts listed with positive balances are the Bank of Eastern Oregon and LGIP. DM Kesling said he welcomed questions about negative balances.

BD Dunten asked if the report showed all projects and DM Kesling said projects that had activity during that month. Ones that do not have activity are not reported in our monthly financial reviews. VC Doverspike discussed previous work done by the state and how it affected the area with the recent floods. Culvert size, sediment built up in the culverts through the years, and culvert damage were discussed. Due to the 2024 fires, the spring 2025 flood was seen as more than a one time event. What the District could do to mitigate future damage was also discussed.

VC Doverspike moved to approve June 2025 and September 2025 financial reports as presented. Everyone present who was eligible to vote was in favor and the motion passed.

**Item #4: September Meeting Minutes (action item)**

BD Dunten noted on the September meeting minutes, the last line of page 3, Item #5: CCAA FOIA Request Update should read “There will be *redacted* information.” AA Pearson incorrectly used the word redated. This will be corrected. BD Davies moved and S/T Franklin seconded approval of the September minutes as corrected. Everyone present who was eligible to vote was in favor and the motion passed.

**Item #5: SONEC Bio Employee’s Evaluation (action item)**

Jason explained the April 2025 review schedule. At the time SONEC O’Connor’s review was postponed for correction. DM recommended she be approved for salary increase, from step 2 to step 3. BD Dunten moved and S/T Franklin seconded the evaluation and step increase be approved as presented. Everyone present who was eligible to vote was in favor and the motion passed. DM Kesling said the increase would be backdated.

At 3:40 pm CWMA Tyler Goss arrived.

**Item #6 Code of Ethics Discussion and Code of Ethics Policy and Procedures (action item)**

DM Kesling said the Auditor Rob Gaslin noted a code of ethics violation. The Board will be informed of it formally in November/December when Mr. Gaslin officially presents the 2024-2025 Audit report. There had been a conflict with DM Kesling’s private business on a District project. Currently the District doesn’t have a clear policy regarding this. AA Pearson did find the beginning of such policy in the records but it was apparently not codified. He said going forward he hopes the Board will adopt a policy to declare potential and real conflicts of interest.

There was a great deal of discussion on this. BD Dunten said in the past if there was a conflict of interest that the person involved would excuse himself/herself during the vote. DM Kesling said it also needs to be in writing, beyond the meeting minutes. He said Board members and staff open themselves up to liability as well as putting the SWCD at risk. He will also provide protocol for future issues. “None of this was malice in times past.” Henceforth, the Board will do its best; declare it and move forward.

The person who has the conflict has to state on a form (a copy was provided in notebooks) if the conflict is potential or real and in what way. If the DM is involved in a conflict then another staff member can be assigned to oversee the grant. He recommended LIT Doan who has expertise with grant management.

S/T Franklin noted all Board directors are producers and have family members who are; there will always be conflicts.

VC Doverspike commented on the use of the word “shall” in the document and its legal implication vs. the word “may.” “Shall” means the action WILL be done. There’s no option, so if the policy reads a Board director shall leave the meeting it means the director will leave as the issue is being discussed. Other verbiage suggestions were made. S/T Franklin asked if “shall” should be removed from the proposed policy, and VC Doverspike said no, but the proposal should be reviewed to see if the word is appropriate. BD Davies said he would be in favor of more uses of the word “shall” than less for protective purpose. He said the person involved shouldn’t be involved in the discussion process. BD Dunten said she would like to read through and discuss at the next meeting. DM Kesling said he understood BD Davies’ perspective and thought it was good to keep the word “shall”.

A vote regarding the policy was tabled for now. DM Kesling asked Board directors to bring suggestions to him and he would contact OWEB’s Eric Nusbaum (upon S/T Franklin’s suggestion). VC Doverspike also suggested running the proposed policy through ChatGPT.

A guidance of ethics for public officials was provided in the director notebooks. He said once approved, the Board directors would review yearly.

DM Kesling said approval of the policy could be tabled until next month’s meeting, but Item #7 does need to be addressed now. BD Dunten moved, and BD Davies seconded tabling approval of the vote on the Declaration of a Conflict-of-Interest policy but adopt the Conflict of Declaration form. Everyone present who was eligible to vote was in favor and the motion passed.

**Item #7, a: Potential Conflict of Interest/Kesling**

DM Kesling and his wife Franki have greenhouses. One is leased to EcoSource, who is using it to grow sagebrush. DM Kesling said he is unsure if the lease payment would come from the BLM or HSWCD through an OWEB grant, so the Board will need to determine if he as DM should oversee the grant. If the HSWCD cuts the check he recommended LIT Doan oversee this. Either VC Doverspike or S/T Franklin would then sign the check.

Discussion followed as to the project itself. While there are other greenhouses or high tunnels, no one else in the county is leasing theirs for EcoSource. Why sagebrush would need to be in a greenhouse when it grows naturally in Harney County was discussed. It’s a controlled environment, no bugs. The plants grow quicker and gets a jump start for survival.

BD Davies clarified: DM Kesling is contracted with EcoSource who has contracted with SWCD or BLM? DM Kesling answered yes, that is why he listed it as a potential conflict of interest. VC Doverspike asked that all DM Kesling has done is rent his facility. DM Kesling said, yes. The most important part of this is financial; anything financial can be a conflict.

LIT Doan asked about the check production and signing process. DM Kesling stepped away from the meeting at 4:10 pm so discussion could proceed. BD Davies asked if the Board is recognizing a conflict of interest. They were, and there was further discussion about what is a potential and what is an actual conflict of interest.

BD Dunten moved, and S/T Franklin seconded that the District recognize and accept a potential conflict of interest and to appoint LIT Doan to manage payment on OWEB Sage Grouse FIP Miller Homestead Fire Sagebrush Establishment (224-8224-24253). Everyone present who was eligible to vote was in favor and the motion passed. DM Kesling returned to the meeting at 4:15 pm.

**Item #7b, Real Conflict of Interest/Doverspike**

VC Doverspike and her family are members of a ranching business (Hotchkiss Cattle Company, Inc). Two of her sons have applied for funding on two projects; one through the BLM fire recovery project and the other for flooding damage. Both projects were selected for funding through either BLM or SWCD staff. This was determined to be an actual conflict of interest since she (Hotchkiss Cattle Company) would receive financial benefit.

DM Kesling said the money is allocated and VC Doverspike would not be signing the checks. It was pointed out this issue is a good example of the use of the word “shall” in the policy document. VC Doverspike left the meeting at 4:21 pm and discussion followed.

BD Davies said any conflict of interest may become a problem when there is a limited amount of funds for a project and if a Board director receives more than others. DM Kesling said funds are determined based on conservation and many Board directors are actively involved in conservation efforts and that may be a reason for funding to be allocated as such. BD Davies said, “As long as there is a ranking process.” The Board can identify a conflict and determine what can be done.

S/T Franklin moved and BD Dunten seconded to declare a conflict of interest on the two projects (2024 Flood emergency fund and 2024 BLM Fire Recovery) and that VC Doverspike would not write checks on either project. Everyone present who was eligible to vote was in favor and the motion passed. VC Doverspike returned to the meeting.

**Item #8: Opt out of Health Insurance Policy**

DM Kesling explained this is another audit finding; it is seen as a deficiency and not a penalty. The auditor said the present policy is too vague. Copies of the present policy (which is in the employee handbook) and the proposed policy were included in the director notebooks. If an employee opts out of the District’s health insurance policy he/she obtains what the District would have paid for that employee’s insurance. He said one employee has opted out of medical but participates in the District’s dental insurance and therefore receives a different amount than the other employees who have opted out of both and that shows an inconsistent amount of money.

VC Doverspike noted the proposed policy uses the phrase “bi-monthly” and in checking found there are two, conflicting definitions. One is a twice a month occurrence and the other is an occurrence every other month. To alleviate confusion the wording will be changed to “twice monthly.” The proposed policy will give employees the choice of opting out of health insurance, dental insurance, or both. Currently four of the District’s eight employees have opted out. SDAO requires any employee opting out has to provide proof of other coverage. The District will continue to pay for life insurance for all employees.

Following further discussion, VC Doverspike moved and S/T Franklin seconded approving the amended the Opt-out of Health Insurance policy as amended with twice monthly stipend. Everyone present who was eligible to vote was in favor and the motion passed.

**Item #9: USFWS Comment Period for FOIA Request (discussion/action item)**

DM Kesling said the enclosed information from USFWS is a lot of laws, statutes, and information. Physical copies of the reports with the information redacted was not provided by USFWS, so SG Mundy created an example of what she thinks would be redacted based on the list of items the USFWS has said will be redacted. This was also provided in the director notebooks. The items in red would be blacked out when submitted to the Freedom of Information Act requestor but for now Board directors could still see the information as presented to know what would be redacted.

The promise given to landowners upon the creation of the CCAA was discussed. One Board director noted the journalist requesting information could violate that trust. SG Mundy said the USFWS was given a FOIA request and among their redactions listed fire names, names of packs, number of cattle, and habitat.

BD Dunten said that according to HB 4093 the District is exempt from State public record request. SG Munday read the bill and amendment. She said state and federal records are different and both were requested. SG Mundy also read the email she had received from USFWS.

VC Doverspike expressed concern that the request is a slippery slope.

DM Kesling said the District received another public records request, this one for financial records from 2021 to present.

RB Dohman noted there is a due date to provide this information, October 10th. BD Dunten said she didn’t think the District could do anything regarding the USFWS request. RB Dohman said the federal agencies didn’t have to consult the District about their response to the FOIA—they could have just sent off their requested information. LIT Doan suggested reports would also show successes.

There was further discussion about what information should be redacted for the request, complying with the request while still respecting the confidentiality promised.

BD Davies dropped from the remote meeting connection. The actual time is not noted but after about ten minutes of listening to the remote meeting notification that there were no other participants, DM Kesling received permission from BC Hussey to shut down the remote service at 5:17 pm. The line had been left open in the event BD Davies attempted to reconnect.

VC Doverspike moved and S/T Franklin seconded that HSWCD staff be directed to develop justifications for more redactions. All present who were eligible to vote were in favor and the motion passed.

**Item #10: LGIP investment (action item)**

DM Kesling said the District will receive $580K from HB 5006 for juniper cutting projects. He requested the Board’s approval to place these funds into LGIP. He noted he is able to remove funds as necessary without approval.

VC Doverspike moved, and S/T Franklin seconded moving HB 5006 $580K funds into LGIP. All present who were eligible to vote were in favor and the motion passed.

**Item #11: OACD Annual Conference, October 21-23 in Pendleton, OR (discussion)**

The Board thought it would be a good idea for DM Kesling to attend the OACD. BD Dunten said she thought she would attend. DM Kesling was asked to serve on the OACD Board. S/T Franklin asked if he would have time; DM Kesling said he would make time but he also thought the time to respond to the offer to serve on the OACD Board had passed. BD Dunten said she would email her agreement for DM Kesling to serve. The consensus was for DM Kesling to serve on the Board. DM Kesling said he would response and follow up.

**ITEM #12: New Grant Writing Position (discussion, action item)**

In the recent interviews for the LIT position there was one applicant that DM Kesling and BD Davies thought would be very good in writing grants. He proposed to the Board that the person (Heather Todd) be contracted as a temporary employee for six months as a trial. The pay would be $30K and she would not receive benefits.

VC Doverspike was concerned about labor laws in the event the contract wasn’t extended, particularly about unemployment benefits. DM said the District is an at-will employer. VC Doverspike said she was in agreement if the contract is written that after the six month period has ended and additional funds aren’t obtained that the District wouldn’t be responsible for unemployment benefits. DM Kesling will discuss this further with VC Doverspike and asked her to participate in the negotiation process.

VC Doverspike moved and S/T Franklin seconded that DM Kesling explore the liability of unemployment and (if that is not an issue) to make an offer for a short term position with maximum pay to be $30K for a grant writing position. All present who were eligible to vote were in favor and the motion passed.

**Item 13: Public Comments**

There were no comments.

**Item #14: Meeting adjournment**

S/T Franklin moved, and VC Doverspike seconded adjourning the meeting. All present who were eligible to vote were in favor and the motion passed.

The meeting adjourned at 5:46 pm.

Respectfully submitted,

Barbara Pearson, Admin Assist

|  |  |  |
| --- | --- | --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| District Representative |  | Date |