

**LANCASTER COUNTY CONSERVATION DISTRICT
BOARD MEETING MINUTES
December 6, 2017**

The 790th regularly scheduled Board Meeting of the Lancaster County Conservation District was held on Wednesday, December 6, 2017, at 7:30 PM, in the multi-purpose room of the Farm & Home Center, 1383 Arcadia Road, Lancaster, PA.

The following Directors were present: Ken Meck, Chairman; Robert Shearer, Vice-Chairman; Herb Kreider, Roger Rohrer, Jay Snyder, Sonia Wasco, and Commissioner Craig Lehman.

The following Associate Directors were present: Frank Burkhart, Lisa Graybeal, Ernest Orr, Jr., Gregory Strausser, Robert Wagner, and Kent Weaver.

The following District Staff were present: Christopher Thompson, District Manager; Gerald Heistand, Business Manager; Jeff Hill, Ag Program Manager; Nate Kurtz, E&S Program Manager; Kevin Seibert, Agriculture Compliance Coordinator; and Nate Straw, Agriculture Conservation Technician.

The following Cooperating Agency representative was present: Heather Grove, Natural Resources Conservation Service.

Chairman Ken Meck called the meeting to order at 7:30 PM, and provided the invocation for the meeting.

Chris Thompson introduced a meeting guest, Bill Chain, representing the Chesapeake Bay Foundation.

Chris Thompson announced the following additions to the agenda:

Additional informational items

Item III.8 – Agricultural Conservation Technical Assistance Program Agreement

An opportunity was given for public comment.

Agency Reports

1. USDA, NRCS

Heather Grove, NRCS District Conservationist, noted that NRCS has selected Axel Ocevedo Morales, a Soil Conservation Technician, to serve here in the Lancaster Field Office. He is expected on January 8th, and comes with a background in Agronomy and Forest Ecology. Heather also announced that Omer Brubaker is retiring at the beginning of 2018.

2. PA DEP Field Rep Report

The December 2017 DEP Conservation District Field Rep Talking Points were included in the mailing packet. Chris Thompson reported for Elwood Blake, our DEP representative. He referred to page 4 and noted that over 35 districts are preparing to begin using Practice Keeper. DEP developed PK3 for statewide use and is offering licenses free of charge. Lancaster District has decided to start the conversion process on December 18th. No one will be able to use the program for a few days so that all of the data can be transferred. Once completed, Lancaster's Practice Keeper information will be on the cloud instead of on our server. Staff from World View plan to be onsite on December 20th.

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Consent Agenda

Chairman Ken Meck gave opportunity for directors to withdraw any of the items from the Consent Agenda in order to have additional discussion. On reading the November 1st minutes, Frank Burkhardt noticed that on the PennVest Update (on page 9 of mailing) the word “contactor” should have been spelled “contractor”. Roger Rohrer moved to approve the Consent Agenda with the correction noted in the minutes. Robert Shearer seconded the motion. Motion passed unanimously. The Consent Agenda included the following four items.

- #1 – Minutes of November 1, 2017 Board meeting**
- #2 – Technical Assistance Requests/Cancellations**
- #3 – Nutrient Management Plan Approvals**
- #4 – Conservation Plans Acknowledgement**

Additional Business

1. Items removed from Consent Agenda

There were no items removed from the Consent Agenda.

2. Treasurer’s Report

Gerald Heistand reported that on the Balance Sheet (page 11 of the mailing), a General Operations drop of \$100,000 from last month is the first indication that funds are not coming into the District from the 3rd quarter payment requests. We are currently waiting on \$347,000 of reimbursement funding and near the end of November learned that very little of these funds owed to the District will be paid this year.

Heistand reported that the cash flow projection shows that with austere spending, the District should be able to operate without needing to borrow any funds from District reserves. The cash balance of the General Operations fund at the end of 2017 will be low. Last year the District was in a similar situation with only \$11,000 at the end of the year. At that time the District needed to borrow \$150,000 in January from the Reserve Account due to funds not arriving on time. Administration does not think that borrowing will be necessary this time around. We know of several grants that are being processed this week, which means that payment is anticipated the beginning of January 2018. For this year, the unknown concerning the state budget held up many of the agreements. A second factor was that several agreements had to be re-crafted, due to DEP’s requirement to use new contracting formatting and standards. Chris Thompson remarked that this took any chance to move things forward out of the hand of the people we currently work with. He provided a 2017 General Fund Update paper detailing the status of a number of the District’s requests.

Heistand drew the Director’s attention to the Self-funded Health Insurance balance of \$50,000, on the Balance Sheet and reported that each month \$9,000 is taken out of the fund by Eliance for administrative and stop-loss insurance. The District transfers \$21,000 to the fund each month, leaving a balance of \$12,000 to pay for health care bills each month. The claims for this past month were \$5,000, so that allowed the fund to grow recently. The most recent report from our previous Capital Blue self-funded carrier shows that we have a balance of slightly over \$40,000. With very little activity now, it appears that the self-funded health plan idea has promise for the District.

On the Income and Expense report, on page 13, Heistand noted that the E&S program net income is very close to zero for the year. In addition, the positive net income figure for the General Operations column is equal to the cash flow expenses for the remainder of the year, so we expect that column to be close to zero also. The reason it is not negative this year is due to the fact that the 3rd quarter

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payments from the previous year 2016 did not come in until 2017, resulting in four quarters of payments in calendar year 2017. The treasurer's report will be filed subject to audit.

3. 2018 Budget Presentation

Gerald Heistand reported that the 2018 District Budget, presented on page 14 of the mailing, has very little change from the draft budget that was presented at last month's meeting. An important aspect with the proposed 2018 budget is that in order to get the General Operations Balance down to zero, we will have to tap into our reserves. Heistand referred back to the treasurer's report, on page 13, to point out that instead of a plus \$47,000 of funds going into the Reserve Account, the proposed budget will result in a minus \$92,000 net income for the "Separation/Reserve" column. The sources for the \$92,000 in Reserve Funds were pointed out on page 11. Chris Thompson mentioned that the Commissioner's office will be funding the District at the same level as in 2017, \$250,000, for which we are grateful. Roger Rohrer moved that the Board accept the 2018 budget as presented on page 14 of the mailing. Jay Snyder seconded the motion. Motion passed unanimously.

4. Personnel Committee

Sonia Wasco surprised everyone with the recognition of Gerald Heistand's 35 years of service to the District. A plaque and large check for \$3,500 was presented to Gerald at the meeting. Sonia served cake to everyone, and Gerald was thanked for his many years of service. Chris Thompson reported that as a token of the Board's appreciation the Personnel Committee has agreed to pay for staff to attend the annual Farm & Home Center Christmas Luncheon.

5. PA Envirothon Donation

Chris Thompson reported that for the last 4 years the District donated \$250 towards the PA Envirothon. Roger Rohrer moved that we provide a \$250.00 donation to the PA State Envirothon Committee. Herb Kreider seconded the motion. Motion passed unanimously.

6. Ag Compliance Committee Report

Kevin Seibert reported on the complaint brought before the Board on page 15 of the mailing. He reported that progress is moving forward so the Ag Compliance Committee decided that no action needs to be taken at this time.

7. Audit RFP Update

Gerald Heistand reported that email notices were sent to seven companies that we felt may have interest in the District audit RFP. They were directed to the District's website for the needed background information. Currently, two of the companies, Hamilton & Musser plus Brown, Schultz, Sheridan & Fritz have contacted the District for more information. With a deadline of December 22nd to submit a proposal, the Budget & Finance Committee should be able to bring a recommendation to the Board on January 10, 2018.

8. Agricultural Conservation Technical (ACT) Assistance Program

Gerald Heistand explained that this is one of the agreements that had to be reformatted at DEP, delaying its release. The Board did grant permission at the August meeting to submit the application for funding. We now have the agreement for signatures. Jay Snyder moved to move ahead with the new ACT agreement. Sonia Wasco seconded the motion. Motion passed unanimously.

Reports/Information

1. Correspondence, News and Updates

The following correspondence, news and update items were circulated at Board meeting:

- Thank You Note - from Dick & Pam Shellenberger – to Board members and Staff – “It is with thankful hearts, we remember your faithful prayers, cards, and acts of kindness!” – November 13, 2017
- Letter to Lancaster County Conservation District – from Elizabeth Township Board of Supervisors – re: the pending issue with PA DEP regarding the issuance of General NPDES permits – November 16, 2017. A response letter will be sent.
- News Article – “Team Effort Targets Watershed for Cleanup” – Lancaster Farming – October 28, 2017
- 2016 Annual Report – Chester Water Authority
- Chesapeake Bay Commission Report – Boots on the Ground—Improving Technical Assistance for Farmers – November 2017
- PACD/SCC Winter Meeting Agenda – Toftrees Golf Resort, State College – January 17-18, 2018
- News Article – Charting a Future: It All Starts with a Plan...A Conservation Plan – by Sallie Gregory – Country Focus – statewide PA Farm Bureau Newspaper – Nov. 2017
- Commissioner Craig Lehman Director Reappointment Letter
- Ken Meck Director Reappointment Letter
- Jay Snyder Director Reappointment Letter
- Thank you Notes – from 4th grade classes at Conestoga Elementary, Penn Manor School District – to Sallie Gregory – for presentations about soil conservation and watersheds.

2. E&S/NPDES Monthly Projects Report

Nate Kurtz referred to the E&S report, on page 18 of the mailing, and mentioned that we are approaching the end of the year with E&S activity and fees collected similar to last year. He informed the Board that as soon as the District gets clarity on the new permit process, we will send out an informational email to all Lancaster County municipalities.

3. PACD/SCC Winter Meeting

The PACD/SCC Winter Meeting will be held at State College on January 17-18, 2018. Any Board member interested in attending should contact Paula by December 15.

4. Extraordinary Give Update

Chris Thompson reported that over \$3,000 was donated to the Foundation through the Extraordinary Give project, and they are still accepting funds.

5. CBF Update—Bill Chain

Chris Thompson highlighted several sections of the Chesapeake Bay Commission “Boots on the Ground” that was published November, 2017. Of the three Bay states, Pennsylvania lags in dedicated state funding. Bill Chain, representing the Chesapeake Bay Foundation, was introduced and he provided information on the Foundation as one of the longest running 501©3 organizations (in existence for over 50 years) with a dedicated mission of being an advocate for the Chesapeake Bay.

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Bill Chain talked about his duties with the Foundation, and said he is looking for ways to assist agriculture. He is here to provide visibility to those programs that need more assistance.

Chairman Ken Meck announced that he was looking for a volunteer to be on the Board nominating committee. Hearing no volunteers, he appointed Herb Kreider, Jay Snyder and Lisa Graybeal to the Nominating Committee.

Additional Public Comment:

Chris Thompson reviewed dates of upcoming events, highlighting the January 10th Annual Planning and Board meetings and the January 30th Lancaster County Clean Water Partners stakeholder meeting to be held here at the Farm & Home Center.

Chairman Ken Meck officially adjourned the meeting at 9:13 PM.

Gerald M. Heistand
Recording Secretary