



**MINUTES**  
**Shenandoah RC&D Council**  
**Augusta County Government Center**  
**Smith's Transfer Room - East**  
**Verona, Virginia**  
**Monday, November 9, 2009**  
**10:00 a.m.**

Council	Jim Nichols, HSWCD	Roy Stephenson, Alternate	Lauck Walden, LFSWCD
Members	Jim Boland, HSWCD	Elizabeth McCarty, CSPDC	Bill Latham, SVSWCD
Present:	Joan Comanor, LFSWCD	John Eckman, VCC	Megan O'Gorek, SVSWCD
Members	Jill Keihn., NSVRC	Jeff Rinker, SVPure H20	Esteban Nieto, At-Large
Absent:	Maria Papadakis, At-Large		
Associate	Chris Anderson, Page Co.		
Members	Eric Paulson, Va. State Dairyman's Assoc		
Present:			
Associate	Kelly Watkinson, Potomac Conservancy		
Members	Joe Lehnen, DOF		
Absent:	Hobey Bauhan, Va. Poultry		
Staff	Kathy Holm, NRCS/SRC&D		
Present:	Lorraine Cormier, NRCS/SRC&D		
Others	Bobby Whitescarver, NRCS	Hunter Musser, NRCS	
Present:	Bobby Drumheller, NRCS	Ian Heatwole	

The meeting was **called to order** by Chair, John Eckman. **A quorum was declared** with 9 voting members in attendance.

**APPROVAL OF MINUTES**

The **minutes** of the September 14, 2009 were distributed. A motion was made by Jim Nichols to approve and seconded by Joan Comanor. A suggestion was made by Chris Anderson to add "Associate Members Absent" to the heading. The minutes were unanimously approved.

**TREASURER'S REPORT**

The treasurer's report was distributed to Council. Roy Stephenson stated that the accounts were reviewed and balanced. He stated that the treasurer's report will be filed in the RC&D office and are awaiting review by the accountant.

**SunTrust Operating/Administrative Account:**

*August 2009*

Opening Balance:	\$28,623.22
Checks Cleared:	\$(104.30)
Deposits Cleared:	\$0.97
Balance in Checkbook:	\$28,519.89 (matches statement)
Checks Not Cleared:	\$(26.60)
Deposits Not Cleared:	\$0.00
New Checks:	\$(9.24)
New Deposits:	\$0.00
Ending Balance:	\$28,484.05

*September 2009*

Opening Balance:	\$ 28,519.89
Checks Cleared:	\$(122.69)

Deposits Cleared:	\$500.94
Balance in Checkbook:	\$28,898.14 (matches statement)
Checks Not Cleared:	\$(0.00)
Deposits Not Cleared:	\$0.00
New Checks:	\$(4,846.60)
New Deposits:	\$0.00
Ending Balance:	\$24,051.54

**SunTrust Projects Account:***August 2009*

Opening Balance :	\$39,312.98
Checks Cleared:	\$(821.83)
Deposits Cleared:	\$4,048.79
Balance in Checkbook:	\$42,539.94 (matches statement)
Checks Not Cleared:	\$(540.20)
Deposits Not Cleared:	\$97.61
New Checks:	\$(2,926.00)
New Deposits:	\$0.00
Ending Balance:	\$39,171.35

*September 2009*

Opening Balance:	\$42,539.94
Checks Cleared:	\$(3,233.69)
Deposits Cleared:	\$3,983.57
Balance in Checkbook:	\$43,289.82 (matches statement)
Checks Not Cleared:	\$(328.95)
Deposits Not Cleared:	\$0.00
New Checks:	\$(11,882.63)
New Deposits:	\$0.00
Ending Balance:	\$31,078.24

**DCCU - Projects Account***August 2009*

Opening Balance:	\$71,283.61
Checks Cleared:	\$(0.00)
Deposits Cleared:	\$0.00
Dividends	\$121.08
Balance in Checkbook:	\$71,404.69 (matches statement)
Checks Not Cleared:	\$(0.00)
Deposits Not Cleared:	\$0.00
New Checks:	\$(0.00)
New Deposits:	\$0.00
Ending Balance:	\$71,404.69

*September 2009*

Opening Balance:	\$71,404.69
Checks Cleared:	\$(0.00)
Deposits Cleared:	\$0.00
Dividends	\$117.38
Balance in Checkbook:	\$71,522.07 (matches statement)
Checks Not Cleared:	\$0.00
Deposits Not Cleared:	\$0.00
New Checks:	\$(0.00)
New Deposits:	\$0.00
Ending Balance:	\$71,522.07

**DCCU - Administrative Account***August 2009*

Opening Balance:	\$25.18
Checks Cleared:	\$(0.00)

Deposits Cleared:	\$0.00
Dividends	\$0.00
Balance in Checkbook:	\$25.18 (matches statement)
Checks Not Cleared:	\$(0.00)
Deposits Not Cleared:	\$0.00
New Checks:	\$(0.00)
New Deposits:	\$0.00
Ending Balance:	\$25.18

*September 2009*

Opening Balance:	\$25.18
Checks Cleared:	\$(0.00)
Deposits Cleared:	\$0.00
Dividends	\$0.06
Balance in Checkbook:	\$25.24(matches statement)
Checks Not Cleared:	\$(0.00)
Deposits Not Cleared:	\$0.00
New Checks:	\$(0.00)
New Deposits:	\$0.00
Ending Balance:	\$25.24

**SunTrust Investments***25-month CD (3.92%) (Opened 8/13/08)*

Opening Balance:	\$5,066.48
Earned Interest:	\$0.00
Ending Balance:	\$5,066.48

*30-month CD (2.4%) (Renewed 9/13/09)*

Opening Balance:	\$5,156.13
Earned Interest:	\$0.00
Ending Balance:	\$5,156.13

The bank statements for all accounts for the months of August and September were reconciled with the checkbook. Details of the above financial activities are on the reconciliations, which are being distributed. If there are specific questions concerning this activity, you may view statements, reconciliations, and original receipts which are kept in the RC&D office.

The Annual Report was filed with the State of Virginia at the beginning of September.

The financial review for FY2008-2009 was conducted by Helsley & Thorpe in mid-September.

The IRS Form 990EZ was filed at the end of September.

**GUEST PRESENTATION****On-Farm Biodiesel Production****Ian Heatwole**

This project was approved by the RC&D in 2007. He started a building for this project on his farm in Weyers Cave and later learned that there was a small feed mill for sale in Rockingham Co. He stopped construction on his farm in Weyers Cave and put the feed mill under contract and began what became the two-year process to get the blessing of the local officials to construct the project there. The draw of the site was the handling system is already there and installed. Soybeans are being roasted there, and have been since 2007. Last year they roasted 100,000 bushels of soybeans through the facility. In order to begin operation of biodiesel production, they need to seek an air permit from DEQ for air emissions for primarily the dust. Ian stated that the emissions will be minuscule For DEQ to accept the permit, the local governments need to sign off on a few compliance issues. A permit was received from VDOT. There is one more issue to resolve. The mill building may be required to be handicap accessible. This will take 120 days and also a public hearing is required. Ian stated that it may be the middle of March before the permit is received. The biodiesel production should begin in June. He hopes to produce 250,000 gallons a year. The conversion ratio is 1:1. Ian has spent about \$92,000 on the project so far. He has some storage at the feed mill and some at the farm. There is interest in this production for on-farm use in the area. The oil will

be marketed through a local distributor. Joan asked why this has been such a long, drawn out process. Ian stated that the problem may be because the zoning ordinances may need to be updated. Sometimes it is also interpretation of the ordinance. A local feed mill may be interested in the soybean meal for feeding dairy herds. John Eckman stated that this is a shining example of perseverance. He also stated that it is also a good story of how RC&D funds have benefitted agriculture in the Valley. Joan Comanor stated that Council needs to work closer with counties in helping them understand how RC&D projects can help them implement their comprehensive plans. Ian stated that a biodiesel fuel production bill was passed so that maybe the next person that comes along will not have the problems that he had getting a project like this off the ground. Jim Nichols stated that a second part of this project was to make this a demonstration site.

## **COUNCIL OPERATIONS**

### **Proposed Projects**

#### **Watershed Community Ecosystem Restoration and Enhancement RFP**

##### **Poague Run and Redbud Run**

Kathy Holm reported on these proposed grant applications. In the Poague Run NFWF application the Council submitted in May, there was a concern about not using the term “storm water;” however it was not requested that it be addressed as part of the RFP. Paul Revell with DOF suggested that Council put the Poague Run project proposal forward as a stimulus project. Jim Lawrence would like to put in a proposal for Red Bud Run for urban reforestation as well through the RC&D. John Eckman stated that this is a prime place for a project like this. Jim Nichols made a motion that these grant applications be put forward and will be considered projects if funded. It was seconded by Joan Comanor. The grant application is due by due November 30. Shenandoah will serve as fiscal agent. Joan Comanor asked if Council will get administrative funds. Kathy stated that she will check on that. Jim Nichols asked if Poague Run will be stocked with trout. Bobby Whitescarver said that it would. He said that eventually it will be used as a demonstration site and a tourist attraction. The motion passed and was unanimously approved.

### **Completed Projects**

#### **Cultivating Sustainability and Strategic Directions for Scaling Up the Shenandoah Valley’s Regional Food Systems**

Joan Comanor reported on this project. A report from Eric Bendfeldt was distributed. There was a one-day conference in Lexington at Washington & Lee University. There were over 100 attendees. It was a promotion of institutions buying local foods. Joan Comanor made a motion that this project be declared complete. It was seconded by Jim Nichols and unanimously approved.

#### **Friendly City Food Co-op**

John Eckman reported on this project. A report was distributed. There are over 600 members; each member pays \$250 per share. RC&D funding supported their feasibility study. The Friendly Food Co-op has secured a location, the former *Mick or Mack* grocery store. This space is a little large for them; they are looking to rent out some space to another business. This is a good thing for the downtown Harrisonburg area because there are no grocery stores downtown. A celebration will be held November 14 at 4:00 p.m. at the site. They have secured a \$460,000 loan on top of the over \$200,000 from their memberships. John stated that it is a good use of Agua Funds for this area and in encouraging people to buy fresh and buy local. John Eckman made a motion that this project be declared complete. It was seconded by Joan Comanor and unanimously approved.

## **COUNCIL INFORMATION**

### **Council By-laws changes (Proposed)**

Joan Comanor reported on this. Executive Committee met and discussed changes to the by-laws. Purpose Statements for the Committees were added. The mission statement was moved to the article of where the purpose and objectives are stated; and changed to Mission and Objectives. The description of operation was moved around to make it more logical and give more information. A better explanation of how amendments are handled was given. Another major change was under liability. Lauck Walton will look at this closer. Under voting and quorum, they discussed the option of proxy voting. This resulted in much discussion. It was decided that more input from Council is needed before a decision is made on proxy votes. A suggestion was made that proxy voting would be accepted only in a real emergency; if certain members cannot attend because of circumstances. A draft of the new by-laws will be sent to Council 30 days in advance of the changes. Voting will be in January. If Council members have suggested changes, please contact Joan Comanor before the next meeting. Lauck Walton will look over the by-laws and suggest/make changes from a legal standpoint.

**Agua Funds and Other Grants**

Kathy Holm reported on this. Most of Agua Fund 2007/08 project funds have been committed. The balance is: \$14, 373. The two projects that have not been spent out, Rural Production of Biodiesel and Organic Dairy Systems, have been moved to Agua Fund 2008/09. The NFWF grant has run out. Becky Barlow-Buse's contract has ended. She is no longer a Council staff person in the RC&D office.

**T&E Meats/Central Appalachian Network (CAN) Grant**

A summary was distributed about this grant. The Shenandoah RC&D will act as the fiscal agent for this grant. It matches with the Shenandoah RC&D goals. It is an expansion of their operations in order to process and store more locally-produced meats.

**Organic Dairy Systems**

A quarterly report was distributed to the Council about this project. It is from Tom Stanley. This money was dedicated from Agua Fund several years ago and has not been completed.

**Easements and Agriculture**

John updated the Council on this project. These meetings held in the Valley with Trust staff to discuss agricultural easements were fairly well attended. The focus of the meetings was on agriculture instead of on scenic open space. There is a lot of interest.

**COUNCIL INFORMATION****NFWF/CBFN Conference**

This conference will be held in Staunton at the Stonewall Jackson Hotel. CBFN project participants and NFWF Targeted Watershed participants are invited. NFWF funded the Market Maker position and CBFN funded the livestock exclusion project. John Eckman is also attending parts of this conference. Mike Phillips, Cory Guilliams, Bobby Whitescarver, Paul Bugas, and Seth Coffman are leading tours about fencing and trout restoration. John is leading a tour about urban conservation in downtown Staunton. The Historic Downtown Staunton Foundation will also talk about Staunton's historic buildings. Virginia Tech will be leading the tour on pyrolysis.

**VARC&DC Fall Meeting**

Joan Comanor and Chris Anderson reported on this meeting. They met at the Greenwood Community Center. All the Virginia RC&Ds were represented, including another applicant area, the Upper James RC&D, which is directly to the south of Shenandoah RC&D.

Joan Comanor reported that only three Councils have applied for the VARC&DC money that was made available for projects. It was suggested that Shenandoah RC&D ask for money for another project. Chris Anderson stated that the contracted caterer used containers made from recycled material and they also recycled everything that they could. They also announced that the meal was part of the "green event" and that most materials were biodegradable. She also stated that all of the presentations were very good. Joan Comanor mentioned that the New River Highlands RC&D sponsored a social event in conjunction with RC&D Week. They reported a good turnout. At the event, New River Highlands RC&D presented Longwood University a check. It was the VARC&DC money. Longwood will use this grant for a biofuels project.

**VARC&DC Spring Meeting**

This meeting will be held in Smithfield, Virginia and hosted by the South Hampton Roads RC&D. The dates will be April 28 through April 30, 2010.

**Flexible Livestock Exclusion Project Update**

Kathy reported that a three-year extension of this project may be granted, the Council is working on a grant application now. A work plan is due December 1. Some new components are that all three SWCDs will be included. LFSWCD will be doing monitoring. The CBFN is really pleased with the progress of the project. There is a lot of interest in other states especially Pennsylvania and Maryland. John Eckman stated that the CBFN really likes this project; they are really impressed by the interest generated. Council expressed their thanks to the SWCD and NRCS technicians that have worked very hard on this project in helping put it on the ground and keeping it running.

**Coordinator's Annual Goals and Office Business Plan**

Kathy Holm stated that she is making Council aware that every year she has to submit to NRCS a business plan. This is what Lorraine Cormier, Administrative Assistant, and Kathy Holm, Coordinator, are doing to promote and support NRCS. She distributed the plan to Council. Some of the things that are specifically stated are that Shenandoah RC&D has a goal to submit five to seven grants per year; with the goal of raising at least \$130,000, not including in-kind. This way the RC&D raises at least as much money as it costs to fund an RC&D office per year. Also stated is approximately how many projects will be initiated and how many they will completed by the Council. Goals in acres of land and water resources benefitted will also be included. Kathy Holm will be assisting the new applicant area with their application and other things related to that. Kathy Holm is also the Advisor to the VARC&DC Awards Committee this year. Jim Nichols expressed thanks to the Council for writing letters of support to Legislators to keep the Shenandoah RC&D running this year. Joan Comanor stated that NRCS is coming up with a definition of a “performing RC&D Council.” A draft should be available in January. Theoretically, the Councils not meeting the definition will be given one year to meet the requirements or they will suffer consequences.

### **OTHER BUSINESS**

#### **Coordinator’s Report**

This report was distributed for information only.

#### **Announcements**

##### **By-law changes**

E-mail by-law changes no later than November 20 to Joan Comanor. It will be distributed at least 30 days before the January meeting.

##### **RC&D Sponsorships/End-of-Year Giving**

John Eckman reminded Council that this organization is a 501(c)(3); a private non-profit, just like your first aid crew, etc. Shenandoah RC&D is striving for 100% participation of sponsors and members in supporting its work. He suggested that everyone send a donation to:

Shenandoah RC&D  
P. O. Box 60  
Verona, VA 24482

He stated that this would be a good end-of-year donation, in any amount. The more that the Council can show the Council has sponsor support; the better off Council is when going for private foundation grants and other things. The council also accepts PayPal on the website: [www.shenandoahrcd.org](http://www.shenandoahrcd.org). John Eckman stated that Council needs about \$10,000 per year to help cover administrative costs.

Yearly dues are collected from Sponsors. To date, HSWCD, SVSWCD, LFSWCD, VCC, and Rockingham Co. Farm Bureau have paid dues. He also suggested that associate members also think about making a donation.

##### **Next Meeting**

Monday, January 11, 2010  
Rockingham County Government Center  
Parks and Recreation Conference Room D  
Harrisonburg, Virginia  
10:00 a.m.

##### **Meeting Adjourned**

A motion was made by Jim Nichols to adjourn the meeting at 11:50 a.m. It was seconded by Jim Boland and unanimously approved.

Respectfully submitted,

Lorraine M. Cormier  
Administrative Assistant

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Approved: Chair

Date

**UPCOMING EVENTS**

***Virginia Association of RC&D  
2010 Annual Spring Meeting***  
April 28 – April 30, 2010

***Shenandoah RC&D Council Meeting***  
***Monday, January 11, 2010***  
Rockingham County Government Center  
Parks and Recreation Conference Room D  
Harrisonburg, Virginia  
10:00 a.m. – 12:00 noon