

MINUTES
State Technical Committee Meeting
Raleigh, North Carolina
March 24, 2011

The meeting convened at 9:04 a.m. at the NCDA&CS Agronomic Conference Room, 4300 Reedy Creek Road, Raleigh.

Matt Flint, Assistant State Conservationist for Technology, opened the meeting and welcomed participants. The attendees introduced themselves.

J.B. Martin, Jr., State Conservationist, NRCS

J.B. remarked that it is unacceptable for NRCS participants to outnumber partners at the State Technical Committee Meeting, and he encouraged more participation. He is concerned that there are not enough stakeholders participating and that the majority is not captured. The purpose of the committee is to foster dialogue between NRCS and its partners that provides input for setting standard policy for North Carolina. He asked committee members to encourage anyone that has a stake in conservation in the state of North Carolina to attend these meetings.

Due to the amount of conservation related activity in the state, a minimum of 75 to 100 participants should be involved in State Technical Committee meetings. J.B. expressed the need to expand and broaden committee membership in order to be on the forefront of any technology and policy related to conservation activity in North Carolina.

J.B. encouraged members to actively participate in the discussions on all topics related to their interests. He wants to identify and focus on the priorities and significant issues affecting the state of North Carolina.

J.B. also encouraged members to participate in subcommittees of the State Technical Committee and in the local workgroup process.

A few members made suggestions for increasing participation. Ann Coan of the NC Farm Bureau suggested sending out a range of dates to choose from well ahead of time to avoid conflicts with other meetings, which was the case for this date. Dr. Abdullah of the US African Development Foundation suggested determining the next meeting date at the current meeting in order to ensure that members would be able to attend. Another member mentioned that it is also important to identify who is not represented and try to contact them. Members can offer assistance with identifying and contacting other stakeholders who are not represented.

Matt Flint, NRCS

Matt reviewed the agenda, and discussed additional topics. Site selection for animal storage and housing facilities was added, as well as a review of waste utilization, and the longleaf initiative.

Dr. Abdullah asked to add a review of the Technical Service Provider (TSP) program, registration, and recruitment.

State Technical Committee Workgroups

Matt Flint explained that subcommittees would set aside time for a subset of committee members to focus on a particular interest area to discuss an issue in detail. The subcommittees would report back to the State Conservationist and the full committee about the outcome of the discussions.

A list of committee workgroups that Greg Walker, Assistant State Conservationist for Programs, and Matt Flint identified as needed in the state appears in the agenda under item 3. These workgroups would identify state specific opportunities for different programs, develop ranking criteria, review practice standards, and discuss compliance provisions. There are currently no meetings scheduled for these workgroups. NRCS technical staff will organize workgroups. Information on subcommittees will be sent out to all committee members for participation.

Mark Jones of the NC Wildlife Resources Commission suggested a Conservation Reserve (CRP) workgroup be added to the subcommittee list. This group would be a subset of the State Technical Committee and would include CRP and Conservation Reserve Enhancement Program (CREP). This workgroup may be able to be combined with Natalie Woolard's CREP advisory group.

The Wildlife Habitat Incentives Program (WHIP) would fall under the Wildlife and Forestry workgroup. EQIP is so broad with several different initiatives, so additional groups may need to be added in the future.

NRCS Timelines for FY 2012 Program Development

Matt Flint discussed a memo that J.B. Martin set out earlier in the month emphasizing NRCS's need to dedicate efforts to developing conservation plans that meet the objectives of customers and developing conservation options and opportunities. The emphasis will be on conservation planning, and a conservation plan will be required for program ranking. In order to be considered for 2012 funding, a conservation plan should be prepared ahead of time.

Matt provided a timeline for program and technical support activities depicting a normal cycle of conservation program and planning activity during the Federal fiscal year, beginning in October. The timeline emphasizes that planning and Farm Bill applications are year round activities. The goal is for the program application to turn into a planning visit on the farm.

The timeline illustrates specific periods of time where the field will be working to develop Farm Bill program contracts between October and March. A specific time period is also represented for local workgroup meetings between May and August. This meeting is part of the timeline and allows NRCS to communicate that now is the time for conservation plans to be established for program participation.

A member asked whether Farm Service Agency (FSA) communicates with all landowners or just those with agricultural tracts. Tim Jones, FSA Agricultural Program Specialist, explained that it could vary by county, and that anyone that is on the records would receive communication. Generally, it would be those listed by FSA as owner/operator. The concern is that communication is only sent out to those with cropping history, and landowners with forested land have difficulty finding information when applying

for EQIP. The districts may be able to use tax parcel data to identify forest landowners, especially in counties that prioritize forest management.

Dewitt Hardee of NCDA asked whether a forestry plan is required. A forestry plan is required just as much as a conservation plan is required for pasture or cropland.

Ann Coan questioned whether there is adequate staff to write plans if there are not enough TSPs to write plans. Matt Flint explained that there is not a shortage of people to write forest management plans, but rather whether there are enough TSPs registered to do Conservation Activity Plans (CAP). The NC Forest Service, private consulting agencies, Forest Stewardship Program, and the Wildlife Commission Biologist have been able to meet demand for forest management plans.

Mark Jones commented that local workgroup meetings are handled differently across counties and that communication is not good. He asked whether there is a better system for notifying participants about local workgroup meetings. Since they are handled locally, sometimes the District Conservationist (DC) ends up handling the meetings because no one else is available. Often, meetings are not announced with enough prior notice.

J.B. suggested having a representative attend a District Board Meeting to air concerns with local workgroup meeting notifications to ensure participation in local workgroups. Workgroups may need a reminder about how to properly notice meetings. NRCS can share the State Technical Committee contact list with local workgroups for meeting notification. Another option is to have a page on the NRCS website for upcoming workgroup meetings and require workgroups to send meeting dates to NRCS to post to the web.

Erica Peterson of the NC Agribusiness Council offered to link workgroup information on the NC Agribusiness calendar which is located at [AgCalendar on the NCAg website](#). The NC Agribusiness calendar will try to provide one place for ag events in North Carolina.

NRCS will be developing a state resource assessment, which may require input from the State Technical Committee. This assessment will be in the form of a map that depicts regional priorities that local workgroups might be able to use.

Conservation Activity Plans (CAPs)

Matt Flint explained that the 2008 Farm Bill created authority within EQIP for NRCS to write contracts with farmers to hire TSPs to do certain types of conservation planning activities through a contract. EQIP payment will be provided to the farmer when a plan is provided to NRCS. A list of CAPs that will be offered in NC was provided in the handouts. These contracts are not for practice implementation; instead, they are contracts to write the plan. A separate contract would be required for plan implementation.

TSPs must certify their credentials to NRCS to write plans. There are presently a handful of TSPs who have been certified for Spill Prevention Control and Countermeasure (SPCC), Organic Transition, and Energy Audit. There has been a good amount of interest in several CAPs, but there are not enough certified TSPs currently available. TSPs don't know if it is worth their time to become certified without

demand, and districts are reluctant to promote CAPs without having enough TSPs to write the plans, so there is a deadlock on getting more TSPs certified.

Payment rates for CAPs have been published and several outreach meetings have been held with potential TSPs to explain the process and offer training assistance. CAPs address services for which NRCS is not well prepared to provide assistance. NRCS would like input on whether we are offering too many CAPs or other concerns. Is 75 percent an appropriate payment rate for these activities? Should financial assistance be provided to implement some of the CAPs?

Bob Sutter of the Peanut Growers Association recommended providing incentives to help farmers implement SPCC. Matt Flint explained that there will be an expectation that either the CAP will be used as a mechanism to produce a design, or the farmer furnishes a design that is equivalent to the CAP. Ann Coan explained that if the structure is for more than 10,000 gallons, a professional engineer is required to approve the plan from which the structure is built. These plans are expensive and implementation is costly. Milk is currently included in SPCC, although EPA has said this will change. Additionally, liquid nitrogen is not included in SPCC, but may be considered a resource concern in the state. This may require development of an interim or expanded scope of the plan.

Rusty Painter of the Conservation Trust for NC commented that CAPs and plans need to feed into cost share programs; otherwise, they will not be implemented. Either plans should be created for existing cost share programs, or more programs should be developed to meet the needs of the plans. CAPs should be included in workgroups. There is a need to create opportunities for TSPs through professional organizations by providing continuing education credits for NRCS required credentials for TSPs.

Dr. Abdullah suggested that reducing the 75 percent payment rate will not attract new TSPs to participate. A concern was raised about ensuring that funds are used effectively due to current budget limitations. Matt Flint suggested only offering CAP contracts that will lead to implementation of plans aligned with state priorities in order to ensure the effective use of limited funds. Perhaps screening tools can be developed to make sure that applications for CAPs are well aligned with program priorities. The EPA deadline for implementation was published as November 2011, but North Carolina will not have contracts in place in time to implement them to meet the deadline. However, the deadline for agriculture continues to be extended, so this may not be an issue.

A participant asked about where to find TSP certification requirements for prospective TSPs. TSP information is located at the NC NRCS website under Technical Service Providers (<http://www.nc.nrcs.usda.gov/partnerships/TSP/index.html>). Funding for CAP contracts are financial assistance dollars, which come from the same source of funds that are used for implementation contracts. As such, writing plans does take some dollars away from opportunities to write contracts to put conservation on the ground.

There is continuing interest for developing a CAP for drainage water management plans. Financial assistance for nutrient management on drained land now requires a drainage water management plan. These plans would involve subsurface irrigation on drained land as well as non-point source pollution control by manipulation of water control structures within the drainage system. The CAP is to write a plan for a farmer to show him/her which structures are needed, zones that would need attention, and when to start drawing water down for cropping.

NRCS needs to evaluate costs and feasibility of offering the drainage water management CAP. Bids were taken last year, but they were irreconcilable with too little time to make the decision. There is currently no scenario in the payment schedule to provide financial incentives to implement drainage water management. A member expressed that there should be a requirement to implement nutrient management and drainage water management if funds will be going toward developing these plans.

Herbicide Resistant Weed Control

This is a significant issue on cropland that should be discussed in the next month or so in State Technical Committee workgroups. NRCS would like to offer the CAP for herbicide resistant weed control along with conservation practices that assist with implementation of a system that controls herbicide resistant weeds without compromising soil conservation. A handout was provided regarding this issue.

EQIP Program Payment Rates

Greg Walker explained that NRCS has the authority to look at payment rates to adjust for more value for funds expended. Practices will not be removed from the cost list, even if they have not been used in a long time. Ann Coan asked whether there is a burden or cost associated with keeping unused practices on the payment schedule. Greg explained that there is no cost associated with keeping these practices.

The payment rate for Seasonal High Tunnel Systems is currently 75 percent. Greg explained that staff had discussed and proposed lowering the rate for this practice from 75 percent to 50 percent. A committee member asked what the conservation benefit is for high tunnels. The practice was suggested by National Headquarters (NHQ) as a pilot in Fall 2009. North Carolina was not initially interested in participating in the pilot; however, NHQ directed North Carolina to participate in early 2010. Matt Flint explained that the conservation benefit of the practice is unclear and is currently being evaluated as an interim practice standard to determine what the conservation benefits are, if any. The total amount of funding for high tunnels would remain at the \$100,000 level, allowing for more contracts at the lower payment rate. The committee supported lowering the payment rate to 50 percent.

North Carolina's payment rates and percentages are consistent with adjacent states. This is part of the quality assurance process that NRCS performs.

David Williams of NC Division of Soil and Water Conservation requested a review of rates for lagoon closures because they may be higher than they actually cost. The Division will provide input on costs. Matt Flint mentioned that this issue will be addressed and was brought up at area meetings held earlier in the week.

One topic that NRCS requested the committee's input on is whether NRCS should set payment rates according to priority practices in the state based on benefits. Costs are based on typical scenarios for each practice rather than the actual cost, and the program currently pays 75 percent of the typical cost. Payment rates are statewide, but typical scenarios may reflect regional differences. Regional costs may need to be addressed instead of having a flat statewide rate. This topic was deferred for deliberation in the subcommittee workgroups.

Energy Conservation and Renewable Energy

In 2012, NHQ wants states to prepare to support a new initiative for on-farm energy conservation. NRCS energy conservation falls into two categories on two different parts of the landscape. The two categories are energy use efficiency and renewable energy production for on-farm use. The two parts of the landscape are broken down by in-field operations and headquarters. The North Carolina NRCS staff recommendation is to support and continue supporting the CAP to perform energy audits on farm headquarters. The current grant that was providing funding for energy audits will expire soon, so EQIP will replace this opportunity for energy audits.

NRCS is reluctant to offer incentives to implement the findings of the energy audits until the results of the audit are submitted. Some items in energy audits will pay for themselves over time, and the audit will show a break even timeline.

Ann Coan suggested that NRCS can review the results of Farm Energy Efficiency Program (FEEP) energy audits to assess the types of results that are coming in on energy audits.

Ag. Water Use Efficiency

NRCS has had requests about providing wells for cropland irrigation. NRCS's position is that this is an essential cost of production that is not solving a resource concern. Technical assistance is provided to help a producer determine farm water needs, but EQIP is designed to solve conservation problems. Therefore, financial assistance would not be directed toward the installation of wells. Cost share is not available for ponds; however, technical assistance may be available.

Irrigation water management is offered as a CAP. Currently, no irrigation water management CAPs have been contracted in North Carolina. Water use efficiency in agriculture is a growing initiative in the state. The irrigation water management plan is a document used by subsequent contracts for implementation.

A committee member asked if CAPs provide funding for determining water balance on the farm. Matt Flint explained that it is part of the CAP for irrigation water management. Water balance would have to be tied to a water management plan to evaluate needs for an irrigation system. A member suggested that a CAP limited to the scope of farm water balance to develop needed sources of water may be a beneficial addition.

Waste Storage and Composters

Considering the poultry industry expansion in North Carolina, should EQIP allow new operations to compete with existing operations with waste management concerns? Should EQIP require that an operation be in business for three years in order to be eligible for funding, similar to qualifying for the NC Ag Cost Share Program?

Dwight Batts of Wilson SWCD asked why waste management is not part of the plan when an operator starts an operation. Producers should know that they will need waste structures and that this is a cost of doing business; instead, they spend large sums of money on building poultry houses without having a plan for waste. Since this is a start-up cost of doing business there should not be cost share available for these structures. Renee Melvin of NRCS mentioned that FSA has low interest loans available to be used for these structures if a conservation plan exists. Additionally, in many cases there is not enough land available to build these structures.

Pat Harris of NC DWSC mentioned that the Ag Task Force tried to work on the issue of construction and stabilization of sites, but the issue is still unresolved at this time. She commented that cost share programs are designed to address natural resource concerns, and that no resource concern exists on new operations in regard to waste storage. It was recommended that producers should be in business for at least three years before they can be eligible for EQIP funding for waste storage structures. This policy will mirror the policy for the NC Ag Cost Share Program.

In regard to cost containment measures, Greg Walker proposed lowering payment caps to \$100,000 for composters and \$75,000 for waste storage facilities. One committee member asked whether payment rates have been lowered before. At one point a few years ago the payment rate was lowered to 50 percent without a significant change in demand. Another committee member suggested that lowering the payment cap is a better alternative than lowering percentages because it will not have as significant of an impact on smaller operations. Currently, 20 percent of all cost share funding is spent on waste storage structures.

Renee Melvin recommended that a training requirement be added for composters because many producers are not operating them properly. This training should be required before a producer can receive cost share funding.

No consensus was reached for cost containment measures. A summary of staff recommendations will be routed to the committee via email for review.

Prescribed Burning

Delays in conducting prescribed burns account for the majority of contract modifications or cancellations. Greg Walker proposed limiting contracts to one burn over a two to three year period. Additionally, should there be a higher ranking for applicants with prior successful burns, or for applicants that have never conducted prescribed fire as a management tool?

Bill Powell of the NC Division of Forest Resources (NCDFR) supported a two year contract period and setting higher priority for applicants that have successfully burned within the last five years and for landowners who are able to complete a burn themselves.

Consulting foresters have had difficulty getting exposure to landowners due to competing costs from the Forest Service. NRCS provides a list of burners to contract participants. It was suggested that consultants can send their contact information to the counties in which they operate. Don Riley, NRCS Biologist, mentioned that the NC Fire Council will be addressing how to further distribute information not only to the Forest Service but also to the private sector and other partners. He recommended that private consulting foresters contact the NC Fire Council.

A member of NC Fire Council suggested prioritizing applicants using land fire data to ensure the most benefit.

Mark Jones supported giving higher priority to applicants that have successfully burned in the past, but would like to balance that with other resource concerns. Contract management should look at landowner's effort to secure a service provider.

Hervey McIver of the Nature Conservancy suggested weighing the cost of an initial burn against the lower cost of subsequent burns.

Bill Powell explained that burning is variable due to weather and enough contracts should always be in the queue to take advantage of good weather. The number of contracts should not be inhibited.

Rusty Painter mentioned that the need to support first-time burners should not be overlooked. Priority ranking for prior burners may not allow for new landowners to start using prescribed burning.

Pete Benjamin of the US Fish and Wildlife Service mentioned the need to keep working in partnerships to find solutions. Prescribed fire should be kept as a reoccurring practice.

The committee agreed to refer the prescribed burning issue to a subcommittee workgroup.

Additional Topics

J.B. Martin proposed expanding the time frame of future meetings to cover topics more in depth.

A poll will be sent out via email for the next State Technical Committee Meeting date.

The State Technical Committee membership list will be sent to participants to identify additional members.

Staff leads will be identified for subcommittee workgroups.

The meeting adjourned at 12:16 p.m.

/s/

Debra Ireland
Recorder

cc:

All State Technical Committee Members