

MINUTES
State Technical Committee Meeting
Raleigh, North Carolina
December 6, 2010

The meeting convened at 9:30 a.m. at the NCDA&CS Agronomic Conference Room, 4300 Reedy Creek Road, Raleigh. Mike Sugg, Assistant State Conservationist for Operations, chaired the meeting.

Mike Sugg, NRCS

Mike opened the meeting by explaining that JB Martin was unable to attend due to an out of state meeting. He asked the attendees to introduce themselves.

Dave Andres, NC Division of Forest Resources (DFR) was introduced and presented awards to Resource Conservationist Robert Horton and retired Soil Scientist Roy Massey for their contributions to the NCDNR Ranger Training course.

Mike explained the role of the State Technical Committee as a means to offer input and advice to NRCS for ways to better implement Farm Bill conservation programs. He encouraged the committee to participate fully with questions and comments and asked the committee if there were any additions to the agenda

EQIP/WHIP, Greg Walker, Assistant State Conservationist-Programs, NRCS

Greg Walker, Assistant State Conservationist for Programs, provided a handout with proposed 2011 changes for the Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentives Program (WHIP). Grazing issues will be a topic of discussion for 2011 EQIP due to their complexity and the need to ensure that there is clarity across the state.

He noted that 2011 Financial Assistance (FA) allocations are flat for EQIP and WHIP, with Cooperative Conservation Partnership Initiative (CCPI) allocations slightly lower, which will have little impact in North Carolina. WHIP general allocation is the same for 2011 and the Longleaf Pine Initiative is new and will have an allocation of \$800,000.

A change in the new Farm Bill requires that similar resource applications be ranked the same in an attempt to minimize the ranking pools by breaking them into competition areas (work unit, area, state, etc.) under which certain ranking pools will fall. Core EQIP ranking pools include cropland, pasture, grazing tools and confined animals/headquarters, which are ranked on a work unit basis. Forestry, new and beginning farmers and socially disadvantaged farmers will be ranked on an area basis. Ag chemical handling facility is ranked by itself. Seasonal high tunnel is ranked on a statewide basis. Organic is also a national initiative, and funds that are not used are returned, currently about 50%.

Local workgroups have met to discuss and review local priority resource issues and provide input to NRCS on ranking pools. Local workgroups also recommend how their allocation can be split locally into various ranking pools.

The general allocation for WHIP is \$232,347 and NRCS has generally used habitat priority areas as first priority for managing those funds to focus efforts on areas first.

Longleaf Pine Initiative, Don Riley, Biologist, NRCS

Don Riley, State Biologist, suggested that the committee not think of the longleaf pine initiative as the only longleaf tool in NC, but rather one of several tools that are available. EQIP forestry and the USDA's

Conservation Reserve Program (CRP) also offer opportunities for putting land into longleaf. He explained that the focus of the initiative is on the ecosystem and not just the tree.

The initiative is broken down by priorities: first priority is habitat priority areas (Uwharries, sandhills, and Bladen lakes); second priority is historical range (coastal plain and the southern piedmont); third priority is the management of existing stands; fourth priority is fire management. The availability of funds in the program this year will cover tree establishment as well. Funding for the initiative is available statewide, but it is only allowed in areas where longleaf grows and is not available for the production of pine straw. Other programs can be utilized for the production of pine straw.

A committee member asked whether pre-commercial thinning could be done in a CRP stand. Don explained that CRP has its own cost list that it uses and the participant would have to work through FSA, but generally federal funds cannot be used with other federal funds. However, there is state funding available for establishment ahead of a CRP contract. DFR may also have funds available. WHIP Longleaf is designed to fill niches that don't fall under CRP, DFR and other programs.

A committee member asked whether a fact sheet could be sent out for WHIP Longleaf. Stuart Lee has been sending out news releases. Training and technical guidance is being provided for the field starting this week so that they will be able to provide the information to prospective participants. Don asked members to contact him after the meeting if they needed further information.

Another committee member mentioned that the Longleaf Coalition is holding a meeting with other agencies to help communicate information about the new initiative

EQIP Grazing Issues, Greg Walker, NRCS

In prior meetings, Greg's intent was to define what a grazing operation is versus a feeding operation. These operations need to be ranked separately based on the definitions as provided in a handout. Greg also wanted to provide guidance on how NRCS will proceed with feeding operations in regard to EQIP program funds. The guidance will hopefully provide a consistent interpretation of how EQIP funds are used for the Heavy Use Area and Waste Storage Facility practices. The guidance was the result of input from a group of technical specialists, some of whom were present.

Greg proposed putting feeding operations in the confined animal pool along with confined area, confined swine and confined poultry operations instead of with pasture. There are lots of issues with true feed lot operations. Greg showed some slides of feeding operations with several resource concerns, including the lack of infrastructure and the need for stream exclusion and buffers. Greg reviewed the definition of a feeding operation from the handout and emphasized that a constant number of cows should be maintained. He also reviewed the definition of grazing operations from the handout.

Greg reviewed the EQIP policy guidance for providing financial assistance to feeding operation from the handout. Water course exclusion is a primary concern and can be contracted for EQIP assistance, and it will include the establishment of the NC 393 Filter Strip standard under conditions set forth by the standard. No interior fencing will be eligible for EQIP financial assistance since this is more related to production than to a resource concern. Wells will only be contracted if the water courses are documented as the primary water source for livestock. Stream crossing can be contracted with exclusionary fencing is required in the conservation plan. Covered Waste Storage Structures will only be contracted under EQIP if waste can be managed according to a nutrient management plan. Once concern with providing funding for infrastructure is that an operation may go out of business not long after the infrastructure is installed.

A member asked if there were any examples of a buffer that is not being grazed to the point where it no longer provides any filter for the water course. Greg explained that if the area is only grazed for a short period of time that the damage to buffers is minimal. The question was raised as to whether it was voluntary or required. Greg said that it is encompassed within the operation and maintenance requirements. Matt Flint explained that the technical criteria were written as such because from a nutrient management standpoint it is feasible to accomplish.

A member asked if we know how many operations would be of interest. Greg estimated about 15. Another member asked if a landowner wanted to use funds for a Waste Storage Structure, would they be required to fence animals out of streams? Greg thought that they should be required to do so. The question was raised about adjustments for filter strip widths based on different soil types. Josh Spencer explained that currently there is not, but it is currently being researched for possible adjustments in the future.

Greg discussed how Heavy Use Area (HUA) and Waste Storage Facility will be used for grazing operations. The handout outlined requirements for EQIP financial assistance, such as the requirement of a prescribed grazing plan; encouragement of fall stockpiling of forages for grazing during winter months; landscape considerations that preclude unrolling hay or rotating feeding areas; exclusion from streams; runoff management practices; and including operation and management measures in HUA specifications.

A member asked if grazing plans address stocking rates. Greg explained that a grazing plan evaluates the herd and the herd's forage needs and compares it to what the land can produce.

Another member asked if there is any information available on how drinking water is impacted and helped by these practices. Matt Flint explained that generally there is no information available because the Farm Bill prevents the release of information in the participant's conservation plan. There is also a technical barrier in the databases that track accomplishments because practices are sometimes recorded under an umbrella such as prescribed grazing.

Conservation Activity Plans (CAPs), Matt Flint, Assistant State Conservationist-Technology, NRCS

The 2008 Farm Bill created an authority for NRCS to use EQIP financial assistance funds for a new purpose. Rather than being used to cost share the implementation of conservation practices, the new authority allows EQIP to pay for producers to have conservation plans written. NRCS would use this new authority to accelerate producers' ability to address national priorities in conservation, but also to help reach customers who were not already using NRCS conservation technical assistance. The Conservation Activity Plans (CAPs) program is a plan writing activity that is cost shared through an EQIP contract. The CAPs were piloted for the last two fiscal years, starting off with only a few offerings which have since expanded. North Carolina is proposing to grow the availability of CAPs quite a bit in 2011 by offering 10 CAPs that are listed on a handout. This is an offer to write a contract with a farmer to hire a third party to write a plan for one of the high priority activities. The contract would be a traditional EQIP contract, but it would stand alone from any other contract a farmer might have for EQIP. CAPs cannot overlap on the same acreage; however, one person may have multiple CAPs each on different parts of their land.

NRCS is trying to develop a marketplace that is attractive to third party providers to help farmers and rural landowners meet their conservation objectives through the use of the CAPs. Technical criteria for CAPs have been published on the NRCS website and a brief summary of the CAP is available on the EQIP site. The technical criteria that explain the deliverables that a service provider has to furnish to meet the CAP requirement and entitle the landowner to payment are listed in the [Field Office Technical Guide \(FOTG\)](#) in Section III.

A member asked if CAPs are new. Last year NC offered two CAPs: Transition to Organic and Integrated Pest Management. The announcement of availability arrived late relative to the application cutoff date, and there was only one application last year. A producer in Bladen County wanted an Organic Transition plan, but the producer could not find a Technical Service Provider (TSP) who was certified and willing to travel. Each CAP is a separate category for which a TSP has to be certified to provide service for that particular CAP. The hope is that this year more TSPs will be certified. More communication will be forthcoming regarding the expectations and requirements for certification for CAPs. A meeting was held three weeks prior at the NRCS State Office for prospective TSPs after NRCS announced the intention to offer CAPs in NC. About 60 prospective TSPs attended the meeting and NRCS received invitations to go to professional association meetings. NRCS will coordinate with extension to host workshops for TSP training and certification.

A member asked if CAPs come out of the general pool of EQIP. CAPs do come out of the general EQIP pool, but they will be evaluated separately and each has its own ranking tool. This year there will about \$150,000 for all CAPs. The distribution will be based on the demand for this year.

Another member asked if CAPs will be flat rates or cost share components. They will be flat rate, the contract will be written for one plan, and it is up to the farmer and the service provider to negotiate the price. The technical basis is that NRCS would provide 75 percent of the cost for a typical hypothetical plan. Eligibility requirements for CAPs are tied to general EQIP contract requirements.

A member asked if certification for CAPs is a separate process for a NC Registered Forester. There are some additional certification requirements that are unique to the NRCS TSP program and those requirements are explained on [TechReg](#). TechReg is the gateway for TSPs to complete registration and certification, and it also serves as the resource for farmers to find TSPs that are available in their community.

Deanna Osmond of NC State University asked whether CAPs will be reviewed by NRCS or another agency the same way that TSPs are reviewed for other plans, such as a nutrient management plan. Generally no, but some CAPs do have a specific review requirement. It is the TSP's responsibility to demonstrate knowledge and ability to apply the conservation practice standards. NRCS review and oversight is limited to documenting TSP certification and deliverables are provided as indicated in the technical requirements. TSPs must submit plans to NRCS National Headquarters for review prior to being certified to complete plans. There is also an internal TSP quality assurance plan that is implemented using a random sample of work done by TSPs in which the CAPs would be included. At this time, no CAPs have been completed, so no reviews have been conducted.

A member asked if a landowner already has some of the plans in place, will updated plans be applicable? An updated plan would be applicable, or if a landowner determines that a new plan can take up after the completion of previous plan.

EQIP Payment Schedule Revisions, Sheila Scott, Soil Conservationist, NRCS

Sheila distributed a handout listing the 2010 and 2011 cost analysis for payment schedules in North Carolina. She explained that NRCS must incorporate economics as a central component of all agency decision making. Economic principles must be applied in planning, implementation and evaluation of agency policies and program activities to provide the most cost-effective assistance for sustained use of natural resources. NRCS uses payment schedules for all conservation program contracts to ensure transparency for customers. Payment schedules describe a typical practice or activity scenario. North Carolina uses a multiple disciplinary approach from technical specialists to help develop scenarios and cost data. The cost data in the payment schedule represents the actual cost to a landuser to install or

implement a practice based on the typical scenario. The cost data are program neutral and are not adjusted for costs that are approved for program payments or to encourage participation in financial assistance programs. The total cost does not represent the total cost of a practice or activity cost over the life of the practice, but rather the total cost to install the practice or activity and the cost to operate and maintain the practice for the first year. Payment rates are limited to the least cost alternative to achieve the minimum practice standards and specifications. The last cost alternative is only applicable to payment rates and does not limit choice of treatment options.

Nutrient Management Strategy, Josh Spencer, Water Quality Specialist, NRCS

Josh explained that the national Nutrient Management Strategy is related to the 590 practice standard revision that is currently underway. The Nutrient Management Strategy is intended to provide parameters by which NRCS can provide cost share for 590 Nutrient Management practice scenarios. He passed out a document that provided key points on the strategy, which was issued in October of 2010 after the beginning of the fiscal year and after most of the work had been completed on the nutrient management scenarios for the year.

Before the strategy was issued, there were four nutrient management scenarios for North Carolina, but there are now 10 scenarios available in 2011. The strategy and technical requirements are rooted in the Conservation Effects Assessment Program (CEAP) project on cultivating cropland in the upper Mississippi. It established core basic practices on organic and conventional cropland that are now required to be planned and implemented in order to qualify for EQIP cost sharing on practice 590, beyond what practice standard 590 requires. The study found that combinations of conservation practices on cropland did a better job of accomplishing the objectives of nutrient management than just applying nutrients. Some of the new requirements are water table management, erosion control measures on cropland, basically a comprehensive system on a cropland field to give it the maximum chance of nutrients not leaving that site. The 554 Drainage Water Management standard provides guidance for water table control and is also a new addition to the cost list. Other practices may need to be implemented in order to implement the 554 standard. The Drainage Water Management standard is relevant to surface and subsurface drainage.

The strategy also established additional criteria for applying 590 practices on organic cropland, which involves increased levels of crop rotation management and increased level of cover crop use. NRCS has EQIP practice guidelines that provide information on what is required to implement practice scenarios.

Additionally, the strategy also established enhanced levels of nutrient management that are added into the core level. The basis is to encourage high levels of precision ag, variable rate nutrient application, chlorophyll readers, which qualify as levels of enhanced nutrient management. Those practices can be added on to existing 590 scenarios, or they can stand alone. There were several recommendations in the strategy that were determined to not be applicable in North Carolina, and these items are not offered as cost share options in North Carolina.

NRCS was required to modify existing Nutrient Management scenarios to meet the basic requirements of the strategy and to offer opportunities for the option of the enhanced strategy as well. The specific technical requirements of the strategy are available in the document that was distributed.

A member asked about the difference between 587 and 554 standards and whether they are both funded? The 587 standard is the technical criteria for installing a water control structure, the 554 Drainage Water Management practice gives crop-specific water table levels in the practice for managing the water table to not allow nutrients to leave and for best management of the crop. Both are funded. The question was

raised as to whether the numbers in the standard were national or state specific. Josh was unsure because it is an engineering standard, but he will look into the answer.

Easement Programs, Mike Hinton, Assistant State Conservationist-Easements, NRCS

Mike distributed the draft ranking criteria for the Farm and Ranchlands Protection Program (FRPP). There are few minor changes for 2011. There are two sets of criteria: nationally mandated criteria, which count for 50 percent of the points, and state factors, including whether the participant has a conservation plan prior to closing. Participants must begin implementing the conservation plan once the easement is closed. One reason is because JB Martin, NC's new State Conservationist, wants to place an emphasis on conservation planning as the basis for NRCS's mission. Another reason is because it is important for participants to know what their conservation plan contains prior to closing, since plan implementation is required as part of the easement program. Mike asked the committee to provide any comments on the updated ranking for the FRPP program.

FRPP funding was about the same for 2011 as it was for 2010 at \$2.8 million. The Wetland Reserve Program (WRP) had a successful year in 2010 as far as enrollments. Because WRP funding is based on performance, there will be a \$2 million increase for the 2011 allocation to \$7 million. NRCS will be batching WRP applications after the first of the year. NRCS is currently in the process of contracting a new market analysis for geographical area rate caps for compensation.

The deadline for FRPP applications is February 9. The application is still in a draft form, but the finalized application and forums will be available online in the next few weeks. The ranking process did not change, but NRCS added some data to the application package that will assist applicants when they fill out applications. All eligible FRPP applicants with matching funds were funded last year. All but \$300,000 funds were used last year.

A member asked if a farmer has a conservation that was prepared using another federal program, will that disqualify them from FRPP? As long as it is a conservation plan that would meet NRCS's criteria it will not disqualify them from FRPP.

Conservation Innovation Grants (CIG), Matt Flint, NRCS

Matt wanted to make sure the committee was aware that the Chief announced the availability of CIG for 2011. CIG is a program that NRCS can use to make the investments in demonstration and development of technology that is appropriate for the FOTG or eventual incorporation into EQIP. CIG does not support research, but is supposed to help people demonstrate things that are already proven at a scale that makes them more accessible to farmers. There is a national program that offers grants up to about \$1 million, and a state program that offers grants up to \$75,000. The competition pool for the state phase is much smaller than the national phase. The national phase has called for pre-proposals that are due by December 28, which will be reviewed to determine those that will be asked to submit proposals for consideration. Final proposals will be due between January and March 4, 2011. The state level does not run a two-phase proposal process, and full proposals are due March 4, 2011 as well.

Matt was satisfied with the outcome of CIG for 2010. NRCS in NC declared priorities for the programs that had to do with leading conservation issues that had to do with agriculture in NC, such as water conservation, energy conservation, and transition to organic. As a result, NC had a strong pool of applications. An interdisciplinary review committee was used to review proposals. One grant went to NC State University (NCSU) to demonstrate solar ducts as an alternative for heating in swine nurseries and poultry brooder houses to reduce energy consumption and improve air quality inside the barn. Another grant went to NCSU for demonstration of alternative management practices for dry litter poultry land application and how appealing it would be to producers. The third grant went to the Robeson Soil

and Water Conservation District to work with a producer who will replace half of his irrigation system with subsurface drip tape to compare the results of two different irrigation systems.

Discussion

A member mentioned that most of the longleaf plantings are being done with unimproved longleaf and asked whether funds are being allocated toward developing an improved species. Matt Flint stated that this topic had not come up yet in the steering committee for the NC Longleaf Coalition. He mentioned that the US Forest Service is also on that steering committee, and Matt will bring this topic up with the committee. Another member stated that there is one generation of improved longleaf available at a nursery in Goldsboro, but there is an opportunity for more genetic work to be done. He mentioned that the NC State Tree Improvement Co Op would be a good group to have involved.

A member mentioned that there is usually a shortage of longleaf seedlings and if the initiative is to be successful, then more seedlings need to be available. Another member mentioned that seedling production was increased this year from 2.5 million to 4 million using an economic stimulus grant, and there will be 6 million next year. These are all containerized, genetically improved seedlings.

The meeting adjourned at 11:23 a.m.

/s/

Debra Siegel
Recorder

cc:

All State Technical Committee Members