

MINUTES
NRCS State Technical Committee Meeting
Raleigh, NC
April 5, 2012

The meeting convened at 9:00 a.m. at the NCDA&CS Agronomic Conference Room, 4300 Reedy Creek Road, Raleigh.

Greg Walker, Assistant State Conservationist for Programs welcomed participants to the meeting. NRCS is appreciative of State Technical Committee participants taking time out of their schedules to offer their expertise. The committee's job is to learn and listen and provide guidance back to NRCS so that the agency can make the best decisions possible going forward.

Greg provided an overview of the agenda.

Water Quality Initiative – The main reason for calling this meeting on short notice is to discuss a new initiative. We are halfway through the year, and we need to discuss the initiative, and the short timeframe we have for implementation. The parameters fall within this fiscal year, is what can be done in a short amount of time, but we believe this is here to stay, so we will also discuss how to strategize in subsequent years.

The Chief announced in January that he had been hearing around in his travels that a lot of streams on the 303d list had been on the list for a long time, some are coming off, but too many others are not. He decided to target a significant amount of funds (\$33 million) towards these streams. It's not a new concept, but considering how Environmental Quality Incentives Program (EQIP) funds are dispersed, this targets our funds into a concentrated area. He wants to target impaired waters because of Ag Sources.

The Chief has indicated he wants states to look at 12-digit HUCs and choose one to three. We are going to try and pick three. The focus will be on nutrients and sediments. Julie Elmore (NRCS Natural Resource Specialist) has made contact with DWQ partners and CWMTF partners and Wildlife Partners. However, we also wanted to bring the topic to the Committee for input.

This initiative will look at pollutants, nutrients, and turbidity. Other potentially eligible pollutants include chemicals such as pesticides and herbicides.

Practices: We can offer Conservation Activity Plans (Nutrient Management, Irrigation Water Management, Drainage Water Management Plans). Handout: Out of national guidance. Core practices are required to be offered. States can't add to the core practices, but they can remove core practices. Items in bold on the handout are in our EQIP cost list; items not in bold are what we are going to request be removed. Supporting practices are on the next page. Same applies; bold is what we are going to request, others will be requested for removal. We can request additional supporting practices. Examples of things we typically do include a lot of work in pastures where we get cattle out of the streams. Access Control is the reason we are there, getting the cows out of the creek. When we do a pasture system and that stream is their water source, you'll see supporting practices, all those things we need to support that system (pipeline, waterer, tank, etc). Program participants have called in asking for just supporting

practices, but we can't justify a well and water without the access control. This is a little background to lead into the next section.

Landuses: Cropland, Forestland, Pasture, Hayland, or Headquarter areas.

Resource Concerns:

Screening Tool: (High Medium and Low). Ineligible Land. Outside boundaries of approved watershed. High priority – 75% of practices within boundary.

Medium –

Low - all other applications these applications will not be ranked. This saves time for field offices.

The Chief will provide us with National and State questions. We will handle the local questions.

Question: Will the local questions be watershed specific?

Answer: If they are not homogeneous. If we select in different physiographic provinces, then yes, we will have to build different questions. If they are close together, likely they will be the same.

The most difficult component is the schedule:

Batching Period – May 18, 2012, June 15, 2012

All contracts must be obligated by July 2, 2012. This is the same deadline for general EQIP that has been going on for months.

Caveat: Any unused funds (5% of EQIP) \$860,000 must go back.

The average amount per work unit is about \$150,000 annually.

Discussion: John Ann Shearer: If you had good projects, you would already be working on them anyway.

Greg: Yes, it's possible we are already working on them.

We are looking at three sub-watersheds in the Upper Yadkin. State Conservationist JB Martin has taken quite a bit of interest in stream restoration. We have this as an idea of how to pull this off in the timeframe we have been given. We have three projects with design work completed in the Upper Yadkin in watersheds where considerable work has already been done.

Question: In terms of the number of projects, you are talking about less than \$900,000. Can this funding apply to design work?

Answer: No.

Question: So in the future, projects must already be designed?

Answer: The problem is due to the contract rules. We have to get started on any project within 12 months, so the design has to be done.

Question: How will the ranking tools work to capture other applications?

Question: Can you change the next cycle?

Question: Since these practices are so expensive, have you considered a cap on the amount?

Answer: Anything above \$150,000 has to go up to the regional office. Farm Bill has a cap.

Question: If you have \$900,000, you're looking at \$300,000 per project.

Answer: Yes, the difficulty is we are in a small area in a small amount of time.

Question: This money is already dedicated to North Carolina. It does not have to compete nationally?

Answer: Correct.

Question: Does that mean it has to be paid out or just obligated by July?

Answer: Obligated in a contract.

Discussion: NC Forest Service: Make sure the headwaters are not contributing to the problem. Look at the watershed. Another opportunity, if NRCS were to go down this pathway, the Stream Restoration at NCSU could assist as a technical partner. NRCS might need to funnel a little money over there to help them provide assistance, but they can serve as eyes in the field, to work on NRCS's behalf as a technical expert on the ground. If NRCS find sites like this, look holistically, do the whole thing with stream crossings and livestock watering as necessary.

Discussion: USFWS: That county does have a lot of success, a lot of experience. I think that is a good choice.

Discussion: NC DWQ: Can you discuss a little more about the watershed choices?

Discussion: We are also working in South Carolina. You're not the only ones looking at doing this. The USDA forest service has been looking at selecting critical watersheds as well. It would be good to consider future alliances. They have soil scientists, biologists, water quality specialists too. They work on forest land, but in watersheds where there is also private land there might be an opportunity to combine resources.

Discussion: Farm Bureau, if it's not shelf ready, we certainly don't want to lose the money.

EQIP: Julie reviewed highlights of the numbers.

WHIP: This program has taken a different direction. Money available dropped from \$85 million to \$50 million. We think what happened was a leveraging effort with partners. Rather than us having a chunk of money on Long Leaf Pine, we don't have it. The WHIP program is turning towards "Working Lands for Wildlife" instead. There is a species up in the high elevations of NC mountains called the Golden Wing Warbler. The impact to North Carolina will be that it will be a challenge to see WHIP funds at the level we'd like to see.

That being said, the efforts we've put into Long Leaf Pine, we don't want that to die. NRCS funded down to the \$300,000 mark, with over \$700,000 in requests. Here is the strategy going forward. We are putting faith on the national program manager. He has Long Leaf Pine (LLP) on his radar. We are hoping that as states are not able to obligate money, he will send money our way. We are also going to commit that as the other pools in the state, as we see slippage in Lagoon Closures, or Chemical that we can't try to fund a few more LLP contracts. Our National Program Manager is aware that North Carolina and Texas got the rug pulled out from under us.

Question: Is there an amount for the Golden Wing Warbler?

Answer: There may be at the national level. We are estimating \$12,000 of work by the same deadlines as stated above.

Greg: We are trying to mobilize and see if we can't suggest species that are more appropriate.

Question: What precipitated the selection of those species?

Answer: It's an at-risk species. What happened nationally is to tie the money to species.

Question: What kind of habitat will promote the species?

Answer: Early successional. Forest canopy openings at the edge of forests to fields.

Question: NC WRC: Does WHIP only apply to terrestrial wildlife? For future suggested species?

Answer: No. We do intend to send up fresh water mussels.

Easements:

Our Geographic Area Rate Caps (GARC's) were approved as we sent them up. We will get this on the web so potential applicants can go on the web and know what to expect in terms of prices. We have around 15 WRP applications, and 12-15 FRPP applications. WRP has changed from a national perspective; over the past several years we've been good at enrolling land but not so good at getting it restored. We have a restoration backlog. In 2009, we were told to spend 95% of our allocation on new enrollments. That certainly did not help us catch up on restorations. Now the focus is on restoration. Now for the first time we have a cap on what we can enroll in NC. It's a little over 1400 acres. We won't be taking in any big easements. I do have some applications for riparian areas in Halifax County along Fishing Creek and others in Martin County. Other applications are in the tidewater area. No applications from Mountains or Piedmont. For whatever reason, the interest level isn't there. Certainly we are looking for opportunities. We are working with FWS to identify Mountain Bogs that support Bog Turtles, to see if we can stimulate more interest there. Restoration wise, we are in a similar situation as

Greg, the timing will be a challenge. We saw a significant increase in our restoration budget. We had to obligate by July with only two designs on the shelf. When you talk about tracts that are several hundred to a couple thousand acres in size, it is nearly impossible to design that overnight. The timing put us in a difficult position. We will make a good dent, but we will likely be in the same position next year if we don't have time to develop designs this year. We have a plan in place to get that done. We are working with a partner who made an application for a WREP, which for the first time includes Technical Assistant dollars so that for the first time, we can utilize partner dollars for design outside of NRCS.

FRPP is working with cooperating entities; they are waiting on Dewitt Hardee for funding. It is always an interesting balance to time the federal fiscal year with the state fiscal year. Our funds need to be obligated by July 2, 2012. It is always tight.

Question: You said you had 12? Is that more than normal?

Answer: No, that is about what we typically get. Last year we funded 10 parcels and 8 agreements.

Question: How much funding do you have available for restoration projects?

Answer: \$6-6.5 million.

Organic:

Julie mentioned we are struggling with Organic demand. The whole country is having the same challenges. The Chief really wanted to make a splash. So we are doing our best with partners to build capacity.

Energy:

We are trying to support enough audits for implementation next year.

Question: Does the audit consider the crops they grow?

Answer: There are two audits. There is one on headquarters for grain drying, pack barns, dairy hot water use, motors, etc. The other one is landscape that lets a participant consider tractors and fertilizer use, etc.

Chester: We are seeing that they don't want to implement everything all at once.

National Initiatives:

National initiatives include Organic, Energy, Water Quality, and Seasonal High Tunnels. We sent up \$790,000 in requests for Seasonal High Tunnels. We got \$760,000 back. As we go into batch 2, we have even more applications. If the chief is going to send money our way, then we'll take it, but we are not going to put NC money into it further.

Question: What is a high tunnel?

Answer: It's a rudimentary greenhouse that lengthens the growing season of specialty crops. They are really small, at five hundredths of an acre at most. That is the limit for our cost share assistance. It is requirement to be able to grow crops in a natural soil profile. Three years ago this was a voluntary thing. We volunteered not to do it.

FSA: Susan CRP

As of yesterday afternoon, the CRP signup was extended through April 19, 2012. They added on a week because of demand. It is not doing that well in NC. We had 10,000 acres expiring this year. Of that we are only at 50% of re-offers. About half of the counties in the state are having activity. This sign up has not been as strong as those we've had in the past. It gets ranked in DC. Using an Environmental Benefits Factor decision tool. That means in a month we'll know which ones were selected.

ECP – We were funded for Hurricane Irene. We requested \$5.2 million and received \$2.2 million. Most of the counties requested and did see some money. That work is going on now. We had some tornado events in the mountain counties. In February there was a tornado in Rutherford. In March we had tornados in Burke and Cherokee. We received \$70,000 for Rutherford and Burke. Still waiting on funds for Cherokee.

New Program for FSA: Emergency Forestry Restoration Program (EFRP). That is emergency funds for our woodlands. Several counties have received funding for forestry. The Forest Service is our technical agency on that. We requested \$1.7 million and received \$1million. For the tornado in Cherokee we requested \$900,000, but we have not received that.

Just as a reminder, CRP does offer LLP as a planting practice. Those applications are not competitive as long as they meet eligibility requirements.

Dick Hamilton with NC Wildlife Federation: We've been involved in re-authorization with the Farm Bill. We're calling it the Wildlife Habitat Coalition, which includes NC Trout Unlimited, NC Ducks Unlimited, NC Turkey Federation, NC Nature Conservancy, etc. We understand that the conservation component of the Farm Bill is important. We are dedicated and look forward to being involved. We are going to participate in state technical level to try to know what is happening and to have input into what you are doing. We are going to participate at the local work group level to help individuals at the county level set priorities for funding. We will work with landowners by identifying critical tracts and encouraging program applications. We are participating in the Forest and Wildlife subgroup. We are very impressed with what we are hearing here today.

Dewitt Hardee: We hope to select applications by the beginning of June to help that coincide better with easements

National Wild Turkey Federation: 20 CRP, CREP plans. Forty landowners will be customers with NRCS as part of our LLP contract. We want to look into CAPs for forestry, fish and wildlife, pollinator habitat.

Mark Jones: NC WRC – NCWRC formally requests NRCS and FSA to reconsider management activities required for re-enrollment of CRP pine trees. We do not feel the current re-enrollment criteria and required Mid Contract Management meets the statutory intent of CRP. Congress elevated “wildlife” to the same priority level as soil in water in the 1996 Farm Bill, and the management activities required for re-enrollment of CRP pines do not address the needs of wildlife in North Carolina. FSA has a process established in their CRP policy called a Management Activity Development Team (MAD). This process requires FSA to convene a panel of experts from NRCS, FSA, the State Wildlife Agency, USFWS, and other groups to address “plant diversity and wildlife benefits” in CRP. We feel the formation and activation of this committee will facilitate conservation partners working collaboratively to develop management criteria for re-enrolled pines that when implemented will: 1) optimize resource benefits and return on taxpayer investment; 2) more fully address the conservation of priority habitats and species as identified in state and national conservation plans; 3) help reduce regulatory threat; and 4) stimulate local economies through increased demand for land management activities and through enhanced wildlife associated recreation.

Rusty Painter: Conservation Trust NC. Statewide umbrella group for 23 land trusts. We are kicking off a Farm Futures initiative. We’ve raised \$125,000 for transaction costs for permanent easements. We hope it can be used as matches for farmers. Eligible applicants will be land trusts or Soil and Water Conservation districts working with a local land trust. Those funds will also add to permanent conservation and monitoring. Rusty will send out to group. It will be a few weeks while we finalize criteria.

Julie Henshaw– Division of Soil and Water. AGWRAP. The Commission allocated \$500,000 to 69 districts. The Commission also conducted their first competitive new pond construction awarded 29 contracts.

Greg: In regard to water use efficiency on irrigated land, we have a lot of interest on micro-irrigation.

Mike Hermann from NC DWQ – DWQ has a 319 program grant with a deadline of May 24. \$1.6 million that has a similar deadline. We want to thank Julie for her early coordination, and we understand the constraints you are under. We look forward to improving decision making that align with our funds in future funding years.

Meeting adjourn 10:45