



Missouri Department of Natural Resources

MINUTES

MISSOURI SOIL AND WATER DISTRICTS COMMISSION

DNR Conference Center

Jefferson City, Missouri

January 11, 2012

COMMISSION MEMBERS PRESENT: Charles Ausfahl, Kathryn Braden, Thomas Bradley, Richard Fordyce and Gary Vandiver

EX-OFFICIO MEMBERS: JON HAGLER, DEPT. OF AGRICULTURE: Judy Grundler; BOB ZIEHMER, DEPT. OF CONSERVATION: Clint Dalbom; SARA PARKER PAULEY, DEPT. OF NATURAL RESOURCES: Dru Buntin;

ADVISORY MEMBERS PRESENT: SOIL & WATER CONSERVATION PROGRAM: Colleen Meredith; MASWCD: Kenny Lovelace; NRCS: J.R. Flores

STAFF MEMBERS PRESENT: Jim Boschert, April Brandt, Kerry Cordray, Alan Freeman, Jesse Higginbotham, Jennifer Johnson, Katy Holmer, Jeremia Markway, Christa Moody, Theresa Mueller, Jennifer Pellett, James Plassmeyer, Josh Poynor, Jeremy Redden, Judy Stinson, Ken Struempfler, Leon Thompson, Bill Wilson, Colette Weckenborg, Bryan Hopkins,

OTHERS PRESENT: DISTRICTS: Cole: Peggy Lemons; **Holt:** Bruce Biermann **Howard:** Beverly Dometroch; **Jefferson:** George Engelbach; **Maries:** Amy Neier; **St. Charles:** Theresa Dunlap, Frankie Coleman; **MISSOURI FARM BUREAU:** Kelly Smith; **DEPARTMENT OF NATURAL RESOURCES:** Van Beydler, Darrick Steen; **ATTORNEY OF GENERAL'S OFFICE:** Tim Duggan; **INTERNAL AUDIT:** Mary Dallas; **MSWCDEA:** Sandy Hutchison; **MLICA:** Jeff Lance; **NRCS:** Glenn Davis, Dick Purcell

A. CALL TO ORDER

Chairman Richard Fordyce called the meeting to order in Jefferson City, Missouri, at the DNR Conference Center at 8:36 am. Poll of commission members was taken: Richard Fordyce, Kathryn Braden, Gary Vandiver, Charles Ausfahl and Thomas Bradley were present, which made a quorum.

B. CLOSED SESSION

Kathryn Braden made a motion to go into closed session at 8:37 am, pursuant to § 610.021(1) to discuss legal, confidential, or privileged matters; §610.021 (17) to discuss audit issues, and personnel actions under §610.021(3). Charles Ausfahl seconded the motion. A poll vote was taken. Gary Vandiver, Richard Fordyce, Thomas Bradley, Charles Ausfahl and Kathryn Braden voted in favor of the motion and the motion passed unanimously.

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Kathryn Braden made a motion to go back into open session at 10:35 am. Charles Ausfahl seconded the motion. A poll vote was taken. Thomas Bradley, Gary Vandiver, Richard Fordyce, Charles Ausfahl and Kathryn Braden voted in favor of the motion and the motion passed unanimously.

C. MINUTES OF THE LAST MEETING

1. November 28, 2011 Open Session Minutes

Gary Vandiver made a motion to approve the minutes of the November 28, 2011 commission meeting. Kathryn Braden seconded the motion. When asked by the chair, Charles Ausfahl, Thomas Bradley, Gary Vandiver, Richard Fordyce and Kathryn Braden voted in favor of the motion and the motion carried unanimously.

2. November 28, 2011 Closed Session minutes

Kathryn Braden made a motion to approve the closed minutes of the November 28, 2011 commission meeting. Gary Vandiver seconded the motion. When asked by the chair, Gary Vandiver, Richard Fordyce, Charles Ausfahl, Kathryn Braden and Thomas Bradley voted in favor of the motion and the motion carried unanimously.

D. MISSOURI DEPARTMENT OF NATURAL RESOURCES

1. Our Missouri Waters Initiative

Darrick Steen presented Our Missouri Waters Initiative (OMW) to the commission. The OMW is an innovative statewide policy initiative that will allow the Department to provide a coordinated, holistic approach to watershed management by targeting resources at a watershed level. The basis of targeting watersheds has several reasons: Missouri's landscape and culture is diverse and unique; to gain efficiency in the Department by being more effective with Department funds; and to lead to greater awareness and support from the public.

Darrick Steen noted the key approach will be viewing, monitoring, analyzing and managing our water resources at a watershed level. Goals of the initiative: Organize and coordinate all Department resources related to water resource issues at the watershed scale; create opportunities for watershed level stakeholder input, education and idea sharing; identify watershed priorities through stakeholder-driven forums and develop recommendations to address key priorities; evaluate alternatives that will increase efficiency and the delivery of services to the state; and assigning a local Department of Natural Resources Watershed Coordinator.

The first phase of this initiative is the pilot phase to develop and refine the framework with help from stakeholders for watershed based management. Also three pilot watersheds will be used to learn and evaluate the feasibility of many of the concepts of watershed based management. This includes developing and

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implementing an effective stakeholder outreach plan and engaging the local communities.

The three pilots include Big, Spring, and Lower Grand river watersheds due to a variety of parameters: diversity, potential opportunities, and pre-existing stakeholder groups and partnerships. An external Watershed Advisory Committee has been set up. They will advise and provide feedback to the Department on strategic direction and priorities.

Darrick Steen also stated that the OMW Initiative has just started. There are still many things being worked out. The challenge will be creating a sustainable system, getting it implemented, and creating a more effective and efficient way to manage our water resources.

Richard Fordyce requested updates on the status of OMW Initiative.

2. **Appointment – Soil and Water Conservation Program Director**

Dru Buntin presented for consideration the appointment of Colleen Meredith as Soil and Water Conservation Program Director.

After discussion, Kathryn Braden made a motion to approve Colleen Meredith's appointment as Program Director. Thomas Bradley seconded the motion. When asked by the chair, Gary Vandiver, Richard Fordyce, Charles Ausfahl, Kathryn Braden and Thomas Bradley voted in favor of the motion and the motion carried unanimously.

The commission requested that Colleen Meredith, as the new Soil and Water Conservation Program Director, create a Plan for the Future for the program. Colleen Meredith noted it would be a joint effort with all parties involved to create a Plan for the Future for the success of the program.

3. **Election of Commission Chair and Vice-Chair**

Dru Buntin opened the floor for nominations for the position of chair of the commission. Gary Vandiver nominated Richard Fordyce. Kathryn Braden seconded the nomination. A poll vote was taken. Charles Ausfahl, Kathryn Braden, Thomas Bradley and Gary Vandiver voted in favor of the motion and the motion carried.

Dru Buntin opened the floor for nominations for the position of vice-chair of the commission. Kathryn Braden nominated Gary Vandiver. Thomas Bradley seconded the nomination. A poll vote was taken. Kathryn Braden, Thomas Bradley, Richard Fordyce and Charles Ausfahl voted in favor of the motion and the motion carried.

E. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS

1. Update on Targeted Watershed Projects

Colleen Meredith presented the Targeted Watershed Project update. There is a targeted watershed effort between the Soil and Water Conservation Program and the Water Protection Program in the North Fork Spring River in Barton and Jasper counties and Black Creek in Shelby County. She went over the history of the project and that the watershed management planning process has begun. A few considerations for evaluating future funding for the project will be: landowner interest; monitoring/modeling results; watershed planning; and partnering interest.

2. WQ10 Stream Protection Training

Katy Holmer presented a summary of the WQ10 Stream Protection policy training update. After the commission approved the revised WQ10 Stream Protection policy at the May 2011 meeting, the Special Projects Unit provided seven regional trainings for district and partner agency staff. A total of 116 district, Natural Resources Conservation Service (NRCS), and Department of Conservation employees were in attendance, with 68 districts participating.

With approval of the revised WQ10 policy at the May meeting, the commission gave the program the flexibility to make clarifications to the policy after reviewing with districts. Due to feedback from the districts, there were minor changes in policy implementation. These changes are reflected in the 2012 Cost-Share Handbook.

3. Technician II – Certified Conservation Planner Training

Jeremia Markway presented the Technician II Certified Conservation Planner Training update. Certified Conservation Planner training is an NRCS training program designed to provide technical staff the training they need to understand and implement conservation planning. Program staff is currently working with NRCS to provide training opportunities for Technician IIs. This training is planned to be conducted by NRCS and is the same training NRCS staff receives.

The purpose of the training is to ensure technicians have an opportunity for further professional development and provide the best service possible for landowner assistance.

At this time, there are approximately 80 technicians that need to be certified.

4. Grazing Certification

Jeremia Markway presented the Grazing Certification update. The Grazing Management resource concern is the second largest concern in terms of both acres served and cost-share dollars paid, with landowner interest continually growing.

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Program staff is developing a grazing certification for district Technician IIs. The program is contracting with Lincoln University to develop an examination. With this certification, technicians will be able to certify grazing practices such as; Water Development, Water Distribution, Fence, Lime, and Seed.

This examination will cover four parts: written examination, pipeline design exercise, forage and animal balance exercise, and preparation of a grazing plan. Two testing periods will be offered for 2012, January 18-19 and again in July.

5. **Harrison Landowner – District Drill Rental Program**

Colleen Meredith presented a Harrison Soil and Water Conservation District (SWCD) landowner complaint regarding the drill rental program. The Soil and Water Conservation Program received a letter from a Harrison SWCD landowner requesting that the district policy regarding competition with private landowners be re-evaluated, as well as asking that the district be notified that they should be promoting their equipment as a last resort.

Colleen Meredith reviewed the steps the district took to be sure all vendors had the opportunity to be on the district contractor list.

The RSMO 278.135 states “Any soil and water conservation district engaged in the marketing or buying and selling of farm products used directly or indirectly in soil conservation shall be required to obtain approval from the state soil and water districts commission to continue such activity if the commission receives written complaints from three or more business entities.”

Kathryn Braden stated that the statue should be sent out to the districts as a reminder for current staff and information to the new staff.

After discussion, Colleen Meredith stated that the program is asking the districts to be vigilant with having contractor lists available and not promote district equipment over local rental opportunities either from a business or private landowner.

The commission has requested program staff to send out a memo to the districts reminding them of the statue and to be sensitive in that area of competition.

6. **Fiscal Year 2012 Supplemental Cost-Share Allocation Summary**

Alan Freeman presented the Fiscal Year (FY) 2012 Supplemental Cost-Share Allocation Summary. The commission authorized a Supplemental Cost-Share Allocation during the conference call in September 2011. For districts to qualify, they must have had 70 percent of their FY12 initial allocation obligated and/or pending at the close of business on October 14, 2011. There were 98 districts that qualified for a supplemental allocation in at least one resource concern.

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Districts meeting the 70 percent threshold in a resource concern received at least the supplement resource minimum of \$10,000. A supplemental resource maximum allocation (\$20,000 - \$50,000) was established to allow more districts an opportunity to receive funds.

The FY12 allocated funds will be monitored and managed with MoSWIMS allowing for full use of the \$24,000,000 appropriation. With the initial FY12 allocation of \$22,000,000 in July, the supplemental takes the total allocation to \$27,000,000. The commission authorized the program to review current spending of the appropriation, and a second supplemental allocation is anticipated in mid-January to ensure the total appropriation is spent.

7. **Fiscal Year 2012 Cost-Share/SALT Fund Status**

April Brandt presented the FY2012 Cost-Share/SALT Fund status report. A total of \$27,500,000 has been allocated so far this fiscal year. Statewide, \$19,400,000 or 70 percent has been obligated. Of the \$19,400,000, \$13,900,000 was obligated in the resource concern of Sheet and Rill/Gully Erosion. As of January 9, 2010, \$10,200,000 or roughly 37 percent had been claimed.

Of the AgNPS SALT funds, roughly \$2,400,000 has been allocated to 33 projects this year. A total of \$1,300,000 has been obligated and \$735,206 has been claimed.

After some discussion, April Brandt noted that compared to previous years, the SALT cost-share numbers are a little lower due to funding statewide for water quality practices.

8. **Fiscal Year 2012 Additional Supplemental Cost-Share Allocation**

Ken Struempf presented the FY12 Additional Supplemental Cost-Share allocation. The program looked at past spending patterns compared to this year, and with the mild weather conducive to implementing conservation work, the program is expecting to reach the \$24,000,000 cost-share appropriation. A memo will be sent to the districts informing them how to be properly positioned for additional allocation eligibility with a timeline and requirements. Eighty percent in obligated funds will be needed for each resource concern to qualify for additional allocations. At this time, \$3,500,000 is the projected total for the February advanced allocation. Exercising the estimated authority may be considered as contracts reach \$24,000,000.

9. **DWP-1 Grade Control Structure/Drop Pipe Policy**

April Brandt presented the DWP-1 Grade Control Structure/Drop Pipe Policy. A letter was sent out to Southeast Missouri districts by the program office dated December 13, 2011, providing clarification to Memorandum 2012-013 regarding erosion requirements for conservation practices. The letter stated that cost-share rules require most land to have active erosion in order to qualify for cost-share

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assistance; however, practices to prevent gully erosion when needed to complete a water disposal system are exempt from the existing erosion requirement. The exemption was placed in the cost-share rules specifically for drop pipes in the Bootheel region of the state. Therefore, drop pipes in the Bootheel remain eligible for cost-share based on potential for erosion.

In order to clarify policy that specifically applies to drop pipes, program staff has drafted a separate Drop Pipe practice. This will allow staff to implement the erosion exemption for drop pipes within the current MoSWIMS system.

There are no erosion requirements for this practice. The completed practice must meet NRCS standards and specifications for Grade Stabilization Structure (410), Water and Sediment Control Basin (638), and Critical Area Planting (342) contained in the NRCS Field Office Technical Guide.

The following was offered for commission consideration: approve draft policy for the Drop Pipe practice to be utilized in the Bootheel counties. Program staff will provide a paper copy of the policy to the districts specified in the policy. The districts will be given the opportunity to provide comments for consideration on the policy until such time as it is published in the yearly update of the Cost-Share Handbook. If policy changes are warranted, program staff will bring this back before the commission prior to posting in the Cost-Share Handbook.

After discussion, Gary Vandiver made a motion to approve the DWP-1 Grade Control Structure/Drop Pipe Policy. Kathryn Braden seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

F. REPORTS

1. NRCS

a. Revised N590 Nutrient Management Standard

Glenn Davis presented the revised N590 Nutrient Management Standard. Every five years the National State Conservation Practice Standards are reviewed with N590 being one of them. Each state has until January 1, 2013, to adopt and adapt it for their state, with the state being able to be more restrictive but not less restrictive than the national standard. This tends to result in national directives that are more generic than state directives can be.

One of the biggest issues is the additional restrictions on phosphorus applications in fertilizer and manure. Missouri has been very proactive in addressing restrictions on phosphorus in manure and fertilizer applications. Phosphorus status is monitored either by soil test levels or

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by the Phosphorus Index, depending on the specific site conditions. At the national level there is an interest in a more consistent approach among states and regions, leading to a greater requirement to use risk assessment tools like the Phosphorus Index. The Phosphorus Index must be run when the agronomic recommendation exceeds what the University says is needed for plant growth, but also needs to be run whenever manure is applied.

Restrictions apply to the application of nutrients for both commercial fertilizer and manure to ground that is frozen, snow covered, saturated by rainfall, or snowmelt in the first two inches. Missouri has a law for the restriction of manure on frozen, snow covered, or saturated ground, but not fertilizer. This will have to be addressed in the Missouri 590 Standard.

Soil testing laboratories have to go through a proficiency test and now this will have to be done for the manure testing laboratories as well. The approved National Proficiency Testing Program is out of the Minnesota Department of Agriculture. Each state can come up with a proficiency testing program, but currently Missouri does not have one so the testing will be sent to Minnesota.

2. **Department of Conservation**

Clint Dalbom presented an update for the Department of Conservation. He spoke about the mountain lion caught accidentally in Reynolds County. It was a wild mountain lion weighing 122 pounds and was healthy. After examination and taking hair samples, the animal was returned to the wild.

Clint Dalbom also reported on the progress of the Elk project, turkey numbers, and bobwhite quail hatch reports and provided answers to questions.

G. **REQUESTS**

1. **Madison SWCD – Pond Site Review for Contract Eligibility**

Jennifer Pellet presented the Madison SWCD pond site review for contract eligibility. Madison SWCD would like to request an appeal to allow a landowner to construct a pond on a site that does not meet eligibility requirements.

A DWC-1 Water Impoundment Reservoir requires agricultural activity around the proposed site, construction of the pond site cannot be in dense forest cover, and clearing the site prior to eligibility approval is not allowed. This sequence is needed so the erosion rates can be properly determined prior to beginning construction.

On May 8, 2009, an inland hurricane occurred that began in Oklahoma/Kansas and swept across the southern portion of Missouri before beginning to dissipate in Illinois. This caused extensive damage to properties, homes, and forests. Jennifer Pellet stated the area for the pond site was in the damage area of this storm.

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A site visit was conducted on October 26, 2011. Upon the visit, the proposed pond site and adjacent acres had been cleared. Per the technician, the landowner was in the process of clearing the blow down site from the May 8, 2009 storm. The landowner now intends to install a pond in the drainage area affected by the storm to provide water for future livestock.

The following was offered for commission consideration: Maintain commission policy. The contract is not eligible for funding through the commission's program utilizing the DWC-1 practice, due to clearing of site prior to eligibility approval, dense forest cover, and lack of agricultural activity present.

After discussion, Gary Vandiver made a motion to deny the appeal to allow the landowner to construct a pond on a site that does not meet eligibility requirements. Kathryn Braden seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

2. **Supervisor Appointment Ripley SWCD**

Jennifer Pellet presented the Ripley SWCD supervisor resignation and appointment. Ripley SWCD would like to appoint Ms. Mary Scott to complete the unexpired term of Ms. Barbara Gettings, who submitted a letter of resignation. Ms. Scott and the district chairman have signed the new Verification of Supervisor Eligibility form verifying this candidate meets the qualifications to serve on the board.

The following was offered for commission consideration: Approve the appointment of Ms. Mary Scott to complete the unexpired term of Ms. Barbara Gettings.

After discussion, Thomas Bradley made a motion to approve the appointment of Ms. Mary Scott to the Ripley SWCD Board of Supervisors. Charles Ausfahl seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

3. **Holt SWCD - Heck Farms Payment of DWP-1 Structure**

Kathryn Braden made a motion to take the Holt SWCD - Heck Farms payment of a DWP-1 structure, which was tabled at the November 28, 2011 commission meeting, off the table for further discussion. Thomas Bradley seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

Ken Struempfler presented background information from the November commission meeting. Since the November meeting, the program office received a

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letter from Mr. Heck's legal counsel indicating that an easement had been received from the adjoining landowner.

The following was offered for commission consideration: Allow Mr. Heck two options to choose from to protect the landowner and state's initial investment: Provide additional cost-share funds to bring the DWP-1 practices up to the required standards and specifications outlined by NRCS. If he does not choose to correct the practices, support the Holt SWCD board and request repayment of \$10,000.00 to be made within 30 days for contract SGE 106-11-0059. Failure to repay the funds in 30 days will result in forwarding this case to the Attorney General's Office for collection. In addition, cancel contract SGE 106-11-0062 containing the two DWP-1 practices to the north that needs a separate tile line.

After discussion, Kathryn Braden made a motion to retable due to lack of cost information. Gary Vandiver seconded the motion. When asked by the chair, Kathryn Braden, Thomas Bradley and Richard Fordyce voted in favor, Charles Ausfahl and Gary Vandiver opposed. The motion carried.

4. **Chariton SWCD – Cover Crop Pilot Practice Policy**

Jeremia Markway presented the Chariton SWCD – Cover Crop Pilot Practice Policy. The purpose of the Cover Crop Pilot Practice Policy is to: reduce wind and water erosion of soil, improve water quality by reducing pollution runoff and nutrient loading of ground water, improve infiltration capacity of soil, and demonstrate the environmental and economic advantages of utilizing cover crops.

This practice was developed based on the information and input from successful practitioners of cover cropping in the United States, agronomists from multiple agencies, Chariton SWCD staff, and farmers in the district. After completion of the pilot, program staff will complete a review of the practice and there will be a comment period open to all districts before the practice is offered statewide.

This practice will be applicable to crop land where grain crops are grown. The completed components of the practice must meet the NRCS standards and specifications for Cover Crops (340), Residue and Tillage Management No-Till (329), Conservation Crop Rotation (328), and Nutrient Management (590) as contained in the NRCS Field Office Technical Guide. Successful use of cover crops in management systems may take three to five years to see dramatic changes to soil health and profitability. Therefore, the policy is designed to give incentives for multiple year payments.

There are two levels of participation available under the Cover Crop System Practice.

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On the contract acres, operators participating in Level 1 must implement no-till planting methods and nutrient management, establish cover crops for three consecutive years, and implement, at minimum a two-crop rotation, such as a corn-soybean rotation. This level was designed to target operators who use a corn-soybean rotation commonly found in Missouri. Cover crops can be beneficial in conventional tillage systems. However, the greatest benefits to soil and water quality occur when they are used in conjunction with no-till. For this reason, the focus is on no-till acres.

The second level of participation, Level 2, is designed for producers whose crop rotation consists of three distinct full season crops, such as a corn-soybean-wheat rotation. The requirements are the same as Level 1, except that the operator must establish cover crops for three years in a four-year period. The extra year is given to account for the year when wheat would be planted instead of a cover crop.

Operators must adopt a 100 percent no-till cropping system on the contract acres, for three consecutive years for Level 1 and for four consecutive years for Level 2.

The following was offered for commission consideration: Approve the Cover Crop System Pilot Practice Policy.

After discussion, Kathryn Braden made a motion to approve the Cover Crop System Pilot Practice Policy. Gary Vandiver seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

5. **Chariton SWCD – Contract with Associated Electric**

Jeremia Markway presented the Chariton SWCD contract with Associated Electric Cooperative Incorporated (AECI). The Chariton SWCD and AECI Land, L.L.C. are working on a contract for leasing 83 acres for a cover crop practice. The program staff contacted legal counsel from the Attorney General's Office that reviewed statute 278.120.2(5). Commission approval is required before the district may proceed with this activity. Jeremia Markway gave background information leading to this contract. The AECI Land L.L.C. requested an annual progress report on all activities and research performed on this property and this report will be available and supplied to the commission.

The following was offered for commission consideration: Approve Chariton SWCD to make and execute a contract with AECI Land L.L.C. to enable the local district to assist in cover crop research for the saving of soil and water in the district. The commission is not responsible for the local decisions made in carrying out the contract details.

Tim Duggan from the Attorney General's Office stated that he reviewed the contract and found it satisfactory. He also asked that a provision be added stating

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that there is an obligation to ensure that the Cover Crop Research Farm is operated in accordance with the policies of this commission as required by statute.

After discussion, Kathryn Braden made a motion to approve Chariton SWCD to make and execute a contract with AECI Land L.L.C. to enable the local district to assist in cover crop research for the saving of soil and water in the district. The commission is not responsible for the local decisions made in carrying out the contract details. Thomas Bradley seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

H. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS (Continues)

1. **Timesheet Program Implementation Update**

Jim Plassmeyer presented an update on the Timesheet Program Implementation. The time reporting system is a tool that the commission authorized to provide standardized timesheets in the district. To date, 105 districts are on the time reporting system. The remaining districts are being worked with to resolve any issues and get them caught up. As of January 1, 2012, the time codes reflecting the actual activities worked on by district staff should be used. Also, work is being done with the developers of this system to create reports within the timesheet program for both the program office and for the local boards.

2. **Accounting Program Implementation Update**

Jim Plassmeyer presented the Accounting Program Implementation update. Currently, work is being done to make quarterly reports an electronic submission. The district piloting of the system has been done with good results. This system will allow more up-to-date data. The progress on this project is subject to the programmers schedules at this time.

3. **Year End District Financial Report Summary**

Jim Boschert presented the Year End District Financial Report Summary. The year-end financial report is submitted by each district to the program office after the fiscal year (FY) has ended. This report lists all income and expenses of the district.

The districts reported that they received income of \$13,312,291 in FY11. Of this amount, 78 percent was state funds, which includes the different grants that the districts receive from the program office.

Income from state, local, and federal sources has been tracked since the mid-90s. Only in FY00 and FY11 did state funds decrease. In FY11, state funds decreased by \$188,404 or less than 2 percent. The decrease can be attributed to a reduction in SALT projects and also not filling some vacancies in the districts.

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In FY11, local funds increased by \$549,886. The amount of funds that districts generate in their local funds has remained rather constant over the years.

State funds to districts totaled \$10,421,120. Local districts generated \$2,669,792. The sales portion of local funds typically includes districts selling items such as fencing supplies, plat books or pipe, but also includes districts selling their used machinery.

The total of district expenditures for FY11 was \$13,443,085. Employee related expenses total 77 percent of the total expenditures of the district.

In FY11, expenses exceeded income received by the districts. In FY11, there were 69 districts that operated in the black. In reviewing this against previous years, it appears that the number of district exceeding their income has increased across the state.

Another item reviewed was the funds in the bank at the end of the FY for all the districts and how the funds have changed since the middle 90s. The funds can be state, federal or local funds.

I. REPORTS (Continued)

1. NRCS

J.R. Flores presented the Natural Resources Conservation Services (NRCS) report. He stated that there will be 10 United States Department of Agriculture (USDA) offices closed in Missouri this year, with only one of them being an NRCS office.

J. R. Flores stated the Cover Crop Pilot Project that was approved by the Soil and Water Districts Commission was a good thing. He said there have been presentations at the state association meetings, which increases the excitement for cover crops.

Missouri NRCS is moving forward with an aggressive campaign informing and educating both our staff and the public on the soil and water benefits of improved soil health. There are two meetings currently planned that are open to the public featuring two nationally recognized speakers. The meetings will be held January 13, 2012 in Salisbury and January 14, 2012 in Blue Springs. These meetings are sponsored by the Chariton, Jackson, and Clay SWCD's, and the Jackson County University Extension.

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The NRCS Conservation Stewardship Program has its first application period in 2012 which ends January 27, 2012, with an obligation deadline set for April 20, 2012.

The Environmental Quality Incentives Program (EQIP) has a continuous signup; however, the first application period ends February 3, 2012. Missouri has received over \$14,000,000 for general EQIP not including the initiatives. Based upon recommendations from the State Technical Committee, funds will be dispersed to the following lands uses as follows: 30 percent cropland, 10 percent forestland, 40 percent pasture/hayland, and 20 percent animal feeding/waste.

The EQIP Cooperative Conservation Partnership Initiative (CCPI) received nearly \$1,500,000 to fund existing projects in the initial funding allocation. There will be no nationwide CCPI (new) projects awarded in 2012. In 2012, over \$8,700,000 is available to fund active existing projects. However, the request for proposal has been announced for the new Mississippi River Basin Initiative (MRBI). The National Office will be accepting requests for proposals in 2012 with \$50,000,000 available nationwide.

The EQIP Organic Initiative has announced that there are three application periods with ending dates of: February 3, March 30, and June 1, 2012. The initial allocation to Missouri was nearly \$406,000.

The EQIP Seasonal High Tunnel and Energy Initiatives have three application periods with ending dates the same as the Organic Initiative. However, state funding allocations will be distributed at a later date.

Conservation Innovation Grants (CIG) proposed applications are being accepted from the National Office through January 31, 2012 for CIG's from eligible governmental or non-governmental organizations or individuals for competitive consideration of grant awards for projects between one to three years of duration. At the National level, \$20,000,000 is available for this program in 2012 and Missouri has \$150,000 available for state CIG's.

The Wetland Reserve Program signup ended on November 30, 2011. Missouri has been assigned an enrollment goal of 4,524 acres.

J.R. Flores also welcomed and congratulated Colleen Meredith on her appointment as Soil and Water Conservation Program Director, and stated that he looks forward to working with her.

2. **MASWCD**

Kenny Lovelace presented the MASWCD report. He stated he is looking forward to the Cover Crop meeting on Friday January 13, 2012. He also congratulated

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Colleen Meredith on her appointment to the position of Soil and Water Conservation Program Director.

March 1, 2012, is the deadline for the MOU agreement comments to the committee.

3. Department of Agriculture

Judy Grundler presented the Department of Agriculture report. She stated the Governor's Conference begins January 19th and goes thru January 21st, in Kansas City. The registration fee is \$200 and late registration fee is \$300. She invited anyone interested to attend.

J. PUBLIC COMMENTS

Beverly Dometroch addressed the commission asking for Matching Grants for Information Education. Kathryn Braden stated that she was asked about the Matching Grant money and the possibility of the commission looking at this issue in the future.

George Engelbach addressed the commission stating that a watershed initiative is already being implemented through Environmental Protection Agency in his area. He stated that Jefferson County is in its fourth watershed management plan and has concerns with the implementation and governance of watershed.

Sandy Hutchison addressed the commission representing the Missouri Employees Association and the NACD North Central Region Employee Association. Sandy Hutchison, along with Bill Wilson, J.R. Flores, Kenny Lovelace, Beverly Dometroch, and Steve Radcliff attended the North Central Region meeting held in Chicago. She also shared the information that was given out by her at the meeting and it was well received by other attendees.

K. SUGGESTED DATE(S) OF NEXT MEETINGS

The next scheduled meeting is March 14, 2012; tentative location is Southeast region of the state.

L. ADJOURNMENT

Kathryn Braden moved the meeting be adjourned. Charles Ausfahl seconded the motion. Motion approved by consensus at 3:50 p.m.

Respectfully submitted,



Colleen Meredith, Director

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Soil and Water Conservation Program

Approved by:

A handwritten signature in black ink, appearing to read 'R. Fordyce', written over a horizontal line.

Richard Fordyce, Chairman

Missouri Soil and Water Districts Commission

/clm