



# Missouri Department of Natural Resources

## MINUTES

### MISSOURI SOIL AND WATER DISTRICTS COMMISSION

### DNR CONFERENCE CENTER

### JEFFERSON CITY, MISSOURI

JULY 14, 2010

**COMMISSION MEMBERS PRESENT:** Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce

**EX-OFFICIO MEMBERS:** BOB ZIEHMER, DEPT. OF CONSERVATION: John Knudsen; JON HAGLER, DEPT. OF AGRICULTURE: Judy Grundler; MARK TEMPLETON, DEPT. OF NATURAL RESOURCES: Mike Wells

**ADVISORY MEMBERS PRESENT:** SOIL & WATER CONSERVATION PROGRAM: Bryan Hopkins; NRCS: Drenda Williams MASWCD: Beverly Dometrorch

**STAFF MEMBERS PRESENT:** Chrisi Armbruster, Milt Barr, Jim Boschert, April Brandt, Allan Clarke, David Goggins, Jesse Higginbotham, Jennifer Johnson, Eric McGeorge, Theresa Mueller, Jennifer Pellett, James Plassmeyer, Josh Poynor, Josh Poynor, Jeremy Redden, Judy Stinson, Ken Struempfler, Cody Tebbenkamp, Leon Thompson, Steven Walker, Colette Weckenborg, and Bill Wilson

**OTHERS PRESENT: DISTRICTS:** COLE: Peggy Lemons; FRANKLIN: Lori Nowak; GASCONADE: Diana Mayfield; JEFFERSON: George Engelbach; MARIES: Sandy Hutchison, Amy Neier; POLK: Roger Ankrom; ST. CHARLES: Frankie Coleman; WARREN: Polly Sachs; STATE OF MISSOURI: ATTORNEY GENERAL'S OFFICE: Tim Duggan; OTHERS: John Busch; MO FARM BUREAU: Kelly Smith

**NOTE:** The following is a general summary of the information presented at the commission meeting. For specific information on commission proceedings, please refer to the DVD/Video.

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**A. CALL TO ORDER**

Chairman Richard Fordyce called the meeting to order, in Jefferson City, Missouri, at DNR Conference Center, at 8:33 a.m.

**B. MINUTES OF THE LAST MEETING**

Kathryn Braden made a motion to approve the minutes of the May 12, 2010, commission meeting as mailed. Dan Devlin seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

**C. DEPARTMENT OF NATURAL RESOURCES**

Mike Wells stated that there had been several levees on the Missouri River to break. He stated that they had to close Big Lake State Park because of a levee break. He stated that they also had to evacuate Lewis and Clark State Park. He stated they anticipate the Missouri River to be high most of the summer and fall.

Mr. Wells informed the commission that several beaches in the state parks had been closed due to high levels for E Coli.

**D. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS**

**1. FY10 Financial Summary**

Milt Barr presented a summary of the FY10 fund balance and revenues, an update on the FY11 budget and the FY12 budget process. He stated the total expenditures for FY10 as of July 6, 2010, was \$38,679,934 and of that amount, 63.91 percent went to landowners, 7.53 percent for program administration, research and other expenses, and 28.56 percent was for district expenditures. Mr. Barr stated the FY10 soil sales tax revenue deposits totaled \$37,841,196, which is down by \$786,393 from FY09 resulting in a negative -2.81 percent for the year. Next Mr. Barr covered some trends that have taken place over the years regarding revenues and expenditures from 1990 to 2010. The trends showed generally decreasing percentage of landowner payment dollars to total dollars; with a generally increasing percentage of district assistance expense dollars to total dollars; and a relatively flat percentage of program administration, research and other expenses to total dollars. Since 2009, the program administration reduction has helped the landowner payment expenditures to start to increase.

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Mr. Barr covered draft projections for FY11 based on approved appropriations. He presented an updated pie chart for FY11 showing the approved appropriations and subsequent allocation totals for the Soil and Water Conservation Program.

Mr. Barr covered the revenue estimates for FY11 and the total affect on available resources and fund balances. He informed the commission that there has not been an official declared rate yet but the Department was using a negative 3 percent for FY11 discussion and planning purposes. He stated that by using this percentage, there is a projected revenue shortfall of \$3,653,046 for FY11.

In light of the budget and revenue projections, Mr. Barr then provided the commission an update of the Soil Sales Tax Fund balance with the short and long-term liabilities for FY11. After questions and discussions with the commission and the director, Mr. Barr reviewed the FY12 budget process and current status with no changes and using the FY11 core budgets for planning.

### a. **FY10 Regular Cost-Share Financial Report**

Colette Weckenborg presented the FY10 cost-share usage. Expenditures totaled a \$20,048,580 in Regular cost-share. Next, she provided information on the funds expended per resource concern: Animal Waste Management \$228,849, Grazing Management \$2,646,999, Ground Water Protection \$310,097, Irrigation Management \$462,136, Sensitive Areas \$730,390, Sheet and Rill/Gully Erosion \$15,160,705 and Woodland Erosion \$509,404.

### 2. **Toolkit/CMT Integration**

Ken Struempf provided a report on the Toolkit/CMT integration between NRCS and the program. He stated the concept was to pull a map out of Toolkit and work on it through a GIS program and when you have completed the work, you put the map back into the Toolkit database. He stated that this would improve efficiency. Mr. Struempf proceeded to update the commission on the process.

### 3. **Workgroup Report**

Bryan Hopkins presented an update on the workgroup meeting that was held June 4, 2010. He stated that the discussion was very good and elements were developed that would be good for goals. He informed the commission that some long-term ideas were discussed. He stated that notes from the meeting would be sent out to the participates for their review. Mr. Hopkins stated that Ken

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Struempfler had already started discussion with some districts on the development of a cost-share index. He proceeded to inform the commission on this process.

### **4. Timesheet Software Update**

Jim Plassmeyer presented an update on the software system being developed. He proceeded to update the commission on the time reporting software. He reminded the commission that in October of 2009 the commission approved the program to start developing a time reporting system for districts to use. He stated that since that time, staff had been working with a program contractor and pilot districts on the development of the system. He proceeded to cover some of the benefits of the time reporting system. He stated that this would be discussed at the Area Meetings.

### **5. Accounting Software Update**

Jim Plassmeyer provided an update on the accounting program. He stated that the accounting would be part of the web based MoSWIMS. He stated that MoSWIMS would entail a cost-share program, time reporting and the district accounting systems. He informed the commission that the program was finalizing the in-house testing of the system. He informed the commission that he has been working with nine pilot districts that will be shown what the program is and get them testing in it. He proceeded to cover some of the benefits of the system.

### **6. Qualifying Criteria Update**

April Brandt provided an update on qualifying criteria and release of contract review. She reminded the commission that the qualifying criteria questions were implemented in February for seeding practices. She stated that since that time, the information received from those questions has been reviewed and the program used that information in part to determine eligibility to release districts from contract review for seeding practices. She proceeded to cover some information received that was taken into consideration for the release of contract review for seeding practices in FY11. She pointed out that there would be a periodic review to determine continued eligibility for release of contract review. She informed the commission that qualifying criteria questions were implemented for all practices in FY11 and must be answered prior to submission for contract review or printing. She noted that adherence to all commission policies contained in the Cost-Share handbook is still required.

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### **7. Cost-Share/MoSWIMS Manual Release**

April Brandt provided an update on the Cost-Share/MoSWIMS Manual. She informed the commission that both had been updated and are available on the Web. She stated the Cost-Share Handbook had several changes made to it. She proceeded to cover some of the changes. She stated the MoSWIMS Manual was updated to include an explanation of the qualifying criteria process, more detailed information on the scanning process and updated screen shots.

### **8. Area Meetings**

Bill Wilson provided an update on the Area Meetings to be held in August. He informed the commission that the meetings would start on August 18, 2010 and end on August 26. He proceeded to cover the dates and locations for the eight Area Meetings. He also reviewed with the commission a memo that was sent to the districts with more information in it.

### **9. Update on MRBI Projects**

Steve Walker provided an update on the Mississippi River Basin Initiative (MRBI) projects. He stated that out of 13 proposals, Missouri had 12 that were awarded MRBI funding. He stated the MRBI projects were located in 20 Soil and Water Conservation Districts. He informed the commission that the MRBI project proposals were in the Lower Grand, North Fork SALT, South Fork SALT, Little River Ditches, Lower St. Francis, and Cache River Basins. He stated that credit was due to the commission for their part in allocating \$500,000 for the proposals. He proceeded to cover how the funds would be used in the projects.

Bryan Hopkins reiterated that the funding the commission provided was critical. He proceeded to discuss the funding.

Mr. Walker proceeded to cover some of the program's contributions to the MRBI proposals as well as the 12 projects awarded MRBI funding.

Mr. Hopkins proceeded to discuss the edge of field monitoring and the funding to pay for it, as well as the remaining funds the commission approved for MRBI. He also discussed other partner contributions.

Mr. Walker provided the commission with a timeline for the MRBI projects. He stated that NRCS and partners entered into funding agreements on July 9, the last of the MRBI producer signups would end on July 16, and all 2010 MRBI project funds have to be obligated by August 31.

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Mr. Hopkins stated that the program would like to request that the commission approve the use of \$200,000 of the \$500,000 MRBI support funds for edge of field monitoring – tier 1. This would be in addition to the 75 percent incentive funds from federal funds to create a 100 percent incentive for edge of field monitoring.

After discussion, Kathryn Braden made a motion to set aside \$200,000 for the extra 25 percent. Gary Vandiver seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

**a. Mercer SWCD – Response Letter Concerning Budget Impacts for Offering Additional Incentive for All Cost-Share Practices Contained in MRBI Project Areas**

Ken Struempfler reviewed the request received from Mercer SWCD. He stated that Mercer wanted to use funds to increase incentives for cost-share practices above the federal rate in MRBI areas. He stated this would increase the rate to 95 percent for cost-share projects in their MRBI area. He informed the commission that the program was not able to approve their request.

**10. Partnership Memorandum of Understanding (MOU)**

Ken Struempfler presented a report on the Partnership MOU between the Soil and Water Conservation Districts Commission, Soil and Water Conservation Districts and Natural Resources Conservation Service. He stated the previous MOU was agreed upon in 1997. He stated that with the Freedom of Information Act in the Farm Bill that was recently passed and transportation issues there was a need to update the MOU. He stated that NRCS had provided a copy of the MOU for program staff to review and offer comments on items that they would like to see updated. He proceeded to cover some of the items they thought could be updated.

**E. REVIEW/EVALUATION**

**1. District Operation Section**

**a. District Support**

**1. District Supervisor Election Results**

David Goggins presented an update on the district supervisor election results. He stated that staff did a comparison of the districts elections for FY08 and 10 looking at the number of ballots cast, the number of voters participating and the number of candidates running for the supervisor positions. He stated they

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also evaluated the cost for the FY08 elections and the estimated cost for FY10. He informed the commission that in FY08, 66 districts held elections with the average of 34.2 voters. He stated that most districts had two candidates for each election area and the total claimed for election expenses was \$12,063.05.

Mr. Goggins stated that for FY10 elections, 60 districts had returned election certification documentation with an average of 33.1 voters. He stated that most districts averaged 3.2 candidates for each election area and the estimated total for election expenses was \$54,000.

Gary Vandiver made a motion to approve the recommendation of establishing a work group to review and improve election procedures. Kathryn Braden seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

**b. Supervisor Appointments**

**1. Lawrence SWCD**

Kathryn Braden made a motion to approve the board's request to appoint Harold Lampe to the Lawrence SWCD Board of Supervisors. Dan Devlin seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

**2. Shannon SWCD**

Gary Vandiver made a motion to approve the board's request to appoint Clinton Reeves to the Shannon SWCD Board of Supervisors. Kathryn Braden seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

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### F. REPORTS

#### 1. Department of Conservation

John Knudsen stated that Mike Hubbard was the new division chief. He stated he was working with program staff to host the September commission meeting at the Central Office in Jefferson City.

Mr. Knudsen stated that their cost-share program for FY11 has \$1,000,000. He informed the commission that last year due to budget issues, they had to recall some of their cost-share funds.

Mr. Knudsen informed the commission that another funding source for landowners was the Missouri Bobwhite Quail Challenge Grant. He stated it was a partnership between the Missouri Department of Conservation (MDC) and Non-Governmental Organizations. He stated that the Non-Governmental Organizations pledge funds and MDC match it 1:1. He stated that this year they have \$200,000 for quail habitat work.

#### 2. Department of Agriculture

Judy Grundler stated that the Missouri Department of Agriculture and the University of Missouri received a Department of Energy Grant for \$5,300,000, to assist Missouri livestock producers with energy audits and provide low interest loans for implementing energy saving devices. She stated that it was for producers that do not fall under the CAFO requirements.

Ms. Grundler reiterated the importance of not bringing in firewood from other states or the movement of walnut products, because of the risk to Missouri's wood resources.

#### 3. NRCS

Drenda Williams informed the commission that they have \$1,000,000 allocation to address forestry through EQIP. She stated they have \$500,000 in MBHI for migratory birds, but Mr. Flores had requested an additional \$1,000,000 for that program. She stated they held their second sign up for CSP for a total of 1,450 applications.

#### 4. MASWCD

Beverly Dometrorch invited the commission to the Training Conference that starts on November 29. She informed the commission that they would have the partnership forum again. She stated they hope that the commissioners would attend to hear what is discussed at the forum.

**G. REVIEW/EVALUATION (Continued)**

**1. District Operation Section**

**a. District Support**

**1. Nutrient Management Policy Consideration**

Ken Struempf presented a review of the Nutrient Management/Waste Utilization Policy. He stated that periodically the commission authorizes a practice review be done. He informed the commission that districts are asked for their comments on the policy for that practice. He stated that with the Nutrient and Pest Management review, the districts provided many good comments. He proceeded to cover the commission's intent of this practice, the commission's guidance concerning the Nutrient Management Policies, and a comparison of the FY10 EQIP and SWCP's Nutrient/Waste Utilization. He reviewed with the commission the draft policy changes.

Gary Vandiver made a motion to approve the staff's recommendation to implement the DRAFT N590 Nutrient Management Policy as presented. Kathryn Braden seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

**H. DEPARTMENT OF NATURAL RESOURCES (CONTINUED)**

Mark Templeton thanked the commission, program staff and districts for the work that they do to make the soil and water program the best in the country. He announced that Newton and McDonald Counties would receive \$350,000 in CCPI funding for fencing livestock from streams and alternative water supplies through the Southwest Ozarks Cooperative Conservation Partnership Initiative Project. He stated the pumps would be powered by solar cells resulting in the promotion of alternative and renewable energy.

Mr. Templeton reiterated that Missouri was very successful in the MRBI process. He thanked the commission for their support of MRBI. Mr. Templeton proceeded to inform the commission on some of the benefits of the MRBI projects.

Mr. Templeton introduced Dustin Allison, the Governor's Recovery Act Leader as well as the Head of Federal Relations for the Governor.

Dustin Allison stated the Governor was pleased with the success that the Missouri Department of Natural Resources had regarding MRBI projects. He stated that because

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of this, the Governor wanted the individuals responsible for the success to be recognized and commended for their efforts. Mr. Allison proceeded to present letters of commendation to April Brandt, Bryan Hopkins, David Goggins, Colleen Meredith, Steve Walker and Colette Weckenborg.

### I. REVIEW/EVALUATION (Continued)

#### 1. District Operation Section

##### a. District Support

##### 1. Pest Management Policy Consideration

Ken Struempf presented a review of the Pest Management Policy. He stated that a practice review was done on this practice at the same time at Nutrient Management. He proceeded to cover the commission's intent of this practice, the commission's guidance concerning the Pest Management, and a comparison of FY10 EQIP and SWCP's Pest Management practice. He reviewed with the commission the draft policy for the practice.

Gary Vandiver made a motion approve the staff's recommendation to implement the DRAFT N595 Pest Management Policy as presented. Dan Devlin seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

##### 2. FY11 Allocation Process - Mid Year Adjustment

Ken Struempf presented an update on the FY11 supplemental district cost-share allocation process for the soil and water conservation districts. He stated after discussions and presentations, that there was a need for flexibility in the allocation process. He stated that the new process would allow flexibility for the districts. He proceeded to provide the commission with the goals of providing a supplemental allocation. He stated it would provide additional funding to districts that have utilized a substantial portion of their original allocation, provide an allocation early in the year to allow districts/landowners to complete the practice, it would still allow the commission to have statewide goals and utilize the full appropriation authority, rewards the districts that have landowners actively engaged, reduces allocations being solely based upon information contained in the needs assessments, and allow districts to maintain funding in resource concerns with low landowner interest at this time.

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Next Mr. Struempf provided a strategy and timeline for this process. He stated that a review of the districts' allocations would be done at the end of September to evaluate the landowner demand within each resource concern; it would provide additional funds to districts within each resource concern where the activity shown has obligated/pending events that utilize a threshold maximum of 70 percent of the funding. He stated that after evaluating the numbers, a lower threshold- based upon weather, etc- maybe warranted and staff would like to have the authority to lower the threshold. He stated that this process would provide the districts with additional allocations up to a maximum of \$5,000,000 and this would bring the total allocation to \$27,000,000 for the districts. He informed the commission that the program would utilize MoSWIMS to manage the spending authority within the resource concerns to remain in a positive revenue/expenditure balance. He stated that decisions could be made later in the year when revenues are more closely known. Mr. Struempf also stated that districts would be provided with a timeline for the additional allocations and the threshold to allow for proper planning, and the funding amounts would be determined based upon number of qualifying districts and revenue projections.

Kathryn Braden made a motion to approve the concept of the allocation adjustment and present it to the supervisors at the Area Meetings. Gary Vandiver seconded the motion. When polled, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

Richard Fordyce stated that the commission was presented with a list of districts that had held elections and the participation level from the voters and the candidates and the commission would like this information to be distributed at the Area Meetings.

Kathryn Braden made a motion to have election information distributed at the Area Meetings with a presentation. Dan Devlin seconded the motion. When asked by the chair, Kathryn Braden, Dan Devlin, Gary Vandiver and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

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### J. NEW BUSINESS

#### 1. **Franklin SWCD – Cost-Share Allocation Process**

John Busch Chairman of the Franklin Board of Supervisors asked why it took so long for resolutions passed at the Training Conference to make it to the commission. When asked if it was the cost-share allocation process, Mr. Busch answered yes. Richard Fordyce stated the resolutions were presented to the commission not long after the annual meeting and the issue took time to work through. Bryan Hopkins stated that the issue was recognized but the timeline for this took awhile. He stated that staff needed time to develop a process that would be fiscally appropriate.

Lori Nowak District Clerk stated that what the commission passed on the issue of flexibility would not help them on one contact that they have. She informed the commission that program staff had worked with her on this contact, but it will still take two years to complete the contact for the one landowner. She stated they would like to see 10 percent flexibility, so that they could pull funds from a resource concern that they do not use, and move it to one that it could be used in. Mr. Hopkins stated he thought what was passed by the commission would benefit all the districts.

#### 2. **RC& D**

Kathryn Braden informed the commission that she was able to talk with the Secretary of Agriculture regarding RC& D Funding for Missouri. She informed the commission that in the President's budget, there were no funds for RC&D. She provided the Secretary with a list of projects that Southwest Missouri RC& D was doing this year and that they were able to get grants that provided \$15 for every \$1 of federal money. She stated that she received a letter from the Secretary and later found out that RC& D was back in the President's budget.

#### 3. **Streambank**

George Engelbach from the Jefferson County Soil and Water Conservation District thanked all the representatives from the agencies and programs that attended their meeting on streambank erosion.

#### 4. **Gasconade – Allocation Process**

Diane Mayfield from the Gasconade County Soil and Water Conservation District stated she appreciated the efforts made regarding the allocation process. She asked that when the funding is being decided that the districts are asked what they have and what is needed for a practice.

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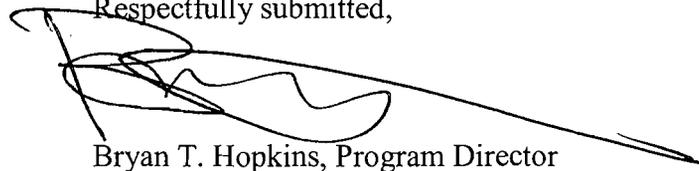
**K. SUGGESTED DATE (S) OF NEXT MEETINGS**

The next scheduled meeting is September 21, 2010 in Jefferson City, MO.

**L. ADJOURNMENT**

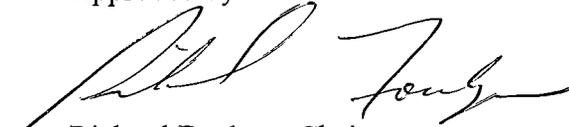
Gary Vandiver moved the meeting be adjourned. Kathryn Braden seconded the motion. Motion approved by consensus at 2:54 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bryan T. Hopkins", written over a horizontal line.

Bryan T. Hopkins, Program Director  
Soil and Water Conservation Program

Approved by:

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

Richard Fordyce, Chairman  
Missouri Soil and Water Districts Commission

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