

**Virginia Soil and Water Conservation Board
Tuesday, March 10, 2015
Richmond Virginia**

Virginia Soil and Water Conservation Board Members Present

Herbert L. Dunford, Jr., Chair
Raymond L. Simms
Jerry L. Ingle
Clyde E. Cristman, DCR Director, Ex Officio
Chad Wentz for John A. Bricker, NRCS, Ex Officio

Daphne W. Jamison, Vice Chair
Gary Hornbaker

Virginia Soil and Water Conservation Board Members Not Present

Thomas M. Branin
Joan M. DuBois
Richard A. Street

C. Frank Brickhouse, Jr.
Stephen R. Lohr

DCR Staff Present

David C. Dowling
Darryl Glover
Gary Moore
Matthew Gooch, Office of the Attorney General

Michael R. Fletcher
Stephanie Martin

Others Present

Katie Frazier, Virginia Agribusiness Council
Katie Hellebush, Virginia Grain Producers Association
Ann Jennings, Chesapeake Bay Foundation
Adrienne Kotula, James River Association
Charles Lively, Henricopolis SWCD
Ed Overton, Colonial SWCD
Alyson Sappington, Thomas Jefferson SWCD
Kendall Tyree, VASCWD
Greg Wichelns, Culpeper SWCD

Call to Order and Introductions

Chairman Dunford called the meeting to order and declared a quorum present.

Minutes of the December 10, 2014 Meeting

MOTION: Ms. Jamison moved that the minutes of the December 10, 2014 meeting of the Virginia Soil and Water Conservation Board be approved as submitted.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

Director's Report

Mr. Cristman gave the Director's report. He noted that the majority of his report would be contained in the review of the 2015 General Assembly Session.

Mr. Cristman noted that DCR was the lead agency for more than 20 bills. Among those bills was an agency bill that changed the requirement for updating State Park Master Plans from every five years to every ten years.

Mr. Cristman noted that several key members were retiring, including Senators Stosch, Watkins, and Puller, as well as Delegate Scott.

Mr. Cristman referenced a copy of "Virginia Capital Connections" magazine in member packets. The magazine included an article written by Julie Buchanan of DCR's Public Communications Office. Included was a picture of Governor McAuliffe distributing the Clean Water Farm Awards at the December Annual Meeting of the Virginia Association of Soil and Water Conservation Districts.

Mr. Cristman said that with regard to agency continuity, DCR had created the positions of Deputy of Operations, held by Joe Elton and Deputy of Finance and Administration, held by Rochelle Altholz. He said that he was in the process of creating the position of Deputy Director for Soil and Water, Dams, and Floodplains. He said that this will provide continuity within the agency during times of administration transitions.

Legislative and Budget Update

Mr. Cristman gave the following legislative update. He reviewed the following items of interest to the Virginia Soil and Water Conservation Board.

Virginia Soil and Water Conservation Board Items of Interest

HB1618 and SB1126 Resource management plans; discussion or consideration of personal information in closed meetings.

HB1618 Patron: Scott

SB1126 Patron: Hanger

SUMMARY: Resource management plans; consideration of certain records in closed meetings. Creates an open meeting exemption for those meetings or portions of meetings of a Resource Management Plan Technical Review Committee, a Soil and Water Conservation District Board, a review committee of the Department of Conservation and Recreation, or the Virginia Soil and Water Conservation Board when such body discusses or considers records currently excluded from FOIA. The bill provides that this exemption shall not apply, however, to the discussion or consideration of records that contain information that has been certified for release by the person who is the subject of the information or transformed into a statistical or aggregate form that does not allow identification of the person who supplied, or is the subject of, the information.

- HB1618: Governor's Action Deadline Midnight, Monday, March 29, 2015
- SB1126: Approved by Governor-Chapter 27 (effective 7/1/15)

Mr. Dowling noted that DCR staff will bring guidance for approval to the May meeting of the Soil and Water Conservation Board.

HB1817 and SB1079 Flood protection plan; Department of Conservation and Recreation to regularly update.

HB1817 Patrons: Stolle, Bloxom, Keam and Mason; Senators: Lewis, Locke and McWaters

SB1079 Patron: Locke

SUMMARY: Flood protection plan. Directs the Department of Conservation and Recreation to regularly update the flood protection plan for the Commonwealth and to make the plan accessible online. This is a recommendation of the Joint Subcommittee to Formulate Recommendations to Address Recurrent Flooding.

- HB1817: Governor's Action Deadline Midnight, Monday, March 29, 2015
- SB1079: Governor's Action Deadline Midnight, Monday, March 29, 2015

SB1443 Comprehensive plan; strategies to combat projected sea-level rise.

Patrons: Miller and Lewis

SUMMARY: Comprehensive plan; sea-level rise. Provides that any locality included in the Hampton Roads Planning District Commission shall incorporate into the next scheduled and all subsequent reviews of its comprehensive plan strategies to combat projected relative sea-level rise and recurrent flooding. Such review shall be coordinated with the other localities in the Hampton Roads Planning District Commission. The Department of Conservation and Recreation, the Department of Emergency Management, the Marine Resources Commission, Old Dominion University, and the Virginia Institute of Marine Science shall provide technical assistance to any such locality upon request. The legislation also allows for local hazard mitigation plans, developed for participation in the Federal Emergency Management Agency (FEMA) National Flood Insurance Program, to be incorporated into the comprehensive plan, as well as an action plan and time frame for participation in the FEMA Community Rating System if such locality does not already participate.

- Governor's Action Deadline Midnight, Monday, March 29, 2015

SJ311 Commending the 10 River Basin Grand Winners of the Clean Water Farm Award.

Patrons: Hanger; Delegate: Scott

SUMMARY: Commending the 10 River Basin Grand Winners of the Clean Water Farm Award.

- Agreed to by House and Senate

Mr. Dunford asked if there was specific concern regarding Norfolk.

Mr. Cristman noted that the Navy had spent millions to raise their piers in the Norfolk harbor. He said that localities are being asked to address this very real occurrence in order to be better prepared for future storms.

Mr. Cristman reviewed additional legislation of interest to the Department of Conservation and Recreation. A full copy of the legislative overview is available from DCR.

Budget Overview

Mr. Cristman noted that Soil and Water Conservation Districts would not have any budget reductions. He said that level funding would be provided for Technical Assistance in FY15 and FY16.

Mr. Cristman and Mr. Dowling reviewed the following budget items of concern to the Soil and Water Conservation Board. A full copy of the budget report is available from DCR.

Budget Overview – 03-07-15

Item #	Governor's Introduced Budget	FY15	FY16
357	Transfer nongeneral appropriation from first year to second year: Transfers \$10,000,000 nongeneral fund appropriation from the first year to the second year to reflect expected Virginia Soil and Water Conservation Districts' cost share assistance expenditures. This forecast was based on actual expenditures thus far in FY 2015.	(\$10,000,000) (NGF)	\$10,000,000 (NGF)
357 B3	Allow use of the Water Quality Improvement Fund Reserve: Allows the department to use the Water Quality Improvement Fund Reserve in FY 2106. There were no deposits to the Water Quality Improvement Fund because there was no FY 2014 surplus to support this fund. The Appropriation Act notes that if there is no surplus balance deposited, then the reserve fund may be used. These funds will be used to support the Conservation Reserve Enhancement Program (CREP), nutrient plans for golf courses, and Virginia Soil and Water Conservation Districts' technical assistance and agricultural best management practices. (SWC)		\$8,185,417
357 A3	Change frequency and clarify report requirements: Changes the Virginia Soil and Water Conservation District Cost-Share and Technical Assistance funding report from a quarterly expenditure report to a semi-annual report. In addition, the reports would include the beginning budget, a revised budget (if		Language

	applicable), and previous year's budget balance for each district. (DO and SWC)		
357 H	Clarify language associated with statewide match for Conservation Reserve Enhancement Program: Clarifies language about the source of the federal match for the Conservation Reserve Enhancement Program (CREP).		Language
357 M1 and 2	Provide a district high-hazard dam plan report: Provides authority to the department to allow the Dam Safety, Flood Prevention and Protection Assistance Fund to be used in support of the development plan for the rehabilitation of high hazard Soil and Water Conservation District dams.		\$75,000 (NGF)
Item 56 #1c	Legal Support for the Soil and Water Conservation Districts: This amendment reaffirms the statutory requirement that the Office of Attorney General is required to provide legal support to the soil and water conservation districts.	Language	Language
Item 6 #2c	Friends of Chesapeake Bay License Plate Funds - Under Division of Legislative Services: This amendment would transfer dedicated special fund revenue from the Chesapeake Bay Restoration Fund to provide funding for projects recommended by the Chesapeake Bay Restoration Fund Advisory Committee. The Auditor of Public Accounts recommended that the funds be moved to the Department of Legislative Services so that the Commission could distribute the funds to the eligible groups.	\$264,462	
Item #	Conference Report Action	FY15	FY16
357 #1c	Authorize use of Dam Safety Carry-forward: This amendment authorizes the deposit of \$150,000 in fiscal year 2016 general funds and fiscal year 2015 carry-forward provided for small dam repairs of known or suspected deficiencies into the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund. This action eliminates the recurring need to request annual carry-forward for projects not fully completed within a fiscal year and provides certainty to Soil and Water Conservation Districts that they can proceed with repairs without concern that funding will not be available to meet contractual obligations should a project not be completed within the authorized fiscal year.	Language	Language
357 #2c	Shoreline Advisory Services (SEAS): This amendment provide \$150,000 in the second year from the general fund for the Department of Conservation and Recreation to provide technical support to the Shoreline Advisory Services as established in §10.1-702.		\$150,000
357 #3c	Agricultural Best Management Practices: This amendment provides an additional \$10,696,471 million in general funding in fiscal year 2016 for the Agricultural BMP Cost Share and Technical Assistance Programs of the Soil and Water		\$10,696,471

	Conservation Districts.		
357 #5c	Implement HB1817: This amendment provides authority to utilize nongeneral funds to enact the provisions of House Bill 1817 that require the Department of Conservation and Recreation to review and update the Commonwealth's flood protection plan on a regular basis and to maintain the plan in an online format. This amendment also contains a technical amendment to strike language concerning the use of the funding that conflicts with the purposes of the Dam Safety, Flood Prevention and Protection Assistance Fund already set out in § 10.1-603.19, Code of Virginia. This amendment is a recommendation of the Joint Subcommittee to Formulate Recommendations to Address Recurrent Flooding.		\$60,000 (NGF)

Mr. Dowling reviewed the Water Quality Improvement Fund and Virginia Natural Resources Commitment Fund FY 2015/2016 Funding Comparison

Water Quality Improvement Fund and Virginia Natural Resources Commitment Fund
FY 2015/2016 Funding Comparison

Water Quality Improvement Fund

1	Budget Action	FY2015	FY2016
2	WQIF (Total Surplus Deposit)	\$23,897,500	\$0
3	WQIF Reserve	(\$2,965,612)	\$8,185,417
4	WQIF General Fund Deposit	\$0	\$10,696,471
5	Transfer to the Virginia Natural Resources Commitment Fund	(\$19,781,888)	(\$18,081,888)
6	TOTAL BALANCE (see rows 7-9 for allocations)	\$1,150,000	\$800,000
7	Earmark for NMP for Golf Courses	\$100,000	\$100,000
8	Earmark for DOF Water Quality Grants	\$250,000	\$0
9	Earmark for CREP	\$800,000	\$700,000

Virginia Natural Resources Commitment Fund for Cost-Share

10	Budget Action	FY2015	FY2016
11	Transfer to the Virginia Natural Resources Commitment Fund from the Water Quality Improvement Fund	\$19,781,888	\$18,081,888
12	Technical Assistance (WQIF Deposit)	(\$1,582,551)	(\$1,582,551)
13	Recordation Fee budgeted/ proposed	\$8,000,000	\$7,500,000
14	Technical Assistance (Recordation Deposit)	(\$1,200,000)	(\$1,200,000)
15	SUBTOTAL	\$24,999,337	\$22,799,337
16	Budget Reduction (applied to Recordation Fee) in accordance with 3-1.01 HH	(\$1,000,000)*	(\$1,000,000)
17	Recordation Shortfall (Estimated)	(\$500,000)*	\$0
18	TOTAL BALANCE	\$23,499,337	\$21,799,337

* Budget reductions/ shortfall to be handled through uncommitted balances and 4th quarter unobligated funds

Virginia Natural Resources Commitment Fund for Technical Assistance

19	Budget Action	FY2015	FY2016
20	Technical Assistance (WQIF Deposit)	\$1,582,551	\$1,582,551

21	Technical Assistance (Recordation Deposit)	\$1,200,000	\$1,200,000
22	TOTAL BALANCE	\$2,782,551	\$2,782,551

2015 Cost-Share 4th Quarter Reallocations: Budget Adjustment Discussion; and Future Budget Considerations

Mr. Dowling addressed the 2015 Cost-Share 4th Quarter Reallocations. He said that the reallocations in FY 2015 were likely needed to close a potential \$500,000 shortfall caused by a year-to-date decline in recordation fee revenue.

Mr. Cristman said that it was important to look at the trends and to compare where the numbers were the previous year. He said that the intent of our budget projections was to be conservative to allow the ability to release additional funds later on if they were available. He noted that at the December, 2014 the Board took action to close the \$1 million budget reduction. This shortfall is on top of that reduction.

Mr. Dowling reviewed the following document.

2015 Cost-Share 4th Quarter Reallocations; Budget Adjustments Discussion; and Future Budget Considerations

03-09-15 version

(NOTE: Several of the figures were updated since the mailing.)

Recordation Fee Status

Recordation Fee for VACS (Fund 0936) (Revenue Code 1036)													
	YTD Amt	Jul Amt	Aug Amt	Sep Amt	Oct Amt	Nov Amt	Dec Amt	Jan Amt	Feb Amt	Mar Amt	Apr Amt	May Amt	Jun Amt
FY11	\$8,509,725	\$585,533	\$817,865	\$703,634	\$853,948	\$784,174	\$772,971	\$801,134	\$665,798	\$707,024	\$621,085	\$637,365	\$559,196
FY12	\$8,866,566	\$694,101	\$703,299	\$595,823	\$728,574	\$672,573	\$703,696	\$730,645	\$726,680	\$795,446	\$785,317	\$892,381	\$838,034
FY13	\$11,171,408	\$861,480	\$943,003	\$826,490	\$942,701	\$892,919	\$849,731	\$1,034,502	\$902,940	\$948,781	\$976,908	\$1,017,146	\$974,807
FY14	\$8,234,871	\$1,002,421	\$947,013	\$799,877	\$777,584	\$569,439	\$586,775	\$596,596	\$459,850	\$546,812	\$613,398	\$644,300	\$690,807
FY15	\$5,089,568	\$711,550	\$656,013	\$653,332	\$691,101	\$546,346	\$664,812	\$613,395	\$553,021				

- As of February, we are running \$649,986 behind last year which closed with \$8.2 million. (Was \$743,156 shortfall at end of January.)
- We budgeted for \$8.0 million in the Board's June 30, 2014, FY 2015 Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations.
- Unlikely we will reach the budgeted amount and fiscal action is recommended.

December Budget Reduction Action

- Chapter 3 of the 2014 Virginia Acts of Assembly, Special Session 1 (November 14,

2014) specified that “Notwithstanding the provisions of § 10.1-2128.1 of the Code of Virginia, to accomplish savings estimated at \$1,000,000 the first year and \$1,000,000 the second year, the Department of Planning and Budget is hereby authorized to transfer amounts to this Item from the nongeneral funds deposited into the Natural Resources Commitment Fund in Item 357 D.2.”

- At the December 10, 2014 meeting, the Board in response to the \$1,000,000 FY15 reduction, authorized the allocation of the following funds to address/offset the reversion in order to keep District FY2015 allocations unreduced:
 - \$734,871 in FY2014 unobligated recordation fee funds₁
 - \$183,733 in FY2013 unexpended Virginia Enhanced Conservation Initiative (VECI) funds₂
 - \$81,396 in FY2014 CREP unexpended balances (\$44,768 CB and \$36,628 OCB)₃

Note₁: In the 4th quarter of FY2014, the Board reduced the budgeted recordation fee allocation to \$7,500,000. The fiscal year closed out with a balance of \$8,234,871. This left us with an unobligated balance of \$734,871 at year end. These dollars have yet to be allocated by the Board.

Note₂: This amount represents funds remaining from the December 2012 announced Virginia Enhanced Conservation Initiative (VECI) designed to boost existing state agricultural cost-sharing programs by reimbursing up to 100% of the cost to install systems that manage grazing and keep livestock out of nearby waterways.

Note₃: The original Board distribution of FY2014 CREP (\$600,000) was \$330,000 CB (55%) and \$270,000 OCB (45%). This same percentage was applied to the \$81,396 reduction.

Current Unobligated Balances (after December Budget Reductions were Adjusted for)

Source	Balances as of March 3, 2015
2013 VECI return \$	\$154,452.04
2014 CB VACS CREP	\$228,098.40
2014 OCB VACS CREP	\$52,934.39
2015 CB VACS CTI	\$595,781.72*
2015OCB VACS CTI	\$39,538.02*
2014 Recordation Unobligated	\$0.00
	\$1,070,804.57**

* - Further CTI balances may be obligated by Districts prior to April 1st.

** - Was \$1,548,125.62 on 02/18/15

Reallocation Status (02-10-15)

Pursuant to the Board’s June 30, 2014, FY 2015 Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations:

“On April 1, 2015, following the end of the third quarter, the Department shall reallocate (redistribute) unobligated VACS allocations (keeping cost-share within the drainage basin it was originally allocated within) in an effort to satisfy existing unfunded cost-share applications statewide. VACS funds that have not been approved by the District’s Board of Directors at the end of the third quarter of the fiscal year (March 31, 2015) to fund an existing cost-share application are considered to be unobligated.

Data collected from the budget summary page of the Virginia Agricultural BMP Tracking Program (Tracking Program) on April 1, 2015 will be analyzed to identify those Districts that have obligated ninety percent (90%) or more of their Total VACS allocation. The percent of their VACS allocation obligated will be identified by dividing the “Allocation” amount by the “Approved” amount. For those Districts that did not obligate at least ninety percent (90%) of their Total VACS allocation by April 1, 2015, unobligated cost-share funds will be summed and all of a District’s unobligated VACS funds will be reallocated, except that ten (10%) of the unobligated balance shall remain with the District (unless waived by the District) to approve small practices or to make adjustments to existing cost-share practices. This includes amounts already distributed to Districts for which a project has since been discontinued (which shall be reverted back to the Department; such funds shall not be directly sent between Districts) as well as VACS funds still being held by the Department for which there are no pending obligations against it. Technical assistance funding shall not be reallocated and shall remain with the District to which it was originally allocated.

All reallocated cost-share funds shall be allocated to BMP Tracking Program identified priority agricultural BMP practices with the lowest CEF factors within the original drainage allocations. Should a CEF factor tie result when selecting projects, the Department will select the practice(s) with the greater longevity to break any ties.

“Reallocated cost-share funds will not have technical assistance attached. Reallocation cost-share amounts shall be specifically noted in cost-share disbursement letters to Districts and become part of the financial record.”

2015 CB VACS left to commit > 10% as of 03/03/2015						
District	FY	Program	Current Allocation	Approved	Funding left to Commit	% Funding left to Commit
SOUTHSIDE	2015	2015 CB VACS	\$71.00	\$0.00	\$71.00	100.00 %
NATURAL BRIDGE	2015	2015 CB VACS	\$461,318.00	\$152,330.30	\$315,921.38	68.48 %
SHENANDOAH VALLEY	2015	2015 CB VACS	\$1,172,389.00	\$572,632.02	\$600,875.57	51.25 %
TRI-COUNTY/CITY	2015	2015 CB VACS	\$255,929.12	\$147,970.79	\$116,961.03	45.70 %
APPOMATTOX RIVER	2015	2015 CB VACS	\$33,403.00	\$18,156.00	\$15,247.00	45.65 %
COLONIAL	2015	2015 CB VACS	\$510,711.00	\$285,058.50	\$225,652.50	44.18 %
VIRGINIA DARE	2015	2015 CB VACS	\$89,209.00	\$51,264.00	\$37,945.00	42.53 %

PRINCE WILLIAM	2015	2015 CB VACS	\$110,220.00	\$75,979.00	\$34,241.00	31.07 %
TIDEWATER	2015	2015 CB VACS	\$485,407.00	\$344,358.27	\$141,048.73	29.06 %
JAMES RIVER	2015	2015 CB VACS	\$132,060.54	\$102,752.44	\$29,318.41	22.20 %
HANOVER-CAROLINE	2015	2015 CB VACS	\$455,846.00	\$378,189.68	\$77,656.32	17.04 %
NORTHERN VIRGINIA	2015	2015 CB VACS	\$11,321.00	\$9,525.00	\$1,796.00	15.86 %
TOTAL					\$1,596,733.94	

Was \$2,485,765.23 on 02/10/15

2015 OCB VACS left to commit > 10% as of 03/03/2015						
District	FY	Program	Current Allocation	Approved	Funding left to Commit	% Funding left to Commit
MOUNTAIN CASTLES	2015	2015 OCB VACS	\$1,095.84	\$0.00	\$1,095.84	100.00 %
LAKE COUNTRY	2015	2015 OCB VACS	\$73,040.69	\$8,032.52	\$65,008.17	89.00 %
JAMES RIVER	2015	2015 OCB VACS	\$54,177.05	\$28,226.81	\$25,950.24	47.90 %
BIG SANDY	2015	2015 OCB VACS	\$88,429.00	\$55,096.00	\$33,333.00	37.69 %
SCOTT COUNTY	2015	2015 OCB VACS	\$6,648.01	\$6,648.01	\$1,680.01	25.27 %
CHOWAN BASIN	2015	2015 OCB VACS	\$991,049.00	\$794,865.70	\$196,183.30	19.80 %
NEW RIVER	2015	2015 OCB VACS	\$297,967.00	\$268,938.30	\$31,314.54	10.51 %
					\$354,565.10	

Was \$798,361.36 on 02/10/15

- It is anticipated based on conversations with CDC's that much of the "funding left to commit" will be committed prior to the April 1st obligation date.

SL-6 Commitments (03-02-15)

Program Year	Drainage	Number of BMPs	Total Estimated Cost Share Payment
2014	CB	11	\$332,812.64
2014	OCB	60	\$2,993,413.02
2015		66	\$339,900.70
2015	CB	107	\$3,339,956.09
2015	OCB	172	\$7,279,056.40
		416	\$14,285,138.85

Was \$14,151,489.42 on 02/18/15

Recommendations:

- Revert unobligated balances in accordance with the Policy.
- As we anticipate a shortfall in the Recordation Fee revenue below budgeted amounts and as we anticipate limited funding left to commit by Districts as of April 1st, we recommend that no 4th quarter reallocations be made in FY2015.
- Any uncommitted balances after April 1st, will be retained to address budget shortfalls.
- Any remaining balances after budget shortfalls have been addressed will be allocated in accordance with the FY2016 Policy or subsequent discussions with the Board.
- Absent any General Assembly budget actions that would impact recordation balances, we recommend budgeting in FY2016 for \$6.5 million in available recordation fee revenue.

MOTION: Mr. Simms moved that the Virginia Soil and Water Conservation Board approve the recommendations for the 2015 Cost-Share 4th Quarter Reallocations as presented by DCR staff.

SECOND: Mr. Hornbaker

DISCUSSION: None

VOTE: Motion carried unanimously

Virginia Soil and Water Conservation Board FY 2016 VACS Program and Policy Discussion*Agricultural BMP Cost-Share Manual Amendments*

Mr. Moore addressed the first section of Cost-Share Manual Amendments. A copy of the handout is available from DCR.

Items 1-3

Mr. Moore said that the changes to items 1-3 were small edits that did not change the practice.

1. SL-1 Permanent Vegetative Cover on Cropland. Recommendation: Substitute “Long-Term” for “Permanent” in title. Long-term equates with 5-10 year lifespan of practice.
2. WP-4B Loafing Lot Management system: Recommendation: Add “Dairy” to title.
3. WP-4C Composting Facilities. Recommendation: Add NRCS 558 Roof Runoff Management as eligible component.

Mr. Cristman asked if there had been grants to other than dairy operations on #2.

Mr. Moore said there had been a few and that was why the TAC recommended a need to clarify the language.

Items 4-5

4. FR-1 Reforestation of Erodible Crop and Pastureland. Recommendation: Make eligible for carry over to next program year. Allow cost-share for one replanting (Pending TAC discussion).
5. FR-3 Woodland Buffer filter Area. Recommendation: Make eligible for carry over to next program year. Allow cost-share for one replanting (pending TAC discussions)

Items 6-8

6. SL-8 Protective cover for Specialty Cropland. Recommend: Eligible for cost-share or Tax Credit **but not both** like existing SL-8H.
7. SL-8B Small Grain and Mixed Cover Crop for Nutrient Management. Recommendation: Added "Mixed" to title; Eligible for cost-share or Tax Credit **but not both** like existing SL-8H.
8. WQ-4 Legume Based Cover Crop. Recommendation: Add "Based" to title; Eligible for cost-share or Tax Credit **but not both** like existing SL-8H.

Mr. Moore said that these recommendations came from the Districts with regard to the associated time and administrative work load to deal with cover crops.

Item 9

9. SL-6 Stream Exclusion with Grazing Land Management. TAC Recommendation: Provide 85% cost-share and \$100,000 cost-share cap; Department Recommendation: Provide 80% cost-share and \$100,000 cost-share cap.

Mr. Dowling said that the thought behind this was to try to incentivize participation in the federal cost-share.

Mr. Glover said that staff believed that 80% would be a better incentive for participation in CREP.

Mr. Dunford asked Mr. Wichelns to address a letter sent from the Culpepper SWCD.

Mr. Wichelns said that two district Board members who serve on the TAC were surprised by the recommendation. They said that the TAC had recommended 85% while DCR was recommending 80%.

Mr. Moore said that in addition to providing the additional incentive the other consideration was that under the state program there was no requirement for planting behind a fence. The CREP program includes buffer restoration.

Mr. Wentz said that leveraging the federal dollars is a benefit and will encourage owners to plant trees up to the fence line.

Ms. Jamison said that she would prefer the DCR recommendation that would allow funds to be used elsewhere.

Mr. Moore said that capping the cost-share at \$100,000 would also help spread the funding.

Mr. Ingle asked if consideration had been given to capping cost-share at \$75,000.

Ms. Martin said that DCR looked at what had previously been spent and felt that the \$100,000 cap would address the needs.

Mr. Hornbaker suggested that the Board address item #9 as a separate vote.

MOTION: Mr. Hornbaker moved that for SL-6 Stream Exclusion with Grazing Land Management the Virginia Soil and Water Board approve an 80% cost-share rate and a \$70,000 cost-share cap.

SECOND: Ms. Jamison

DISCUSSION:

Mr. Ingle asked if staff could provide information regarding how many practitioners exceeded the cap.

Ms. Martin said that information could be provided at the next Board meeting, but until the information was entered into the tracking system the details were unknown.

Dr. Tyree noted that the TAC and DCR had previously agreed on a \$100,000. She said that she felt this decision was not taking advantage of the expertise that led to that recommendation.

Mr. Hornbaker said that as a farmer he was comfortable working with the District or with NRCS.

Ms. Frazier suggested that this be reviewed at a future Board meeting prior to the end of the year. She suggested gradually decreasing cost-share rate down from 100%.

Mr. Cristman said that the Board could amend the action but that staff needed direction now in order to proceed with the production of the cost-share manual.

VOTE: Motion carried unanimously

Items 10-11

10. CRSL-6 CREP Stream Exclusion with CRFR-3. Recommendation: Increase state cost-share rate from 25% to 50% of eligible cost to provide 100% cost-share \$.
11. CRFR-3 CREP Riparian Forest Buffer Restoration. Recommendation: Increase state cost-share rate from 25% to 50% of eligible cost to provide 100% cost-share \$.

Remaining items 12-14

12. SL-11B Farm Road or Heavy Traffic Animal Travel Land stabilization:
Recommendation Add NRCS standards 575 Trails and Walkways and 382 Fence only when associated with animal travel lanes.
13. SL-15A High Residue Tillage System. Recommendation: Remove NRCS standard 329 Residue and Tillage Management No Till to maintain 60% residue requirement.
14. NM-1A Nutrient Management Plan (NMP) Writing and Revisions. Recommendation: Cost-share only for newly planned, amended, or revised acres (Pending TAC discussion). No future cost-share for farmers not implementing a NMP when required (pending TAC discussion). To be verified by DCR and its contractors and private planners. Allow NMP payment if part of an RMP.

Mr. Glover said that the larger requirement was coming from the Chesapeake Bay Program. This will affect spot checks and frequency of inspections.

Ms. Jamison asked if this issue would be brought back to the Board at the April meeting following the TAC meeting.

Mr. Hornbaker suggested that Item #14 be tabled.

Mr. Glover said that the first two items had been discussed. He said that the third consideration could be removed from this discussion and addressed following the TAC meeting.

MOTION: Mr. Hornbaker moved that with regard to the NM-1A Nutrient Management Plan (NMP) Writing and Revisions that the Board approve the recommendation that cost-share is only for newly planned, amended, or revised acres only. That no future cost-share would be provided to farmers not implementing a NMP when required be tabled until further input was received. And further that the consideration of allowing NMP payment if part of an RMP be delayed until the April Board meeting.

SECOND: Ms. Jamison

DISCUSSION: None

VOTE: Motion carried unanimously

MOTION: Mr. Ingle moved that the Virginia Soil and Water Conservation Board adopt recommended changes 1-8 and 10-13 as presented by staff.

SECOND: Mr. Simms

DISCUSSION: None

DCR Recommended Administrative Changes to VACS Program

Mr. Glover addressed items 15-19.

15. No language on 1099 or tax advice exist.

Recommendation:

Add 1099 language and no tax advice to NM-1A, RMP-1, and RMP-2 transfer document.

Add note to assignment forms:

- “Neither the Soil and Water Conservation District (SWCD) nor the Virginia Department of Conservation and Recreation (DCR) is providing tax advice; the program participant may wish to consult with an independent tax advisor regarding potential tax consequences.”

16. New Cost-Share Application Requirement

Recommendation:

- Require submittal by applicant of current W-9 to District when requesting cost-share.
 - Keeps various entities receiving cost-share straight.

17. Expand Hardship Process for Highly Unusual Situations

Recommendation:

- The Hardship Process may be utilized in highly unusual situations where a participant requests that a SWCD Board of Directors forgive, reduce, or restructure repayment of cost-share funds and/or tax credit (as applicable) due to failure of a BMP and the SWCD Board has determined that due to highly unusual circumstances, beyond the participant’s control, that it is reasonable to forgive, reduce, or restructure such payments of cost-share funds/tax credit normally associated with practice failure.
- This process may not be used to provide relief associated with planting dates or lack of cover crop practices or other modifications to practice specifications, lack of cover for crop practices or other modifications to practice specifications.
- Requests for relief due to hardship shall be submitted to the DCR Agricultural Incentives Program Manager and shall be reviewed by a DCR ad-hoc committee (the regional CDC, the DCR Agricultural Incentives Program Manager, and one additional DCR manager). The committee shall issue a written decision and explanation to the District.

Mr. Hornbaker expressed a concern regarding setting a precedent with the hardship provision.

18. Change from “Participant must make minimum 10% contribution to BMP implementation (except as allowed in manual)”

Recommendation:

- Allow local and/or private fund contributions to take cost-share rate to 100% or greater. Maximum combined federal and state conservation program contribution = 75% for most BMPs (except as allowed in the manual).

The Board requested that the term local be clarified in Item #18.

19. SL-6 Administrative Actions

Recommendation:

- VACS cost-share applications must be in SWCD Office before close of business on June 30, 2015 to be eligible to receive 100% reimbursement from VACS.
- SWCDs will have until COB on July 14, 2015 to enter applications into the Ag BMP Tracking Program.
- A total estimated cost or other site specific data is not required at the time of contract and instance number data entry.
- SWCDs may utilize their 2016 VACS cost-share allocation to fund SL-6 Pending practices from either 2014 or 2015.
- Each year’s eligible applications may only be compared to other projects from the same year and not between years so that CEF scores may be compared accurately.
- In FY2016, any FY2014 or FY2015 SL-6 Pending 100% reimbursement application that is not prepared to initiate implementation when offered cost-share funds will be cancelled by the SWCD.

Mr. Hornbaker asked the time frame for a project to be initiated.

Mr. Moore said that there was no current time frame.

Mr. Hornbaker recommended that the recipient be prepared to initiate within 90 days of receiving funding.

Ms. Jamison asked if that should be considered by the TAC.

MOTION: Ms. Jamison moved that the Virginia Soil and Water Conservation Board approve Items 15-19 with the inclusion of a clarification of 90 days being added to Item #19.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

At this time, the Board recessed for lunch.

Following lunch, Mr. Dowling continued with other items for discussion.

Item #20

20. Earmark for SL-6 in FY2016

Discussion:

- In FY 2015, \$3M in the OCB was earmarked for SL-6s.
- In FY 2016, consider targeting FY 2014 SL-6 backlog (currently ~\$3.4 M statewide).
- In FY 2016, award SL-6 earmark funding based on sign-up (pending applications). If farmer declines funding and FY 2014 SL-6 backlog has been retired, apply funding to FY 2015 SL-6 in that District. If there are none, funding would be moved to SL-6 projects in other Districts within the same basin.

Mr. Glover noted that the bulk of the backlog was for the current year.

MOTION: Mr. Simms moved that the Virginia Soil and Water Conservation Board approve Item #20 to earmark SL-6 funding for FY 2016 as presented by staff.

SECOND: Mr. Hornbaker

DISCUSSION: None

VOTE: Motion carried unanimously

Item #21

21. Poultry Litter Transport

- DCR has no current allocations for this program
- We do receive base load reduction credit in the Bay model
- Obligation for \$27,000 for 1800 tons of litter transfer by December 2015
- FY14: \$45,955.05 with half reimbursed back from Virginia Poultry Federation.

Mr. Dowling said that DCR staff needs to discuss this item with the Virginia Poultry Federation. It was suggested that this should be a legislative budget issue for next year.

Item #22

22. Restriction of the Acceptance of Cost-Share by District Board Members and staff and DCR Employees.

- Issue raised through the Governor's "integrityComments" e-mail address Suggested that the VACS Program should be off limits to those administering the program.

- Directors are not paid for their services and this could be viewed as penalizing them for their District public service if they were not eligible for cost-share.
- Several conflict of interest trainings have been offered.

Mr. Cristman noted that provisions had been implemented at the December meeting whereby those Directors affected by a vote left the room during said vote. The suggestion was that Districts follow the same policy.

Mr. Hornbaker said that there should be a written explanation provided to Districts, that Districts should implement this in their operations and include in their District policies, and that this be included in training.

Mr. Dowling said that the requirement could be included in grant agreements.

Ms. Martin said that FOIA training is provided at new director training.

MOTION: Mr. Hornbaker moved that the concepts outlined in Item #22 be conveyed to Districts and included in grant agreements and the BMP manual.

SECOND: Mr. Dunford

DISCUSSION: None

VOTE: Motion carried unanimously

Mr. Cristman said that DCR staff would work with the Office of the Attorney General to develop the appropriate language.

Item #23

23. Consider Development of a Limited Resources Determination Process

- DCR understands that some landowners and/or operators may be financially unable to contribute towards the implementation of BMPs.
- Typically, financial contribution of farmer is 25%
- Consider allowing for 90% VACS reimbursement of approved cost-share expenses.
- Consider limiting to individuals not corporations, LLCs, etc.
- Consider basing this on financial contribution of the household (Household's Adjusted Gross Income compared to county of residence's median income levels). Must be below the county's median value for the last two consecutive tax years.
- Consider limiting to certain practices only (structural). Determine how it affects flat rates.
- Consider utilizing the NRCS Limited Resource Farmer/Rancher Self Determination Tool.
- Consider the changes to the tracking system that would be necessary and the potential associated costs.

Mr. Glover said that this would not be without controversy. He said that the main issue is what type of information was needed to income qualify.

Mr. Wentz said that this was similar to what was currently offered by NRCS.

The consensus of the Board was that DCR should study the issue, seek input from stakeholders, and bring back for consideration at a future date.

Item #24

24. Policy on Soil and Water Conservation District Administration and Operations Funding Allocations for Fiscal Year 2016

- No significant changes being proposed
 - Small dam repair funds will be transferred to the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund thus precluding the need for FY 2016 completion of dam repair projects and carry-forward requests.
 - Update District Audit and Surety Bond Amounts and adjust other support expenses.
 - Refine District Deliverables to make scoring simpler.
 - Continue District Budget Template Process (Draft Copy Provided to Board)

The Board concurred with the items as presented for Policy drafting purposes.

Item #25

25. Attachment E versus QuickBooks for Financial Reporting

- Consider elimination of Attachment E and allow the submittal of budget reports using QuickBooks.

Mr. Dowling noted that not all Districts are utilizing QuickBooks. He said that DCR would study this matter and work with the Association; however, we would be in the situation to continue using Attachment E during the coming year.

Item #26

26. Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations (Fiscal Year 2016).

- No significant changes to funding formulas as no changes have been made to Virginia's Nonpoint Source Assessment and the associated Agricultural Nonpoint Source Hydrologic Unit Ranking Process.
- Continue to use FY 2013 as the Technical Assistance Base.
- If SL-6 earmark is advanced, consider TA allocations that better recognize SL-6 distributions.

- Potentially no new earmark for RMP. Will become basic cost-share component.
- FY2015 RMP VACS funds will be carried forward to 2016.

Mr. Hornbaker said that he would like to hear from the Association regarding this. It was noted that the Association meeting is the day prior to the April 16 Board meeting.

The Board concurred with the items as presented for Policy drafting purposes.

Item #27

27. Eastern Shore Planting Issues

- It has been suggested that the various plant seeding date deadlines on the Eastern Shore for the WQ-4, Legume Based Cover Crop should be extended from the current October planting dates into November.
- Could adversely impact Chesapeake Bay Program nitrogen reduction credits.
- A delay in planting dates could affect nitrogen fixation capacity of the crop.

DCR will continue to review this item.

Item #28

28. Inclusion of DEQ, TMDL, BMP Practices in Tax Credit Eligibility List

- At the May 23, 2014 VSWCB meeting the Board directed the Department to work with DEQ to identify and properly capture in the 2016 Virginia Agricultural BMP Manual those DEQ agricultural TMDL BMPs that merit tax credit eligibility in FY 2016 prior to Board approval of the list in accordance with § 58.1-339.3 of the Code of Virginia.

Mr. Dowling indicated that DCR is working with DEQ on this.

Division of Soil and Water Conservation

Mr. Glover gave the following Division Director's report.

Mr. Chairman, members of the Virginia Soil and Water Conservation Board, Director Cristman, please accept this Soil and Water Conservation Division Report.

Resource Management Plan (RMP) Program

The RMP and Conservation Plan computer modules were put into production mode last week. Training for certified RMP Developers will take place tomorrow, March 6. Training for SWCDs, with emphasis on RMP Technical Review Committees (TRCs) will take place later in March. We shall have staff demonstrate these modules at your next meeting.

Work is underway via several contracts, totaling approximately \$473,000, for 274 Resource Management Plans (RMPs) in the Chesapeake Bay watershed by December 2015. To further

support the implementation of these first RMPs, the Department plans to use \$60,000 of the existing \$160,000 in FY14 and FY15 state RMP cost-share funds for the RMP-2 (implementation specification), and the remaining \$100,000 to offer contracts to develop RMPs in the Southern Rivers/Outside the Chesapeake Bay (OCB). Further, the Department has already requested \$120,000 in new EPA Chesapeake Bay Grant funding to offer additional contracts for RMPs in the Chesapeake Bay watershed in calendar year 2016.

Engineering Services

Amanda Pennington, our Agricultural BMP Engineer, continues to receive training from the Natural Resource Conservation Service (NRCS). She has also met with the SWCD Engineering Workgroup, which has activated several sub-committees. The workgroup will provide input on SWCD training needs, workload priorities, etc.

The Department was awarded one of the two U.S. Department of Agriculture Regional Conservation Partnership (RCPP) Grants we applied for. The application that would have provided funding for additional engineering staff and to contract for engineering services was not approved. However, the joint proposal with both the states of Maryland and Delaware was approved. The \$9.5 Million grant request was reduced to \$5.5M. Of that total, \$1.45 M will be for financial assistance via NRCS to be paid directly to producers in the Virginia portion of the Chesapeake Bay Watershed, for stream exclusion practices. Roughly an additional \$300K will go to the Chesapeake Bay Foundation and the Department of Forestry to provide technical assistance related to installing forested riparian buffers. As of March 2, 2015, the SL-6 stream exclusion backlog was nearly \$3.7M in the Chesapeake Bay and an additional \$10.6M in the Southern Rivers/OCB, for a statewide total of just under \$14.3M. Approximately \$11M of this statewide total was requested in FY2015 alone.

Nutrient Management Plan Program

Via Virginia Tech, we have hired two federal grant-funded contractual positions: a Small Dairy Specialist, Valerie Moore, formerly of Headwaters SWCD (to be stationed in the Staunton Regional Office), and a Small Farm Specialist, Tammy Holler, formerly of the Agricultural Research Service (to be stationed in the Central Office).

We have converted a contractual Urban Nutrient Management position into a full-time position (in the Central Office), and promoted a staff member in the Nutrient Management Certification Program. We are also about to refill both a full-time vacant bio-solids position, and the Eastern Area Administrative Assistant positions.

We are continuing to make progress in having nutrient management plans written on golf courses. We now have a total of 93 such plans written, covering over 10,000 acres.

Voluntary BMP Project

The Tillage Survey component of the Voluntary BMP Project is about to begin. Training for SWCD staff was conducted via webinar in February. Thirty-four surveys will be done in the Chesapeake Bay watershed. Funding has also been secured to conduct 22 surveys in the Southern Rivers/OCB. Where the planting season will allow, these surveys can be done in either 2015 or 2016, provided all work is completed by April 30, 2016. Other components of this project will be addressed via an amendment to the program year 2016 Operations and Administration grant agreement.

Conservation Planning

The Department is reviewing the FY2016 budget to determine the feasibility of hiring a position to begin development of our own conservation plan certification program. We shall report on this to the Board at your next meeting.

Staff Award

We are pleased to report that at the American Forage and Grassland National Conference in St Louis, Missouri in January, Robert Shoemaker, DCR Nutrient Management Specialist, received the Merit Award for outstanding leadership and contributions to the American forage industry.

District Director Resignations and Appointments

Ms. Martin presented the list of District Director Resignations and Appointments.

Colonial

Resignation of Lawrence Ritter, II, York County, effective 2/20/14, elected director position (term of office expires 1/1/16).

Recommendation of William R. Karatkin, York County, to fill unexpired term of Lawrence Ritter, II, (term of office to begin on 4/5/15 – 1/1/16).

Mountain Castles

Resignation of Ann Harrell, Craig County, effective 12/31/15, elected director position (term of office expires 1/1/16).

Recommendation of Jason Williams, Craig County, to fill unexpired term of Ann Harrell, (term of office to begin on 4/4/15 – 1/1/16).

Northern Virginia

Resignation of John Peterson, Fairfax County, effective 12/30/14, elected director position (term of office expires 1/1/16).

Recommendation of Gerald O. Peters, Fairfax County, to fill unexpired term of John Peterson, (term of office to begin on 4/5/15 – 1/1/16).

Peaks of Otter

Recommendation of Keith Tuck, Bedford County, to fill expired term of Thomas Watson, Appointed Director (term of office to begin on 4/4/15 – 1/1/19).

MOTION: Mr. Simms moved that the Virginia Soil and Water Conservation Board approve the list of District Director Resignations and Appointments as submitted by staff.

SECOND: Ms. Jamison

DISCUSSION: None

VOTE: Motion carried unanimously

Memo to SWCD's regarding upcoming elections

Ms. Martin said that during each election year, DCR has traditionally sent a letter to Soil and Water Conservation Districts regarding the process. She said that in the past, the letter had been signed by the Director as a member of the Board. Since the Director is no longer considered a voting member of the Board, she asked who the appropriate person would be to sign the letter.

It was agreed that Chairman Dunford would sign the letter to Soil and Water Conservation Districts.

Dam Safety and Floodplain Management

Mr. Dowling said that Mr. Bennett was unable to make the rescheduled meeting due to a speaking engagement. Mr. Dowling gave the following report on behalf of Mr. Bennett.

Members were provided regular reports on Dam Safety Enforcement Cases and the Status of High Hazard Dams.

Dam Safety Enforcement Cases:

- Rainbow Forest
- Ivy Hill Lake Dam

- Little Lake Arrowhead and Lake Arrowhead Dam
- Kalnasy Dam
- Corti-Jencen Dam (new on the list)

Status of High Hazard Dams:

The Summary Report shows the changes with time.

- | | |
|--|-----|
| • Total High Hazard Dams | 360 |
| ○ Regular O&M Certificates (meets standards) | 91 |
| ○ Conditional O&M Certificates (does not meet standards) | 190 |
| ○ No Certificate (newly found dams) | 79 |

The 2015 Grants Manual for the Dam Safety, Flood Prevention and Protection Assistance Fund has just been released and is posted on the Department's website. A copy was included in member packets. Grant (50% matching) are being offered to locality, district, and private dam owners for engineering work on dams such as Inundation Studies and Maps, Hazard Classification, Emergency Action Plans, and design of repairs. Localities may apply for floodplain grants (50% matching) for projects such as ordinance revisions, flood cost reduction and resilience standards, and improvements to floodplain programs to enable localities to join the Community Rating System (CRS). The deadline for applications is May 1, 2015. DCR staff will present grant award recommendations to the Board at the May meeting. There is \$500,000 available for this grant round.

Partner Reports

Natural Resources Conservation Service

Mr. Wentz gave the NRCS report. A copy is included as Attachment #1.

Virginia Association of Soil and Water Conservation Districts

Dr. Tyree gave the report for the Virginia Association of Soil and Water Conservation Districts.

Dr. Tyree said that the main focus for the Association had been the General Assembly Session. She noted that Mr. Cristman and Mr. Dowling had already addressed a number of the topics.

Dr. Tyree said that Area Meetings were in progress and that an additional five would be completed prior to the April 15th meeting of the Association Board of Directors. She encouraged Board members to attend area meetings if possible. She also invited members to attend the April 15th meeting.

Dr. Tyree said that the Association had created a new program called the Youth Conservation Leadership Institute. This is a new training program developed with the National Association.

Dr. Tyree said that the leadership has changed with the Association. Richard Chaffin from Peaks of Otter SWCD is now the Association President.

Virginia Cooperative Extension

The VCE was not represented at the meeting.

Public Comment

There was no additional public comment.

New Business

Mr. Dowling presented the proposed work plan for the next two meetings.

**Virginia Soil and Water Conservation Board DRAFT Work Schedule for the First Half of
2015**

March 7, 2015

(These items are in addition to regular meeting actions.)

Thursday, April 16, 2015 (Old Dominion Electric Cooperative)

- Approval of the Board's Fiscal Year 2016 Agricultural BMP Cost-Share Manual (including tax credit eligibility list).
- FY 2015 Cost-Share 4th Quarter Update
- Review of Draft Policy on Soil and Water Conservation District Administration and Operations Funding Allocations for Fiscal Year 2016
- Review of Draft Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations (Fiscal Year 2016)
- Review of Administration and Operations and Cost-Share and Technical Assistance Contracts and Deliverables
- RMP Modules Demonstration

Wednesday, May 20, 2015 (Department of Forestry)

- Board Approval of Policy on Soil and Water Conservation District Administration and Operations Funding Allocations for Fiscal Year 2016
- Board Approval of Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations (Fiscal Year 2016)
- Approval of Administration and Operations and Cost-Share and Technical Assistance Contracts and Deliverables
- Presentation and Discussion on Probable Maximum Precipitation Study – Final Report Due December 1, 2015 (Subsequent Board Review Required)
- Approval of Grants from the Dam Safety, Flood Prevention and Protection Assistance Fund
- RMP Guidance Document on Data Confidentiality and Closed Meetings

Adjourn

There was no further business and the meeting was adjourned.

Respectfully submitted,

Herbert L. Dunford, Jr.
Chair

Clyde E. Cristman
DCR Director

Attachment #1

NRCS REPORT
Virginia Soil and Water Conservation Board Meeting
March 5, 2015 ♦ Richmond, VA

EQIP, CSP, RCPP and Easement Programs

EQIP

- As of February 25, NRCS has received 1877 EQIP applications worth \$48.5 million for FY15.
- There are 246 preapproved applications for Forestry, Seasonal High Tunnels, and Cropland Practices for \$4.8 million.
- There are 1,575 applications requesting 45.3 Million. There are nearly 300 applications without cost estimates.
- Our initial allocation for EQIP is 13.1 million. This is a 32% reduction over FY14.

Conservation Stewardship Program

- 156 FY10 applications that were expiring were renewed for another 5 years.
- Letters were mailed to the 88 FY11 CSP contract holders that are eligible for renewals. March 31 is the deadline for renewals.
- The general signup deadline for CSP was extended to March 13, 2015.

Regional Conservation Partnership Program

- Secretary Vilsack announced funding for the RCPP on January 15. NRCS and the Virginia Department of Forestry coordinated a joint announcement for the first state-level RCPP grant on January 16. State Conservationist Jack Bricker joined Virginia Secretary of Agriculture and Forestry Todd Haymore and State Forester Bettina Ring at the State Capitol to reveal the new \$1.3 million project to improve Virginia's forest health, water quality and wildlife habitat through increased adoption of forestry practices. The event drew 31 state, federal, and non-governmental partners, legislators, and media representatives. NRCS is working with VDOF to develop an agreement by March 31, 2015.
- Virginia was named in three Critical Conservation Area (CCA) proposals benefitting the Chesapeake Bay. Some of the projects were not fully funded so they will have to be scoped back which may affect Virginia's role in the projects.

Agricultural Conservation Easement Program (ACEP):

- Received 15 new ACEP applications for approximately \$8.7 million. The seven Wetland Reserve Easements (WRE) and the eight Agricultural Land Easements (ALE) represent the largest sign-up since 2010. 1,900 acres for ALE and 1,141 acres for WRE
- Our allocation for easement funds is expected to be released to states the week of March 16th.

Dam Rehabilitation

- Pohick – Planning for the closeout ceremony for the watershed's four flood control dams is underway. The event is scheduled for May 4, 2015 and will be held at Royal Lake in Fairfax County.

- Upper North River 10 – Construction will start this spring. Augusta County will provide contract administration and project management services. NRCS will provide engineering services.
- Upper North River 77 – Draft plan is submitted for NWMC internal review.
- Mountain Run 11– Sediment survey is complete.
- Mountain Run 50 – Sediment survey is complete.
- Cherrystone Creek 1, 2A – Sediment surveys are in progress.

Conservation Innovation Grants

- National CIG request for proposals were due February 24.
- The 2015 Virginia Conservation Innovation Grant announcement is scheduled for release on Grants.gov by the end of March. 2015 Priority Need topics will be announced shortly. Soil Health was our Priority Need for the past two years.

Riparian Forest Buffer Initiative

NRCS met with the CREP partnership to discuss recommendations from the Riparian Forest Buffer Initiative meetings and begin crafting a new CREP agreement along with a partnership project to acquire additional TA dollars for “Boots on the Ground”.

NRCS Client Gateway

Ten Virginia farmers are part of a national group that is beta testing the new NRCS Client Gateway, a public website that will give customers another option for interacting and communicating with NRCS. Through the gateway, clients can:

- Request technical and financial assistance;
- Obtain easy, secure access to their plans, practice schedules, applications, and contracts;
- Review and electronically sign plans, applications, and contracts; and
- Document completed practices and request and track payments due to them.

Soil Health

Virginia NRCS is using the International Year of Soils to help promote the Soil Health initiative by developing internal education/outreach activities and coordinating external publicity with the VASWCD. A PowerPoint presentation is being developed for field use with civic groups and the general public. NRCS Virginia will focus on four themes most related to the agency’s mission: “Soils Support Agriculture” (March), “Soils Clean and Capture Water” (April), “Soils are Living” (July), and “Soils Protect the Natural Environment” (September).

On January 30 and 31, NRCS Organics Program Manager Ron Wood, a team of field staff, and an Earth Team volunteer connected with many of the more than 500 supporters of sustainable, organic food, farming and gardening at the 16th Annual Virginia Biological Farming Conference. A dynamic, hands-on exhibit to highlight the International Year of Soils’ January theme “Soils Sustain Life” debuted at the event. VABF and NRCS also premiered their first soil health video featuring sustainable farmer Antoinette Goodrich of Laughing Waters Farm (Marion, VA). Her profile is the first in a new series called ***Common Ground***.

State Cropland Agronomist Chris Lawrence was a guest speaker at two Extension farmer events in Middle Peninsula. He explained NRCS soil health principles and cover crop concepts to approximately 150 total farmers/agribusiness. He also presented information soil health principles and advanced cover crop concepts to approximately 200 agribusiness personnel at VA Crop Production Association annual meeting and at the VA Grains Association meeting.

NRCS partnered with the VFGC to promote the benefits of grassland management to building soil health in forage systems at the four locations of the Annual Forage Conferences where 484 participants attended across the state.

An effort is underway to enhance and expand the agency's scientific and technical capabilities at New River Hill Farm in Grayson County, Virginia. This effort lays the groundwork for soil science education (CO2 Burst Testing and Order 1 Soil Mapping on Flood Plains) and outreach at New River Hill Farm by creating a series of soil science lesson plans for elementary, middle, and high school, and university level education. Community Partners include New River Soil and Water Conservation District in Galax, VA; Jeannine Freyman, Soil Resource Specialist; and Emily Baer, Civic Agriculture and Food System Minor (VA Tech).

NRCS partnered with Monacan SWCD, VFGC, Extension, and a local farm cooperator to host a winter annual forage and grazing demonstration in Goochland County. The 40 participants learned about the four principles of soil health and the production and conservation benefits of using winter annual mixes in grazing systems.

StrikeForce Initiative

On January 15, the Virginia StrikeForce team joined state and local partners at the 31st Street Baptist Church to help celebrate the culmination of a multi-agency effort to help feed low-income families and homeless in Richmond's Church Hill area. First Lady Dorothy McAuliffe and FNS Administrator Audrey Rowe were among the dignitaries assembled for the announcement that the church is now the home of Four Season Farm Stand and 31st Street Urban Farm. A NRCS-funded high tunnel will be used to grow produce year-round for sale in the market, which will accept SNAP benefits for purchases.

Earth Team Volunteer Program

Virginia Earth Team received top national honors in three categories for FY2014. Matthew Roberts from the Wytheville Service Center received the 2014 National Earth Team Individual Volunteer award. Over the past 2 years, the Wytheville Community College student donated in excess of 1,000 hours to help put conservation on the ground. The Rustburg NRCS field office won the 2014 National Field Office award for its creative use of volunteers in spreading the NRCS message throughout the community and Donna Heidel won the National Volunteer Coordinator award.