

**Virginia Soil and Water Conservation Board
Thursday, June 6, 2013
House Room D, General Assembly Building
Richmond, Virginia**

Virginia Soil and Water Conservation Board Members Present

Herbert L. Dunford, Chair	Daphne W. Jamison, Vice Chair
C. Frank Brickhouse, Jr.	Gary Hornbaker
Jerry L. Ingle	Stephen Lohr
Raymond L. Simms	Richard A. Street
Wanda J. Thornton	
David A Johnson, DCR Director, Ex Officio	
David Kris, for John A. Bricker, NRCS, Ex Officio	

Virginia Soil and Water Conservation Board Members Not Present

Thomas M. Branin	Joan DuBois
Susan Taylor Hansen	

DCR Staff Present

Jeb Wilkinson, Chief Deputy Director
Robert Bennett
Anne Crosier
James Davis-Martin
David C. Dowling
Michael R. Fletcher
Darryl Glover
Stephanie Martin
John McCutcheon
John Moore
Joan Salvati
Ginny Snead
Rick Weeks
Matthew Gooch, Office of the Attorney General

Others Present

Michelle Ashworth, Aqualaw
Bob Brame, Culpeper SWCD
Lee Clark, Henry County
Diane Cook, Prince George County
Melanie Davenport, DEQ
Don Gill, Lancaster County

Ann Jennings, Chesapeake Bay Foundation
Bruce McGranahan, Fairfax County
Nancy McIntyre, City of Virginia Beach
Richard Netlett, City of Virginia Beach
Jackie Rickards, MPPDC
Peggy Sanner, Chesapeake Bay Foundation
Carolyn Sloan, Chesapeake Bay Foundation
Wilmer Stoneman, Virginia Farm Bureau
Kendall Tyree, VASWCD
Don Wells, VASWCD
Greg Wichelns, Culpepper SWCD
Sarah Wooten, Chesapeake Bay Foundation
Neil Zahradka, DEQ

Call to Order and Introductions

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

Approval of the Minutes from the May 9, 2013 Meeting

MOTION: Ms. Jamison moved that the minutes of the May 9, 2013 meeting of the Virginia Soil and Water Conservation Board be approved as submitted.

SECOND: Mr. Lohr

DISCUSSION: None

VOTE: Motion carried with Ms. Thornton abstaining.

Director's Report

Mr. Johnson gave the Director's report.

Mr. Johnson noted that this would be the last meeting for the Board to deal with urban stormwater issues. He noted that those programs would be moving to the Department of Environmental Quality at the end of June.

Mr. Johnson said that the office move to new space was on schedule to happen beginning in mid June. He noted that this would be the first time that all DCR staff in Richmond would be housed in the same location.

Mr. Johnson said that the General Assembly authorized the continuation of the Summer Study of stakeholders to discuss funding for Districts.

Stormwater Management

Mr. Weeks gave the report for the Division of Stormwater Management.

Mr. Weeks said that the work continued for moving the stormwater management programs to DEQ. He introduced Melanie Davenport from DEQ who was working with Ms. Snead and Ms. Salvati regarding the transition.

Mr. Weeks said that for the nonpoint source programs that remain at DCR the Division would be renamed "Nonpoint Pollution Prevention Division."

Mr. Weeks said that he was hoping to visit a number of Soil and Water Conservation Districts in addition to attending the VASWCD Board Meeting at Natural Bridge.

Mr. Street asked about certification for the stormwater management program. He said that there had been requests from landscape professionals for certification. He said that there was currently no program for them. He asked if there was a mechanism to develop a similar type of certification to the nutrient management plan certification or the erosion and sediment control certification.

Mr. Weeks said that DCR and DEQ staff would look into that option.

Local Virginia Stormwater Management Program (VSMP) 12-Month Extension Requests

Ms. Salvati presented the 12-Month Extension requests. She noted that at the May meeting staff had reported regarding the development of the recommendations. She said that staff was recommending the approval of extensions for 139 localities and 12 towns. She said that the approval of the two localities represented by Board members present at the meeting would be addressed in separate board motions.

MOTION: Mr. Lohr moved the following:

Motion to accept the Department's review of substantive progress in establishing a local Virginia Stormwater Management Program (VSMP) for 139 localities and 12 towns and to approve 12-month extensions for the adoption of the local VSMPs for these localities and towns:

Pursuant to §10.1-603.3 A of the Code of Virginia, the Board concurs with the Department's recommendation that the 139 localities and 12 towns listed below have demonstrated to the Department that substantive progress has been made in the development of local VSMP programs. Accordingly, the Board grants a 12 month extension to the VSMP adoption deadline of June 13, 2013 to these localities and towns:

Suffolk Regional Office: Town of South Hill, Brunswick County, City of Chesapeake, City of Emporia, City of Franklin, City of Hampton, City of Newport News, City of Norfolk, City of Portsmouth, City of Suffolk, City of Virginia Beach, Greensville County, Isle of Wight County, Mecklenburg County, Northampton County, Southampton County, Surry County, Sussex County.

Staunton Regional Office: Albemarle County, Alleghany County, Amherst County, Appomattox County, Augusta County, Bath County, Town of Bridgewater, City of Buena Vista, City of Charlottesville, City of Covington, City of Harrisonburg, City of Lexington, City of Staunton, City of Waynesboro, Highland County, Nelson County, Page County, Rockbridge County, Rockingham County

Tappahannock Regional Office: Caroline County, Charles City County, City of Fredericksburg, City of Poquoson, City of Williamsburg, Essex County, Gloucester County, James City County, King and Queen County, King George, King William County, Lancaster County, Mathews County, Middlesex County, New Kent County, Northumberland County, Richmond County, Stafford County, Westmoreland County, York County, Town of West Point

Richmond Regional Office: Amelia County, Buckingham County, Charlotte County, Chesterfield County, City of Colonial Heights, Henrico County, City of Hopewell, City of Petersburg, City of Richmond, Cumberland County, Dinwiddie County, Fluvanna County, Goochland County, Hanover County, Louisa County, Lunenburg County, Nottaway County, Powhatan County, Prince Edward County, Prince George County, Town of Ashland, Town of Farmville

Warrenton Regional Office: Arlington County, City of Alexandria, City of Fairfax, City of Falls Church, City of Manassas, City of Manassas Park, City of Winchester, Clarke County, Culpeper County, Fairfax County, Fauquier County, Frederick County, Greene County, Loudoun County, Madison County, Orange County, Prince William County, Rappahannock County, Shenandoah County, Town of Dumfries, Town of Herndon, Town of Leesburg, Town of Vienna, Warren County, Town of Berryville, Town of Haymarket, Town of Occoquan, Town of Stephens City, Town of Warrenton

Christiansburg Regional Office: Town of Pulaski, Town of Pearisburg, Bedford County, Botetourt County, Campbell County, City of Danville, City of Lynchburg, City of Martinsville, City of Radford, City of Roanoke, City of Salem, Craig County, Floyd County, Franklin County, Giles County, Halifax County, Henry County, Montgomery County, Patrick County, Pittsylvania County, Pulaski County, Roanoke County, Town of Blacksburg, Town of Christiansburg, Town of Vinton

Abingdon Regional Office: Town of Bluefield, Town of Wytheville, Bland County, Buchanan County, Carroll County, City of Bristol, City of Galax, City of Norton, Dickenson County, Grayson County, Lee County, Russell County, Scott County, Smyth County, Tazewell County, Washington County, Wise County, Wythe County

In accordance with the Board's Virginia Stormwater Management Program (VSMP) Permit Regulations (4VAC50-60-150), the Board delegates to the Department authority to receive and review complete VSMP application packages and to develop recommendations to the Board regarding VSMP approvals. Further, the Board recognizes that this delegation remains in effect until changes in state law move the responsibility for the local VSMP review process to the Department of Environmental Quality and the local VSMP approval process under the control of the State Water Control Board.

SECOND: Mr. Street

DISCUSSION: None

VOTE: Motion carried unanimously

MOTION: Mr. Street moved the following:

Motion to accept the Department's review of substantive progress in establishing a local Virginia Stormwater Management Program (VSMP) for Accomack County and to approve 12-month extensions for the adoption of the local VSMP for this locality:

Pursuant to § 10.1-603 A of the Code of Virginia, the Board concurs with the Department's recommendation that the County of Accomack has demonstrated to the Department that substantive progress has been made in the development of its local VSMP program. Accordingly, the Board grants a 12 month extension to the VSMP adoption deadline of June 13, 2013 to the County of Accomack.

In accordance with the Board's Virginia Stormwater Management Program (VSMP) Permit Regulations (4VAC50-60-150), the Board delegates to the Department authority to receive and review the complete VSMP application package for the County of Accomack and to develop recommendations to the Board regarding VSMP approval for this locality. Further, the Board recognizes that this delegation remains in effect until changes in state law move the responsibility for the local VSMP review process to the Department of Environmental Quality and the local VSMP approval process under the control of the State Water Control Board.

SECOND: Mr. Lohr

DISCUSSION: None

VOTE: Motion carried with Ms. Thornton abstaining.

MOTION: Ms. Jamison moved the following:

Motion to accept the Department's review of substantive progress in establishing a local Virginia Stormwater Management Program (VSMP) for Spotsylvania County and to approve 12-month extensions for the adoption of the local VSMP for this locality:

Pursuant to § 10.1-603 A of the Code of Virginia, the Board concurs with the Department's recommendation that the County of Spotsylvania has demonstrated to the Department that substantive progress has been made in the development of its local VSMP program. Accordingly, the Board grants a 12 month extension to the VSMP adoption deadline of June 13, 2013 to the County of Accomack.

In accordance with the Board's Virginia Stormwater Management Program (VSMP) Permit Regulations (4VAC50-60-150), the Board delegates to the Department authority to receive and review the complete VSMP application package for the County of Spotsylvania and to develop recommendations to the Board regarding VSMP approval for this locality. Further, the Board recognizes that this delegation remains in effect until changes in state law move the responsibility for the local VSMP review process to the Department of Environmental Quality and the local VSMP approval process under the control of the State Water Control Board.

SECOND: Mr. Lohr

DISCUSSION: None

VOTE: Motion carried with Mr. Street abstaining.

Erosion and Sediment Control

Mr. McCutcheon presented the Erosion and Sediment Control actions.

Recognition of the Northampton County Erosion and Sediment Control Program

Mr. McCutcheon presented the background for Northampton County.

Staff conducted a program review of the Northampton County Erosion and Sediment Control Program on October 15, 2012 and conducted a close-out meeting with the County. The scores for the individual program elements were as follows: Administration 100 – Plan Review 70 – Inspection 70 – Enforcement 80. All program elements received a score of 70 or higher. Therefore, staff recommends that the Virginia Soil and Water Conservation Board find the Northampton County Erosion and Sediment Control Program consistent with the Virginia Erosion and Sediment Control Law and Regulations.

Recognition of the City of Emporia's Erosion and Sediment Control Program

Mr. McCutcheon gave the background for the City of Emporia.

Staff conducted a program review of the City of Emporia's Erosion and Sediment Control Program on September 27, 2012 and conducted a close-out meeting with the City. The scores for the individual program elements were as follows: Administration 100 – Plan Review 70 – Inspection 80 – Enforcement 70. All program elements received a score of 70 or higher. Therefore, staff recommends that the Virginia Soil and Water Conservation Board find the City of Emporia's Erosion and Sediment Control Program consistent with the Virginia Erosion and Sediment Control Law and Regulation.

MOTION: Ms. Thornton moved that the Virginia Soil and Water Conservation Board commend Northampton County and the City of Emporia for successfully

implementing their respective Erosion and Sediment Control Programs to be fully consistent with the requirements of the Virginia Erosion and Sediment Control Law and Regulations, thereby providing better protection for Virginia's soil and water resources.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

Town of Stephens City Corrective Action Agreement (CAA) Review

Mr. McCutcheon gave the background for Stephens City.

Staff conducted a review of the Stephens City Erosion and Sediment Control Program Corrective Action Agreement on April 30, 2013 to determine if all required items of the CAA were completed. As a result of the CAA review, staff determined that all required items of the CAA had been completed. Therefore, staff recommends that the Town of Stephen City's Erosion and Sediment Control Program be found consistent with the Virginia Erosion and Sediment Control Law and Regulations.

MOTION: Mr. Lohr moved that the Virginia Soil and Water Conservation Board commend the Town of Stephens City for successfully implementing their Erosion and Sediment Control Program to be fully consistent with the requirements of the Virginia Erosion and Sediment Control Law and Regulations, thereby providing better protection for Virginia's soil and water resources.

SECOND: Mr. Simms

DISCUSSION: None

VOTE: Motion carried unanimously

Local Programs recommended to be found inconsistent based on Initial Review and request for Board approval of Corrective Action Agreement (CAA)

Henry County Program Review and Corrective Action Agreement.

Mr. McCutcheon gave the background report for Henry County.

Staff conducted a program review of the Henry County Erosion and Sediment Control Program on September 24, 2012 and conducted a close out meeting with the County. The scores for the individual program elements were as follows: Administrative 65 – Plan Review 5 – Inspection

15 – Enforcement 0. All programs did not receive a score of 70 or greater. Therefore, staff recommends that the Virginia Soil and Water Conservation Board find the Henry County Erosion and Sediment Control Program inconsistent with the Virginia Erosion and Sediment Control Law and Regulations and approve the draft CAA for the County.

Albemarle County Program Review and Corrective Action Agreement.

Mr. McCutcheon gave the background report for Albemarle County.

Staff conducted a program review of the Albemarle County Erosion and Sediment Control Program on November 28, 2012 and conducted a close-out meeting with the County. The scores for the individual program elements were as follows: Administration 95 – Plan Review 80 – Inspection 45 – Enforcement 80. All program elements did not receive a score of 70 or greater. Therefore, staff recommends that the Virginia Soil and Water Conservation Board find the Albemarle County Erosion and Sediment Control Program inconsistent with the Virginia Erosion and Sediment Control Law and Regulations and approve the draft CAA for the County.

Lancaster County Program Review and Corrective Action Agreement

Mr. McCutcheon presented the background report for Lancaster County.

Staff conducted a program review of the Lancaster County Erosion and Sediment Control Program on September 6, 2012 and conducted a close-out meeting with the County. The scores for the individual program elements were as follows: Administration 90 – Plan Review 35 – Inspection 95 – Enforcement 80. All program elements did not receive a score of 70 or greater. Therefore, staff recommends that the Virginia Soil and Water Conservation Board find the Lancaster County Erosion and Sediment Control Program inconsistent with the Virginia Erosion and Sediment Control Law and Regulations and approve the draft CAA for the County.

MOTION: Mr. Lohr moved that the Board accept staff recommendations to find the Henry County, Albemarle County and Lancaster County Erosion and Sediment Control Programs inconsistent with the Virginia Erosion and Sediment Control Law and Regulations and approve the CAAs as drafted for the Programs. The Board directs DCR staff to monitor the implementation of the CAAs by the Programs to ensure compliance.

SECOND: Ms. Thornton

DISCUSSION: None

VOTE: Motion carried unanimously

Consent Decree Determination

Ms. Crosier presented the recommended motion for the consent decree determination.

Ms. Crosier said that the consent decree was issued to Fluor-Lane in September of 2012. She said that this was a part of a public private partnership with the Virginia Department of Transportation (VDOT) and the Capital Beltway Express. She said that the project is 95% complete.

Ms. Crosier said that the staff recommendation was for the Board to find the project satisfactorily completed. She said that staff would give the appropriate notice to Fluor-Lane and to the court. She said that Board approval is needed before the item could be removed from the court docket.

MOTION: Ms. Thornton moved the following:

Motion for the Board to find that Fluor-Lane, LLC (“Fluor-Lane”) has completed the Hot Lanes construction project to the satisfaction of the Virginia Soil and Water Conservation Board pursuant to the Consent Decree issued in the case of *Virginia Soil and Water Conservation Board v. Fluor-Lane, LLC*, and to give notice of this finding to Fluor-Lane and the court.

In accordance with its responsibilities pursuant to item 8 in the Consent Decree issued pursuant to *Virginia Soil and Water Conservation Board v. Fluor-Lane, LLC*, I move that the Virginia Soil and Water Conservation Board find that Fluor-Lane has completed the Hot Lanes construction project to the satisfaction of the Board, including the satisfactory resolution of any disputes regarding Fluor-Lane’s compliance with the Decree, and to give notice of the Board’s finding by circulating this motion to Fluor-Lane and the court.

SECOND: Mr. Street

DISCUSSION: None

VOTE: Motion carried unanimously

District Director Resignations and Appointments

Ms. Martin presented the District Director Resignations and Appointments.

Prince William

Resignation of Austin B. Haynes, Jr., Prince William County, effective 5/31/13, elected director position (term of office expires 1/1/16).

Recommendation of Elizabeth H. Ward, Prince William County, to fill unexpired term of Austin B. Haynes, Jr. (term of office to begin on 7/6/13 – 1/1/16).

MOTION: Ms. Jamison moved that Virginia Soil and Water Conservation Board approve the resignations and appointments as presented by staff.

SECOND: Mr. Street

REVISED: 12/12/2013 3:56:29 PM

DISCUSSION: None

VOTE: Motion carried unanimously

Board review/approval of BMPs eligible for (Virginia) Agricultural best management practices tax credit (58.1-339.3 Code of Virginia)

Ms. Martin presented the recommended list of BMPs eligible for tax credits. She noted that the list of BMP practices was the same as the list of practices approved for the preceding year.

MOTION: Mr. Lohr moved that the Virginia Soil and Water Conservation Board approve the list of best management practices (BMPs) specified within the 2014 Virginia Agricultural BMP Manual (to be published by the Department of Conservation and Recreation effective July 1, 2013), to be eligible for the Agricultural best management tax credit as provided by 58.1-339.3 Code of Virginia.

SECOND: Mr. Street

DISCUSSION: None

VOTE: Motion carried unanimously

Dam Safety and Floodplain Management

Mr. Bennett said that the Division had been recognized by FEMA and the National Dam Safety Program for initiatives in Virginia. He said that on May 31, DCR participated in a demonstration and training session of the Dam Safety First Aid program. He noted that May 31 was the anniversary of the Johnstown flood.

Mr. Bennett said that two summer interns from Virginia Tech were working with the dam dragnet program to locate unknown dams of regulated size. The interns are working out of the Christiansburg regional office.

Mr. Bennett said that DCR was moving forward with the Dam Watch dam break early warning system. He said that this was the same program used by NRCS.

Mr. Bennett noted that the enforcement report had been mailed to Board members. He said that DCR is working with the Office of the Attorney General regarding orphan dams where the owner is unknown.

Mr. Dunford asked if there was a procedure for notifying dam owners.

Mr. Bennett said that DCR was working with the Office of the Attorney General regarding a notification process. He said that the process was not well defined.

Mr. Bennett said that with regard to the summary report of high hazard dams provided to the Board, there were no significant changes since the May Board meeting.

Approval of Grants from Dam Safety, Flood Prevention and Protection Assistance Fund

Mr. Bennett said that a list of applicants for the 2013 Dam Safety grants had been provided to Board members. He said that staff attempts to give everyone that qualifies some amount of grant assistance. He said that applications were received totaling \$2.7 million in requests. DCR has available funding to distribute about \$1.4 million in grants.

Mr. Bennett noted that three dams were given specific grants by the General Assembly. Those dams were Rainbow Forest, Lake Jackson Dam and Upper North River #10.

MOTION: Mr. Lohr moved the following:

Motion for the Board to approve 2013 Dam Safety, Flood Prevention and Protection Assistance grant projects and funding allocations.

In accordance with its responsibilities pursuant to §10.1-603.16 et seq. (Article 1.2) of the Code of Virginia, the Virginia Soil and Water Conservation Board approves the projects for funding from the Dam Safety, Flood Prevention and Protection Assistance Fund (DSFPPAF) in the amounts specified in the attached spreadsheet. In addition to other terms and conditions as specified in the 2013 DSFPPAF Grant Manual, the Grant Agreement, and as will be determined by the Virginia Resources Authority (VRA), this approval is conditioned upon the following:

1. All grants are made on a reimbursement basis and will be governed by a Grant Agreement developed in consultation with the Virginia Resources Authority. All applicants will be given a period of 90 days to enter into a Grant Agreement following the Agreement being sent out. The Department of Conservation and Recreation (Department) is authorized to further extend this date in its discretion and following consultation with VRA.
2. All grant agreements will require that projects be completed within 12 months of the date of execution of the Agreement. Upon receipt of a written request for a project extension with a specified completion date of the Grantee to the Department with a copy to VRA, the Department is authorized to consider such request and may amend the terms of the Agreement and allow a specified extension upon the Department's and the Authority's written approval.
3. In the event that any of the above applicants fail to execute a Grant Agreement with VRA within 90 days of such an Agreement being sent to the applicant, the Department, in consultation with VRA, is authorized to distribute grant funds not utilized by that applicant, among other approved Grantees who did not receive the total amount of their requests.

4. Special Grant Agreements for Rainbow Forest dam, Lake Jackson Dam, and Upper North River #10 (Todd Lake dam) will be disbursed by VRA after the funds are received by the Department and transferred to VRA pursuant to Item 360F of Chapter 3 of the 2013 Virginia Acts of Assembly Special Session I, and other Agreement terms have been satisfied.

The Department is authorized to communicate this approval to the Virginia Resources Authority (VRA) so that VRA's review of applications may proceed. The Department is also authorized to take any action necessary to proceed with the closing and administration of grants subsequent to VRA's approval of the application.

SECOND: Mr. Street

DISCUSSION: None

VOTE: Motion carried unanimously

Regulatory Action Update

RMP Work Plan Overview

Mr. Davis-Martin gave an update regarding the RMP Work Plan. He noted that he had previously provided an overview to the Board.

Mr. Davis-Martin noted that the following items had been completed in May 2013.

- Develop press release
- Identify funding for RMP staff
- Develop RMP components of Cost-Share program
- Identify funding mechanism for SWCDs
- Finalize RMP Program development work plan

Mr. Davis-Martin reviewed the remaining work plan items to be completed by the December 6, 2013 date for issuing certificates. A copy of the timeline is available from DCR.

Ms. Jamison asked staff to forward the press release to Board members.

Consultation on Cost-Share and Technical Assistance Policy

Mr. Dowling presented the "Policy on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations for Fiscal Year 2014." A copy of the draft dated June 4, 2013 is available from DCR.

Mr. Dowling made the following remarks:

Discussion of DRAFT FY14 Cost-share and Technical Assistance Allocation Policy
June 6, 2013

This DRAFT funding allocation Policy was developed to provide transparency, predictability, and consistency to a process that unfortunately has included in recent years a number of fiscal missteps in our calculation procedures. If nothing else, this policy sets out a standard that can be replicated or knowingly revised as we move forward in future years. We have labored over this document to produce the best possible product so that the program meets audit controls and is transparent to all, aspects that have been lacking. I should add that the Auditor of Public Accounts is expecting this Policy. This product will continue to be improved in future years and should not be regarded as a one-year policy as it is meant to mark the beginning of a continuing process through which it may be refined.

I would add that it has been transparent enough to get everyone engaged and interested in the process.

Today we are here to continue to consult with the Board on this process that began at the last meeting when we discussed the allocation process and some of the potential distribution percentages. This action does not require a vote or necessitate a motion, just an open dialogue.

When constructing this policy, we did not focus on the results, but worked to articulate a sound process that advances the objectives of the cost-share program. As noted in the policy, the basis of the cost-share program is to encourage the voluntary installation of agricultural BMPs to meet Virginia's non-point source pollution reduction water quality objectives with special emphasis on the reduction of nutrients (nitrogen and phosphorus) and sediment delivered to Virginia's state waters. The hydrologic unit (HU) cost-share allocation process was developed to identify those waters known to be in the most need of nutrient and sediment reductions. Logic dictates that a cost-share emphasis should be placed on those waters and that technical assistance should follow cost-share.

The status quo should not be an acceptable premise to any of us as we work to administer this program and if adjustments are not made now, I suggest they likely will be much worse in the future. We are trying to create a softer landing and put a sound framework on a somewhat broken process that was evidenced by internal audit.

From a methodology perspective, we had to change from a 2008 to a 2010 nonpoint assessment dataset and next year we will use the 2012. This unto itself creates change.

To continue using a Technical Assistance allocation that was unexplainable and candidly wrong certainly is not a sound business practice. Maintaining the status quo will further disconnect technical assistance from the cost-share that it is being provided to follow.

We developed elements of this policy weighing the valued input received and understanding from a policy perspective the underlying objectives of the cost-share program. Accordingly, we have made adjustments within this DRAFT Policy such as the percentage allocation of the state's fiscal resources to those areas of the Commonwealth where the data shows the greatest water

quality challenges exist. These fundamental adjustments are logical and represent sound management decisions.

We recognize that the Districts are a critical partner in the delivery of the cost-share program while at the same time we also need to be mindful that the Department has been charged with reducing nonpoint pollutants to the waters of the Commonwealth through our various programs and to do this in a meaningful way. This DRAFT policy has been developed to do just that and accordingly does result in some changes. However, the changes being made are much less than that created by annual variations in Appropriations.

We do hope that discussions this summer will result in enhanced mechanisms to allow for greater “load leveling” and resource sharing between Districts and we have built flexibility into the DRAFT Policy in that regard.

With that general overview, let me spend a few minutes highlighting the fundamental building blocks and decision points within this DRAFT Policy.

Each of the procedural steps I will mention are articulated in much greater detail within the DRAFT Policy and the resulting numbers are also set out within. However, what I want to focus on is the process and not the results. If the process is right, we should be able to collectively find a way to implement the results if any anomalies occur.

The first step involves the **review of the Appropriation Act language** and a determination of the total amount available for cost-share and technical assistance. We then **allocate the funding** provided to Chesapeake Bay and Non-Chesapeake Bay **drainages**.

We then **derive a spending plan** that considers fiscal allocations of the cost-share to items such as:

TMDLs – Total Maximum Daily Loads

LEI – Livestock Exclusion Initiative

RMP – Resource Management Plans

CREP – Conservation Reserve Enhancement Program

Other Agency BMP Programs

VACS – Virginia Agricultural Best Management Practices Cost-Share Program Allocations

Once the VACS allocations are determined, we then **employ the Agricultural Nonpoint Source Hydrologic Unit (HU) Ranking Process**, which utilizes a component of Virginia’s Nonpoint Source Assessment, to focus VACS allocations where funds can produce the greatest reductions in surface and ground water contamination.

The computer model run for the HU process ranks the pollutant loads of nitrogen, phosphorus, and sediment in each of the 1,247 6th-order hydrologic units of the National Watershed Boundary Dataset (NWBD). Each of the three pollutant loads are sorted low to high and assigned their sort order for each HU. The rank score of a HU is the sum of these three values. The higher the composite ranking score, the higher its potential to contribute agricultural NPS pollution (based on Nitrogen, Phosphorus, and Sediment loads).

The Department generally designates the highest 20% of the ranked composite scores as High potential, the middle 50% as Medium, and the lowest 30% are ranked Low for their potential to contribute agricultural NPS pollution (natural breaking points in the data are looked for to determine these percentiles).

We then compile the HU area (hectares) designated as High, Medium, and Low by District geographic areas. Geographic Information System analysis allows the area (hectares) of each ranked HU (High, Medium, and Low) within a District boundary to be calculated and compared to the total number of hectares of that pollutant ranking (High, Medium, and Low) within each drainage basin (Chesapeake Bay or Non-Chesapeake Bay).

Page 58 of the DRAFT Policy provides a full-page version of the image depicting the statewide distribution of High, Medium, and Low HUs by District and Drainage Basin.

The next step is to determine how much of the available cost-share by drainage basin and funding type will be proportioned to High, Medium, and Low HU areas (hectares). Percentage allocations are based on providing a high percentage of the funding to the waters with the most pollutant load based on nitrogen, phosphorus, and sediment. For Fiscal Year 2014, the High ranked HUs are assigned 60 percent of the cost-share funds. The Medium ranked HUs are assigned 30 percent of the cost-share funds while the Low ranked HUs are assigned 10 percent of the cost-share funds. For this item we carefully weighed stakeholder and Board input prior to making a recommendation based on what we felt was sound policy.

Then, simply put, the amount of red (high), yellow (medium), and then green (low) acres in a District are compared to the total number of red, yellow, and then green acres and this percentage relationship is then applied to the cost-share drainage basin allocations to arrive at a District allocation for High, Medium, and Low units. Each District's drainage basin's High, Medium, and Low funds are then accumulated to provide a total funding amount for the cost-share allocation.

TABLE 6: Fiscal Year 2014 District Cost-share Allocations by Drainage Basin

Once the dollars are allocated to the Districts it is our desire to see them targeted towards the most polluted waters otherwise the allocation process has little meaning. Accordingly, Districts then set **secondary considerations** to be utilized by their District Boards in ranking cost-share applications based upon which practice implementation will provide the greatest amount of local water quality improvement. One key secondary consideration that shall be considered by each District when comparing projects for cost-share funding as a component of their decision process is the Conservation Efficiency Factor (CEF).

The policy also speaks to **cost-share funding caps**. For Fiscal Year 2014, the VACS applicant cost-share limit or "cap" is \$50,000/applicant/year as it has been in the past.

- Except that BMPs related to animal waste control facilities (WP-4) and/or loafing lot management system (WP-4B) either as a single large practice or as an aggregation of

smaller practices may be approved to receive up to \$70,000 in cost share funds in any given program year.

- BMPS related to Stream Exclusion and Grazing Land Management (SL-6) are not subject to the cap as the practice shall be paid at 100%.
- Both RMP development and SL-6 do not count against or otherwise affect an applicant's annual cost-share cap for other specified practices.

The next primary area of the DRAFT Policy deals with **reallocation of cost-share**. In response to constituent recommendations, the reallocation process was further refined for FY14. The DRAFT policy states: On April 1, 2014, 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 (April 1, 2014) to fund an existing cost-share application are considered to be unobligated. (See Policy for details)

Data collected from the budget summary page of the Virginia Agricultural BMP Tracking Program (Tracking Program) on April 1, 2014 will be analyzed to identify those Districts that have obligated ninety percent (90%) or more of their Total VACS allocation. For those Districts that did not obligate at least ninety percent (90%) of their Total VACS allocation by April 1, 2014, unobligated cost-share funds will be summed and all of a District's unobligated VACS funds will be reallocated. Technical assistance funding shall not be reallocated and shall remain with the District to which it was originally allocated.

Agricultural BMP practices identified in the BMP Tracking Program may be funded with reallocated cost-share funds within the original drainage allocations. As was recommended by stakeholders, funds shall be reallocated to Districts based on the following:

- 70% of funds shall be allocated to BMP Tracking Program identified SL-6 (Stream Exclusion with Grazing and Management) practices.
- 30% of funds shall be allocated to the remaining BMP Tracking Program identified practices with the lowest Conservation Effectiveness Factor (CEF) factors.
 - 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 will not have technical assistance attached. However, technical assistance in future years, if the process is continued, is dependent on cost-share allocations from the prior fiscal year; thus additional cost-share expenditures in the 4th quarter would result in greater technical assistance awards to a given District the following fiscal year.

Finally, I want to discuss the **allocation process for technical assistance**. Technical Assistance funds are made available to Districts by the Department for VACS Program implementation by District technical staff. The distribution of technical assistance to Districts shall be based on the prior fiscal year's cost-share allocations and will reward those Districts that most effectively

convert allocated cost-share funds into on the ground conservation practices. Following the January 31, 2013 reallocation of cost-share dollars, a revised total allocation to each District for Fiscal Year 2013 was calculated. For each District, their total amount of Fiscal Year 2013 cost-share allocation following reallocation was proportionally compared to the total cost-share available to all Districts to expend in Fiscal Year 2013 (\$19,243,805.34) and a multiplier generated. In the DRAFT policy, this multiplier for each District was applied to the total technical assistance available in Fiscal Year 2014 (\$2,371,929.00) to arrive at a technical assistance allocation for Fiscal Year 2014 per District.

TABLE 8: Fiscal Year 2014 Technical Assistance Allocations Based on Fiscal Year 2013 Cost-share Allocations (After the February 1, 2013 Reallocation)

Mr. Dowling then concluded his remarks and said that he would be happy to take questions. He also stated that if members had a sound, formula driven policy to suggest replacing one of the procedures that staff would be happy to discuss that.

Ms. Jamison asked for clarification that the chart was developed using hydrologic units.

Mr. Dowling said that was correct and that it was staff understanding that the Board and the constituents were comfortable with this process.

Mr. Johnson noted that this was not a new process.

Ms. Jamison said that she would like to have a more thorough understanding of the process before endorsing.

Mr. Dowling said that the purpose for the policy was to be transparent. He said that in the past the process had been that the Board was shown a column of numbers, without explanation of the formula used in developing those numbers. He noted that the policy was written for staff internal use as well as for the Director and the Board. He noted that internal audits had shown inconsistencies.

Ms. Jamison asked if Districts were expected to include the chart in their secondary considerations.

Mr. Dowling said that there was no expectation to use the chart but Districts were being asked to use the Conservation Efficiency Factor (CEF) as outlined on page 15 of the draft document. He said that some Districts may require additional training regarding this method. He said this was another tool for districts in the decision process. He said this did not preempt secondary criteria.

Ms. Jamison said that she was concerned with the removal of the cap in regards to the SL-6 exclusion.

Mr. Dowling said that the intent was to remove obstacles to the funding of the SL-6. Mr. Johnson indicated that Districts could make their own arrangements, looking at demands and at needs.

Ms. Jamison asked whether the chart included stream data from pasturelands and dairy farms. She also noted that WP-4 is limited (or capped) but not SL-6 and these practices differ by area.

Mr. Dowling said that the data inputs were included beginning at the bottom of page 9 addressing grazing, animal numbers and other inputs.

Mr. Johnson asked Mr. Davis-Martin to comment.

Mr. Davis-Martin said that there are inputs for numbers based on pasture or confinement. He said that the information is considered in the loading rates.

Ms. Jamison said that the stream monitoring data was not included.

Mr. Johnson said that the rank was based on the DEQ 305B report which is the water quality assessment report. He said that report takes into account the actual stream monitoring.

Mr. Dunford said that he appreciated the work of the staff in developing this policy. He said that both the Summer Study committee and the cost-share committee had looked at this information.

Mr. Johnson said that the Summer Study was directed by the General Assembly. He said that this was a high level group to deal with issues of funding. He noted that he had assembled the cost-share group for the purpose of soliciting advice. He said this was done because transparency, predictability, and consistency in the process are important as are diverse opinions.

Mr. Dowling said that the majority of the comments received were reflected in the DRAFT policy to the Board. The DRAFT policy moves from a 50% (high)/30% (medium)/20% (low) HU distribution to a 60%/30%/10% approach and that other formula-driven distributions would be considered.

Mr. Hornbaker clarified that the purpose of the policy was for DCR distribution of the funds. He said that this was not a Board policy and that the ultimate decision rested with the Director.

Mr. Dowling said that from a legal perspective that was correct but that the Appropriation Act called for the Director to make these determinations in consultation with the Board.

Mr. Hornbaker said that he was disappointed that he had received the information regarding the DRAFT policy via email and told that this would be up for discussion. He said that he would like to see DCR receive input from the 47 Districts.

Mr. Dowling said that was the purpose of the ad hoc advisory committee. He said that the policy was still in draft format because staff wished to have this conversation with the Board.

Mr. Johnson clarified that this DRAFT policy was for information and discussion purposes. He said that in the event a Board vote or endorsement was required that the Board would have been

given more time to review the draft policy. He said that the policy was not yet final and that staff could still receive comments, including other scenarios for funding.

Mr. Johnson said that the development of this draft policy had been a daunting task. He said that staff actually looked a dozens of scenarios.

Mr. Hornbaker asked if the policy had to be in place for the current fiscal year.

Mr. Johnson said that this was for implementation in the coming year. He said that DCR needed a logical process for cost share and that the policy would have to be approved prior to the end of June.

Mr. Dunford called for public comment from the stakeholders.

Don Wells, Virginia Association of Soil and Water Conservation Districts

Thank you, Mr. Chairman. I'm Don Wells, Secretary-Treasurer of the Virginia Association of Soil and Water Conservation District Directors. I was asked to represent the Association today. President Lou Ann Wallace regrets that she could not make it to Richmond for this meeting.

Some of the concerns have already been expressed by members of the Board [are the same concerns] that our Association has. The Stakeholder Advisory Group recommendations, the Summer Study group that Director Johnson referred to and also a subcommittee of that Summer Study made recommendations. They recommended that the 50%/30%/20% division of the funding be continued. The time that has been pointed out for consideration of this policy is extremely short. I don't think our Association had anything on it until Monday. And frankly, we didn't get it from DCR. We got it from one of the Board members because we understood it was on the agenda today. I think that's pretty poor public relations.

I would note that there is a disconnect in the hydrologic unit process and the TMDL which has been pointed out by one of the stakeholder advisory group members, Mr. Taylor, a staff member of the Headwaters Soil and Water Conservation District. They have watersheds up there that are TMDL watersheds. They are in priority areas.

In Henrico and Hanover we have a similar situation with the Chickahominy Watershed. These are active TMDL watersheds that receive low priority hydrologic unit plans. So if we continue to decrease that low priority down to 10% as recommended in this policy those issues are not going to get addressed.

This is a complex policy that you've set out in 60 pages. The consultation aspect is technically correct. I don't believe that DCR is following the intent of the General Assembly from the 2013 Session. I think there should be some consideration by the Board on this policy as you have looked at other policies.

I would urge you to at least take action to disapprove this policy and recommend that the Stakeholder Advisory Group recommendations from the 2012 Summer Study be accepted and incorporated in the policy.

Thank you and I appreciate the work that you do.

Katie Frazier, Virginia Agribusiness Council

Mr. Chairman, Katie Frazier of the Virginia Agribusiness Council.

I wanted to speak as a representative of an organization that did spend a lot of time participating in several advisory committee meetings.

I got the information yesterday from someone else about this proposal and realized that the recommendation that the advisors, understanding that we were not tasked to make any recommendations that it was an advisory group to the Director, that those recommendations (50%/30%/20%) split were not going to be pursued by the department.

The reason that the stakeholder group was brought together was to provide transparency, consistency and efficiency in how to distribute cost share funds to Districts.

I have to say that I'm a bit disappointed in the transparency portion of that. I don't believe there was a full discussion of the 60%/30%/10% discussion in the stakeholder meetings and the reasons that the Department may not pursue the 50%/30%/20% split has been done in the past.

One of the reasons that the stakeholder group recommended the same formula is because there is a Summer Study that is ongoing and because we recognize the key to implementing and maintaining and meeting our water quality goals in the Chesapeake Bay as well as in the Southern Rivers watershed is that there needs to be consistency and stability in staffing for Soil and Water Conservation Districts. Quite honestly, there are not enough people out there to get the job done.

We all recognize that there is a two-year lag in training at least. So that's one of the reasons for the Summer Study. In my mind part of the reason for recommending staying with the same allocation model is to allow for that bridge to finalize the recommendations and that work and to take a look at district budget proposals that were going to be coming to the Director and recommendations from the initial report of the Summer Study of last year.

I do appreciate the opportunity to comment. I would hope that the Department will take these comments into consideration.

Wilmer Stoneman, Virginia Farm Bureau

Mr. Chairman, members of the Board, my name is Wilmer Stoneman. I represent the Virginia Farm Bureau Federation. I'm not going to take a lot of time today. The previous speakers have eloquently said what I have on my mind.

Several times during the discussion this morning you have said this is a multi-year policy. This policy is intended to last more than one year. That takes a lot of consideration and takes your involvement. Because if we're going to begin selecting practices at the expense of other practices statewide that gives us some concern. Especially with the idea that the intent of most SWCDs is to serve as many people as possible rather than just one. I think certainly you need to be involved. As Don Wells said, I think the General Assembly intent was for you to be involved. It's been in the budget language for a couple of years now. We went to the extent of passing legislation that does put you in the involvement process in discussing District operations, District funding and cost share.

We might not have done as complete a job as we would like. But I think the budget language provides enough intent for you to look at it, take your time and make sure this is right for all Soil and Water Conservation Districts.

Kendall Tyree, Virginia Association of Soil and Water Conservation Districts

Mr. Chairman, members of the Board. Most of you have heard my concerns about this policy. I cannot say anything more than what those before me have said. But I have had a conversation with a representative of the district employees association who has significant problems with this policy. The employee association has significant concerns.

We got this policy Tuesday afternoon, so the review time has been limited.

I would ask that if you reach out to districts and that you do that through the Association.

Greg Wichlens, Culpeper Soil and Water Conservation District

Mr. Chairman, members of the Board, my name is Greg Wichelns and I am a District Director of the Culpeper Soil and Water Conservation District. I did not come here with the intent to speak.

Like the others I had a very brief opportunity to look over this document. Even our technical committee has not fully digested this policy.

We don't find the results adverse to the Culpeper District. But with many comments circulating we are aware there are some significant adverse impacts on some districts.

Not being that familiar with their infrastructure, we can only look at the comments and say there are some serious impacts. Personally when I look the document over I'm familiar with the process and there is no big mystery.

What I did find lacking was an analysis of the impact, particularly on the long term staffing plans which has come to the forefront. I found that lacking in the document.

I will leave it at that. Without further analysis, I would urge caution.

Thank you.

Mr. Johnson said that with regard to transparency that this was a Department discussion. He said that the discussion with the Board and stakeholders was an added step to what the Department was required to do. He said part of the open dialogue was that the discussion did not end with this meeting.

Mr. Johnson said that this was a process to engage the Board in the discussion, but that the discussion does not stop.

Mr. Johnson said that if there were other process recommendations, staff would review those. He said that the process needed to be able to meet the standards for an audit. He said that the current practice did not meet those standards and that was why the funding had been inconsistent. He also mentioned the emphasis on high priority areas.

Mr. Johnson said that DCR needed a written process to follow. He said that he was open to amending that process and that the Department will continue to review it. Mr. Johnson also stated that other distribution methods besides hydrologic units could be examined. But he noted that with the coming fiscal year, there had to be a decision for how to distribute the funds.

Mr. Street asked if there was a way to keep the 50%/30%/20% distribution for a six month period of evaluation allowing time to review the impacts of the revisions. He suggested that the Association be the point of contact for the information gathered.

Mr. Johnson said that the point of this policy was stability and a process. He said that the funding was tied to cost share but noted that the amount of cost share for future years was not known.

Mr. Johnson said that the funding would change and needs would change. He said that the policy could be amended as needed in the future. However, he said that for FY14 there needed to be a definable process in place.

Mr. Dowling noted that an internal audit showed that funding discrepancies of up to \$1.2 million may have existed in the past, but the net effect of these discrepancies was actually \$240,000.

Ms. Thornton said that she appreciated the work of the Department in developing the policy. She asked if any other method other than the drainage basin was used to develop the policy.

Mr. Dowling said that staff used a modeling process that has been in place for years.

Mr. Davis-Martin said that the model includes detailed land use and criteria for how much agriculture land was in each district.

Mr. Ingle commented that, if the SL-6 BMP is not done, would the result be increased regulation to determine effectiveness. He also asked a representative from the House Appropriations Committee (Paul Van Lenten) if the intent of the language in the Appropriation Act regarding

Board consultation regarding this process was to give the Board more weight in the decision making process.

Mr. Van Lenten said that there were two paragraphs regarding this issue in the Appropriation Act. He said that one paragraph said basically that the Virginia Natural Resources Fund amounts are going to be allocated pursuant to the Virginia Natural Resources Commitment fund. He said the other paragraph addressed administration and operations funding and that the Board would determine how the funds are used.

Mr. Van Lenten said those two fund issues were being addressed differently by DCR. He said that, in the Natural Resources Commitment fund, that the Director may allocate the money for cost share and technical assistance for the cost share funding. The funding for administration and operations will be decided by the Board.

Mr. Van Lenten said that, in terms of regulation, that would only come if the Director asked the General Assembly to regulate the funding. Mr. Johnson indicated that DCR would not pursue additional regulations.

Mr. Ingle said that he understood that funding fluctuates. But he noted that some districts were going to lose personnel.

Mr. Hornbaker said that with regard to his previous comments that the bottom line was that Soil and Water Conservation Districts want to work as partners with the Board and the Director. He said that he felt that was the aspect missing. He noted that he was glad to hear the Director say that the policy would be open to updates.

Ms. Jamison said that she agreed with the comments regarding lack of input. She said that part of the problem was that the Board meetings were always held in Richmond and that it would be a great expense for district employees to attend. She said that she would like to see a greater effort on the part of the Board to reach out to other areas of the state.

Mr. Johnson said that the cost-share policy had to be in place by July 1. But he said that if there were ideas received prior to that time that DCR would consider them. He said that DCR could send out the policy and allow 10 days to two weeks for review and comment. He also indicated that there needs to be a rationale for not changing the 50%/30%/20% split.

Ms. Jamison asked about local budget implications and the uncertainty of not having a policy in place. The lack of an approved policy could have implications for local meeting schedules. Mr. Dowling indicated that the department will consider these issues and address them in contracts.

Mr. Ingle inquired about the status of the Conservation Reserve Enhancement Program Funds (CREP). Mr. Dowling indicated that there was no additional funding available at this time.

Partner's Report

Natural Resources Conservation Service

Mr. Kriz gave the report for NRCS. A copy of the report is included as Attachment #1.

Virginia Association of Soil and Water Conservation Districts

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

Ms. Tyree asked that if DCR was going to distribute the cost-share funding policy to districts before implementation that the Department work through the Association for that communication.

Ms. Tyree invited members to attend the Association Board meeting on June 19 and 20 at Natural Bridge.

Ms. Tyree said that with regard to the \$300,000 information technology (IT) grant, about \$140,000 has been awarded to districts for hardware upgrades.

Ms. Tyree said that the Association Annual Meeting would be December 8-10 at the Kingsmill Resort in Williamsburg. She said that arrangements were made for a joint meeting of the Soil and Water Conservation Board and the Association Board on Wednesday, December 11.

Public Comment

There was no further public comment.

New Business

There was no new business.

Next Meeting

The next meeting of the Virginia Soil and Water Conservation Board will be Friday, September 20, 2013. The location will be determined.

Adjourn

There was no further business and the meeting was adjourned.

Respectfully submitted,

Herbert L. Dunford
Chair

David A. Johnson
DCR Director

Attachment #1

NRCS REPORT
Virginia Soil and Water Board Meeting
June 6, 2013 ♦ Richmond, VA

EQIP, CBWI, CSP, and WHIP Programs

798 EQIP applications for \$14,469,633 have been preapproved, approved and/or had funds obligated (85% of our EQIP allocation of \$17,017,650).

- Nine EQIP applications funded for \$864,793 from Socially Disadvantaged Farmers
- Twenty-one EQIP applications funded for \$800,090 from Beginner Farmers
- Totals 9.78% of the total FY13 EQIP allocation for Beginning Farmers and Socially Disadvantaged Farmers.

272 CBWI applications for \$8,393,014 have been preapproved, approved and/or had funds obligated (93.6% of our CBWI allocation of \$8,967,000).

- Nine CBWI applications funded for \$232,961 from Socially Disadvantaged Farmers
- Twenty-three CBWI applications funded for \$735,977 from Beginning Farmers
- Totals 10.8% of the total FY13 CBWI allocation for Beginning Farmers and Socially Disadvantaged Farmers.

Received \$1M in EQIP funding for Greenhouse Gas project on the Eastern Shore. Received an additional \$200,000 for Statewide Forestry and \$25,000 for Energy projects in Virginia.

New FY13 CSP enrollment has been announced. Application period closes June 14.

Continue to add to the Seasonal High Tunnel initiative, adding 10 more pre-approved applications to the already 21 planned for installation this FY. Agency and local partners are working together in an effort to support local small growers, CSAs, the Buy Fresh Buy Local and Farm to Table efforts in the Shenandoah Valley.

Plans have begun for the installation of a methane digester on a large dairy in Rockingham County. A request has been made at the state level for Region and/or National input during the early stages of the planning process.

Easements

Received a total of \$1.2 Million in Wetlands Restoration Program funds (\$500,000 for new acquisition on 100 acres and \$700,000 for ongoing restoration and monitoring activities). There are 12 WRP easements in the acquisition process on 365 acres with 16 wetland restoration projects in the planning process or underway.

Received \$8,000 in Grassland Reserve Program funds for rental agreements. We did not receive any funds for acquisition of new permanent or 30-year easements. Two GRP easements are in the acquisition process on 181 acres.

Received 2 easement applications for the Farm and Ranchlands Protection Program totaling \$1,625,000. This leaves us an unspent balance of \$1,811,976 that will be returned to NHQ. A total of 12 FRPP easements are in the acquisition process on 2,054 acres. One FRPP easement closed in May on 81 acres in Clarke County.

Raymond Cocke, District Conservationist, and Diane Dunaway, Easement Specialist, were speakers at an Easement Outreach meeting organized by the Federation of Southern Cooperatives in conjunction with VSU and NRCS to identify barriers, conduct outreach and assist minorities with applying for easements.

Dam Rehabilitation

- South River 10A – Project is underway and on schedule
- Pohick 8 –Project Agreement is ready; waiting for funding
- Upper North River 10 – Final design process started; sponsor has obtained geotech; and a 35% design will be completed this FY

LiDAR Project

NRCS has requested assistance for funding for 1,500 square miles for the new 2013 LiDAR project in Virginia. We are working with the USGS and the State of Virginia to garner support for additional coverage. As a result of this partnership, we were able to obtain ~500 square miles of additional area. Partners in this joint project are US Geological Survey, National Park Service, Virginia Department of Mines, Minerals and Energy, and Page County, VA Office of GIS.

Watershed Programs

Received approval for three new National Water Quality Initiative watersheds for a total of \$676,000. Two are in Smith Creek in Rockingham County and one is in Fifteen Mile Creek in Washington County.

Soils/NRI/GIS

NRI – data collection for 2011 and 2012 is complete.

FOTG

NRCS has revised instructions for the Threatened and Endangered Species' procedures. The change is due to a new tool at USFWS on evaluating potential habitat for T&E species which is a requirement as part of NEPA.

Soil Health Initiative

On March 26, NRCS held the Virginia Soil Health “kick-off” event in Hanover County. The State Technical Committee went on the road to launch our soil health campaign in Virginia. Fifty partners heard about the effort to go beyond sustainability and help promote a culture of demonstration and sharing of soil health building principles. Following the meeting, the group toured Cabin Hill Farms. Owner Kevin Engle is one of the farmers participating in the district's Conservation Innovation Grants (CIG) project to find out what multi-species cover crops work best for his farm.

This “kick-off” event was timed with the release of our State CIG program which provides matching grants to stimulate the development and adoption of innovative conservation approaches and technologies. In FY2013, NRCS will make available \$400,000 for projects with a Soil Health emphasis. We received 16 pre-proposals; nine were selected for a full proposal submission by June 28th, 2013 to determine which will be awarded funding.

Cultural Resource Surveys

In the past, NRCS assisted with the hiring and contracting for Phase I cultural resource surveys for SWCD projects if resources were available. Due to the current fiscal situation in the federal government and the subsequent effect on our budget, NRCS will no longer be able to pay for surveys of this type on SWCD projects.

Energy Audits

Targeted outreach to tobacco and poultry growers resulted in an 1100% increase in energy audit and energy improvement applications in FY13 in Mecklenburg, Halifax, and Brunswick Counties. Allocated a total of \$472,962 for energy projects in FY-13. These are for energy audits or implementation projects.

Provided training on our energy initiative at a workshop at the South Piedmont Agricultural Research and Extension Center where 40 participants learned about our energy offerings and how to participate in our programs

StrikeForce

The USDA StrikeForce Initiative, which began in 2010, focuses on improving the economic viability and standard of living of persistent poverty counties. On March 26, the USDA Secretary announced that Virginia has joined this initiative that now includes 16 states. NRCS, Farm Services Agency, Rural Development, Food and Nutrition Service, Risk Management Agency, and Virginia State University’s Small Farmer Outreach program are the core group in Virginia strategizing how to align objectives and leverage resources without additional funding. Local and state governments and community organizations will be recruited to partner on projects within their mission area. Forty-two counties in Virginia are being targeted. Two initial projects - expanding Farmer Markets and exploring the feasibility of opening a livestock processing plant - are aimed at increasing the income of farmers and providing local sources of healthy foods for low income children and adults.

NRCS worked with RD, VDACS, and FNS to publicize Virginia’s StrikeForce Kickoff at the Virginia’s Farmers’ Market Managers Conference on April 3. Two television stations and one radio station conducted interviews and 10 market managers signed up to issue the SNAP Electronic Benefits Transfer card to provide low income families with access to fresh, nutritious produce.

A Virginia StrikeForce fact sheet was developed and letters were sent to partners to solicit their assistance with the initiative.

Received an additional \$611,000 for the StrikeForce Initiative for EQIP applications in the targeted counties.

GovDelivery

NRCS has compiled content and instructional materials to order to implement a new web-based network that will enhance our ability to communicate with external customers. GovDelivery allows individuals, entities and the media to subscribe to automatically receive NRCS bulletins and notices. In addition, Virginia NRCS has a new web home page.

Customer Service/Outreach

NRCS Soil Resource Specialist Greg Hammer conducted wetlands soil training for the U.S. Army Corps of Engineers on March 28. About 20 Corps staff attended including Mr. Tom Walker, Chief of the Regulatory Branch.

Virginia Cooperative Extension conducted two field outreach meetings in cooperation with local NRCS staff and the Chesapeake Bay Foundation in Swoope and Edinburg, VA. Thirty-seven participants attended the event to learn about and discuss conservation benefits that winter strip-grazing provide farmers.

NRCS led an effort to conduct the first Beginning Grazier School for producer participants in Virginia. This full two-day immersion style technical training which included expert trainers from Virginia Tech, VCE, NRCS, VFGC experienced graziers and private consultants, trained 30 producer participants on grazing management principles. Individual evaluations document that participants learned practical information that they plan to put into practice on their livestock operations which total nearly 2,700 acres of pastureland and another 1,000 acres of hay land.

NRCS assisted partners in hosting a Precision Agriculture Conference held in Tappahannock on Feb 26th. This was very well received by 100 staff and farmers in attendance.

Farmville Service Center took on the Every Door Direct Mail that the Lawrenceville Service Center researched and completed last year. A conservation flyer was distributed to 3,651 individuals in the Farmville zip code which covers areas of multiple counties. Several offices have already received program applications as a result of these efforts.

On March 7, NRCS partnered with VSU and other federal agencies at the annual Outreach Conference to inform the farming community of resources available from USDA and VSU. NRCS conducted a workshop on the "ABC's of Applying for USDA Programs and Services."

On April 8, NRCS provided training on seasonal high tunnels to VSU small farm agents at Randolph Farm in Petersburg as part of their spring training conference.

On April 15th, ten Latino farmers attended a "meet and greet" at Rappahannock Community College in Warsaw. NRCS partnered with FSA, VSU and Telamon to provide information about services available to them from each of the partners.

NRCS conducted CRP and CREP signup training sessions in each area's April JED where CREP and the use of preferred alternatives in planting riparian forest buffers to reach our ultimate goal of canopy closure and all the added water quality and wildlife habitat benefits were discussed. We reached over 280 participants including all of the CREP partnership (FSA, NRCS, DOF, DCR, SWCDs). Additionally, two supplemental courses were offered on May 29th and 30th through the National CRP Readiness Initiative to provide training to Technical Service Providers to assist with this workload.

On May 2 and 3 the Virginia Association of RC&D Councils held their annual spring meeting in Charlottesville. Over 30 people were in attendance and all seven councils were represented. Four of the seven councils have hired a staff person and one is projecting a cooperative agreement with a Planning District Commission that will allow them a part-time project coordinator. They reported on active projects that included Buy Fresh Buy Local, shoreline stabilization work, forestry and grazing projects, and land easements. They feel they have overcome the hurdle of withdrawn USDA funding and personnel and are on their way to maintaining a sustainable program. One of their major concerns is the misconception that the program no longer exists when it is an authorized program; it just doesn't receive a budget appropriation.

USDA field visits to Virginia.

Dr. Joe Leonard Jr., Assistant Secretary for Civil Rights, USDA, made a visit on Friday, March 15 to the Lynchburg/Bedford area to educate minorities about USDA services, build awareness of available farm programs and showcase farms where work is underway. He began with a meeting of local farmers where NRCS and FSA introduced available USDA programs. This was followed by visits to farms owned by African Americans that were program participants.

On May 30, 2013 Secretary Vilsack held a roundtable in Elkwood, VA on the 2013 Farm Bill. The Secretary is referring to the bill as a farm, foods and jobs bill. He gave a summary analysis of what will take place in Congress on the new bill. A small number of local farmers from a diverse group of agricultural enterprises were invited to introduce questions and concerns.

Earth Team

One of Virginia's Earth Team volunteer annual award winners – the Chesapeake Bay Foundation - won the National Earth Team Partnership award. NRCS coordinated the presentation of the award on behalf of Jason Wells, Acting Chief of NRCS, by Deputy Undersecretary Ann Mills and STC Jack Bricker at the 2013 Chesapeake Bay Agriculture Networking Forum.

During the week of April 20 – 27, NRCS celebrated Volunteer Appreciation month by recognizing its Earth Team Volunteers throughout the state. A letter of thanks from the State Conservationist and tokens of appreciation were presented and other local activities conducted to celebrate Virginia's Earth Team volunteers. As of April 15, Virginia had 704 volunteers with over 6,500 hours.

Envirothon

NRCS staff and Earth Team volunteers assisted with the VASWCD's Envirothon by helping prepare high school students to compete, developing the special topic test for the State Competition, leading the test review and scoring of the Grasslands special topic station, judging and timing the oral presentations portion focused on "Grass and Pastureland Management," and working the soils field station where students answered conservation questions in both written and hands-on tests.