

Soil and Water Conservation Commission Cost Share Committee

June 29, 2012: 9:00am

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Meeting Minutes

Discussion item

1. Julie Henshaw provided a brief update on Commission actions regarding the committee's recommendations at the May SWCC meeting. The following items were approved and have been updated on the division website:
 - a. District comment period for draft policy addressing supplemental allocations of cost share financial assistance
 - b. Modifications to revision policy
 - c. Revisions to district supervisor use of cost share program funds policies
 - d. Revisions to committee structure
 - e. Revision of notarization statement on BMP Fund Certification form

Action items

1. **Draft policy addressing supplemental allocations of cost share financial assistance.**

Kelly Ibrahim provided a review of this policy and the responses received during the comment period. The Commission approved a public comment period, and the draft policy was distributed through the district listserv on May 17th, and a reminder was sent on June 14th. Refer to Appendix A: draft policy and comments received to date.

Discussion items:

- Dates – consider changing from February 15th to March 15th. Recommendation: change the date to March 1st. Make this date revision, and present the policy for adoption at the July SWCC meeting.
 - Note: SWCC meets the third week in March; some years it might be difficult to meet the SWCC mail date – but this will not be a problem for the next few years.

Notes from last meeting on how to distribute reminders

- Technical listserv; create based on users in IBEAM + cost share funded positions
- Notice when policy is adopted – August 2012, send reminder on January 15th include both the cancellation and process to request additional funds with associated due dates.
- Send out another reminder about supplemental allocation request process on February 1st.

2. **Tyndall Super Soil (Terra Blue) Project – new issue on an old project**

David Williams provided an update on this project which was funded through special state appropriations through the lagoon conversion project (LCP). The Tyndall Farm is the only farm that has been paid as part of this project. Approximately \$318,000 has been paid to date, and the landowner would like to cancel the remaining contract. This project was developed in attempts to benefit from carbon credits. The market for carbon credits has not developed, and this project would cost the landowner over \$40,000 per year to operate. The LCP Advisory

Committee recommended that landowners not be held out of compliance if a BMP cannot be operated due to technical or economical reasons. This system is not operational because it would cost the state another \$181,000 to complete, and the landowner does not plan to make this system operational due to the high cost involved. This project is unique in that a phased payment process was used. The remaining landowners canceled their contracts; however, they had not spent any money yet.

The division will ask the district to submit a request for extension of this 2009 contract. The committee needs more information from the Ag Finance Authority to further discuss this issue, and division staff has a conference call with them this afternoon. The division will ask for a copy of the contract between the landowner and Terra Blue from the Ag Finance Authority.

3. Potential allocation strategies for AgWRAP for PY2013

Julie Henshaw provided an update from the Agricultural Water Resources Assistance Program (AgWRAP) Review Committee meeting that was held on the afternoon of June 28, 2012. The committee would like to present some different ideas regarding how to allocate the limited, nonrecurring funds for the program for next year. Some of the ideas discussed are captured below, and will be presented for Commission feedback at the July meeting as part of the AgWRAP Review Committee report.

- Area approval process for applications instead of using the typical district allocation process. While the amount of funding provided to each area for recommendation making purposes would be the sum the individual district allocations, the area would make recommendations on how to approve applications to the Commission. The Commission will approve the final allocations to the districts based on Area recommendations due their authority.
- The Cost Share Committee recommends using the NCASWCD 8 areas instead of NRCS areas to provide more opportunity for local leadership. NRCS areas are too diverse based on resource concerns and local priorities to have an effective ranking system built on consensus.
- Consider only allowing districts who participated last year to be eligible – reward early adopters; however, this approach may show decreased need for the program than the actual needs that exist. If using the area approach, this would be a decision made by each area.
- Creating the approval committee at the area level:
 - Composition can be determined at the area level
 - Goals: supervisors and technical staff be involved in the process
 - AgWRAP Review Committee and cost share program staff will develop draft recommendations on the following items:
 - potential area decision making processes
 - describe necessary process for reviewing and approving applications and contracts
 - draft ranking forms for area editing
 - Goal to share information with areas this summer and have presentations available for Fall Area meetings

4. Future items for committee discussion

The committee discussed potential action items for discussion during the upcoming program year. Please refer to Appendix B: DRAFT Potential Topics for Cost Share Committee for more information.

5. Next meeting: Thursday, August 30th at 8:30am