

NORTH CAROLINA SOIL & WATER CONSERVATION COMMISSION MEETING MINUTES January 6, 2013

Sheraton Imperial Hotel & Convention Center
4700 Emperor Boulevard
Durham, NC 27703

Commission Members	Others Present	
Vicky Porter	Pat Harris	Other SWC District Staff
Craig Frazier	David Williams	NRCS Staff
Bobby Stanley	Dick Fowler	NCASWCD Staff
Donald Heath	Steve Bennett	NC Farm Bureau Foundation
Tommy Houser	Lisa Fine	NCDA & CS Staff
Charles Hughes	Kristina Fischer	Michelle Raquet
Bill Yarborough	Julie Henshaw	
	Kelly Ibrahim	
Commission Counsel	Ralston James	
Jennie Hauser	Tom Jones	
	Ken Parks	
Guest	Daphne Pinto	
Gene Smith	Sandra Weitzel	
Larry Wooten	Natalie Woolard	

Chairwoman Vicky Porter called the meeting to order at 3:06 p.m. and charged the Commission Members to declare any conflict of interest, or appearance of conflict of interest, that may exist for agenda items under consideration as mandated by the State Ethics Act. Commissioner Donald Heath noted a conflict of interest in item 6B for contract # 25-2013-002, Craven SWCD.

Chairwoman Porter asked the Commission to introduce themselves. She acknowledged Mr. Gene Schmidt, President of the National Association Conservation Districts, and Mr. Larry Wooten, President of the NC Farm Bureau.

APPROVAL OF AGENDA: Chairwoman Porter noted that item 6B had been removed from the consent agenda. Commissioner Craig Frazier made a motion to approve the agenda as modified. The motion was seconded by Commissioner Bobby Stanley. Motion carried.

APPROVAL OF MINUTES: The minutes of the Commission Meeting held on November 28, 2012 were presented. Commissioner Craig Frazier made a motion to approve the minutes with a minor change to delete “teleconference” from the heading. The motion was seconded by Commissioner Bill Yarborough. Motion carried.

IV. INFORMATION ITEMS

3. Division Report: Mrs. Patricia Harris, Director of the NC Division of Soil and Water Conservation, presented the division report. Her presentation included the following:

- Mrs. Harris noted that this is the last time this particular group of Commission Members will meet. On behalf of the Division, Mrs. Harris thanked Chairwoman Porter for her dedication and outstanding leadership. She noted that “every view point is important and every opinion counts”.
- Mrs. Harris thanked each Commission member for their dedication, outstanding leadership, and willingness to work with the Division on different issues, projects, and programs. She noted that the Division was looking forward to working with them in 2013. She gave particular acknowledgement to Commissioners Frazier and Stanley, noting that the outcome of the upcoming election will affect whether this is Commissioner Frazier’s last meeting. She expressed appreciation for their insight, knowledge, and willingness to challenge everyone to work hard within the Division and to do what is right for Soil & Water Conservation in North Carolina.
- Mrs. Harris also thanked Mrs. Jennie Hauser, legal counsel, for her dedication and service. She noted that the Division was very fortunate to have her assigned to the Commission and expressed that she was one of the best.

4. Association Report: Commissioner Donald Heath, NC Association of Soil & Water Conservation District President (NCASWCD), and Mr. Dick Fowler, NCASWCD Executive Director, presented a brief overview on the following:

- 2013 Annual Meeting
- Commission Seat Election
- School of Government Training
- Market Based Conservation Initiative
- NACD National Meeting

Attachment 4 is made an official part of the minutes.

5. NRCS Report: Mr. Terence Rudolph, acting NC State Conservationist, presented the following update:

- Mr. Rudolph gave a brief background on himself regarding his education and work history.
- He noted that North Carolina is ranked seventh in the nation for its agricultural value.
- NRCS update and budget deficit was discussed in brief. He noted that the current farm bill was extended until September 30, 2013. He indicated that the key vital programs will still be intact to assist the farmers.
- Mr. Rudolph indicated that the budget cuts will be up for discussion again in January 2013. In addition, there were 24 vacancies to be filled due to retirements, etc.
- Mr. Rudolph referred to page 5 of the handout regarding the obligated funding for EQIP. In particular, he highlighted the 2012 EQIP totaling \$21million.
- Mr. Rudolph thanked the Division for their partnership and support.
- Chairwoman Porter welcomed Mr. Rudolph and expressed that the Commission is looking forward to working with him.

The handout presented is made an official part of the minutes.

V. ACTION ITEMS:

Chairwoman Porter indicated that item 6B for contract # 25-2013-002 from Craven SWCD will be removed and voted on separately. She noted that Commissioner Heath has recused himself from this item. Commissioner Craig Frazier made a motion to approve this contract. The motion was seconded by Commissioner Bobby Stanley. Motion carried.

6. Consent Agenda

Commissioner Craig Frazier made a motion to approve the consent agenda. The motion was seconded by Commissioner Bobby Stanley and it passed unanimously.

A. Nomination of Supervisors

Jerry Jones, Greene SWCD
Eric Brown, Tyrrell SWCD
James H. Coman, Buncombe County
Thurman S. Walls, Swain County
Ted E. Wortman, Cleveland SWCD

B. Supervisor Contracts

Contract No.	District	Supervisor Name	Practice(s)	Contract Amount
25-2013-001	Craven SWCD	Derek B. Potter	Precision Nutrient Management	\$3,161
73-2013-002	Person SWCD	John R. Gray	Grassed Waterway	\$1,122
79-2013-001	Rockingham SWCD	Paul Marshall	Diversion	\$609
91-2013-758	Vance SWCD	J. G. Clayton	Field Border	\$621
91-2013-760	Vance SWCD	Wilton Lee Short, Jr.	Pond Cleanout	\$3,000

C. Job Approval Authority:

Jenifer Brooks; Durham SWCD; Pond Site Assessment
Neal Taylor; Harnett SWCD; Sediment Removal Planning and Certification

Attachment 6C is made an official part of the minutes.

6B. Supervisor Contract for Commission Member

Commissioner Craig Frazier offered a motion to approve contract number 25-2013-002 (Craven SWCD) for Commissioner Donald Heath. The contract is for 17 month sod-based rotation totaling \$1,632. Commissioner Charles Hughes offered a second. The motion was approved. Commissioner Donald Heath abstained from discussion and the vote. Chairwoman Porter noted that the contract will also have to be approved by the Commissioner of Agriculture.

7. Agriculture Cost Share Program Year 2012 Report: Mrs. Kelly Ibrahim, Ag. Cost Share Manager presented this item.

- Mrs. Ibrahim provided a presentation of the 2012 ACSP Annual Report.
- Mrs. Ibrahim requested approval to submit the recommendation to the Environmental Review Commission and the Fiscal Resource Division of the NC General Assembly.
- Commissioner Craig Frazier made a motion to approve attachment 7 as presented. The motion was seconded by Commissioner Donald Heath. Motion carried.

Attachment 7 is made an official part of the minutes.

8. Community Conservation Assistance Program Year 2012 Report: Mr. Tom Hill, CCAP Coordinator, presented the draft 2012 Community Conservation Assistance Program Annual Report.

- Mr. Hill requested approval to submit the recommendation for PY2012 Community Conservation Assistance Program (CCAP) Report to the Environmental Review Commission and the Fiscal Resource Division of the NC General Assembly.
- Commissioner Tommy Houser made a motion to approve attachment 8 as presented. The motion was seconded by Commissioner Craig Frazier. Motion carried.

Attachment 8 is made an official part of the minutes.

9. Agriculture Water Resources Assistance Program Year 2012 Report: Mrs. Julie Henshaw, NPS Section Chief, presented the 2012 annual report for the Agricultural Water Resources Assistance Program. She indicated that it was the newest program added to the Cost Share Program. She clarified that this report was not an action item.

Attachment 9 is made an official part of the minutes.

10. Consideration of PY 2013 AgWRAP Pond Applications: Mrs. Julie Henshaw presented this item and noted that the cycle closed on November 16, 2012. The Commission allocated all of the BMP funds available this year to go toward new pond construction. The Division received 28 applications from 15 districts. She indicated based on the funding available for this fiscal year, and remaining funding from previous fiscal year, there is enough funding for all applications received. Mrs. Henshaw indicated that the applications were reviewed by the AgWRAP Review Committee and requested approval for all pond applications listed on attachment 10 for PY2013.

Commissioner Bill Yarborough made a motion to approve the recommendation for PY2013 AgWRAP Pond Applications. The motion was seconded by Commissioner Craig Frazier and it passed unanimously.

Attachment 10 is made an official part of the minutes.

11. Cost Share Committee Recommendations: Mrs. Julie Henshaw presented this item. Consideration of revisions to program accountability policies in the cost share programs manual:

- a. Program year due dates
Commissioner Craig Frazier made a motion to approve the attachment 11a as presented. The motion was seconded by Commissioner Donald Heath. Motion carried.
- b. Program review policy

Commissioner Craig Frazier made a motion to approve the attachment 11b as presented. The motion was seconded by Commissioner Charles Hughes. Motion carried.

- c. Accountability measures for cost share program contracts
Commissioner Craig Frazier made a motion to approve the attachment 11c as presented. The motion was seconded by Commissioner Bobby Stanley. Motion carried.
- d. Canceled funds from cost share program contracts
Commissioner Craig Frazier made a motion to approve the attachment 11d as presented. The motion was seconded by Commissioner Donald Heath. Motion carried.
- e. Cancellation for cost share contracts in unresolved pending status
Commissioner Donald Heath made a motion to approve the attachment 11e as presented. The motion was seconded by Commissioner Bobby Stanley. Motion carried.
- f. Cost share program match:
Chairwoman Porter directed staff to meet with stakeholders and Commissioners Yarborough and Frazier to get additional input on this proposed policy revision. She requested that this item be brought back to the Commission for consideration at the March Meeting.
- g. Criteria for extension of previous program year contracts
Commissioner Craig Frazier made a motion to approve the attachment 11g as presented. The motion was seconded by Commissioner Charles Hughes. Motion carried.
- h. Interim performance milestones in cost share contracts
Commissioner Craig Frazier made a motion to approve the attachment 11h as presented. The motion was seconded by Commissioner Donald Heath. Motion carried.
- i. Policy addressing approval of cost share applications, contracts and requests for payments
Commissioner Donald Heath made a motion to approve the attachment 11i as presented. The motion was seconded by Commissioner Bill Yarborough. Motion carried.

Attachment 11 (a, b, c, d, e, f, g, h, & i) are made an official part of the minutes.

12. District Supervisor Mileage, Subsistence & Per Diem Reimbursement Policy: Mrs. Harris presented a revised draft policy as attachment 12 that is made an official part of the minutes. The following changes were noted:

- Change in title now reads as “Policy for Mileage, Subsistence and Per Diem Reimbursements from State-Appropriated District Supervisor Travel Funds” updated January 6, 2013.
- Page 1, under Guiding Principles delete “Non Staff” and insert “District Supervisor” for clarity.
- Page 4, under section 4, other meetings, strike item b completely.
- Page 4, under section 5a insert “and approved by the commission”. The statement now reads as “Supervisors are authorized to receive mileage, subsistence and per diem for meetings called by the division and approved by the commission in regard to the ACSP, AgWRAP, and CCAP.”
- Page 4, under section 5b; strike “five percent (5%)”. The statement now reads as “District supervisors are authorized to receive mileage, subsistence and per diem for the required field review of the ACSP, AgWRAP and CCAP contracts and related practices in their county”.
- Page 5, change in date, now reads as “This policy was adopted by the Soil and Water Conservation Commission in regular session on January 6, 2013.”

Commissioner Craig Frazier made a motion to approve the change in attachment 12 as presented. The motion was seconded by Commissioner Bobby Stanley. Motion carried.

Closing Comments:

Prior to opening the floor for public comments, Chairwoman Porter thanked Commissioner Bobby Stanley for his dedication and service on the Commission for six years. She expressed that although his duties on the Commission have ended, she knows that he will continue his duties for the State of North Carolina.

Commissioner Bobby Stanley graciously acknowledged his service for six years and noted that he was the President of the Association for three years and represented the Piedmont region for three years. He highlighted a couple of his accomplishments, spoke about the challenges to come, and praised the Commission for everything they had done thus far.

Chairwoman Porter also thanked Commissioner Bobby Stanley for his friendship.

VI. PUBLIC COMMENTS:

None were noted.

VII. ADJOURNMENT

With there being no further business, Chairwoman Porter adjourned the meeting at 4:20 p.m. The next commission meeting is scheduled for March 20, 2013 at the Archdale Building, in Raleigh, North Carolina.



Patricia K. Harris, Director
Division of Soil & Water Conservation, Raleigh, N.C.
(Sign & Date)



Daphne Pinto, Recording Secretary
(Sign & Date)

These minutes were approved by the North Carolina Soil & Water Conservation Commission on March 20, 2013.



Patricia K. Harris, Director
(Sign & Date)

ASSOCIATION REPORT TO THE COMMISSION

January 6, 2013

2013 Annual Meeting – Early registration for this year’s meeting was strong with 351 registering. A strong program has been planned with notable speakers including Commissioner Troxler, Speaker of the House Thom Tillis, noted NC State ag economist Dr. Michael Walden, Dr. Stew Sherrick from Monsanto, and Charlie Walthall with USDA-ARS in Beltsville, Maryland. . In addition, Congressman David Price is slated to provide the welcome tomorrow morning. You don’t want to miss Tuesday morning’s presentation entitled “Remembering 75 Years of Conservation”, featuring Dr. Maurice Cook and video clips from some of North Carolina’s early conservationists, one remembering back to 1943 and meetings with Dr. Bennett. Also don’t miss out on extras to include Krispy Kreme donuts, ice cream, and rolled sushi (at the President’s reception) provided by RiceWrap from Henderson. This meeting will truly be a mixture of history, tradition, and forward thinking.

Commission Seat Election – The Association is pleased to assist with the ballot election for the piedmont region Commission seat. Candidates include Danielle Adams from Area 4 (Durham SWCD), Craig Frazier from Area 3 (Randolph SWCD), and Bob White from Area 7 (Cumberland SWCD). Supervisors from the Association’s Nominating Committee will oversee the election. Candidates will be introduced at the Supervisor’s Breakfast on Monday morning and will be given an opportunity to address the body during the General Session on Tuesday morning. The attached flyer has been prepared and will be distributed at Monday morning’s breakfast. Voting will take place just before the morning break on Tuesday.

School of Government Training -- 2013 training at the UNC School of Government will be held February 19-20, 2013. A large class is expected as 2012 was an election year and is also the anniversary date of appointment for many supervisors. Registration is now available on line at www.sog.unc.edu/node/926.

Association Executive Director Dick Fowler is working with staff from the School of Government regarding the training program.

Market Based Conservation Initiative –This initiative continues to move forward and the early part of 2013 will be very busy. All five of the Phase 1 counties which includes Johnston, Harnett, Duplin, Sampson, and Lenoir signed agreements with the Foundation to implement the initiative. A tentative time line anticipates landowner workshops in the first quarter of 2013 with the first bid rounds possibly in mid to late March. The Foundation has hired Tom Potter as the field rep for the initiative. Tom’s major responsibility will be to assist individual districts with initiative rollout and implementation.

NACD National Meeting –The 2013 NACD national meeting will be held in San Antonio, Texas January 27-30, 2013. Registration and hotel information can be found on the NACD web page at

<http://www.nacdnet.org/events/annualmeeting/index.phtml>.

Helping People Help the Land



United States Department of Agriculture
Natural Resources Conservation Service

The *UPDATE*

North Carolina

January - February 2013

United States Department of Agriculture . Natural Resources Conservation Service . North Carolina

NOTES FROM THE STATE CONSERVATIONIST

Terrance Rudolph, Acting State Conservationist

NORTH CAROLINA CONSERVATION PROGRAM

Updates on Farm Bill Program 2012-2013

JASON WELLER

Acting NRCS Chief

DUPLIN COUNTY FARMER

Mitchell Paige making a difference

AND MORE...

A cooperative partnership with local Soil and Water Conservation Districts and
North Carolina Division of Soil and Water

USDA is an equal opportunity provider and employer.

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All images provided by Stuart Lee. For copies or rights to images, please contact Stuart Lee at 919.873.2107. All articles written by Stuart Lee, and Matt Flint.

If you would like to contribute to The Update, or have questions about this or past editions of The Update, please contact Stuart Lee at 919.873.2107 or Stuart.Lee@nc.usda.gov.



The photos on this page and cover were taken by Stuart Lee at Mr. Albert and Ada Beatty's farm in Bladen County.

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Notes from the State Conservationist

Hello North Carolina friends, I am very excited to be serving as Acting State Conservationist.

There is a great quote by Duke Ellington, in which he said, "a problem is a chance for you to do your best." Though there are many uncertainties facing NRCS, it is by no means a time for us to ponder the challenges in front of us as negative obstacles. The Federal Government faces difficult budget horizons that we will tackle. In addition, we may or may not have a Farm Bill this year. Nonetheless, what we are facing in 2013 is the time that our employees, partners and customers have "a chance to do our best"-- our best in delivering natural resource conservation and conservation management.

In North Carolina, this means that we are going to be proactive, maintain our momentum, and look for new opportunities in the future. The North Carolina NRCS staff is devoted to doing this very thing for the Agency, our partners and our landowners -- we are going to be proactive, to keep moving forward and be the relevant, results oriented organization that we have proven we are in North Carolina.

Our path forward has been well outlined by our former Chief Dave White and is continuing under our Acting Chief Jason Weller. The path forward for NRCS is outlined under seven Agency priorities.

Priority 1: Strengthen Business Operations

We are well on our way towards implementing the Conservation Delivery Streamlining Initiative (CDSI), and field offices will soon see the benefits of CDSI. CDSI is critical to our future and to getting our conservation professionals back in the field to provide direct customer contact, conservation planning and delivery to farmers and ranchers.

Priority 2: Expand Soil Health Campaign

We will be expanding the Soil Health campaign and focusing on strengthening a foundation built on soil health, which is crucial for NRCS's success.

Priority 3: Enhance Landscape Conservation Initiatives

This agency has pushed the envelope on how we approach local, regional and national conservation priorities. We're doing amazing things for water quality, water supply, water quantity and wildlife habitat. Through enhancing our landscape conservation initiatives, such as the Longleaf Pine Initiative, we will integrate adaptive management and better articulate the benefits and true value of our conservation efforts, and what taxpayers are getting for their investments.

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Saying Goodbye - Mike Hinton Retires

After 34 ½ years of federal service Mike Hinton retired on December 31, 2012. He leaves a long legacy in conservation. "Though sometimes you get frustrated, it is the work that you see on the ground and what it means to the landowner that has made it all worth it, and I am most proud of that," said Hinton. Mike's guidance and dedication will be greatly missed.

Left: Acting State Conservationist Terrance Rudolph gives Mike Hinton a special gift from the NRCS during Hinton's retirement party.

CONSERVATION FARM BILL PROGRAMS

2013 PROGRAM ROLL-OUT - WHAT YOU NEED TO KNOW

Now is the time to work with the Natural Resources Conservation Service to develop a conservation plan, and learn how to apply for programs to help you reach your conservation goals. All landowners interested in Farm Bill conservation programs administered by NRCS must have an active conservation plan so that their application can be considered for available program funding.

Together, NRCS and the landowner decide the best ways to improve the productivity, sustainability and profitability of the farm based on the landowner's objectives. The Conservation Plan will serve as a roadmap to a variety of technical and financial assistance and options available to the landowner.

"We're getting back to our roots with conservation planning," said Greg Walker Assistant State Conservationist. "Conservation planning is the vital first step in understanding natural resources on your land, and also understanding how technical and financial conservation assistance can be incorporated into your operation to help you help the land."

Financial assistance through Farm Bill conservation programs can be made available at anytime. To ensure that your application for programs can be considered for funding, schedule an appointment today to talk to your local NRCS Field Office about developing or reviewing your conservation plan.

For more information on Conservation Planning, Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Wildlife Habitat Incentives Program (WHIP), and all other Conservation Farm Bill Programs, please visit our State Programs web site at www.nc.nrcs.usda.gov. The 2013 EQIP Payment Schedule and Payment Schedule for Energy are also now available on the web.

Ranking Deadlines For Programs

Date	Program / Initiative
January 18, 2013	EQIP Forestry EQIP longleaf Pine Initiative All EQIP National Initiatives WHIP WLFW Golden Winged Warbler
February 15, 2013	General EQIP EQIP Forestry EQIP Longleaf Pine Initiative All EQIP National Initiatives WHIP WLFW – Golden Winged Warbler
March 15, 2013	FINAL EQIP Forestry FINAL EQIP Longleaf Pine All EQIP National Initiatives WHIP WLFW – Golden Winged Warbler
April 19, 2013	FINAL All EQIP National Initiatives FINAL WHIP WLFW – Golden Winged Warbler

- Field Office Are Continuing to take CSP Applications in anticipation of future funding.
- Farm and Ranchland Protection Program (FRPP) applications from cooperating entities are due February 15th. For more information on FRPP, please see our state web site.

CONSERVATION PROGRAM OVERVIEW

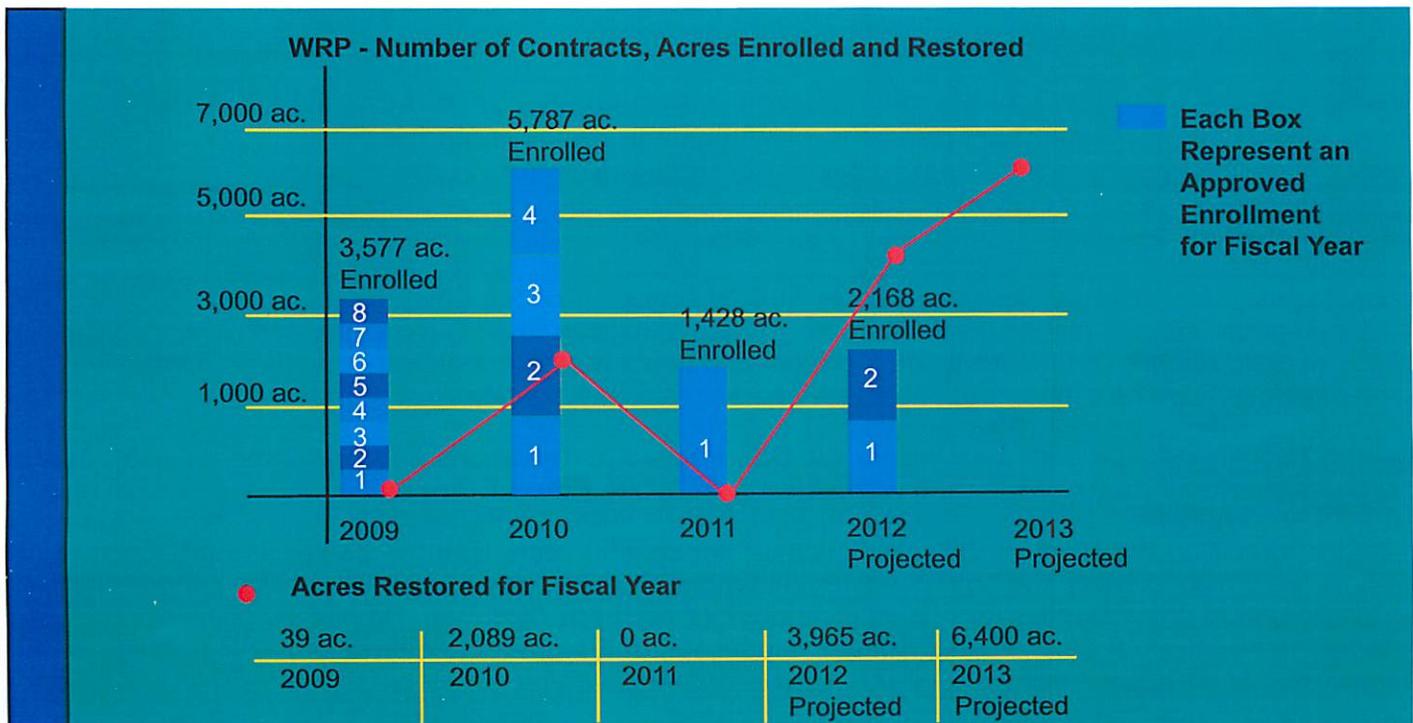
BY THE NUMBERS - 2002 TO 2012

Farm Bill Conservation Program Financial Assistance Delivered in North Carolina

YEAR	AWEP	CSP	CSIP	EQIP	WHIP
2002				\$3 mil	
2003				\$9.3 mil	
2004				\$12 mil	\$250,000
2005		\$1.8 mil		\$12.5 mil	\$250,000
2006		\$1.65 mil		\$12.6 mil	\$230,000
2007		\$1.6 mil		\$13.8 mil	\$350,000
2008		\$1.5 mil		\$13.6 mil	\$900,000
2009	\$40,000	\$1.3 mil		\$12.4 mil	\$860,000
2010	\$55,000	\$800,000	\$1 mil	\$12 mil	\$580,000
2011	\$80,000	\$700,000	\$1.9 mil	\$16.7 mil	\$1.1 mil
2012	\$30,000	\$650,000	\$2.7 mil	\$21 mil	\$25,000
Totals	\$205,000	\$10 mil	\$5.6 mil	\$138.9 mil	\$4.545 mil

TOTAL ALL YEARS = \$159,250,000

Estimated numbers - official numbers available upon request.



State Conservationist - Continued From Page 3

Priority 4: Enhance Access to Underserved Communities

One in six Americans today lives in poverty, and 90% of the highest poverty rate counties in this country are in rural America. This agency has vast gifts, both on our technical and our delivery sides through our Farm Bill programs. We will be utilizing enhanced outreach methods to serve, assist and help improve natural resources for all landowners.

Priority 5: Broaden Regulatory Predictability

NRCS is helping to define, shape and lead regulatory predictability. We are looking at how we can work with other Federal Agencies and partners to help landowners address resource concerns and improve conditions prior to the need for preemptive policy and regulation. Then those good works become the basis for proactive programs and initiatives that solve priority resource issues.

Priority 6: Harness Private Markets

In North Carolina and nationally, NRCS is moving forward by taking our technical capacity, our expertise and the public's trust in us, and exploring ways to harness the private marketplace to incentivize conservation. This can be seen in many of our Conservation Innovation Grants awarded in North Carolina. This process will take us to the next level so that we're not only providing financial assistance and technical assistance, but creating market forces that also incentivize landowners to make wise conservation decisions.

Priority 7: Deepen Strategic Partnerships to Better Leverage Outcomes

And, finally, the seventh priority is to deepen our strategic partnerships to better leverage our outcomes. Core partners, like NACD, state conservation agencies, and Soil and Water Conservation Districts will always be central to our mission and how we deliver conservation.

As we face the future together, I'm honored to have the opportunity to serve North Carolina. I'm here to help and look forward to assisting our agency and our partners do our best.

Terrance Rudolph
Acting State Conservationist

ACTING CHIEF JASON WELLER

GETTING TO KNOW OUR ACTING CHIEF

Jason Weller has served as Acting Chief of NRCS since December 2012. As Acting Chief, he oversees programs that help protect the environment, preserve our natural resources, and improve agricultural sustainability through voluntary, private-lands conservation. He leads a staff of 11,500 employees across the country and manages a budget of about \$4 billion.

Before assuming this role, Jason served as NRCS's Acting Associate Chief for Conservation and as Chief of Staff where he worked alongside Chief Dave White and the agency's national and state leaders to plan and implement strategic conservation initiatives and conduct the annual business operations of the agency.

Jason also served as a staff member for the U.S. House Appropriations Subcommittee on Agriculture, the U.S. House Budget Committee, and worked with the White House Office of Management and Budget.

Before coming to Washington, DC, Jason worked for several years with the California State Legislature where he provided fiscal and policy recommendations on a variety of natural resource conservation and environmental protection issues. Jason is a native of northern California. He earned his undergraduate degree from Carleton College in Northfield, Minnesota, and a graduate degree in public policy from the University of Michigan.



Jason Weller
Acting Chief



*No-Till on
Paige Farm*

OUTSTANDING CONSERVATIONIST MITCHELL PAIGE IN DUPLIN COUNTY

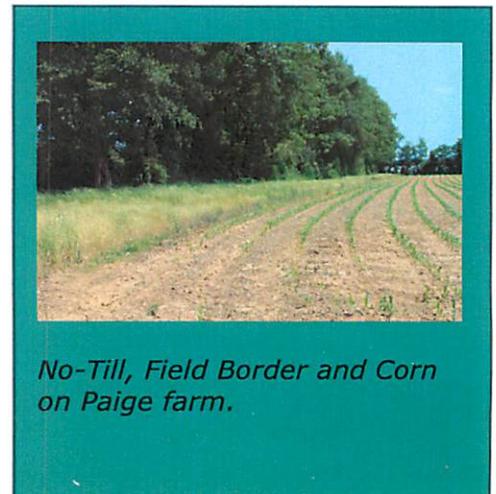
While traveling the landscape of Duplin County in North Carolina you are bound to notice several things. There is an abundance of hog, poultry, and large-scale farming operations. Small farms, once the backcloth standard in this rural county, are becoming more intermittent. For farmer Mitchell Paige, however, his operation has not become an endangered livelihood lost among a milieu of encroaching large-scale farming operations. Mr. Paige's roughly 400-acre operation is thriving and is an example of what other operations, small and large, should strive to replicate.

Mr. Paige, a fourth generation farmer, is keenly aware of the issues that affect his business, including the economy, culture, climate, and natural resources unique to Duplin County. "There are large farms popping up all the time down here, farms where the people who own the land don't live here and have others farm it for them. There are poultry operations being built frequently, as well, but the landowners do not understand the type of land and water we have here," said Paige. "We've been here, lived here, grew up here and it takes a lot more than being a huge landowner to be successful...you've got to know and care about the soil, water, and other resources we have to make it work for your farm and for everyone around you."

Mr. Paige understands that there is a lot more to farming than trying to turn a profit.

"It's important to know the farming business, and how to manage the resources. You also need to know how to make this land and water work for you, and to use it wisely," said Paige.

Continue On Page 8...



*No-Till, Field Border and Corn
on Paige farm.*

Paige - Continued From Page 7

Mr. Paige uses his resources prudently. Because of longstanding water quality issues in Duplin County, he has worked with NRCS to adopt management practices that conserve water and help enhance water quality conditions on his farm. How is he doing this? He implements no-till techniques and plants cover crops. He also maintains 20 foot under vegetated boundaries that are not farmed, off-set from ditches and uses an integrated pest management system. Furthermore, he understands that integrating wildlife habitat management into his operation will provide added resource benefits. Mr. Paige is working through the NRCS Longleaf Pine Initiative to restore Longleaf Pine habitats on his lands.

Mr. Paige's voluntary conservation management practices have improved resource conditions on his farm, which help him to stand out. Therefore, when he applied for NRCS Conservation Stewardship Program (CSP), a program that helps producers who are already demonstrating a high level of conservation resource management to further their efforts, he was a prime applicant for the program.

His efforts to improve resources on his farm and for Duplin County will not end. Mr. Paige is leaving a legacy of good farming and conservation practices for the county. In addition, his lands are currently in a state easement program to protect farmland from development.

"I want this land to be here," said Paige. "I want this farm to be an example of what can happen and how it can work when you tend to everything while being aware of the impact farming has on the environment and take appropriate steps to protect it."

CONSERVATION STEWARDSHIP PROGRAM

THE SECRETARY'S MESSAGE

In just four years, America's top conservationists have enrolled 50 million acres in USDA's Conservation Stewardship Program (CSP), a program that helps farmers, ranchers and forest landowners take conservation to the next level.

CSP is aimed at producers who are already established conservation stewards, helping them to deliver multiple conservation benefits on working lands, including improved water and soil quality and enhanced wildlife habitat.

"Farmers and ranchers throughout the country are making USDA's voluntary Conservation Stewardship Program a major force for conservation," Agriculture Secretary Tom Vilsack said. "The protection of natural resources through conservation programs such as CSP create outdoor and wildlife recreation opportunities that provide crucial jobs and bolster economic growth in rural American communities."

The land enrolled in CSP totals more than 78,000 square miles, an area larger than Pennsylvania and South Carolina combined, making the program one of the largest voluntary conservation programs for private lands offered by USDA's Natural Resources Conservation Service. Nearly 12.2 million acres, or 18,750 square miles, were enrolled this year.

Eligible landowners and operators in all states and territories can enroll in CSP. NRCS local offices accept CSP applications year round and evaluate applications during announced ranking periods.

A CSP self-screening checklist is available to help producers determine if the program is suitable for their operation. The checklist highlights basic information about CSP eligibility requirements, stewardship threshold requirements and payment types. It is available from local NRCS offices and on the CSP website: <http://go.usa.gov/g9dx>.

Eligible Lands for CSP;

- Cropland
- Grassland
- Prairie Land
- Improved Pastureland
- Rangeland
- Nonindustrial Private Forest Lands
- Agricultural Land Under the Jurisdiction of an Indian Tribe
- And other Private Agricultural Land (including cropped woodland, marshes, and agricultural land used for the production of livestock) on which Resource Concerns Related to Agricultural Production Could be Addressed.

NC NRCS is now looking for eligible CSP applicants.

ATTACHMENT 6B

**NCACSP Supervisor Contracts
Soil and Water Conservation Commission**

County	Contract Number	Supervisor Name	BMP	Contract Amount	Comments
Craven	25-2013-001	Derek B. Potter	Precision Nutrient Management	\$ 3,161	Pamlico Supervisor
Craven	25-2013-002	Donald Heath	3 Year Sod Based Rotation (17 month)	\$ 1,632	SWCC member
Person	73-2013-002	John R. Gray	Grassed Waterway	\$ 1,122	
Rockingham	79-2013-001	Paul Marshall	Diversion	\$ 609	
Vance	91-2013-758	J. G. Clayton	Field Border	\$ 621	
Vance	91-2013-760	Wilton Lee Short, Jr.	Pond Cleanout	\$ 3,000	

Total Number of Supervisor Contracts:
Total \$ **10,145**



SWCC Job Approval Authority Recommendations

January 6, 2013

The following individuals have submitted requests to obtain Commission Job Approval Authority for the respective categories.

1. Pond Site Assessment
Jenifer Brooks – Durham Soil and Water Conservation District
2. Sediment Removal Planning and Certification
Neal Taylor – Harnett Soil and Water Conservation District

All employees have successfully completed the requirements and have acquired confirmation of demonstrated technical proficiency from a Division engineer; therefore I recommend that these job approval authority requests be approved.

MAILING ADDRESS

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**REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION
AND FISCAL RESEARCH DIVISION OF THE NORTH CAROLINA
GENERAL ASSEMBLY ON WATER QUALITY ACCOUNTABILITY
FOR THE AGRICULTURE COST SHARE PROGRAM
PROGRAM YEAR 2012**



INTRODUCTION

The North Carolina Agriculture Cost Share Program (ACSP) was authorized by the General Assembly in 1983 to improve water quality associated with agriculture in three nutrient sensitive watersheds covering 16 counties. In 1990, the program was expanded to include 96 soil and water conservation districts (districts) covering all 100 counties across the state.

While the Soil and Water Conservation Commission (commission) has the statutory responsibility to create, implement and supervise the ACSP, it is delivered at the local level by 492 elected and appointed district supervisors who are assisted by their staff and partners in natural resource conservation. These partners include technical and professional employees of the soil and water conservation district or county, the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), the North Carolina Department of Agriculture and Consumer Services (NCDAS&CS) Division of Soil and Water Conservation (division), the Cooperative Extension Service, and the North Carolina Department of Agriculture and Consumer Services.

The commission continues to adapt the program to respond to changing needs and technology. There were 70 approved best management practices (BMPs) in the ACSP for program year 2012. BMPs include both short-term and long-term practices. For a BMP to be approved by the commission, a NRCS technical standard addressing the water quality problem must exist, or the commission must adopt standards for the practice. Sufficient cost information must also be available to determine the appropriate cost share amount. Occasionally, BMPs are approved on a limited scale for evaluation purposes. These are referred to as district BMPs. The definitions of approved BMPs for the ACSP are provided in the Detailed Implementation Plan (Attachment A).

For most practices, the amount provided in cost share is based on 75 percent of a predetermined average cost for the practice up to a maximum of \$75,000 per cooperating farmer per year. However, some practices are cost shared on 75 percent of actual cost due to the variable nature of the practice. Farmers who qualify as beginning farmers or limited resource farmers, and farmers participating in an enhanced voluntary agricultural district are eligible to receive up to 90 percent cost share up to a maximum of \$100,000 per year.

The commission conducts a wholesale review of its cost share average costs every three years, but it makes necessary corrections when presented with information that one of its predetermined costs is inaccurate.

Districts spot check a minimum of 5 percent of randomly selected active contracts each year to ensure that practices are being maintained properly. The division and NRCS also spot check contracts as part of regular reviews of district office implementation of the ACSP. Spot checks for 2012 showed excellent compliance with maintenance requirements by participating farmers. Only 1.3 percent of contracts were out of compliance. When practices are discovered to need additional maintenance, the district is usually able to assist the cooperator to restore the practice to its intended function.

Table 1: Number of site visits conducted during program year 2012

DISTRICTS	Total # CPOs	VISITS	PERCENT VISITED	IN COMPLIANCE	OUT OF COMPLIANCE	MAINTENANCE NEEDED	PARTICIPATING SUPERVISORS	Total Number Results
ALAMANCE	314	18	5.7%	17	0	1		18
ALEXANDER	76	17	22.4%	10	2	5	1	17
ALLEGHANY	112	8	7.1%	6	1	1	5	8
ANSON (BROWN CREEK)	60	19	31.7%	17	0	1	2	18
ASHE (NEW RIVER)	111	6	5.4%	6	0	0	4	6
AVERY	103	7	6.8%	7	0	0	5	7
BEAUFORT	35	5	14.3%	3	1		5	4
BERTIE	154	9	5.8%	7	0	2	1	9
BLADEN	95	15	15.8%	15	0	0	1	15
BRUNSWICK	55	3	5.5%	3	0	0	3	3
BUNCOMBE	109	5	4.6%	5	0	0	2	5
BURKE	82	6	7.3%	6	0	0	2	6
CABARRUS	69	9	13.0%	9			3	9
CALDWELL	84	14	16.7%	14	0	0	2	14
CAMDEN (ALBEMARLE)	15	6	40.0%	6	0	0	4	6
CARTERET	1	1	100.0%	1	0	0	2	1
CASWELL	338	18	5.3%	18	0	0	1	18
CATAWBA	38	5	13.2%	5	0	0	3	5
CHATHAM	123	25	20.3%	25	0	0	5	25
CHEROKEE	165	9	5.5%	7	1	1	3	9
CHOWAN (ALBEMARLE)	65	5	7.7%	5	0	0	3	5
CLAY	90	4	4.4%	4	0	0	4	4
CLEVELAND	62	6	9.7%	6	0	0	4	6

DISTRICTS	Total # CPOs	VISITS	PERCENT VISITED	IN COMPLIANCE	OUT OF COMPLIANCE	MAINTENANCE NEEDED	PARTICIPATING SUPERVISORS	Total Number Results
COLUMBUS	139	9	6.5%	9	0	0	2	9
CRAVEN	52	4	7.7%	3	0	1	1	4
CUMBERLAND	72	8	11.1%	8	0	0	2	8
CURRITUCK (ALBEMARLE)	1	1	100.0%	1	0	0	5	1
DAVIDSON	80	18	22.5%	18	0	0	2	18
DAVIE	66	17	25.8%	17	0	0	2	17
DUPLIN	160	15	9.4%	15	0	0	1	15
DURHAM	52	5	9.6%	5	0	0	2	5
EDGECOMBE	224	14	6.3%	14	0	0	4	14
FORSYTH	83	4	4.8%	3	1	0	4	4
FRANKLIN	154	8	5.2%	8	0	1	2	9
GASTON	54	3	5.6%	2	0	1	3	3
GATES	126	10	7.9%	9	0	1	3	10
GRAHAM	32	4	12.5%	4	0	0	2	4
GRANVILLE	243	12	4.9%	12	0	0	2	12
GREENE	91	8	8.8%	8	0	0	2	8
GUILFORD	153	22	14.4%	20	0	2	4	22
HALIFAX (FISHING CREEK)	74	5	6.8%	4	1	0	2	5
HARNETT	203	24	11.8%	21	0	0	1	21
HAYWOOD	114	16	14.0%	16	0	0	2	16
HENDERSON	122	10	8.2%	8	0	2	1	10
HERTFORD	120	7	5.8%	7	0	0	1	7
HOKE	71	8	11.3%	8	0	0	2	8
HYDE	68	5	7.4%	5	0	0	4	5
IREDELL	65	3	4.6%	2	0	1	2	3
JACKSON	54	5	9.3%	5	0	0	2	5
JOHNSTON	215	17	7.9%	16	1	0	5	17
JONES	63	12	19.0%	12	0	0	1	12
LEE	110	9	8.2%	9	0	0	1	9
LENOIR	193	17	8.8%	15	0	2	3	17
LINCOLN	105	8	7.6%	7	1	0	1	8
MACON	62	3	4.8%	3	0	0	1	3
MADISON	98	5	5.1%	5	0	0	2	5
MARTIN	138	9	6.5%	7	0	2	4	9
MCDOWELL	23	5	21.7%	5	0	0	1	5
MECKLENBURG	6	2	33.3%	2	0	0	1	2
MITCHELL	129	14	10.9%	14	0	0	1	14

DISTRICTS	Total # CPOs	VISITS	PERCENT VISITED	IN COMPLIANCE	OUT OF COMPLIANCE	MAINTENANCE NEEDED	PARTICIPATING SUPERVISORS	Total Number Results
MONTGOMERY	60	16	26.7%	16	0	0	2	16
MOORE	77	26	33.8%	26	0	0	3	26
NASH	122	6	4.9%	6	0	0	3	6
NEW HANOVER	4	1	25.0%	1	0	0	2	1
NORTHAMPTON	303	18	5.9%	18	0	0	2	18
ONslow	73	4	5.5%	4	0	0	3	4
ORANGE	152	17	11.2%	17	0	0	1	17
PAMLICO	36	3	8.3%	3	0	0	1	3
PASQUOTANK (ALBEMARLE)	29	4	13.8%	4	0	0	3	4
PENDER	110	6	5.5%	6	0	0	3	6
PERQUIMANS (ALBEMARLE)	34	6	17.6%	6	0	0	3	6
PERSON	194	10	5.2%	9	0	1	2	10
PITT	340	28	8.2%	27	1	0	3	28
POLK	44	4	9.1%	4	0	0	2	4
RANDOLPH	79	16	20.3%	16	0	0	5	16
RICHMOND	56	15	26.8%	12	0	3	0	15
ROBESON	123	6	4.9%	6	0	0	1	6
ROCKINGHAM	130	7	5.4%	7	0	0	3	7
ROWAN	93	8	8.6%	8	0	0	1	8
RUTHERFORD	190	11	5.8%	10	0	1	3	11
SAMPSON	184	21	11.4%	20	0	1	2	21
SCOTLAND	40	4	10.0%	4	0	0	1	4
STANLY	106	8	7.5%	8	0	0	1	8
STOKES	146	11	7.5%	9	1	1	4	11
SURRY	210	16	7.6%	16	0	0	3	16
SWAIN	31	2	6.5%	2	0	0	3	2
TRANSYLVANIA	65	6	9.2%	6	0	0	1	6
TYRRELL	27	2	7.4%	2	0	0	1	2
UNION	56	11	19.6%	11	0	0	1	11
VANCE	104	5	4.8%	5	0	0	2	5
WAKE	153	10	6.5%	8	1	1	4	10
WARREN	166	11	6.6%	11	0	0	1	11
WASHINGTON	77	6	7.8%	5	1	0	2	6
WATAUGA	56	9	16.1%	4	0	5	2	9
WAYNE	202	14	6.9%	14	0	0	2	14
WILKES	87	29	33.3%	29	0	0	3	29
WILSON	126	6	4.8%	6	0	0	5	6
YADKIN	147	19	12.9%	19	0	0	5	19

DISTRICTS	Total # CPOs	VISITS	PERCENT VISITED	IN COMPLIANCE	OUT OF COMPLIANCE	MAINTENANCE NEEDED	PARTICIPATING SUPERVISORS	Total Number Results
YANCEY	146	9	6.2%	9	0	0	2	9
								0
TOTALS	10,549	977	9.3%	922	13	37	237	977
				94.4%	1.3%	3.8%		

PROGRAM ACCOMPLISHMENTS

Since the first ACSP contracts were issued in 1984 through the end of program year 2012, 56,135 contracts have been approved for installing BMPs affecting over 2.6 million acres. Most BMPs have a life expectancy of ten years, which is how long participating farmers must agree to maintain the practices.

Early in the program, the major factor used for determining success was tons of soil saved because the program funded predominantly sediment and erosion control practices. It is estimated that best management practices installed through the ACSP since its inception are saving over 7.3 million tons of soil annually. Since the mid-1990s, while continuing its attention on minimizing soil loss and erosion, the program has increased its attention on reducing and managing nutrients from cropland and livestock production. Part of the impetus for this new attention was the promulgation of the 15A NCAC 2H.0200 (now 15A NCAC 2T) animal waste management rules and the nutrient sensitive waters strategies for the Neuse and Tar-Pamlico River Basins.

Highlights of additional accomplishments include the following:

- 197,924 acres of marginal or environmentally sensitive cropland have been converted to trees, grass or wildlife habitat areas.
- 3,958 waste management practices have been installed to properly store and manage dry and wet animal waste.
- 936 mortality management systems have been installed to properly manage livestock mortalities to minimize water quality impacts.
- 4,072 water control structures have been installed improving water management on and reducing nutrient loss from approximately 319,308 acres.
- 1,184 miles of fencing have been erected, in combination with other practices (e.g., watering sources) to exclude livestock from streams.
- 632,461 acres of cropland have been converted to no-till or conservation tillage to reduce sediment loss associated with traditional practices.
- 17,007 acres of forested riparian buffer have been established to reduce nutrient loss from approximately 68,027 acres of cropland.
- 139 chemical handling and management structures have been installed to provide an environmentally safe means for mixing and storing agricultural chemicals.

A complete list of program accomplishments is included as Attachment B.

REPORTING REQUIREMENTS

Projects Receiving State Funds

Participating farmers have up to three years to complete the work included in ACSP contracts. Therefore, cost share payments made each year may be for contracts written in the current program year or in the two previous program years. For this reason the fund balance for the program will always exceed the amount appropriated in a given year.

Each contract is considered a “project.” Each project may include only one BMP or a system of practices that include several BMPs. Cost share payments are made only when installation of a BMP is completed and certified to be in accordance with current NRCS or commission standards.

ACSP payments were applied to 953 projects statewide between July 1, 2011 and June 30, 2012. These contracts received total payments of \$4,846,298. A list of individual contracts to which agriculture cost share funds were applied in program year 2012 is available upon request.

New Contracts for Program Year 2012

In program year 2012, districts requested \$ 20,926,331 to address identified water quality concerns. The General Assembly appropriated \$ 4,464,413 in recurring general funds for BMP installation. Current appropriations do not enable districts to meet demand for financial assistance for installing BMPs to protect water quality in North Carolina.

In total, the commission allocated \$6,087,633 to districts. In addition to the 2012 appropriation, the commission also had available for allocation (1) funds allocated to districts in 2011 with which districts were unable to execute contracts with farmers prior to the end of the program year and (2) funds recovered from completed and expired contracts from program years 2009 through 2011. Despite the commission’s actions to improve efficiency of the ACSP, districts still must turn away two out of every three farmers requesting cost share assistance.

Districts obligated \$ 5,514,774 of state appropriated cost share funds to 941 new contracts with farmers in program year 2012. In addition, the ACSP infrastructure was used to implement conservation practices using several other funding sources, including the Agricultural Drought Response Project, numerous grants, and an agreement with the Ecosystem Enhancement Program. In all, districts obligated \$ 6,118,852 to 977 contracts. Table 2 presents the total number and value of 2011 contracts for each county. Figure 1 shows the distribution of ACSP projects within each county. Maps by BMP category can be found in Attachment E.

Table 2: Total number and value of 2012 contracts by county

County	Number of 2012 Contracts	Amount Contracted (Cost Share)	Total Amount Contracted	County	Number of 2012 Contracts	Amount Contracted (Cost Share)	Total Amount Contracted
Alamance	14	\$57,876	\$104,642	Jones	10	\$54,659	\$70,559
Alexander	3	\$80,549	\$80,549	Lee	13	\$53,727	\$58,005
Alleghany	13	\$71,397	\$74,577	Lenoir	10	\$44,453	\$61,658
Anson	5	\$57,307	\$61,132	Lincoln	5	\$79,676	\$125,456
Ashe	6	\$65,550	\$70,996	Macon	5	\$39,105	\$43,400
Avery	9	\$55,692	\$58,125	Madison	10	\$72,640	\$90,917
Beaufort	10	\$63,011	\$107,923	Martin	9	\$34,960	\$34,960
Bertie	9	\$38,171	\$54,734	McDowell	2	\$20,774	\$20,774
Bladen	12	\$53,868	\$73,830	Mecklenburg	1	\$31,796	\$58,553
Brunswick	5	\$45,885	\$49,927	Mitchell	8	\$79,264	\$83,321
Buncombe	11	\$86,479	\$113,852	Montgomery	2	\$54,094	\$54,094
Burke	2	\$11,090	\$18,643	Moore	17	\$59,762	\$113,059
Cabarrus	9	\$83,780	\$100,218	Nash	3	\$60,850	\$82,588
Caldwell	6	\$47,888	\$70,481	New Hanover	0	\$0	\$10,713
Camden	11	\$43,944	\$44,941	Northampton	11	\$42,722	\$42,722
Carteret	3	\$13,333	\$18,822	Onslow	1	\$12,092	\$15,017
Caswell	20	\$49,429	\$156,450	Orange	19	\$102,774	\$160,416
Catawba	6	\$56,617	\$87,438	Pamlico	5	\$55,990	\$55,990
Chatham	13	\$89,844	\$123,182	Pasquotank	10	\$59,505	\$76,537
Cherokee	11	\$54,115	\$55,876	Pender	9	\$50,948	\$50,948
Chowan	19	\$56,067	\$56,067	Perquimans	18	\$58,735	\$73,735
Clay	7	\$51,008	\$53,273	Person	20	\$51,338	\$51,338
Cleveland	4	\$55,801	\$81,339	Pitt	16	\$67,271	\$93,570
Columbus	15	\$78,285	\$84,247	Polk	3	\$25,887	\$27,590
Craven	6	\$30,920	\$46,777	Randolph	7	\$78,459	\$143,842
Cumberland	16	\$37,855	\$44,101	Richmond	4	\$55,021	\$60,719
Currituck	9	\$40,350	\$42,535	Robeson	22	\$85,296	\$100,296
Dare	0	\$0	\$8,827	Rockingham	22	\$71,994	\$150,972
Davidson	10	\$57,391	\$82,687	Rowan	5	\$63,185	\$108,034
Davie	10	\$65,157	\$67,557	Rutherford	5	\$56,057	\$63,910
Duplin	23	\$98,960	\$121,308	Sampson	21	\$98,656	\$140,174
Durham	10	\$47,420	\$108,239	Scotland	2	\$36,161	\$36,161
Edgecombe	9	\$63,866	\$73,484	Stanly	8	\$72,573	\$82,664
Forsyth	8	\$42,666	\$92,757	Stokes	3	\$41,132	\$89,273
Franklin	7	\$61,980	\$63,633	Surry	10	\$104,833	\$129,047

County	Number of 2012 Contracts	Amount Contracted (Cost Share)	Total Amount Contracted	County	Number of 2012 Contracts	Amount Contracted (Cost Share)	Total Amount Contracted
Gaston	5	\$53,189	\$133,766	Swain	7	\$31,964	\$36,272
Gates	5	\$29,163	\$29,163	Transylvania	5	\$41,266	\$42,734
Graham	5	\$13,461	\$13,461	Tyrrell	4	\$36,959	\$36,959
Granville	22	\$60,163	\$66,338	Union	6	\$37,429	\$52,529
Greene	7	\$45,154	\$71,955	Vance	15	\$45,982	\$45,982
Guilford	18	\$80,469	\$98,596	Wake	15	\$79,907	\$155,581
Halifax	7	\$56,131	\$56,131	Warren	18	\$66,011	\$69,231
Harnett	16	\$56,052	\$64,302	Washington	14	\$59,804	\$59,804
Haywood	5	\$66,128	\$73,688	Watauga	11	\$61,836	\$64,938
Henderson	4	\$58,778	\$133,801	Wayne	12	\$72,032	\$72,032
Hertford	9	\$43,187	\$53,701	Wilkes	4	\$88,403	\$99,073
Hoke	4	\$30,000	\$33,658	Wilson	17	\$10,695	\$66,648
Hyde	6	\$43,255	\$43,255	Yadkin	5	\$60,722	\$69,850
Iredell	7	\$62,281	\$71,425	Yancey	17	\$70,282	\$87,822
Jackson	7	\$45,361	\$47,736				
Johnson	17	\$68,817	\$86,723	Total	941	\$5,514,774	\$7,251,335

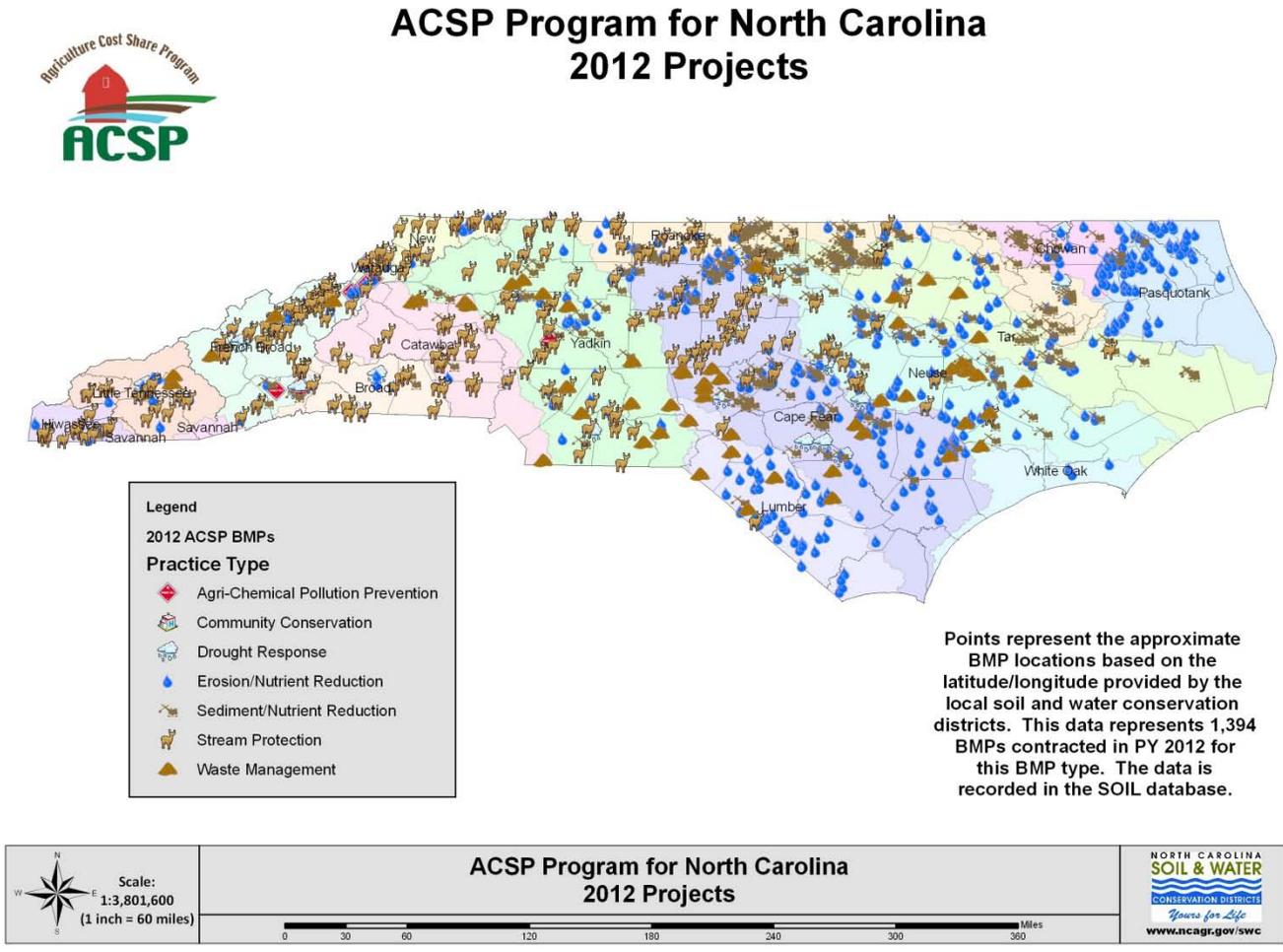
Table 3 below shows the top ten BMPs funded in 2012 from all funding sources. Livestock practices including tanks, wells, livestock exclusion fencing and pasture renovation remain some of the program’s most popular BMPs. Cropland conversion to grass and grassed waterways are also consistently implemented by program cooperators.

Table 3: Top 10 BMPs for 2012**

BMP	Extent of Practice (Units)	Encumbered Dollar Amount
Livestock Water Tanks	347 units	\$ 733,151
Well	801 units	\$ 542,375
Cropland Conversion – Grass	1,930 acres	\$ 429,114
Livestock Exclusion	247,526 feet	\$ 421,938
Dry Stack	11 units	\$ 349,831
Grassed Waterway	91 acres	\$ 302,070
Agricultural Pond Restoration/Repair	80 units	\$ 263,054
Crop Residue Management	16,448 acres	\$ 235,729
Waste Application Equipment and Solid-Sets	20 units	\$ 224,398
Long Term No-Till	1,710 acres	\$ 221,370

**Based on planned or contracted BMPs for 2011-2012 all funding sources.

Figure 1: 2012 Agriculture Cost Share Program Projects



Estimated Water Quality Benefits of ACSP Contracts Initiated in 2012

N.C.G.S 143-215.74(b)(7) requires that each project’s benefits to water quality be estimated before funding is awarded. To meet this requirement, the commission chose three indicators of water quality benefits: (1) tons of soil saved, (2) pounds of nitrogen saved or managed, and (3) pounds of phosphorus saved or managed.

Soil savings estimates have been required on all ASCP contracts since the start of the program. Beginning with the 1997 program year, estimates of nitrogen and phosphorus savings were required. The division continues to work with the Division of Water Quality, NRCS, and North Carolina State University to improve and refine the methods used to estimate and account for nutrient reductions.

These estimates have allowed the division to track progress made by agriculture relative to the nutrient reduction requirements in the Neuse and Tar-Pamlico nutrient reduction rules for agriculture. The ACSP is playing a key role in helping farmers achieve and maintain the 30 percent nutrient reduction required by these rules. It will also be of critical benefit for achieving the nutrient reduction requirements in the Jordan Lake and Falls Lake watersheds.

Local districts determine which projects are eligible for funding in their areas according to a required priority ranking process. The priority ranking is tailored to each district’s water quality concerns. The water quality evaluations on each project are carried out at the district level, and the water quality benefit estimates are provided to the division on each contract form. The data are entered from the contract form into the division’s cost share database and tracked by division staff. The estimated sediment and nutrient reduction benefits for program years 2010-2012 are summarized in Table 4.

Table 4: Sediment and Nutrient Reduction Benefits for Program Years 2010 through 2012 from state appropriations

	2010	2011	2012
Number of Contracts	1,040	1,023	941
Acres Affected	60,099 acres	51,003 acres	66,193 acres
Soil Saved	98,845 tons	65,057 tons	85,094 tons
Nitrogen (N) Saved	439,816 pounds	376,261 pounds	540,145 pounds
Phosphorus (P) Saved	83,233 pounds	131,771 pounds	582,008 pounds
Waste-N Managed	2,149,328 pounds	1,409,318 pounds	1,773,623 pounds
Waste-P Managed	2,623,271 pounds	1,506,848 pounds	2,030,987 pounds

The division does not have a good tool for estimating the benefits for many of the drought response BMPs, such as livestock watering wells. Still, these practices are known to improve water quality by reducing livestock dependence upon streams for watering. The Technical Review Committee for the program has formed a workgroup to develop better accounting tools for these practices. Another factor impacting benefits is the reduced total number of contracts per year. Fewer contracts are due to the reduced funding for the program and the increase in costs for materials and practices over time.

Some BMPs standing alone will not directly result in sediment or erosion reductions or nitrogen or phosphorus savings, but are used in conjunction with other practices. These BMPs are called “facilitating practices” and are necessary to facilitate and ensure that other practices in the BMP system are effective at reducing nutrient or sediment loading to a water resource. Therefore, their reduction credit is linked to the facilitated practice. An example of a facilitating

practice is a water tank, which must be installed for livestock drinking water purposes before fencing can be put up to keep livestock out of a stream.

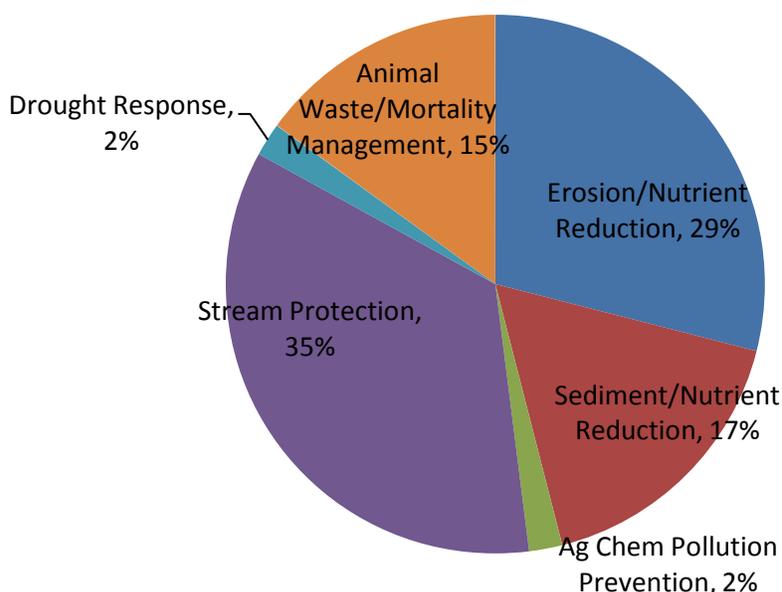
Effectiveness of Each Project to Accomplish Its Primary Purpose

The statutory purpose of the program and each project is to improve water quality by reducing the input of agricultural non-point source pollution into the water courses of the state. Each BMP approved for the ACSP is designed for at least one of five major purposes to protect the water resources of the state:

- (1) sediment/nutrient delivery reduction through reduction of applied nutrients, reduction of soil loss, or interception of nutrients from fields;
- (2) erosion reduction/nutrient loss reduction in fields through reduction of applied nutrients or prevention of soil detachment;
- (3) prevention of agricultural chemical pollution of ground or surface water from improper handling or accidents;
- (4) reduction of nutrient loading through proper management of animal waste;
- (5) stream protection measures to reduce the delivery of sediment and nutrients by animals and stabilize streambanks to minimize further erosion and sediment contribution.

As shown in Figure 2, 29 percent of the 2012 funds from all funding sources were directed toward erosion and nutrient-reducing BMPs (e.g., conservation tillage, cropland conversion to grass or trees); 17 percent were directed toward sediment and nutrient-reducing BMPs (e.g., riparian buffers, field borders, grassed waterways); 35 percent were directed toward stream protection systems (e.g., livestock exclusion); 15 percent were directed toward animal operations for waste and mortality management BMPs (e.g., poultry litter storage structures, closure of inactive lagoons, livestock feeding/waste storage structures); 2 percent was directed toward agrichemical pollution prevention measures (e.g. agrichemical handling facilities), and 2 percent was directed toward drought response BMPs (e.g. pasture renovation, wells, conservation irrigation systems). Attachment C includes charts showing the approved BMPs in these categories and their relationship to water quality improvement.

Figure 2: 2012 ACSP Contracts by Category



Projects for which program funds have been expended are verified by staff to ensure that the practices are installed in accordance with program standards and that it is accomplishing its primary purpose.

TARGETING ACSP FUNDS TO WATERSHEDS OF IMPAIRED WATERS

The commission continues to exercise leadership in allocating ACSP resources to local districts containing impaired waters. This is best illustrated by the fact that the commission targeted \$399,990 of funds available in 2012 for the specific purpose of installing BMPs into watersheds listed on the State's 303(d) list of impaired waters due to agricultural nonpoint source pollution. Agriculture was identified as a potential source of pollutants to impaired waters in 94 counties. This allocation was limited to 33 districts that have completed Impacted/Impaired Streams Initiative surveys to identify specific project locations to address the potential sources of the impairment.

In 2012, about 6.5 percent of ACSP funds were used to implement BMPs in watersheds of impaired waters. Considering that only 2.4 percent of North Carolina's stream miles are attributed to being impaired by agricultural sources, this demonstrates that the ACSP funds are being significantly targeted toward improving streams that do not fully meet their uses.

Approximately 20 percent of funds contracted in program year 2012 were contracted with farmers in the Neuse and Tar-Pamlico River Basins to help them achieve and maintain the required 30 percent reduction in agricultural nitrogen losses. Districts in the Neuse and Tar-Pamlico Basins will continue to use ACSP to sustain the reductions already achieved and to attain further voluntary reductions in these nutrient sensitive watersheds. ACSP funds are also being used to reduce phosphorus losses from agriculture to help achieve the goal of no net increase in phosphorus loading to the Tar-Pamlico Basin. Participating farmers continue to assess phosphorus losses using the Phosphorus Loss Assessment Tool (PLAT). The Commission also targeted \$300,000 of program year 2012 funds to districts to assist with implementation of riparian buffers under the Conservation Reserve Enhancement Program (CREP).

Incorporating Information from the Basinwide Water Quality Plans Published by the Division of Water Quality (DWQ)

In 2005, the commission established a policy relating District Strategy Plans to the DWQ's Basinwide Water Quality Plans which requires that all strategy plans for ACSP include a section describing waters listed as impaired or with notable water quality problems and concerns as documented in the most recent basinwide water quality plan(s), and for which agriculture is a potential source or stressor. The district should also list any waters of local concern for which agriculture has been identified as a potential source or stressor. This section of the strategy plan should also describe how the district intends to address agricultural nonpoint source problems impacting these waters.

All 96 Districts completed this section of the strategy plan and documented the impaired waters in their county and the actions the district plans to take to address the problems impacting these waters.

NEW PROGRAM ENHANCEMENTS TO IMPROVE EFFICIENCY AND PROGRAM DELIVERY

ACSP is focused on continually improving the program's cost effectiveness due to recurring budget reductions in state appropriations. The commission is moving forward on enhancements for the 2012-2013 program year. These enhancements are designed to improve the efficiency by which program funds are used by agricultural cooperators to install BMPs and to improve the responsiveness of the program to state and local water quality priorities.

Database Development

The division has finished an upgrade to the legacy ACSP database. The division worked with the DENR Information Technology Services (ITS) and the NCDA&CS ITS to implement the new ACSP database and online contracting system. The upgraded system utilizes the DENR-Integrated Build Environment for Application Management (IBEAM) approach to permit more efficient on-line contracting and contract approval to eliminate duplicative data entry and to shorten contract review and approval time. The upgrade includes mechanisms to attach GPS and GIS information and digital photographs to better present the benefits and outcomes associated with BMP implementation. It will also provide real-time ACSP information that can easily be updated by the division and local district staff, with minimal errors and will be used to generate standard reports on program use and water quality benefits. The online contracting system went live at the end of June 2012 and is being fully utilized in program year 2013.

Program Changes

For program year 2012 the Commission has made several changes to the program including:

1. Approving the following changes to existing practices:
 - a. Pasture Management – the commission adopted pasture management policy guidelines to follow a tiered approach to pasture BMPs.
 - b. Trough or tank – the commission modified this policy to specify a heavy use area adjacent to permanent tanks or troughs.
 - c. Waste application systems; poultry and manure spreaders – the Commission approved proposed changes in the guidelines to clarify the requirements for poultry spreaders.

2. Adopting the following new practices:
 - a. Abandoned tree removal – abandoned Christmas and/or apple tree removal means removal of Christmas and/or Apple tree fields for integrated pest management and for reducing sedimentation. The field must have been abandoned for at least 5 years. Abandonment leads to adverse soil erosion formations such as gullies and to production of disease inoculums and increased pest population. Conversion to grass, hardwoods, or white pine on abandoned fields further protects soil loss by preventing runoff on steep slopes due to a better groundcover thereby providing additional water quality protection. Benefits include water quality protection, prevention of soil erosion, and wildlife habitat establishment.

COST-EFFECTIVENESS CONSIDERATIONS

The ACSP is a cost-effective program from both a state expenditure perspective and the farmer's perspective. This program has been credited with helping the state to achieve considerable success in protecting and improving water quality. Many farmers could not afford to implement BMPs (many of which are required by regulations) without cost share assistance. Because a farmer must invest at least 25 percent of the cost for BMPs, the farmer has ownership in the practice and is more likely to maintain it. The educational value of local farmers participating in the program is substantial in helping to change local practices.

Leveraging Additional BMP Implementation Funds from Other Sources

In addition to the appropriated funds for the Agriculture Cost Share Program, the division and districts used the Agriculture Cost Share Program infrastructure to encumber over \$1.5 million in grant funds from other funding sources to conservation contracts with NC agricultural producers and landowners. These funding sources included:

- NC Rural Center (grant funds to support restoring pastures and water supplies impacted by the 2007-08 drought);
- Clean Water Management Trust Fund (grant funds to support implementing water quality best management practices in the French Broad and Yadkin River Basins and in support of the Swine Buyout Program);
- NC Ecosystem Enhancement Program (receipted funds to use the ACSP infrastructure to install BMPs adjacent to stream and wetland restoration projects);
- US EPA Section 319 (grant funds to support implementing water quality best management practices in the Dan River Watershed and Jordan Lake Watershed);
- Three separate USDA Conservation Innovation Grants for installing innovative best management practices for aquaculture operations, installing innovative mortality management practices for livestock operations, and installing innovative controlled drainage structures on crop production operations.

ACSP funds are an essential part of the state match for the Conservation Reserve Enhancement Program (CREP), a federal/state partnership. ACSP and other state programs (CWMTF) are providing a total of \$54 million over eight years to match \$221 million in federal payments to North Carolina landowners participating in CREP.

ACSP funds for BMP implementation and technical assistance also provide the required state match for EPA-319 grants for accelerating BMP implementation in the Neuse, Tar-Pamlico River Basins, and Jordan Lake Watershed.

Whenever possible, the districts use the ACSP in conjunction with other programs, such as the federal Environmental Quality Incentive Program (EQIP) and the Conservation Reserve Enhancement Program (CREP), to stretch scarce resources as far as possible. Districts also partner to meet the needs of cooperating producers and landowners.

Leveraging of Local and Federal Resources for Technical Assistance and Local Delivery

The ACSP is delivered locally by 492 elected and appointed volunteer district supervisors and by over 440 local staff of districts and NRCS. District supervisors receive no state salary, yet are responsible for seeing that state funds are spent where they are most needed to improve water quality. District supervisors are required to develop a prioritization ranking system for administering the ACSP in their respective district to maximize the water quality benefits of the program. Applications to each district are evaluated and prioritized according to this system. District supervisors also must inspect at least five percent of all cost share contracts in their district every year to ensure the BMPs are properly maintained.

The ACSP is heavily dependent on the technical resources of the local districts and the NRCS. District and federal employees develop conservation plans, design BMPs, and provide engineering assistance for water quality improvements at no cost to the farmers whose applications are accepted for cost share assistance. The staff also assists farmers and other landowners in implementing water quality projects using other funding sources such as EQIP, the U.S. Environmental Protection Agency's Section 319 Nonpoint Source Program, and North Carolina's Clean Water Management Trust Fund.

A critical portion of the General Assembly's appropriation for ACSP provides a state match for salaries for many of these district technical employees and for their operating expenses to carry out the cost share program. For 2012, the General Assembly appropriated \$2,448,778 in recurring funds for cost sharing technical assistance positions in local districts. County commissions provide more than 50 percent match for salaries and operating expenses, including office space and administrative support for these technical assistance positions. In program year 2012, the cost share technical assistance program cost shared on 111 technical positions in 95 counties to assist farmers in designing and installing BMPs. These state technical assistance cost share funds maintain a local conservation infrastructure that is also used to deliver federal cost share funds to NC landowners and land users. In 2012, local districts cooperated with the NRCS to

deliver \$30.4 million of conservation assistance. Technical assistance funds are critical to sustain local county support and funding for local delivery of the program.

NRCS engineers and conservation specialists are also available to each district. These federal employees carry out a portion of the cost share work support without cost to the state, and they provide additional technical resources and expertise to ensure that cost-shared practices are properly installed and maintained for the expected life of the practice.

In addition, NRCS allows district staff in some districts to use federal vehicles for use on state cost share work. NRCS also provides computers and sophisticated natural resources materials and computer software in field offices, and develops the technical standards for most of the BMPs used in the cost share program. This state program leverages a much greater amount of federal funding for water quality improvements in North Carolina.

PROGRAM MANAGEMENT

Attachment D is an overview of the funding and compliance process used for implementing the ACSP.

A division staff of five full time employees reviews approximately 1,000 contracts annually and processes about 2,000 requests for payment each year. The division also trains local personnel, provides daily technical assistance to the districts, maintains the ACSP Manual, and conducts oversight through district program reviews to ensure proper record keeping and BMP maintenance for continued water quality protection.

Because the state specifies that the purpose of the program is to assist agricultural operations in addressing an existing water quality problem, the program does not assist new operations to go into business. It is the policy of the commission that new producers or companies constructing new agricultural operations should be aware of the existing environmental requirements and technical standards and should be prepared to meet them without state funding assistance. This is especially important when existing operations are struggling to comply with new requirements that were not in place when they began operating. Therefore, the commission has restricted eligibility for ACSP funds to those operations, which have been in existence for three years prior to the date of cost share application. Operations that were not in existence for three years prior to application date may still be eligible for cost-share if changes in environmental statutes or regulations create new requirements that could, without assistance, make the facility out of compliance. These exceptions require commission approval.

IMPACT OF INCREASED COSTS TO THE ACSP

The ACSP has experienced many challenges due to the increased costs of fuel, labor, and materials over the past few years. Since the ACSP is based on 75 percent of a predetermined average cost for each practice it has been almost impossible to keep up with the cost changes in areas such as gravel, pipe, fencing, lumber, and the cost of operating heavy machinery to install many of the BMPs in the program. In program year 2004, the ACSP was able to contract with 2,053 projects statewide encumbering \$6,827,880 compared to only 941 projects statewide in the 2012 program year encumbering \$5,514,774. Because of the price increase the soil and water conservation districts are not able to help as many farmers install conservation practices.

The ACSP continues to monitor the established average costs list for the program and receives feedback from the local soil and water conservation districts on any adjustments that are needed. Division staff completed a review of the current average cost manual in the spring of 2012 and made the adjustments effective for the 2013 program year.

CONCLUSIONS AND RECOMMENDATIONS

Based on the above considerations, the commission believes the ACSP is being administered cost-effectively and that considerable water quality benefits are being realized for the investment made with state funds. The program aids agricultural operations in making essential water quality improvements. The cost of these water quality practices cannot be passed on to the consumer in the price of the food or fiber product. The ACSP thereby contributes both to water quality and to sustaining a strong state agricultural economy. The Commission continues to emphasize prioritizing, targeting, accountability, leveraging, and adaptability in managing these public funds to further improve the water quality benefits intended by the General Assembly.

Increased costs of fuel, labor, and materials have significantly impacted the amount of conservation the program can effect and the number of cooperating farmers who can be assisted. The commission has taken actions to improve program efficiencies that have helped to partly offset these impacts in the short-term. The ACSP continues to play a vital role in assisting farmers and ranchers with voluntary water quality protection and with compliance with state and federal regulatory requirements. The program is our state's cornerstone in efforts to support private working lands stewardship for the benefit of water quality and all the citizens of the state of North Carolina.

AGRICULTURE COST SHARE PROGRAM DETAILED IMPLEMENTATION PLAN (DIP) PROGRAM YEAR 2012*

(REVISED August 2011)

Definition of Practices

- (1) Abandoned tree removal means to remove Christmas and/or apple tree fields for integrated pest management and for reducing sedimentation. An abandoned tree field can be of any size or age trees where standard management practices (e.g., maintaining groundcover, insect and disease control, fertilizer applications and annual shearing practices) for the production of the trees are discontinued or abandoned. The field must have been abandoned for at least 5 years. Abandonment leads to adverse soil erosion formations such as gullies and to production of disease inoculums and increased pest population. Conversion to grass, hardwoods, or white pine on abandoned fields further protects soil loss by preventing runoff on steep slopes due to a better groundcover thereby providing additional water quality protection. Benefits include water quality protection, prevention of soil erosion, and wildlife habitat establishment.
- (2) An abandoned well closure is the sealing and permanent closure of a supply well no longer in use. This practice serves to prevent entry of contaminated surface water, animals, debris, or other foreign substances into the well. It also serves to eliminate the physical hazards of an open hole to people, animals, and farm machinery. Cost share for this practice is limited to \$1,500 per well at 75% cost share and \$1,800 per well at 90%.
- (3) An agrichemical containment and mixing facility means a system of components that provide containment and a barrier to the movement of agrichemicals. The purpose of the system is to provide secondary containment to prevent degradation of surface water, groundwater, and soil from unintentional release of pesticides or fertilizers. Cost share for this practice is limited to \$16,500 per facility at 75% cost share and \$19,800 per facility at 90%.
- (4) An agrichemical handling facility means a permanent structure that provides an environmentally safe means of mixing agrichemicals and filling tanks with agrichemicals for application and storage to improve water quality. Benefits may include prevention of accidental degradation of surface and ground water. Cost share for this practice is limited to \$27,500 per facility at 75% cost share and \$33,000 per facility at 90%.
- (5) Agricultural pond restoration/repair means to restore or repair existing failing agricultural pond systems. Benefits may include erosion control, flood control, and sediment and nutrient reductions from farm fields for better water quality. This practice is only applicable to low hazard classification ponds. For restoration projects involving dam, spillway, or overflow pipe upgrades, cost share is limited to \$15,000 per pond at 75% cost share and \$18,000 per pond at 90%. For restoration projects involving removal of accumulated sediment only, total charge to NCACSP is restricted to a total of \$3,000 per pond at 75% cost share and \$3,600 per pond at 90%.

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- (6) Agricultural road repair/stabilization means repair or stabilization of existing access roads utilized for agricultural operations, including roads to existing crop fields, pastures, and barns.
- (7) Chemigation or fertigation backflow prevention is a combination of devices (valves, gauges, injectors, drains, etc.) to safeguard water sources from contamination by fertilizers used during the irrigation of agricultural crops. The practice is intended to modify or improve fertilizer injection systems with components necessary to prevent backflow or siphoning of contaminants into the water supply thereby improving and protecting the state's waters.
- (8) A conservation cover practice means to establish and maintain a conservation cover of grass, legumes, or other approved plantings on fields previously with no groundcover established, to reduce soil erosion and improve water quality. Other benefits may include reduced offsite sedimentation and pollution from dissolved and sediment-attached substances. Eligible land includes that planted to Christmas Trees, orchards, ornamentals, vineyards and other cropland needing protective cover.
- (9) A three-year conservation tillage system means any tillage and planting system in which at least (60) sixty percent of the soil surface is covered by plant residue for the same fields for three consecutive years to improve water quality. Benefits may include reduction of soil erosion, sedimentation and pollution from dissolved and sediment-attached substances. This incentive is broken down into two categories depending on the crop(s) to be grown:
 - (a) Grain crops and cotton
 - (b) Vegetables, Tobacco, Peanuts, and Sweet Corn

Cost share for each category of this practice is limited to \$15,000 per cooperator in a lifetime.
- (10) A cover crop means a crop of grasses, legumes, or small grain grown primarily for seasonal protection, erosion control and soil improvement. It usually is grown for one year or less. The major purpose is water and wind erosion control, to cycle plant nutrients, add organic matter to the soil, improve infiltration, aeration and tilth, improve soil quality, reduce soil crusting, and sequester carbon. Benefits may include reduction of soil erosion, sedimentation and pollution from dissolved and sediment-attached substances. Cost share for this incentive practice is limited to \$15,000 per cooperator in a lifetime.
- (11) A critical area planting means an area of highly erodible land that cannot be stabilized by ordinary conservation treatment on which permanent perennial vegetative cover is established and protected to improve water quality. Benefits may include reduced soil erosion and sedimentation.
- (12) A cropland conversion practice means to establish and maintain a conservation cover of grasses, trees, or wildlife plantings on fields previously used for crop production to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.

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- (13) Crop residue management means maintaining cover on sixty (60) percent of the soil surface at planting to protect water quality. Crop residue management also provides seasonal soil protection from wind and rain erosion, adds organic matter to the soil, conserves soil moisture, and improves infiltration, aeration and tilth. Benefits may include reduction in soil erosion, sedimentation and pollution from dissolved sediment-attached substances. Cost share for this incentive practice is limited to \$15,000 per cooperators in a lifetime.
- (14) A diversion means a channel constructed across a slope with a supporting ridge on the lower side to control drainage by diverting excess water from an area to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.
- (15) A field border means a strip of perennial vegetation established at the edge of the field that provides a stabilized outlet for row water to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.
- (16) A filter strip means an area of permanent perennial vegetation for removing sediment, organic matter, and other pollutants from runoff and waste water to improve water quality. Benefits may include reduced soil erosion, sedimentation, pathogen contamination and pollution from dissolved, particulate, and sediment-attached substances.
- (17) A grade stabilization structure means a structure (earth embankment, mechanical spillway, detention-type, etc.) used to control the grade and head cutting in natural or artificial channels to improve water quality. Benefits may include reduced soil erosion and sedimentation.
- (18) A grassed waterway means a natural or constructed channel that is shaped or graded to required dimensions and established in suitable vegetation for the stable conveyance of runoff to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.
- (19) A heavy use area protection means an area used frequently and intensively by animals, which must be stabilized by surfacing with suitable materials to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved, particulate, and sediment-attached substances.
- (20) A land smoothing practice means reshaping the surface of agricultural land to planned grades for the purpose of improving water quality. Improvements to water quality include:
 - (a) Reduction in nutrient loss.
 - (b) Reduction in concentrated flow of water from an agricultural field.
 - (c) Improved infiltration.
- (21) A livestock exclusion system means a system of permanent fencing (board or barbed, high tensile or electric wire) installed to exclude livestock from streams and critical areas not intended for grazing to improve water quality. Benefits may include reduced soil

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erosion, sedimentation, pathogen contamination and pollution from dissolved, particulate, and sediment-attached substances.

- (22) A livestock feeding area is a sized concrete pad where feeders are located, surrounded by a heavy use area. The livestock feeding area is designed for the purpose of improving the lifespan of the heavy use area and to reduce the runoff of nutrients and fecal coliform to adjacent water bodies. The practice is to be used to address water quality concerns where livestock feeding areas are in close proximity to streams and where relocation or rotation of feeding areas is infeasible due to physical limitations (e.g., slope) and where other stream protection measures are insufficient to protect water quality. Cost share for the concrete pad for this practice is limited to \$4,200 at 75% cost share and \$5,040 at 90%.
- (23) A long term no-till practice means planting all crops for five consecutive years with at least eighty (80) percent plant residue from preceding crops to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances. Cost share for this incentive or this incentive combined with 3-year conservation tillage for grain and cotton is limited to \$25,000 per cooperater in a lifetime.
- (24) A micro-irrigation system means an environmentally safe system for the conveyance and distribution of water, chemicals, and fertilizer to agricultural fields for crop production. A micro-irrigation system is for frequent application of small quantities of water on or below the soil surface as drops, tiny streams, or miniature spray through emitters or applicators placed along a water delivery line. This practice may be applied as part of a conservation management system to support one or more of the following purposes:
- (a) To efficiently and uniformly apply irrigation water and maintain soil moisture for plant growth.
 - (b) To efficiently and uniformly apply plant nutrients in a manner that protects water quality.
 - (c) To prevent contamination of ground and surface water by efficiently and uniformly applying chemicals and fertilizers.
 - (d) To establish desired vegetation.
- Cost share for this practice will be based on actual cost with receipts required not to exceed \$25,000 charge to the NCACSP at 75% cost share and \$30,000 at 90%, including the cost of backflow prevention.
- (25) A nutrient management means a definitive plan to manage the amount, form, placement, and timing of applications of nutrients to minimize entry of nutrients to surface and groundwater and improve water quality.
- (26) A nutrient scavenger crop is a crop of small grain grown primarily as a seasonal nutrient scavenger. The purpose is to scavenge and cycle plant nutrients. The nutrient scavenger crop also adds organic matter to the soil, improves infiltration, aeration and tilth, improves soil quality, reduces soil crusting, provides residue for conservation tillage, and sequesters carbon. Benefits may include reduction of soil erosion, sedimentation and pollution from dissolved and sediment-attached substances. Cost share for this incentive practice is limited to \$25,000 per cooperater in a lifetime.

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- (27) A pastureland conversion practice means establishing trees or perennial wildlife plantings on excessively eroding land with a visible sediment delivery problem to the waters of the state used for pasture that is too steep to mow or maintain with conventional equipment to improve water quality. Benefits may include reduced soil erosion and sedimentation.
- (28) A pasture renovation practice means to establish and maintain a conservation cover of grass, where existing pasture vegetation is inadequate. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.
- (29) A portable agrichemical mixing station means a portable device to be used in the field to prevent the unintentional release of agrichemicals to the environment during mixing and transferring of agrichemicals. Benefits may include prevention of accidental degradation of surface and ground water. Cost share for this practice is limited to \$3,500 per station at 75% cost share and \$4,200 at 90%. Cost share is also limited to one station per cooperator.
- (30) Precision nutrient management means applying nitrogen; phosphorus and lime in a site-specific manner (with specialized application equipment or multiple application events) based on the site specific recommendations for each GPS-referenced sampling point to minimize entry of nutrients to surface and groundwater and improve water quality. Cost share for this incentive is limited to \$15,000 per cooperator.
- (31) Prescribed grazing involves managing the intensity, frequency, duration, timing, and number of grazing animals on pastureland in accordance with site production limitations, rate of plant growth, physiological needs of forage plants for production and persistence, and nutritional needs of the grazing animals. The goal of this practice is to reduce accelerated soil erosion and compaction, to improve or maintain riparian and watershed function, to maintain surface and/or subsurface water quality and quantity, to improve nutrient distribution, and to improve or maintain desired species composition and vigor of plant communities. Productive pastures maintain wildlife habitat and permeable green space. Cost share for this incentive is limited to \$15,000 per cooperator.
- (32) A riparian buffer means a permanent, long-lived vegetative cover (grass, shrubs, trees, or a combination of vegetation types) established adjacent to and up-gradient from watercourses or water bodies to improve water quality. Benefits may include reduced soil erosion and nutrient delivery, sedimentation, pathogen contamination and pollution from dissolved, particulate and sediment-attached substances.
- (33) A rock-lined outlet means a waterway having an erosion-resistant lining of concrete, stone or other permanent material where an unlined or grassed waterway would be inadequate to improve water quality. Benefits may include safe disposal of runoff, reduced erosion and sedimentation.
- (34) A rooftop runoff management system means a system of collection and stabilization practices (dripline stabilization, guttering, collection boxes, etc.) to prevent rainfall runoff from agricultural rooftops from causing erosion where vegetative practices are insufficient to address erosion concerns and protect water quality.

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- (35) A sediment control basin means a basin constructed to trap and store waterborne sediment where physical conditions or land ownership preclude treatment of a sediment source by the installation of other erosion control measures to improve water quality.
- (36) A sod-based rotation practice means an adapted sequence of crops, grasses and legumes or a mixture thereof established and maintained for a definite number of years as part of a conservation cropping system which is designed to provide adequate organic residue for maintenance or improvement of soil tilth to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances. Cost share for this incentive practice is limited to \$25,000 per cooperator in a lifetime.
- (37) A stock trail or walkway means to provide a stable area used frequently and intensively for livestock movement by surfacing with suitable material to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved, particulate, and sediment-attached substances.
- (38) A stream protection system means a planned system for protecting streams and stream banks that eliminates the need for livestock to be in streams by providing an alternative-watering source for livestock to improve water quality. Benefits may include reduced soil erosion, sedimentation, pathogen contamination, and pollution from dissolved, particulate and sediment-attached substances. System components may include:
- (a) A spring development means improving springs and seeps by excavating, cleaning, capping or providing collection and storage facilities.
 - (b) A stream crossing means a trail constructed across a stream to allow livestock to cross without disturbing the bottom or causing soil erosion on the banks.
 - (c) A trough or tank means devices installed to provide drinking water for livestock at a stabilized location.
 - (d) A well means constructing a drilled, driven or dug well to supply water from an underground source.
 - (e) A windmill means erecting or constructing a mill operated by the wind's rotation of large vanes and is used as a source of power for pumping water.
- (39) Streambank and shoreline protection means the use of vegetation to stabilize and protect banks of streams, lakes, estuaries, or excavated channels against scour and erosion. This practice should be used to prevent the loss of land or damage to utilities, roads, buildings, or other facilities adjacent to the banks, to maintain the capacity of the channel, to control channel meander that would adversely affect downstream facilities, to reduce sediment load causing downstream damages and pollution, or to improve the stream for recreation or fish and wildlife habitat.
- (40) A stream restoration system means the use of bioengineering practices, native material revetments, channel stability structures, and/or the restoration or management of riparian corridors in order to protect upland BMPs, restore the natural function of the stream corridor and improve water quality by reducing sedimentation to streams from streambank. Cost share for this practice is limited to \$50,000 per cooperator per year at 75% cost share and to \$60,000 per year at 90%.

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- (41) A stripcropping practice means to grow crops and sod in a systematic arrangement of alternating strips or bands on the contour to improve water quality. Benefits may include reduced soil erosion, sedimentation, and pollution from dissolved and sediment-attached substances. The crops are arranged so that a strip of grass or close-growing crop is alternated with a strip of clean-tilled crop, fallow, or no-till crop, or a strip of grass is alternated with a close-growing crop.
- (42) A terrace means an earth embankment, a channel, or a combination ridge and channel constructed across the slope to improve water quality. Benefits may include reduced soil erosion, sedimentation and pollution from dissolved and sediment-attached substances.
- (43) A waste management system means a planned system in which all necessary components are installed for managing liquid and solid waste to prevent or minimize degradation of soil and ground and surface water resources. System components may include:
- (A) A closure of waste impoundment means the safe removal of existing waste and waste water and the application of this waste on land in an environmentally safe manner. This practice is only applicable to waste storage ponds and lagoons. Cost share for this practice is limited to \$75,000 per cooperator at 75% cost share and \$90,000 at 90% cost share.
 - (B) A concentrated nutrient source management system is a system of vegetative and structural measures used to manage the collection, storage, and/or treatment of areas where agricultural products may cause an area of concentrated nutrients.
 - (C) A constructed wetland for land application practice means an artificial wetland area into which liquid animal waste from a waste storage pond or lagoon is dispersed over time to lower the nutrient content of the liquid animal waste.
 - (D) A controlled livestock lounging area means a planned, stabilized and vegetated area in which livestock are kept for a short duration.
 - (E) A drystack means a fabricated structure for temporary storage of animal waste. Cost share for drystacks for poultry and non-.0200 animal operations are limited to \$33,000 per structure at 75% cost share and \$39,600 at 90%.
 - (F) The feeding/waste storage structure is designed for the purpose of improving the collection/storage of animal waste and to reduce runoff of nutrients and fecal coliform to adjacent water bodies. The practice is intended to be used where livestock feeding areas are in close proximity to streams and where relocation or rotation of feeding areas is infeasible due to physical limitations (e.g., slope) and where other stream protection measures are insufficient to address water quality concerns. Cost share for this practice is limited to \$27,500 per structure at 75% cost share and \$33,000 per structure at 90%.
 - (G) An insect control system means a practice or combination of practices (planting windbreaks, pre-charging structures, incorporation of waste into soil, etc.) which

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manages or controls insects from confined animal operations, waste treatment and storage structures, and waste applied to agricultural land.

- (H) Lagoon biosolids removal means removing accumulated biosolids from active lagoons to restore required treatment volume at on-going operations. The biosolids will be properly utilized on offsite farmland or processed to a value-added product, including energy production, to reduce nutrient impacts. Lagoon Biosolids Removal Incentive payments shall be limited to \$15,000 in a lifetime.
- (I) A livestock mortality management system is a facility for managing livestock mortalities such as to minimize water quality impacts or to produce a material that can be recycled as a soil amendment and fertilizer substitute. Cost shareable mortality management system components include: composter, rotary drum composter, forced aeration static pile composter, mortality freezer, mortality incinerator, and mortality gasification system.
- (J) A manure composting facility is a facility for the biological treatment, stabilization and environmentally safe storage of organic waste material (such as manure from poultry and livestock) to minimize water quality impacts and to produce a material that can be recycled as a soil amendment and fertilizer substitute.
- (K) Manure/litter transportation means transporting dry litter and dry manure from livestock and poultry farms that lack sufficient land to effectively utilize the animal-derived nutrients. The litter/manure will be properly utilized on alternative land or processed to a value-added product, including energy production, to reduce nutrient impacts. Manure/Litter Transportation Incentive payments shall be limited to 3-years per applicant and \$15,000 in a lifetime.
- (L) An odor control management system means a practice or combination of practices (planting windbreaks, pre-charging structures, incorporation of waste into soil, etc.) which manages or controls odors from confined animal operations, waste treatment and storage structures and waste applied to agricultural land.
- (M) A retrofit of on-going animal operations means modification of structures to increase storage or to correct design flaws to meet current standards. This practice may also be used to close waste impoundments on on-going operations, including the safe removal of existing waste and waste water and the application of this waste on land in an environmentally safe manner.
- (N) A solids separation from tank-based aquaculture production means a facility for the removal, storage and dewatering of solid waste from the effluent of intensive tank-based aquaculture production systems. The system is used to capture organic solids from the effluent stream of intensive fish production systems that would otherwise flow to effluent ponds for storage and further treatment. This waste comes from uneaten feed and feces generated by fish while being fed within a tank-or raceway based fish farm.
- (O) A storm water management system means a system of collection and diversion practices (guttering, collection boxes, diversions, etc.) to prevent unpolluted storm water from flowing across concentrated waste areas on animal operations.

Attachment A

- (P) A waste application system means an environmentally safe system (such as solid set, dry hydrant, mobile irrigation equipment, etc.) for the conveyance and distribution of animal wastes from waste treatment and storage structures to agricultural fields as part of an irrigation and waste utilization plan. Cost share for this practice is limited to \$35,000 per cooperators in a lifetime at 75% cost share and \$42,000 in a lifetime at 90%.
- (Q) A waste storage pond means an impoundment made by excavation or earthfill for temporary storage of animal waste, waste water and polluted runoff.
- (R) A waste treatment lagoon means an impoundment made by excavation or earthfill for biological treatment and storage of animal waste.
- (44) A water control structure means a permanent structure placed in a farm canal, ditch, or subsurface drainage conduit (drain tile or tube), which provides control of the stage or discharge of surface and/or subsurface drainage. The management mechanism of the structure may be flashboards, gates, valves, risers, or pipes. The primary purpose of the water control structure is to improve water quality by elevating the water table and reducing drainage outflow. A secondary purpose is to restore hydrology in riparian buffers to the extent practical. Elevating the water table promotes denitrification and lower nitrate levels in drainage water from cropping systems and minimizes the effects of short-circuiting of drainage systems passing through riparian buffers. Other benefits may include reduced pollution from other dissolved and sediment-attached substances, reduced downstream sedimentation and reduced stormwater surges of fresh water into estuarine area.
- This practice is not intended to be used to control water inflow from tidal influence (i.e., no tide gates).
- (45) A wetland restoration system means a system of practices designed to restore the natural hydrology of an area that had been drained and cropped.

(Temporary Practices for the Drought Response Program)

- (46) Agricultural water supply pond means to construct agricultural ponds for water supply for existing irrigation or livestock watering requirements (not expansion of the operation). Benefits may include water supply, erosion control, flood control, and sediment and nutrient reductions from farm fields for better water quality. This practice is only applicable to low hazard classification ponds. Cost share is restricted to \$15,000 per pond at 75% cost share and \$18,000 per pond at 90%. Receipts are required for reimbursement.

*To be used in conjunction with the most recent version of the APA Rules for the North Carolina Agriculture Cost Share Program for Nonpoint Source Pollution Control and the NC-ACSP Manual.

BEST MANAGEMENT PRACTICES ELIGIBLE FOR COST SHARE PAYMENTS

- (1) Best Management Practices eligible for cost sharing include the practices listed in Table 1 and any approved District BMPs. District BMPs shall be reviewed by the Division for technical merit in achieving the goals of this program. Upon approval by the Division, the District BMPs will be eligible to receive cost share funding.

Table 1

<u>Practice</u>	<u>Minimum Life Expectancy (years)</u>
Abandoned Tree Removal	10
Abandoned Well Closure	1
Agrichemical Containment and Mixing Facility	10
Agrichemical Handling Facility	10
Agricultural Pond Restoration/Repair	10
Agricultural Road Repair/Stabilization	10
Backflow Prevention System	
Chemigation	10
Fertigation	10
Conservation Cover	6
3-Year Conservation Tillage System	3
Cover Crops	1
Critical Area Planting	10
Cropland Conversion	10
Crop Residue Management	1
Diversion	10
Field Border	10
Filter Strip	10
Grade Stabilization Structure	10
Grassed Waterway	10
Heavy Use Area Protection	10
Land Smoothing	5
Livestock Exclusion	10
Livestock Feeding Area	10
Long Term No-Till	5
Micro-Irrigation System	10
Nutrient Management	3
Nutrient Scavenger Cover Crop	1
Pasture Renovation	10
Pastureland Conversion	10
Portable Agrichemical Mixing Station	5
Precision Nutrient Management	3
Prescribed Grazing	3
Riparian Buffer	10
Rock-lined Waterway or Outlet	10

Attachment A

Rooftop Runoff Management System	10
Sediment Control Basin	10
Sod-based Rotation	4 or 5
Stock Trail and Walkway	10
Stream Protection System	
Spring Development	10
Stream Crossing	10
Trough or Tank	10
Well	10
Windmills	10
Streambank and Shoreline Protection	10
Stream Restoration	10
Stripcropping	5
Terrace	10
Waste Management System	
Closure of Abandoned Waste Impoundment	10
Concentrated Nutrient Source Management System	10
Constructed Wetland for Land Application	10
Controlled Livestock Lounging Area	10
Drystack	10
Feeding/Waste Storage Structure	10
Insect Control System	5
Lagoon Biosolids Removal Incentive	1
Livestock Mortality Management System	
Incinerator	5
Others Systems	10
Manure Composting Facility	10
Manure/Litter Transportation Incentive	1
Odor Management System	1 to 10
Retrofit of On-going Animal Operations	10
Solids Separation from Tank-Based Aquaculture	
Production	10
Storm Water Management System	10
Waste Application System	10
Waste Storage Pond	10
Waste Treatment Lagoon	10
Water Control Structure	10
Wetlands Restoration System	10
<u>Temporary Practices for the Drought Response Program</u>	
Agricultural Water Supply Pond	10

- (2) The minimum life expectancy of the BMPs shall be that listed in Table 1. Practices designated by a District shall meet the life expectancy requirement established by the Division for that District BMP.
- (3) The list of BMPs eligible for cost sharing may be revised by the Commission as deemed appropriate in order to meet program purpose and goals.

10/25/2012

Page 1

NC Agriculture Cost Share Program Program Accomplishments

1984 - 2012

Number Of Contracts :	56,135	
Acres Affected	2,608,043.03	Acre
Soil Saved	7,350,210.56	Tons
Nitrogen Saved	21,313,913.09	Pounds
Phosphorus Saved	6,522,143.79	Pounds
Waste-N Managed	95,657,164.07	Pounds
Waste-P Managed	75,919,608.30	Pounds
Water Saved	41,300,833.10	Gallons
Square Feet Affected	803,895,295.00	Square Feet
Impervious Area	31,637,290.00	Square Feet
Number Of Homes	6,195.00	Units
Number Of People	1,328,995.00	Units
Ccap Tn	487.86	Pounds
Ccap Tp	147.81	Pounds
Ccap Tss	11,778.88	Pounds
<u>Erosion/Nutrient Reduction</u>		
Pasture Renovation	21,035.74	Acre
Conservation Tillage (3 Yr.)	81,387.98	Acre
Long Term No-Till	62,360.11	Acre
Cover Crop	67,426.19	Acre
Sod-Based Rotation	60,827.18	Acre
Cropland Conversion - Grass	88,837.02	Acre
Cropland Conversion - Trees	50,633.58	Acre
Cropland Conversion - Wildlife	334.36	Acre
Conservation Cover	1,021.00	Acre
Critical Area Planting	5,220.23	Acre
Crop Residue Management	32,850.71	Acre
Diversion	1,895,250.69	Feet
Land Smoothing	17,616.70	Acre
Terraces	2,433,793.20	Feet
Abandoned Well Closure	16.00	Units
Micro-Irrigation	790,397.30	Acre
Pastureland Conversion To Trees	240.28	Acre
Stripcropping	21,467.17	Acre
Nutrient Scavenger Crop	9,097.33	Acre
Prescribed Grazing	735.70	Acre
Ag Road Repair-Stabilization	107,315.50	Feet
Conservation Tillage	488,713.07	Acre

NC Agriculture Cost Share Program Program Accomplishments

1984 - 2012

Drought Response

Irrigation Well	198.00	Units
Well-Confined Animal Water Supply	111.00	Units
Agricultural Water Supply Pond	28.00	Units
Engineering Support-Ponds	2.00	Units
Conservation Irrigation Retrofit	18,284.00	Acre

Sediment/Nutrient Reduction

Grassed Waterway	8,286.76	Acre
Field Border	8,237.88	Acre
Filter Strip	1,781.07	Acre
Precision Nutrient Management	7,000.68	Acre
Riparian Buffer	17,006.76	Acre
Water Control Structure	4,072.00	Units
Nutrient Management	130,990.11	Acre
Agricultural Pond Restoration/Repair	289.00	Units
Rock-Lined Outlet	72.00	Units
Stream Restoration	5,446.00	Feet
Streambank And Shoreline Protection	7,513.97	Feet
Grade Stabilization Structure	817.00	Units
Wetlands Restoration System	355.80	Units
Sediment Control Basin	17.00	Units
Run-Off Management System	34.00	Units

Stream Protection

Trough Or Tank	7,057.00	Units
Livestock Exclusion	6,249,077.55	Feet
Heavy Use Area Protection	4,129.07	Units
Stream Crossing	1,408.00	Units
Stock Trail	12,868.00	Units
Spring Development	1,782.70	Units
Well	2,022.00	Units
Livestock Feeding Area	41.00	Units
Municipal Tap Water Supply	4.00	Units
Portable Water Facility	12.00	Units
Windmill	1.00	Units

NC Agriculture Cost Share Program Program Accomplishments

1984 - 2012

Waste Management

District Bmp	5.00	Units
Dry Stack	786.20	Units
Incinerator	481.00	Units
Feed/Waste Storage	104.00	Units
Gasifier	10.00	Units
Hydrants	390.00	Units
Closure - Waste Impoundments	232.00	Units
Waste Application Equip	755.50	Units
Lagoon Biosolids Removal	5,369,100.00	Gallons
Retrofit	245.00	Units
Waste Storage Pond	393.00	Units
Manure Composting Facility	1.00	Units
Waste Treatment Lagoon	616.00	Units
Pads	44.00	Units
Composter	443.50	Units
Solid Set	321.00	Units
Controlled Livestock Lounging Area	10.00	Units
Aquaculture/Geotube	8.00	Units
Insect Control	8.00	Units
Odor Control	6.00	Units
Manure/Litter Transportation Incentive	228,551.00	Pounds
Storm Water Management	206.00	Units
Concentrated Nutrient Source Management System	1.00	Units
Constructed Wetlands	4.00	Units
Mortality Freezers	1.00	Units
Land Application (Wet)	941,385,588.50	Gallons
Land Application (Dry)	873,966.20	Tons
Poultry House Clay Liner	4,436.89	Units
Litter Storage	58.00	Units

Agri-Chemical Pollution Prevent

Agri-Chemical Handling Facility	119.00	Units
Abandoned Tree Removal	44.50	Acre
Chemigation Backflow Prevention	18.00	Units
Fertigation Backflow Prevention	1.00	Units
Agrichemical Containment And Mixing Facility	1.00	Units

**NC AGRICULTURE COST SHARE PROGRAM
WATER QUALITY IMPROVEMENT PURPOSES OF APPROVED BMPs**

Purpose: Stream Protection Measures

BMP	Reduction of applied nutrient	Reduction of soil loss	Facilitating BMP	Life of BMP (yrs.)
Heavy Use Area Protection	-	√	-	10
Livestock Exclusion System	√	√	-	10
Spring Development	-	-	-	10
Stock Trail	-	√	-	10
Stream Crossing	-	√	-	10
Trough or Tank	-	-	√	10
Well	-	-	√	10
Windmill	-	-	√	10
Livestock Feeding Area	-	-	√	10

Purpose: Waste Management Measures – Mortality and Manure Management

BMP	Proper mgmt. of nutrients	Reduction of soil loss	Nutrient interception	Facilitating BMP	Life of BMP (yrs.)
Closure of Waste Impoundment	√	-	-	-	10
Constructed wetlands	√	-	√	-	10
Controlled Livestock Lounging Area	-	√	-	√	10
Dry Manure Stack	√	-	-	-	10
Feeding/Waste Storage	-	-	-	-	10
Heavy Use Area Protection	-	√	-	-	10
Insect Control	-	-	-	-	5
Odor Control	-	-	-	-	1-10
Storm Water Management	√	-	-	-	10
Waste Treatment Lagoon/Storage Pond	√	-	-	-	10
Mortality Management Systems	√	-	-	-	10
Incinerators	√	-	-	-	5
Waste Application System	√	-	-	√	10
Tank-Based Aquaculture	√	-	-	-	10
Manure/Litter Transportation Incentive	√	-	-	-	1
Manure Composting Facility	√	-	-	-	10
Lagoon Biosolids Removal Incentive	√	-	-	-	1
Concentrated Nutrient Source Management	√	-	-	√	10

Purpose: Erosion Reduction/Nutrient Loss Reduction in Fields

BMP	Reduction of applied nutrient	Reduction of soil loss	Life of BMP (yrs.)
Conservation Tillage 3-yr	√	√	3
Long Term No-till	√	√	5
Critical Area Planting	√	√	10
Cropland Conversion	√	√	10
Water Diversion	√	√	10
Land Smoothing	√	√	10
Wetlands Restoration	√	√	10
Pastureland Conversion	√	√	10
Sod-based Rotation	√	√	4 or 5
Stripcropping	√	√	5
Terraces	√	√	10
Conservation Cover	√	√	6
Nutrient Scavenger Cover Crop	√	√	10
Cover Crop	√	√	1
Pasture Renovation	√	√	10
Micro-Irrigation System	√	√	10
Rooftop Runoff Management		√	10
Prescribed Grazing	√	√	3
Crop Residue Management	√	√	3

Purpose: Agricultural Chemical Pollution Prevention

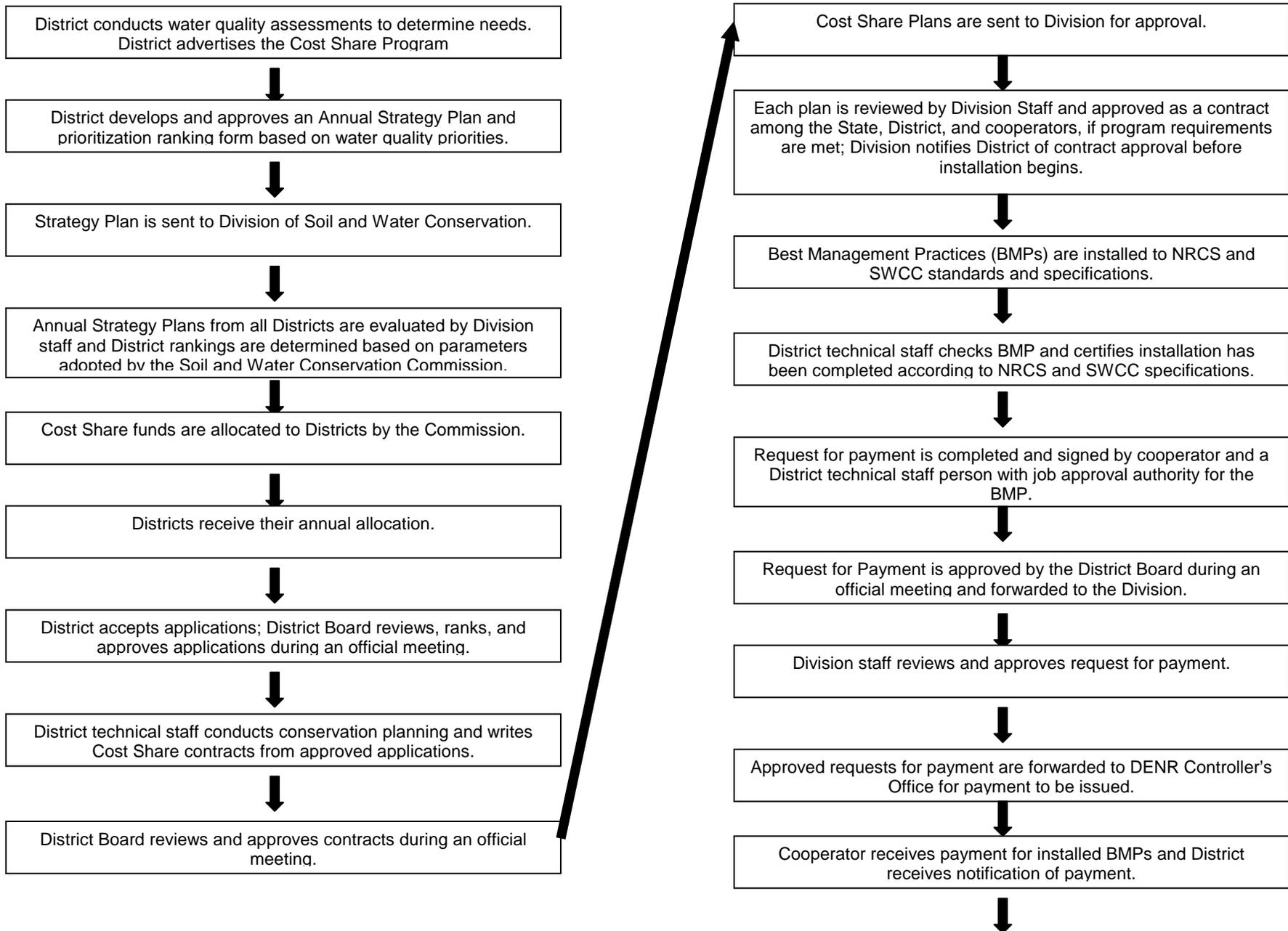
BMP	Interception of chemicals	Life of BMP (yrs.)
Abandoned Tree Removal	√	10
Agri-chemical Handling Facility	√	10
Fertigation Back Flow Prevention	√	10
Chemigation Back Flow Prevention	√	10
Portable Pesticide Mixing Station	√	5
Agrichemical Containment and Mixing Facility	√	10

Purpose: Sediment/Nutrient Delivery Reduction from Fields

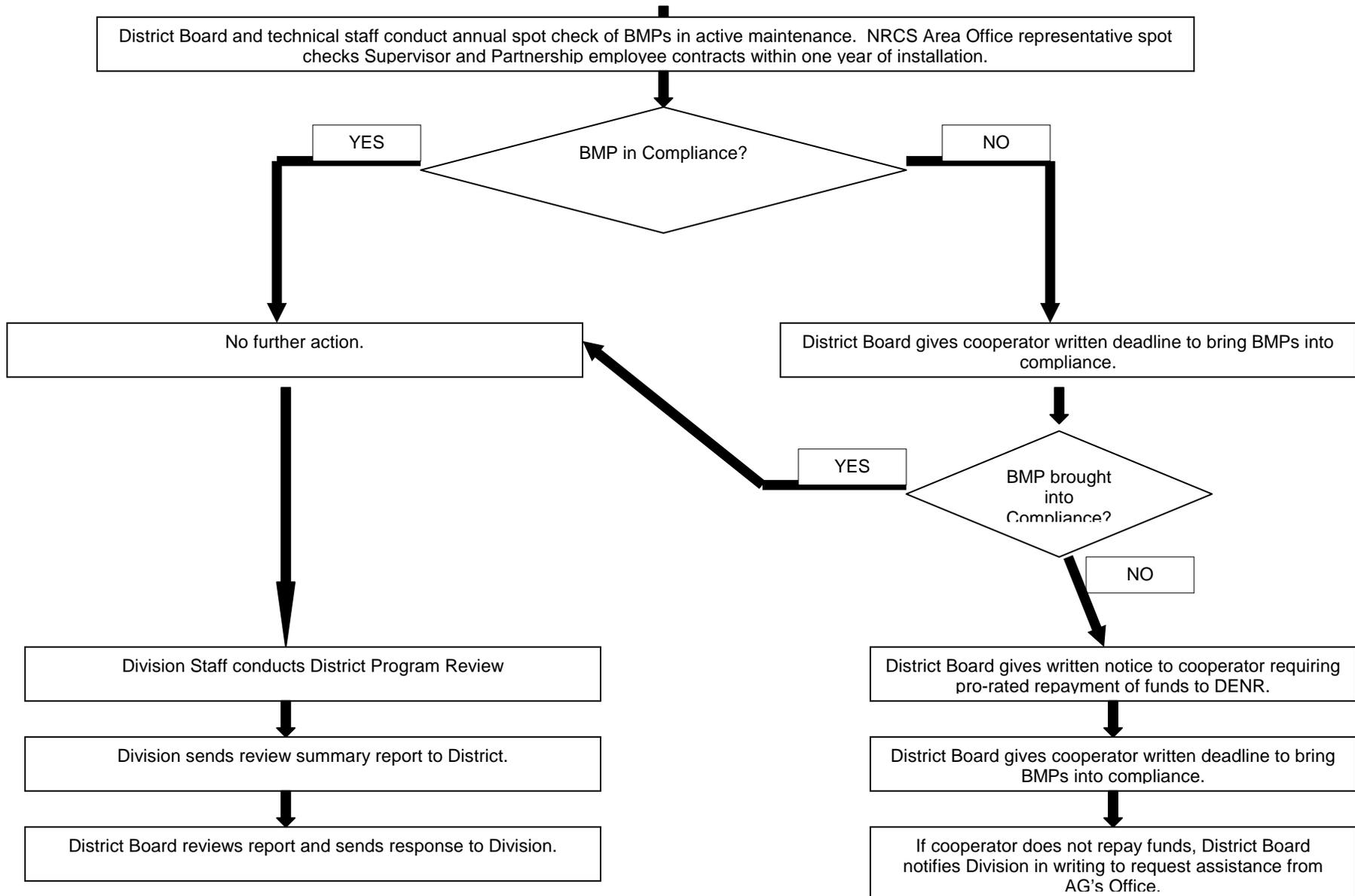
BMP	Reduction of applied nutrient	Reduction of soil loss	Nutrient interception	Facilitating BMP	Life of BMP (yrs)
Field Border	-	√	√	-	10
Filter Strip	-	√	√	-	10
Grade Stabilization Structure	-	-	-	√	10
Grassed Waterway	-	√	√	-	10
Nutrient Mgmt.	√	-	-	-	3
Riparian Buffer	-	√	√	-	10
Rock-lined Outlet	-	-	-	√	10
Sediment Control Basin	-	-	√	-	10
Water Control Structure	-	√	√	-	10
Streambank and Shoreline Protection	-	√	√	-	10
Stream Restoration		√			10
Agricultural Road Repair/Stabilization	-	√	-	-	10
Abandoned Well Closure	-	-	-	√	1
Agricultural Pond Restoration/Repair		√	√		10
Precision Nutrient Management	√			√	3

NC Agriculture Cost Share Program

Funding and Compliance Process

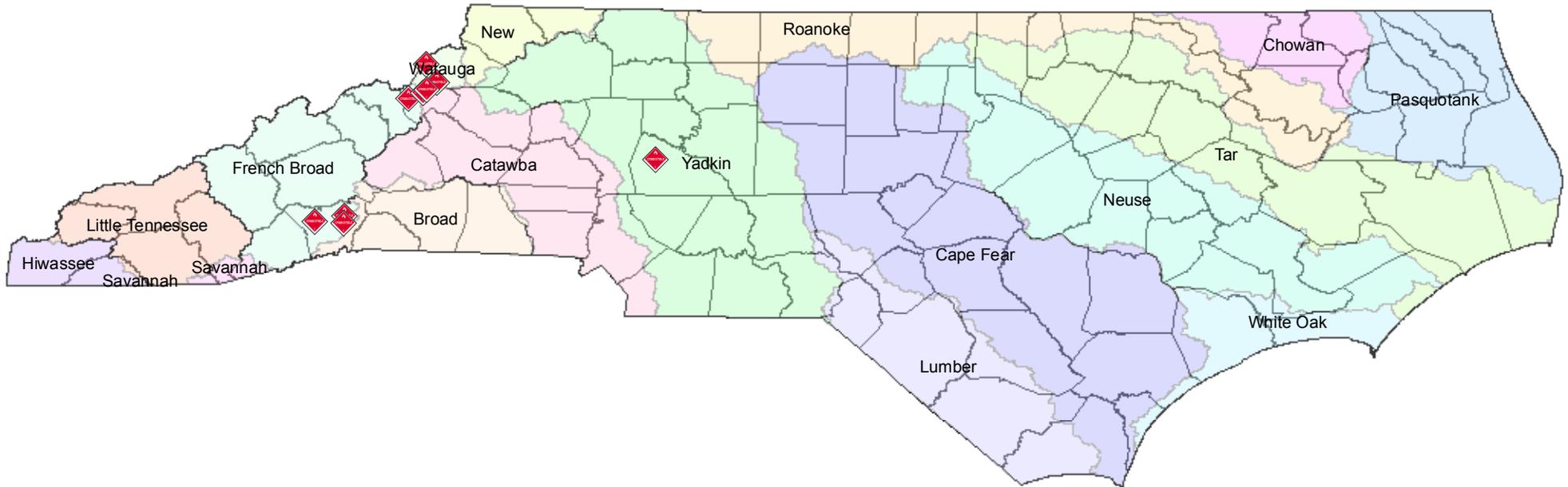


Attachment D





ACSP Program for North Carolina 2012 Agric-Chemical Pollution Prevention Projects



Legend

 Agri-Chemical Pollution Prevention

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 8 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

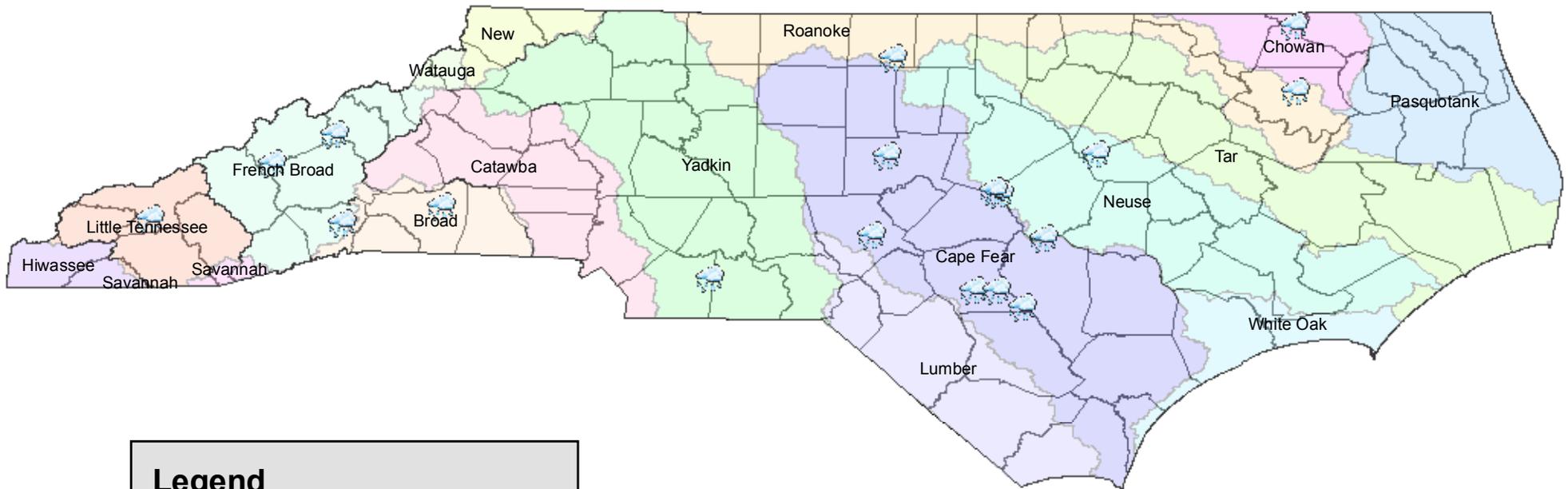
Scale:
1:3,801,600
(1 inch = 60 miles)

**ACSP Program for North Carolina
2012 Agric-Chemical Pollution Prevention Projects**

NORTH CAROLINA
SOIL & WATER
CONSERVATION DISTRICTS
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ACSP Program for North Carolina 2012 Drought Response Projects



Legend

 Drought Response

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 18 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

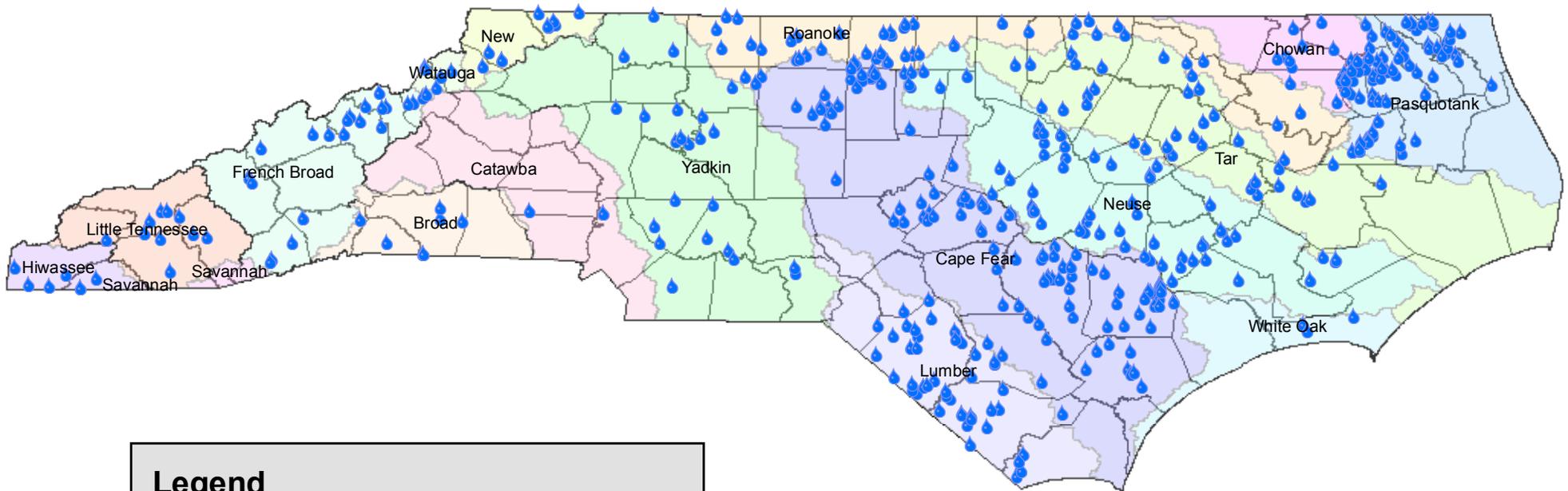
Scale:
1:3,801,600
(1 inch = 60 miles)

**ACSP Program for North Carolina
2012 Drought Response Projects**

NORTH CAROLINA
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ACSP Program for North Carolina 2012 Erosion/Nutrient Reduction Projects



Legend

 Erosion/Nutrient Reduction

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 493 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

Scale:
1:3,801,600
(1 inch = 60 miles)

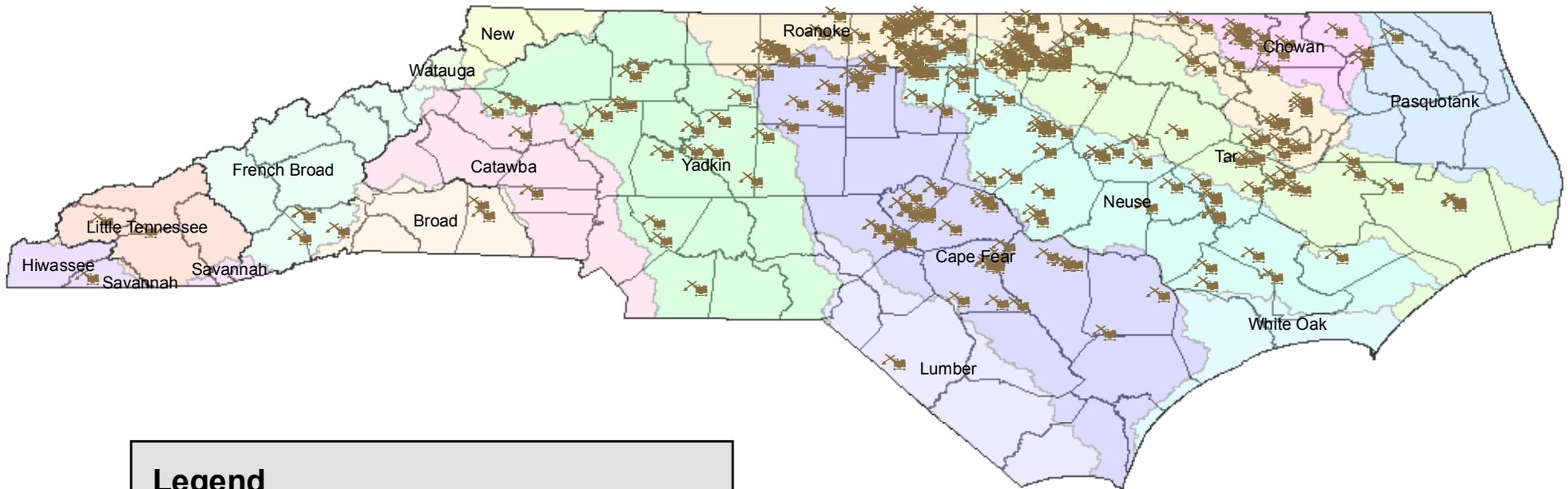
ACSP Program for North Carolina 2012 Erosion/Nutrient Reduction Projects



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ACSP Program for North Carolina 2012 Sediment/Nutrient Reduction Projects



Legend

 Sediment/Nutrient Reduction

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 308 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

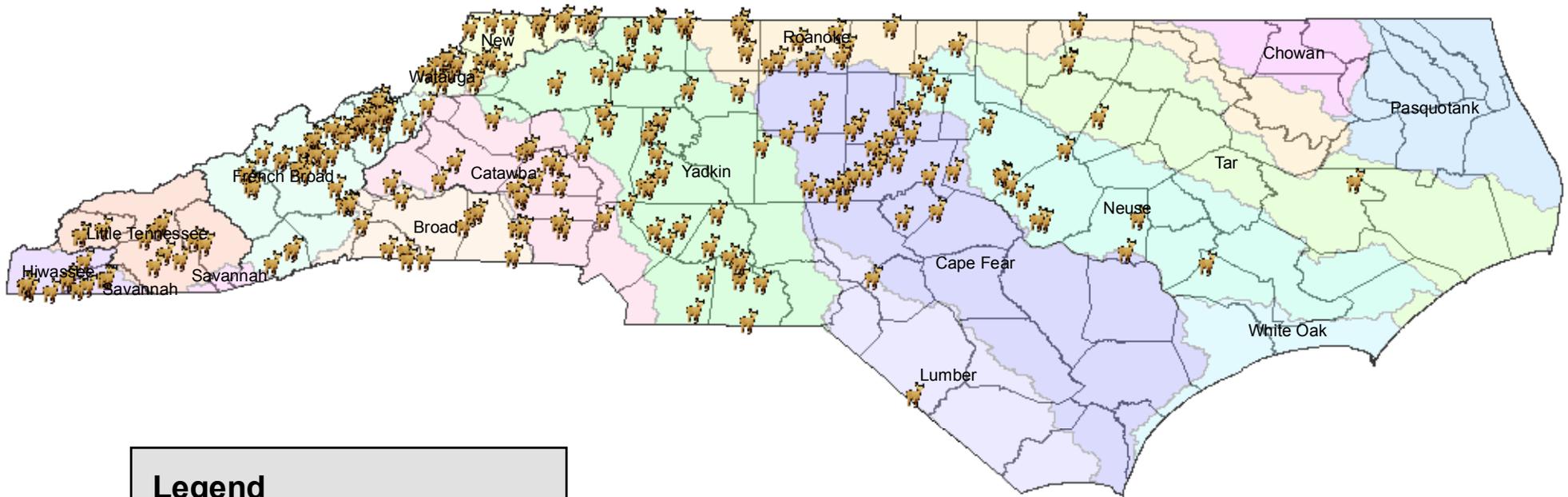
Scale:
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(1 inch = 60 miles)

**ACSP Program for North Carolina
2012 Sediment/Nutrient Reduction Projects**

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ACSP Program for North Carolina 2012 Stream Protection Projects



Legend

 Stream Protection

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 530 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

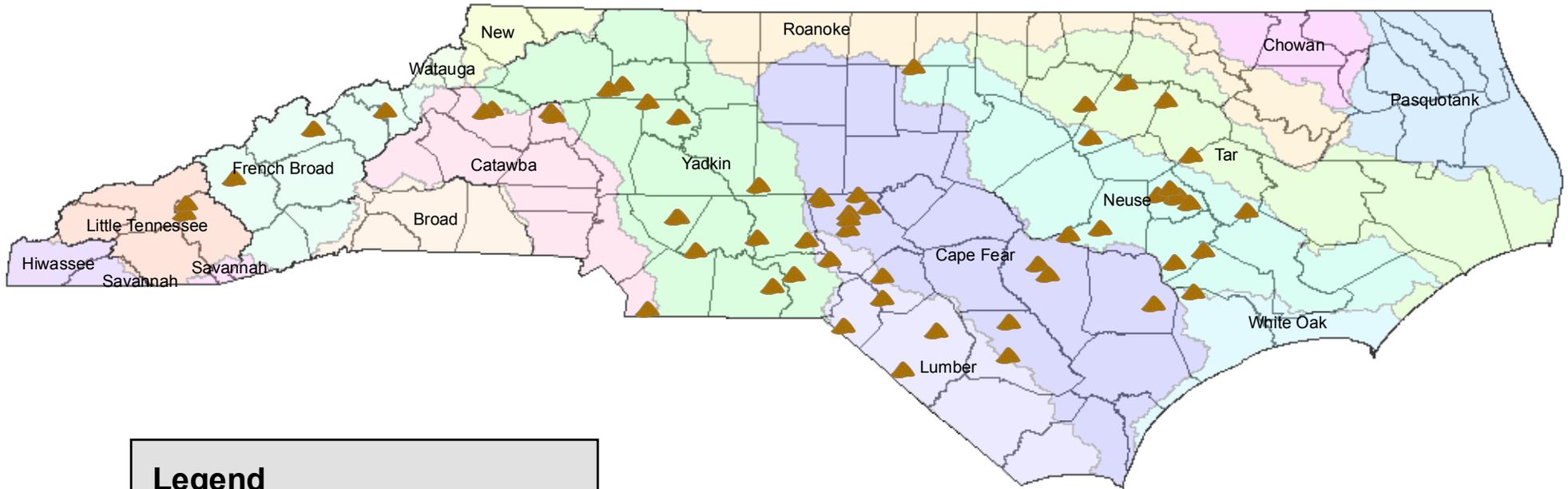
Scale:
1:3,801,600
(1 inch = 60 miles)

**ACSP Program for North Carolina
2012 Stream Protection Projects**

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ACSP Program for North Carolina 2012 Waste Management Projects



Legend

 Waste Management

Points represent the approximate BMP locations based on the latitude/longitude provided by the local soil and water conservation districts. This data represents 65 BMPs contracted in PY 2012 for this BMP type. The data is recorded in the SOIL database.

Scale:
1:3,801,600
(1 inch = 60 miles)

**ACSP Program for North Carolina
2012 Waste Management Projects**

NORTH CAROLINA
SOIL & WATER
CONSERVATION DISTRICTS
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**Report to the Environmental Review Commission
and Fiscal Research Division of the N.C. General Assembly
on the Community Conservation Assistance Program**



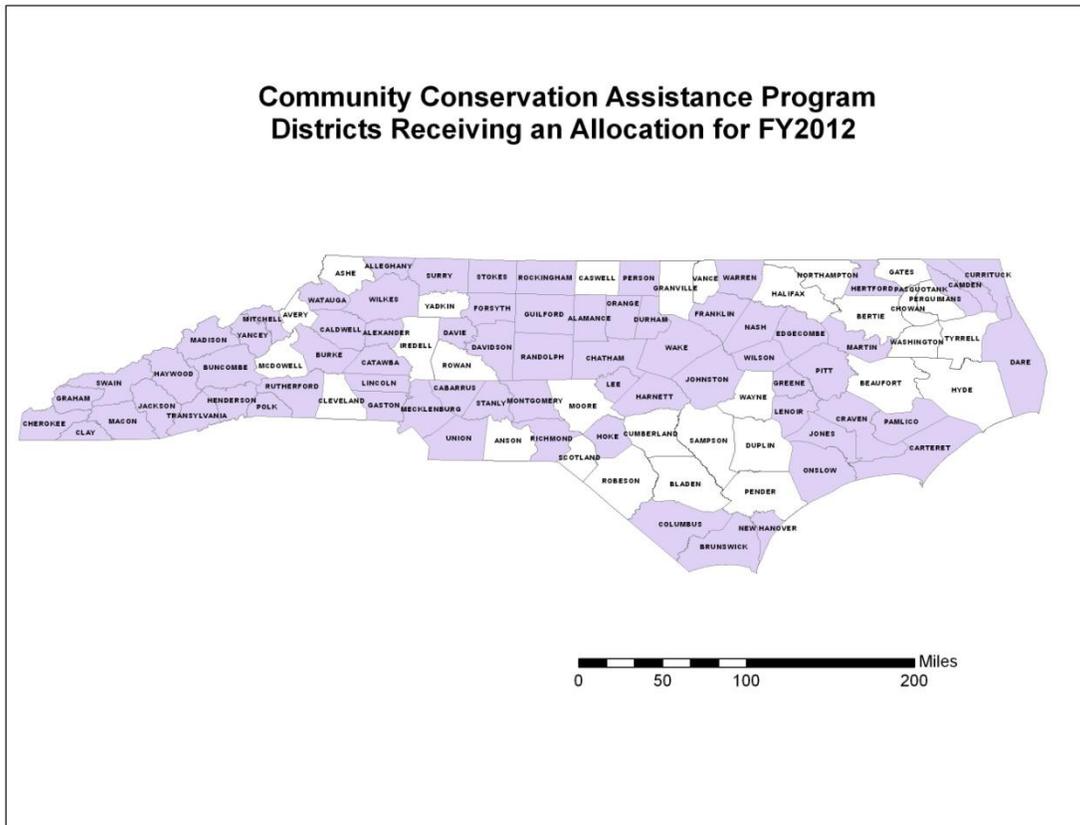
**FISCAL YEAR 2012 ANNUAL REPORT
January 2013**

General Statute 143-215.74M(e) of Session Law 2006-78 mandates that the Soil and Water Conservation Commission report to the Environmental Review Commission and the Fiscal Research Division a summary of the Community Conservation Assistance Program (herein referred to as CCAP) annually. The purpose of CCAP is to reduce the delivery of nonpoint source (NPS) pollution into the waters of the State by installing best management practices (BMPs) on developed lands, not directly involved in agricultural production. Through this voluntary, incentive-based conservation program, landowners are provided educational, technical and financial assistance.

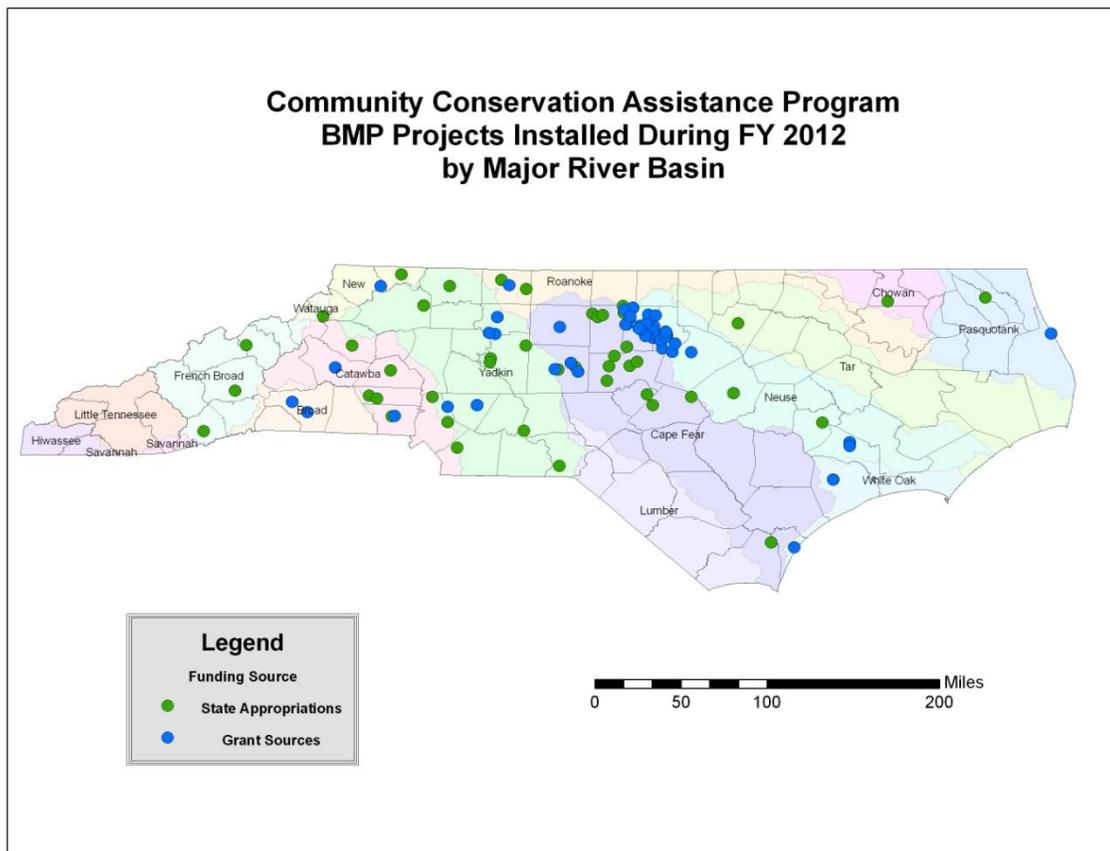
Eligible landowners, including homeowners, businesses, schools, parks, churches, and others, may be reimbursed up to 75 percent of the cost of retrofitting BMPs. Soil and Water Conservation Districts (districts) provide educational services to local governments and the public and direct technical and financial assistance to property owners. The Soil and Water Conservation Commission administers the program through the Division of Soil and Water Conservation. CCAP BMPs include: abandoned well closures, backyard rain gardens, backyard wetlands, bioretention areas, cisterns, critical area plantings, diversions, grassed swales, impervious surface conversions, marsh sills, permeable pavement, pet waste receptacles, riparian buffers, stormwater wetlands, stream restoration, stream and shoreline protection, and structural stormwater conveyance. During PY2012, the CCAP Advisory Committee utilized the technical skills of its members to develop additional design tools and maintenance plans for various BMPs. More information regarding CCAP BMPs can be found in Appendix A.

During Fiscal Year (FY) 2012 the Division of Soil and Water Conservation received recurring appropriated funds for CCAP in the amount of \$200,000. A portion of these funds support a full-time permanent employee to coordinate the program and administer the funds for program implementation. To maintain technical assistance positions in two active CCAP counties, a portion of these funds was used to provide technical assistance cost share funding in the amount of \$23,958. The remainder of the state appropriations was allocated to local districts for BMP installation. At their August 16, 2011 meeting, the Soil and Water Conservation Commission allocated \$212,651 to be distributed to interested districts according to the parameters outlined in 02 NCAC 59H .0103. The districts that received an allocation of CCAP state funds in FY2012 are displayed in Figure 1 below.

Figure 1: Soil and Water Conservation Districts Receiving CCAP State Appropriated Funds in FY2012



In addition to the State appropriation, unencumbered BMP implementation grant funds were allocated to participating districts. The funding sources for these grants include the NC Environmental Enhancement Grant Program, US EPA Section 319 Clean Water Act Program, and the Clean Water Management Trust Funds. These funds, in combination with the recurring state appropriation, allowed this program to address water quality concerns and reach citizens across the state.



Significant advancements in program development and project installations were seen during this fifth program year.

Program highlights and accomplishments in FY2012 include the following:

- The CCAP Advisory Committee met quarterly during FY2012 to provide oversight and technical review of the program. This group was active in improving program policies, promoting partnership involvement, and recommending new BMPs for adoption. The membership of the CCAP Advisory Committee, as described in § 106-860, is shown in Appendix B.
- Guidance documents, including operation and maintenance plans for critical area planting were developed.
- A grant was awarded by the Environmental Enhancement Grant Program for \$125,000 benefitting 20 districts.
- 165 project contracts were submitted to encumber \$485,420 and \$176,481 was expended on completed BMP projects exclusive of staff time and overhead, using both state appropriations and grant funds.

BMPs installed in FY2012 from all funding sources are included in the chart below:

CCAP BMP	Measurement	Units
Abandoned Well Closure	Units	49
Backyard Rain Garden	Square Feet	1,922
Bioretention Area	Square Feet	25,148
Cistern	Units	24
Critical Area Planting	Square Feet	37,937
Grassed Swale	Square Feet	22,095
Impervious Surface Conversion	Square Feet	5,008
Permeable Pavement	Square Feet	6,708
Pet Waste Receptacle	Units	58
Stormwater Wetland	Square Feet	1,795
Streambank And Shoreline Protection	Feet	1,682

- Pictures of selected BMPs are included in Appendix C.
- CCAP contracts encumbered using state funds are listed in Appendix D.
- The job approval authority process continued to be improved and implemented to ensure district employees are certified to design and approve installation of CCAP BMPs. To date, 46 district employees have CCAP job approval authority for select conservation practices.

The N.C. Community Conservation Assistance Program is securing a future for Soil and Water Conservation Districts as North Carolina’s landscape, community and pollutant sources change. Demand for the program from districts across the state continues to exceed the current funding. During FY2012, over \$2.3 million was requested from the 71 participating districts.

Many existing water quality initiatives are geared towards new construction, such as Low Impact Development, the State’s Erosion and Sediment Control statute, and design standards. CCAP is unique, in that it is a retrofit only program. The results illustrate the important accomplishment of the General Assembly in creating the only state-wide program that addresses non-point water pollution sources from already developed areas. In addition, CCAP will be a cost effective mechanism for implementing the Falls Lake and Jordan Lake Existing Development Rules.

Future program recommendations include:

- Increasing program funding to accommodate the existing project needs
- Increasing technical assistance funding to support district staff
- Increasing funding to provide additional engineering support
- Expanding the water quality benefits tool to measure the impact of all BMPs in reducing stormwater conveyed pollutants
- Continuing training on BMP design and installation
- Expanding outreach efforts and distribution of materials statewide
- Expanding efforts by the CCAP Advisory Committee to increase program recognition and support through partnership opportunities
- Updating program policies and BMP design tools

- Revising program and design manuals to ensure consistency

For more information on the CCAP, please refer to the appendices:

- Appendix A: CCAP PY2012 Detailed Implementation Plan
- Appendix B: CCAP Advisory Committee members
- Appendix C: Photographs of selected projects completed during PY2012
- Appendix D: Summary of all state funded CCAP contracts in FY2012

**Appendix A: Community Conservation Assistance Program Detailed Implementation Plan:
Program Year 2012**

All practices defined below are to be maintained by the landowner of a single-family residence for a five-year period; all other types of properties are to be maintained by the landowner for a 10-year period.

Definition of Practices

- (1) Abandoned well closure is the sealing and permanent closure of a supply well no longer in use. This practice serves to prevent entry of contaminated surface water, animals, debris or other foreign substances into the well. It also serves to eliminate the physical hazards of an open hole to people, animals and machinery.
- (2) Bioretention area is the use of plants and soils for removal of pollutants from stormwater runoff. Bioretention can also be effective in reducing peak runoff rates, runoff volumes and recharging groundwater by infiltrating runoff. Bioretention areas are intended to treat impervious surface areas of greater than 2500 ft².
- (3) A backyard rain garden is a shallow depression in the ground that captures runoff from a driveway, roof, or lawn and allows it to soak into the ground, rather than running across roads, capturing pollutants and delivering them to a stream. Backyard rain gardens are intended to treat impervious surface areas of less than 2500 ft².
- (4) Stormwater wetland means a constructed system that mimics the functions of natural wetlands and is designed to mitigate the impacts of stormwater quality and quantity. Stormwater wetlands are intended to treat impervious surface areas of greater than 2500 ft².
- (5) Backyard wetlands are constructed systems that mimic the functions of natural wetlands. They can temporarily store, filter and clean runoff from driveways, roofs and lawns, and thereby improve water quality. The wetland should be expected to retain water or remain saturated for two to three weeks. Backyard wetlands are intended to treat impervious surface areas of less than 2500 ft².
- (6) A cistern is a system of collection and diversion practices to prevent stormwater from flowing across impervious areas, collecting sediment and reaching the storm drains. Benefits may include the reduction of stormwater runoff thereby reducing the opportunity for pollution to enter the storm drainage system.
- (7) A critical area planting means an area of highly erodible land, which cannot be stabilized by ordinary conservation treatment on which permanent perennial vegetative cover is established and protected to improve water quality. Benefits may include reduced soil erosion and sedimentation and improved surface water quality.
- (8) A diversion means a channel constructed across a slope with a supporting ridge on the lower side to control drainage by diverting excess water from an area to improve water quality.

- (9) A grassed swale consists of a natural or constructed channel that is shaped or graded to required dimensions and established in suitable vegetation for the stable conveyance of runoff to improve water quality. Benefits may include reduced soil erosion, and sedimentation and improve the quality of surface water pollution from dissolved and sediment-attached substances.
- (10) Impervious surface conversion means the removal of impenetrable materials such as asphalt, concrete, brick and stone. These materials seal surfaces, repel water and prevent precipitation from infiltrating soils. Removal of these impervious materials, when combined with permeable pavement or vegetation establishment, is intended to reduce stormwater runoff rate and volume, as well as associated pollutants transported from the site by stormwater runoff.
- (11) Permeable pavement means materials that are designed to allow water to flow through them and thus reduce the imperviousness of traffic surfaces, such as patios, walkways, sidewalks, driveways and parking areas.
- (12) A pet waste receptacle means a receptacle designed to encourage pet owners to pick up after animals in parks, neighborhoods and apartment complexes so as to prevent waste from being transported off-site by stormwater runoff.
- (13) A riparian buffer means an area adjacent to a stream where a permanent, long-lived vegetative cover (sod, shrubs, trees or a combination of vegetation types) is established to improve water quality. Benefits may include reduced soil erosion, sedimentation, pathogen contamination and pollution from dissolved, particulate and sediment-attached substances.
- (14) A stream restoration system means the use of bioengineering practices, native material revetments, channel stability structures and/or the restoration or management of riparian corridors to protect upland BMPs, restore the natural function of the stream corridor and improve water quality by reducing sedimentation to streams from streambanks.
- (15) Streambank and shoreline protection means the use of vegetation to stabilize and protect banks of streams, lakes, estuaries or excavated channels against scour and erosion.
- (16) Marsh Sills protect estuarine shorelines from erosion, combining engineered structures with natural vegetation to maintain, restore, or enhance the shoreline's natural habitats. A sill is a coast-parallel, long or short structure built with the objective of reducing the wave action on the shoreline by forcing wave breaking over the sill. Sills are used to provide protection for existing coastal marshes, or to retain sandy fill between the sill and the eroding shoreline, to establish suitable elevations for the restoration or establishment of coastal marsh and/or riparian vegetation.

**Appendix B: Community Conservation Assistance Program Advisory Committee,
Program Year 2012**

The Community Conservation Assistance Program Advisory Committee was established to assist with the development and implementation of the NC Community Conservation Assistance Program (CCAP). Following the appropriation of State funds, the purpose of the CCAP Advisory Committee expanded to include reviewing best management practices (BMPs) and making recommendations to the Soil and Water Conservation Commission. In addition to the continual review of current program BMPs, the Advisory Committee focuses on the consideration of potential new BMPs and improving the technical aspects program.

The Advisory Committee consists of the following members:

1. The Director of the Division of Soil and Water Conservation or the Director's designee, who shall serve as the Chair of the Advisory Committee.
2. The President of the North Carolina Association of Soil and Water Conservation Districts or the President's designee.
3. The Director of the Cooperative Extension Service at North Carolina State University or the Director's designee.
4. The Executive Director of the North Carolina Association of County Commissioners or the Executive Director's designee.
5. The Executive Director of the North Carolina League of Municipalities or the Executive Director's designee.
6. The State Conservationist of the Natural Resources Conservation Service of the United States Department of Agriculture or the State Conservationist's designee.
7. The Executive Director of the Wildlife Resources Commission or the Executive Director's designee.
8. The President of the North Carolina Conservation District Employees Association or the President's designee.
9. The President of the North Carolina Association of Resource Conservation and Development Councils or the President's designee.
10. The Director of the Division of Water Quality or the Director's designee.
11. The Director of the Division of Forest Resources or the Director's designee.
12. The Director of the Division of Land Resources or the Director's designee.
13. The Director of the Division of Coastal Management or the Director's designee.
14. The Director of the Division of Water Resources or the Director's designee.
15. The President of the Carolinas Land Improvement Contractors Association or the President's designee.

Appendix C – Photographs of CCAP Best Management Practices



Catawba County – cistern system at municipal building



Permeable pavement – Jones County



Before – stream stabilization project Caldwell County



After – stream stabilization project Caldwell County



Stormwater wetland – New Hanover County



Grassed swale – Wake County

Appendix D
CCAP FY2012 Contracts Funded by State Appropriations

County	Contract Number	Best Management Practice Name	Contract Amount
Alamance	01-2012-501	Abandoned Well Closure	\$1,000
Alamance	01-2012-502	Abandoned Well Closure	\$819
Alamance	01-2012-504	Abandoned Well Closure	\$214
Alamance	01-2012-508	Abandoned Well Closure	\$1,000
Brunswick	10-2012-501	Cistern	\$4,042
Buncombe	11-2012-502	Grassed Swale	\$1,034
Buncombe	11-2012-503	Grassed Swale	\$1,034
Buncombe	11-2012-504	Critical Area	\$2,119
Burke	12-2012-521	Streambank And Shoreline Protection	\$4,133
Cabarrus	13-2012-501	Stormwater Wetland	\$1,811
Cabarrus	13-2012-503	Critical Area	\$4,348
Caldwell	14-2012-514	Streambank And Shoreline Protection	\$864
Caldwell	14-2012-516	Streambank And Shoreline Protection	\$3,223
Camden	15-2012-501	Pet Waste Receptacle	\$997
Carteret	16-2012-600	Marsh Sill	\$1,914
Catawba	18-2012-501	Cistern	\$1,567
Catawba	18-2012-502	Cistern	\$2,227
Chatham	19-2012-502	Grassed Swale	\$390
Chatham	19-2012-508	Abandoned Well Closure	\$2,250
Chatham	19-2012-509	Abandoned Well Closure	\$375
Chatham	19-2012-510	Abandoned Well Closure	\$2,250
Clay	22-2012-501	Backyard Rain Garden	\$2,265
Currituck	27-2012-501	Marsh Sill	\$2,185
Dare	28-2012-501	Bioretention Area	\$8,827
Davidson	29-2012-501	Abandoned Well Closure	\$1,200
Davidson	29-2012-502	Abandoned Well Closure	\$1,200
Davidson	29-2012-503	Abandoned Well Closure	\$1,050
Davie	30-2012-501	Abandoned Well Closure	\$2,400
Durham	32-2012-513	Backyard Rain Garden	\$280
Durham	32-2012-523	Cistern	\$2,167
Durham	32-2012-525	Backyard Rain Garden	\$2,501
Durham	32-2012-529	Cistern	\$1,458
Forsyth	34-2012-503	Streambank And Shoreline Protection	\$7,970
Franklin	35-2012-503	Backyard Rain Garden	\$1,653
Gaston	36-2012-513	Stormwater Wetland	\$4,506
Guilford	41-2012-501	Cistern	\$1,714
Harnett	43-2012-505	Abandoned Well Closure	\$750
Harnett	43-2012-506	Abandoned Well Closure	\$750
Harnett	43-2012-507	Abandoned Well Closure	\$750
Haywood	44-2012-501	Riparian Buffer	\$3,261
Henderson	45-2012-501	Streambank And Shoreline Protection	\$4,325
Hertford	46-2012-501	Abandoned Well Closure	\$750
Hertford	46-2012-502	Abandoned Well Closure	\$750
Jackson	50-2012-501	Pet Waste Receptacle	\$2,375

Appendix D
CCAP FY2012 Contracts Funded by State Appropriations

Johnston	51-2012-501	Cistern	\$2,493
Jones	52-2012-501	Permeable Pavement	\$900
Lincoln	55-2012-503	Stream Restoration	\$4,065
Macon	56-2012-501	Cistern	\$1,857
Madison	57-2012-501	Pet Waste Receptacle	\$1,947
Mecklenburg	60-2012-501	Bioretention Area	\$1,805
Mitchell	61-2012-501	Stream Restoration	\$2,265
Moore	63-2012-501	Abandoned Well Closure	\$1,350
Moore	63-2012-502	Abandoned Well Closure	\$1,350
Moore	63-2012-503	Abandoned Well Closure	\$675
Nash	64-2012-502	Stormwater Wetland	\$3,997
New Hanover	65-2012-503	Grassed Swale	\$4,620
Onslow	67-2012-502	Cistern	\$1,349
Orange	68-2012-511	Abandoned Well Closure	\$1,500
Orange	68-2012-512	Abandoned Well Closure	\$635
Orange	68-2012-515	Cistern	\$1,000
Orange	68-2012-517	Abandoned Well Closure	\$338
Orange	68-2012-522	Abandoned Well Closure	\$345
Orange	68-2012-524	Abandoned Well Closure	\$975
Pasquotank	70-2012-501	Cistern	\$2,969
Polk	75-2012-502	Stream Restoration	\$1,703
Randolph	76-2012-501	Backyard Rain Garden	\$362
Randolph	76-2012-502	Abandoned Well Closure	\$225
Randolph	76-2012-503	Riparian Buffer	\$3,183
Richmond	77-2012-501	Abandoned Well Closure	\$1,500
Rutherford	81-2012-504	Stream Restoration	\$3,893
Stokes	85-2012-502	Cistern	\$1,719
Stokes	85-2012-503	Cistern	\$839
Surry	86-2012-501	Pet Waste Receptacle	\$1,256
Surry	86-2012-502	Abandoned Well Closure	\$1,500
Swain	87-2012-502	Stormwater Wetland	\$2,808
Transylvania	88-2012-501	Abandoned Well Closure	\$1,468
Union	90-2012-501	Abandoned Well Closure	\$110
Wake	92-2012-501	Grassed Swale	\$246
Wake	92-2012-502	Grassed Swale	\$3,051
Wake	92-2012-503	Grassed Swale	\$4,886
Watauga	95-2012-501	Pet Waste Receptacle	\$600
Watauga	95-2012-502	Pet Waste Receptacle	\$2,502
Wilkes	97-2012-501	Cistern	\$2,638
Yadkin	99-2012-004	Pet Waste Receptacle	\$2,679
Yancey	00-2012-501	Cistern	\$2,831

AGRICULTURAL WATER RESOURCES ASSISTANCE PROGRAM
§ 139-60
FISCAL YEAR 2012 ANNUAL REPORT
January 2013

The North Carolina Agricultural Water Resources Assistance Program was authorized through Session Law 2011-145, and became effective on July 1, 2011. This program, referred to as AgWRAP, was established to assist farmers and landowners in doing any one or more of the following:

- Identify opportunities to increase water use efficiency, availability and storage;
- Implement best management practices (BMPs) to conserve and protect water resources;
- Increase water use efficiency;
- Increase water storage and availability for agricultural purposes.

AgWRAP is administered by the North Carolina Soil and Water Conservation Commission and implemented through local soil and water conservation districts. The commission is required to meet with stakeholders annually to gather input on AgWRAP's development and administration. This year, the AgWRAP Review Committee was created and numerous agencies, organizations, and partners that participate in this committee are meeting regularly to develop recommendations for commission consideration for this program. AgWRAP was allocated \$1,000,000 in FY2012 and \$500,000 in FY2013 in non-recurring state appropriations, of which up to 15% of funds can be used by the Division of Soil and Water Conservation and districts to provide technical and engineering assistance, and to administer the program.

Demand for this program is significant. In FY2012, districts requested over \$4.3 million in funding for AgWRAP conservation practices, and in FY2013, the request was over \$4.7 million.

Fiscal Year 2012 Annual Goals

I. Determine best management practices for the program.

a. Approve BMP standards and specifications.

The commission approved the following six AgWRAP practices in FY2012:

- (1) Agricultural water supply pond: Constructing agricultural ponds for water supply for irrigation or livestock watering. Benefits may include water supply, erosion control, flood control, and sediment and nutrient reductions from farm fields. The minimum life expectancy is 10 years.
- (2) Agricultural pond sediment removal: Remove sediment from existing agricultural ponds to increase water storage capacity. Benefits may include water supply, erosion control, flood control, and sediment and nutrient reductions from farm fields. The minimum life expectancy is 1 year. Cooperators are ineligible to reapply for assistance for this practice for a period of 10 years; unless the sedimentation is occurring due to no fault of the cooperator.
- (3) Agricultural pond repair/retrofit: Repair or retrofit of existing agricultural pond systems. Benefits may include water supply, erosion control, flood control, and sediment and nutrient reductions from farm fields. The minimum life expectancy is 10 years.

- (4) Conservation Irrigation Conversion: Modifies an existing overhead spray irrigation system to increase the efficiency and uniformity of irrigation water application. The minimum life expectancy is 10 years.
- (5) Micro-irrigation System: An environmentally safe system for the conveyance and distribution of water, chemicals and fertilizer to agricultural fields for crop production. A micro-irrigation system is for frequent application of small quantities of water on or below the soil surface: as drops, tiny streams or miniature spray through emitters or applicators placed along a water delivery line. This practice may be applied as part of a conservation management system to efficiently and uniformly apply irrigation water and maintain soil moisture for plant growth. The minimum life expectancy is 10 years.
- (6) Well: Constructing a drilled, driven or dug well to supply water from an underground source. The minimum life expectancy is 10 years.

b. Develop an average cost list for approved BMPs.

The commission adopted the FY2012 AgWRAP average cost list on January 8, 2012. Please refer to appendix A for the average cost list.

II. Conduct a competitive state allocation for new agricultural water supply ponds

a. Fund a minimum of one pond per geographic area: Coastal Plain, Piedmont, Mountains

In FY2012, ponds were funded in each geographic area of the state:

- Coastal Plain: 8 ponds
- Piedmont: 12 ponds
- Mountains: 1 pond

b. Fund a minimum of 15 ponds with this year's appropriated funding.

In FY2012, the commission conducted a statewide request for applications for building new agricultural water supply ponds. With the funding available, 21 of the 41 applications received for new ponds were approved, and design and construction of these water supplies is underway.

c. Distribute funding for ponds among the following agricultural sectors identified in the Protecting Agriculture Water Resources in North Carolina Strategic Plan (February 2011): aquaculture, field crops, forestry, fruit and vegetable, green industry, livestock and poultry (and forages and drinking water for same).

In FY2012, ponds were funded in the following agricultural sectors:

- Aquaculture: 2 ponds
- Field crops: 5 ponds
- Forestry: 0 (no applicants)
- Fruit and vegetable: 10 ponds
- Green industry: 2 ponds
- Livestock and poultry: 2 ponds

III. Allocate funds to soil and water conservation districts for all other BMPs

a. Award funds to all districts requesting an allocation.

The commission allocated funds to 69 districts requesting a FY2012 AgWRAP application on January 8, 2012.

b. Allocate funds to districts from all geographic areas of the state.

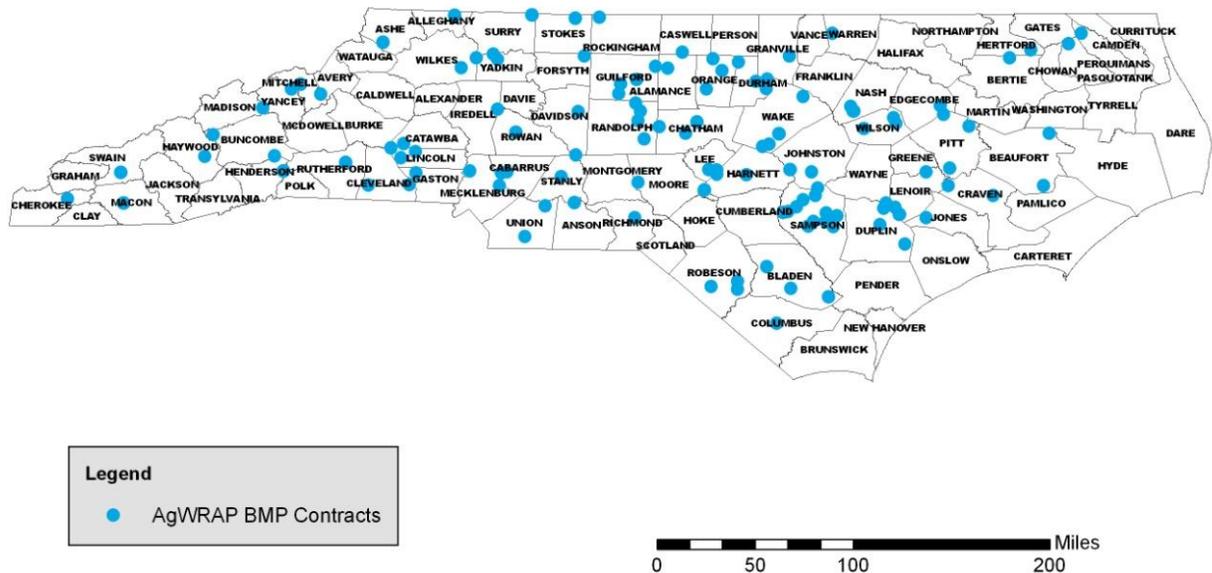
The FY2012 AgWRAP allocation provided funds to districts in all geographic areas of the state. Please refer to appendix B for the AgWRAP allocation.

c. Encumber contracts for conservation practices in all agricultural sectors as described above.

FY2012 AgWRAP district contracts were encumbered for projects on the following operations: field crops, fruit and vegetable, green industry, and livestock and poultry. Due to limitations with the cost share database, there is not a way to query whether any contracts were encumbered for forestry or aquaculture operations using district funds.

Figure 1 depicts the contracts encumbered using FY2012 AgWRAP funding.

Figure 1: FY2012 Agricultural Water Resources Assistance Program Contracts



IV. Develop a Job Approval Authority Process for AgWRAP BMPs

a. Create job approval categories.

In FY2012, the following job approval categories were approved and implemented. These categories include:

- Pond site assessment
- Sediment removal planning and certification
- Water needs assessments

To date, 23 conservation partnership employees representing 13 districts have obtained job approval authority for one or more of the categories above.

b. Construct and maintain a job approval database.

The Division of Soil and Water Conservation has developed and is maintaining a job approval database that includes the categories described above.

Additional Job Approval Authority processes completed

c. Define Job Approval Authority Process

In FY2012, the Job Approval Authority (JAA) Process was defined and coordinated to be the same for all eligible commission cost share programs. This process also identified who would be eligible to receive JAA, including division employees. The transparent process is posted on the division website and thus far has been well received.

d. Accepting Job Approval Authority from private entities

Planning and implementing practices such as micro-irrigation and conservation irrigation conversion became a challenge due to the limited expertise of district and NRCS staff. To address this issue the policy of eligible persons to sign for job approval authority was expanded. In addition to district and NRCS staff, NC licensed irrigation contractors, technical specialists with irrigation designation, a person with design certification by National Irrigation Association or professional engineers were approved to design these practices.

V. Develop a water balance tool to assist districts in conducting site assessments

a. Work with technical experts to create the tool.

The Division of Soil and Water Conservation contracted with NC State University Department of Biological and Agricultural Engineering to develop the Water Needs Assessment Tool for NC. This tool was released in August 2012, and has been well utilized by districts during FY2013. Revisions and updates are continually being made to this tool to increase its usability for all types of agricultural operations in the state.

b. Provide training and support to districts once tool is available.

While the tool was not available in FY2012, training was done after its release. On August 16, 2012, as part of the Conservation Employees Training, a three hour session was held titled *Completing an Agricultural Water Use Assessment*. This training was led by the tool's developer, Dr. Garry Grabow, Associate Professor and Department Extension Leader in

Biological and Agricultural Engineering at NC State University. Additional training is being planned for the upcoming year.

VI. **Conduct programmatic training for districts**

a. Provide an orientation for districts on the new program.

The division held three webinars on January 17 and 18, 2012 to provide an orientation to districts on AgWRAP. The agenda focused on a review of the new website and associated resources, and included the following topics:

- Purpose and goals of the program
- Cooperator requirements for eligibility
- Allocations
- Cost share forms
- District best management practices
- State application process for new pond construction
- Process for requesting technical assistance
- Job approval authority
- Questions

These trainings were well attended, and a majority of the districts in the state participated in one of the webinars. The training was also made available online, and division staff provided follow up support to districts on a one-on-one basis as requested.

b. Work with districts to answer frequently asked questions for the program.

The division regularly communicated with districts with questions about the program through phone calls, emails and in person meetings. Many of the questions and suggestions helped revise best management practice policies and program information through the AgWRAP Review Committee. FY2012 was a dynamic year, and many improvements were made while piloting this first program year.

c. Maintain the AgWRAP website with all relevant information.

The division continues to maintain the AgWRAP website, and related pages with pertinent information on the program. At the end of PY2012, all division web pages were reformatted. The new programmatic page can be found at:

<http://www.ncagr.gov/SWC/costshareprograms/AgWRAP/index.html>

There are also web pages dedicated to the design tools available for the program, including the Water Needs Assessment Tool for NC described above, BMP policies, and information about the AgWRAP Review Committee.

VII. Additional Activities

a. Agricultural Sediment Removal Training

The Wilson Soil and Water Conservation District staff hosted an Agricultural Sediment Removal Training. Participants were able to conduct a basic survey of a pond to determine sediment accumulation, discuss considerations for planning this practice and regulations to consider.

There were 21 participants, of which 9 have already obtained job approval authority for this practice. Portions of the training were recorded and placed on the division's website for future reference.

b. Micro-irrigation Checklist and Outreach

Through a cooperative effort between division engineers, NRCS Staff and NCSU a micro-irrigation checklist for designers to utilize was drafted. This checklist was developed to ensure that designs would meet the NRCS standard.

In addition to the checklist, two trainings were held to discuss the basic requirements of the NRCS standard. On August 14, 2012, as part of the Conservation Employees Training, a 2 ½ hour session was held titled *Irrigation Design Introductory Class*. This training was led by Terri Ruch, NRCS State Engineer and Hamid Farahani, NRCS Water Management Engineer.

On November 7th, 2012, as part of the 48th Annual Irrigation Conference, the following topics were covered as an additional outreach effort to address the design requirements of micro-irrigation systems:

- *Cost Share Programs for Micro-irrigation Systems in North Carolina Micro-irrigation Checklist; Terry Ruch, NC NRCS, Hamid Farahani, NRCS*
- *Design of Micro-irrigation Systems to Meet Cost-Share Requirements; Erwin Newell, Keith Sawyer, and Dave Elliot, BB Hobbs Company, Inc.*
- *Micro-irrigation for Fruits and Vegetables; David and Jason Graham, Gra-Mac Distributing Company*
- *Variable Rate Irrigation with Center Pivots; Ken Stone, Coastal Plains Soil, Water, and Plant Research Center*

PY2012 Agricultural Water Resources Assistance Program (AgWRAP) Average Cost List

Component	Unit Type	AREA 1 Unit Cost	AREA 2 Unit Cost	AREA 3 Unit Cost	Maximum Cost Share 75 Percent	Maximum Cost Share 90 Percent	Cost Type
AGRICULTURAL WATER SUPPLY POND	Job	Cost Share percent of actual amount not to exceed			\$ 15,000.00	\$ 18,000.00	Actual
AGRICULTURAL WATER SUPPLY POND - Engineering	Job	Cost Share percent of actual amount not to exceed			\$ 7,500.00	\$ 9,000.00	Actual
AGRICULTURAL POND RESTORATION/REPAIR	Job	Cost Share percent of actual amount not to exceed			\$ 10,000.00	\$ 12,000.00	Actual
AGRICULTURAL POND RESTORATION/REPAIR - Engineering	Job	Cost Share percent of actual amount not to exceed			\$ 5,000.00	\$ 6,000.00	Actual
AGRICULTURAL POND SEDIMENT REMOVAL	Job	Cost Share percent of actual amount not to exceed			\$ 5,000.00	\$ 6,000.00	Actual
CONCRETE-non-reinforced <= 5 CuYd	CuYd	\$ 330.00	\$ 330.00	\$ 330.00	\$ -	\$ -	Average
CONCRETE-non-reinforced > 5 CuYd	CuYd	\$ 247.50	\$ 247.50	\$ 247.50	\$ -	\$ -	Average
CONCRETE-reinforced	CuYd	\$ 423.50	\$ 423.50	\$ 423.50	\$ -	\$ -	Average
CONSERVATION IRRIGATION - Conversion from High Pressure to Drop Nozzles	LinFt	\$ 5.20	\$ 5.20	\$ 5.20	\$ 10,000.00	\$ 12,000.00	Average
CONSERVATION IRRIGATION - Conversion from High Pressure to Low Nozzles	LinFt	\$ 4.45	\$ 4.45	\$ 4.45	\$ 10,000.00	\$ 12,000.00	Average
CONSERVATION IRRIGATION - Conversion from Overhead to Drop Nozzles	LinFt	\$ 11.00	\$ 11.00	\$ 11.00	\$ 10,000.00	\$ 12,000.00	Actual
CONSERVATION IRRIGATION - Conversion from Overhead to Low Pressure System	LinFt	\$ 9.00	\$ 9.00	\$ 9.00	\$ 10,000.00	\$ 12,000.00	Actual
CONSERVATION IRRIGATION - Conversion from Traveling Gun to Center Pivot Drop Nozzle or Low Pressure System	Acre	\$ 250.00	\$ 250.00	\$ 250.00	\$ 10,000.00	\$ 12,000.00	Actual
CONSERVATION IRRIGATION - End Gun Shutoff	Each	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,920.00	Actual
CONSERVATION IRRIGATION - Booster Pump w/ Endgun Shut-off	Each	\$ 2,541.00	\$ 2,541.00	\$ 2,541.00	\$ 1,905.75	\$ 2,286.90	Average
FILTER CLOTH-geotextile fabric	SqYd	\$ 2.25	\$ 2.25	\$ 2.25	\$ -	\$ -	Average
MICROIRRIGATION - Drip Tape - Pressure Compensating	Acre	\$ 243.60	\$ 243.60	\$ 243.60	\$ 10,000.00	\$ 12,000.00	Average
MICROIRRIGATION - Poly Tubing w/ Emitters	Acre	\$ 840.00	\$ 840.00	\$ 840.00	\$ 10,000.00	\$ 12,000.00	Average
MICROIRRIGATION - Poly Tubing w/ Microhoses	Acre	\$ 1,474.20	\$ 1,474.20	\$ 1,474.20	\$ 10,000.00	\$ 12,000.00	Average
MICROIRRIGATION - Micro Pump and Filter	Each	\$ 8,118.75	\$ 8,118.75	\$ 8,118.75	\$ 10,000.00	\$ 12,000.00	Average
PIPE FITTING-Polyvinyl Chloride <=3"	Each	\$ 3.55	\$ 3.55	\$ 3.55	\$ -	\$ -	Average
PIPE-Polyvinyl Chloride 1 1/2" or less	LinFt	\$ 2.07	\$ 2.07	\$ 2.07	\$ -	\$ -	Average
PIPE-Polyvinyl Chloride 2"	LinFt	\$ 2.31	\$ 2.31	\$ 2.31	\$ -	\$ -	Average
PIPE-Polyvinyl Chloride 3"	LinFt	\$ 2.42	\$ 2.42	\$ 2.42	\$ -	\$ -	Average
PIPE-Polyvinyl Chloride, quick coupling 3/4"-1"	Each	\$ 18.92	\$ 18.92	\$ 18.92	\$ -	\$ -	Average
PIPE-water supply/fittings, <=2"	LinFt	\$ 1.71	\$ 1.71	\$ 1.71	\$ -	\$ -	Average
PUMP-housing, fiberglass/site built	Each	\$ 350.00	\$ 350.00	\$ 350.00	\$ -	\$ -	Average
PUMP-solar powered water	Each	Cost Share percent of actual amount not to exceed			\$ 5,000.00	\$ 6,000.00	Actual
PUMP-water supply	Each	Cost Share percent of actual amount not to exceed			\$ 2,000.00	\$ 2,400.00	Actual
STONE-gravel	Ton	\$ 24.20	\$ 24.20	\$ 24.20	\$ -	\$ -	Average
STONE-riprap, cuyd	CuYd	\$ 33.00	\$ 46.75	\$ 41.25	\$ -	\$ -	Average
TANK-temp storage, 1000 gal	Each	\$ 486.00	\$ 486.00	\$ 486.00	\$ -	\$ -	Average
TANK-temp storage, 1500 gal	Each	\$ 599.00	\$ 599.00	\$ 599.00	\$ -	\$ -	Average
TANK-watering (fixed) /Pressurized Waterer	Each	Cost Share percent of actual amount not to exceed			\$ 1,000.00	\$ 1,200.00	Actual
TANK-watering (portable) /Pressurized Waterer	Each	Cost Share percent of actual amount not to exceed			\$ 500.00	\$ 600.00	Actual
VALVE-float, automatic, brass	Each	\$ 24.00	\$ 24.00	\$ 24.00	\$ -	\$ -	Average
WATER METER - Installed on irrigation wells or wells for confined animal operations	Each	Cost Share percent of actual amount not to exceed			\$ 400.00	\$ 533.00	Actual
WELL-construction/head protection	LinFt	\$ 13.00	\$ 13.00	\$ 13.00	\$ -	\$ -	Average
WELL-permit (only where agriculture is not exempt from well permit fees)	Each	Cost Share percent of actual amount not to exceed			\$ 500.00	\$ 600.00	Actual

For actual cost items, the payment is based on 75 or 90 percent of actual cost, not to exceed the established cost share cap. The cost share cap listed is the maximum amount of cost share reimbursement allowed for that component/BMP.

2012 Requests and Allocated Amounts for AgWRAP by District

County	PY2012 BMP funds requested	Allocation awarded 01/08/2012	County	PY2012 BMP funds requested	Allocation awarded 01/08/2012
ALAMANCE	\$ 25,000	\$ 7,904	JOHNSTON	\$ 100,000	\$ 15,413
ALEXANDER	\$ -	\$ -	JONES	\$ 16,200	\$ 2,707
ALLEGHANY	\$ 10,000	\$ 3,187	LEE	\$ 20,000	\$ 4,278
ANSON	\$ 14,800	\$ 3,825	LENOIR	\$ -	\$ -
ASHE	\$ 100,000	\$ 5,446	LINCOLN	\$ 20,000	\$ 5,715
AVERY	\$ 10,808	\$ 2,433	MACON	\$ 20,000	\$ 2,438
BEAUFORT	\$ 15,000	\$ 8,944	MADISON	\$ 7,000	\$ 1,856
BERTIE	\$ 15,000	\$ 13,403	MARTIN	\$ -	\$ -
BLADEN	\$ 20,000	\$ 19,963	MCDOWELL	\$ -	\$ -
BRUNSWICK	\$ -	\$ -	MECKLENBURG	\$ 10,000	\$ 9,966
BUNCOMBE	\$ 90,000	\$ 8,186	MITCHELL	\$ 20,250	\$ 1,792
BURKE	\$ 22,500	\$ 4,019	MONTGOMERY	\$ -	\$ -
CABARRUS	\$ 10,000	\$ 8,130	MOORE	\$ 30,000	\$ 7,922
CALDWELL	\$ 15,000	\$ 3,826	NASH	\$ 60,000	\$ 10,624
CAMDEN	\$ -	\$ -	NEW HANOVER	\$ -	\$ -
CARTERET	\$ -	\$ -	NORTHAMPTON	\$ -	\$ -
CASWELL	\$ 25,000	\$ 4,576	ONSLow	\$ 10,000	\$ 5,614
CATAWBA	\$ 40,500	\$ 8,445	ORANGE	\$ 636,468	\$ 6,208
CHATHAM	\$ 82,448	\$ 6,473	PAMLICO	\$ -	\$ -
CHEROKEE	\$ 10,000	\$ 1,761	PASQUOTANK	\$ -	\$ -
CHOWAN	\$ 47,500	\$ 3,916	PENDER	\$ -	\$ -
CLAY	\$ -	\$ -	PERQUIMANS	\$ 25,000	\$ 2,580
CLEVELAND	\$ 44,800	\$ 7,538	PERSON	\$ 210,000	\$ 5,237
COLUMBUS	\$ 56,000	\$ 5,962	PITT	\$ 14,500	\$ 12,019
CRAVEN	\$ 17,350	\$ 3,857	POLK	\$ 15,000	\$ 2,115
CUMBERLAND	\$ -	\$ -	RANDOLPH	\$ 37,000	\$ 11,038
CURRITUCK	\$ -	\$ -	RICHMOND	\$ 150,000	\$ 4,205
DARE	\$ -	\$ -	ROBESON	\$ 50,000	\$ 15,139
DAVIDSON	\$ 20,000	\$ 7,182	ROCKINGHAM	\$ 258,000	\$ 8,499
DAVIE	\$ -	\$ -	ROWAN	\$ 80,000	\$ 8,568
DUPLIN	\$ 150,000	\$ 22,348	RUTHERFORD	\$ 6,522	\$ 3,960
DURHAM	\$ 92,000	\$ 10,448	SAMPSON	\$ 195,000	\$ 26,518
EDGEcombe	\$ 15,000	\$ 9,618	SCOTLAND	\$ -	\$ -
FORSYTH	\$ -	\$ -	STANLY	\$ 6,000	\$ 5,791
FRANKLIN	\$ 70,000	\$ 8,351	STOKES	\$ 12,000	\$ 4,905
GASTON	\$ 17,000	\$ 7,759	SURRY	\$ 80,330	\$ 8,698
GATES	\$ 29,000	\$ 2,174	SWAIN	\$ 20,000	\$ 1,500
GRAHAM	\$ -	\$ -	TRANSYLVANIA	\$ -	\$ -
GRANVILLE	\$ 15,000	\$ 6,635	TYRRELL	\$ -	\$ -
GREENE	\$ -	\$ -	UNION	\$ 14,000	\$ 12,921
GUILFORD	\$ 44,500	\$ 13,034	VANCE	\$ -	\$ -
HALIFAX	\$ -	\$ -	WAKE	\$ 127,000	\$ 20,722
HARNETT	\$ 45,000	\$ 8,053	WARREN	\$ 7,350	\$ 3,220
HAYWOOD	\$ 24,000	\$ 4,279	WASHINGTON	\$ 10,000	\$ 3,303
HENDERSON	\$ 221,250	\$ 6,119	WATAUGA	\$ -	\$ -
HERTFORD	\$ 85,000	\$ 4,479	WAYNE	\$ -	\$ -
HOKE	\$ -	\$ -	WILKES	\$ 180,000	\$ 8,032
HYDE	\$ -	\$ -	WILSON	\$ 60,000	\$ 6,421
IREDELL	\$ 86,500	\$ 9,144	YADKIN	\$ 237,500	\$ 6,449
JACKSON	\$ -	\$ -	YANCEY	\$ 27,000	\$ 2,210
			Total	\$ 4,358,076	\$ 510,000

Consideration of PY2013 AgWRAP pond applications for approval

Applicant name	County	Type of agricultural operation	Is this applicant eligible for ninety (90) percent cost share assistance?	Cost share needed
Keith Hollowell	Bertie	Field crops	No	\$ 15,000
Gerald Waters	Bertie	Field crops	No	\$ 15,000
Kent Williams	Bertie	Field crops	No	\$ 15,000
Aaron Smith	Burke	Green industry	No	\$ 15,000
Lynn Mann	Chatham	Field crops	No	\$ 15,000
Wynn Dinnsen	Chatham	Fruit and vegetable	Yes - limited resource farmer	\$ 18,000
Toluca Blackberries, Inc.	Cleveland	Fruit and vegetable	No	\$ 15,000
David Heeks	Durham	Fruit and vegetable	Yes - new farmer	\$ 18,000
Mark DeWitt	Durham	Green industry	Yes - new farmer	\$ 18,000
James Falls	Gaston	Livestock and poultry	Yes - limited resource farmer	\$ 18,000
Michael Smith	Gaston	Livestock and poultry	Yes - limited resource farmer	\$ 18,000
David Burnette	Haywood	Livestock and poultry	Yes - EVAD participant	\$ 18,000
Rainbow Ridge Orchards Inc.	Henderson	Fruit and vegetable	No	\$ 15,000
Michael Morris	Hertford	Field crops	No	\$ 15,000
Jonathan Burton	Lincoln	Fruit and vegetable	Yes - EVAD participant	\$ 18,000
The Specialty Farmer, Inc.	Lincoln	Fruit and vegetable	Yes - EVAD participant	\$ 18,000
John Mark Beam	Lincoln	Livestock and poultry	No	\$ 15,000
Compton Farm Inc.	Orange	Field crops	No	\$ 15,000
Hertbert Williams	Perquimans	Field crops	No	\$ 15,000
William V. Davis	Polk	Livestock and poultry	No	\$ 15,000
Millstone Creek Orchard	Randolph	Fruit and vegetable	No	\$ 15,000
David Cheek	Randolph	Field crops	Yes - new farmer	\$ 18,000
J Faison Joyner Jr.	Sampson	Field crops	Yes - limited resource farmer	\$ 18,000
James Best	Sampson	Fruit and vegetable	No	\$ 15,000
Lester Robbin Best	Sampson	Fruit and vegetable	No	\$ 15,000
Donald Ray Stokes Sr.	Sampson	Fruit and vegetable	No	\$ 15,000
Janet Jackson	Sampson	Livestock and poultry	No	\$ 15,000
Kent Wooten	Sampson	Field crops	No	\$ 15,000
Total cost needed				\$ 450,000
PY2013 pond allocation				\$ 425,000
PY2012 remaining pond allocation available				\$ 25,000
Total available				\$ 450,000

During the PY2013 pond application cycle that closed on November 16, 2012, the division received 28 applications from 15 districts. Based on the funding available this fiscal year (\$425,000), and remaining funding from last fiscal year (\$25,000), there is enough funding for all applications received. The applications were reviewed by the AgWRAP Review Committee, and the committee recommends the commission consider approval of all the pond applications received this fiscal year.

PROGRAM YEAR DUE DATES

1. October 15 Technical assistance billing (02 NCAC 59D .0106)
2. January 15 Technical assistance billing
3. March 1 Spring supplemental allocation requests due
4. April 15 Technical assistance billing
5. May 15 Requests for payment and technical assistance invoices from grant funds to be paid this fiscal year.
6. June 1 Technical assistance billing (Pre-bill for month of June)
Failure to meet this deadline could result in delayed payment or even no payment to the District for the fourth quarter billing.

Strategy Plans due

Spot Check Forms due (02 NCAC 59D .0107, 02 NCAC 59H .0107)
7. 1st Wed., June **Division must receive by 5:00 p.m.**
All contracts encumbering current program year funds. (02 NCAC 59D .0103, 02 NCAC 59H .0103)
Requests for payment for all state appropriated funds to be paid this fiscal year.
8. June 30 Extension requests due to Division. Requests for payment due for contracts about to expire.

PROGRAM YEAR DUE DATES

July 1st	Spot Check Forms (NCAC, T15A: 06E.0107(e))
1. October 15th: T15A: 06E.0106) 2.1.	Technical assistance billing (02 NCAC 59D .0106) (NCAC,
2. January 15th:	Technical assistance billing
3. March 1	Spring supplemental allocation requests due
4. April 15th:	Technical assistance billing
5. May 15	Requests for payment and technical assistance invoices from grant funds to be paid this fiscal year.
5.6. June 1st: month of June)	Technical assistance billing (Pre-bill for
	<u>Failure to meet this deadline could result in delayed payment or even no payment to the District for the fourth quarter billing.</u>
	Strategy Plans due
	Spot Check Forms due (02 NCAC 59D .0107, 02 NCAC 59H .0107)
6.7. 1st Wed., June:	Division must receive by 5:00 p.m. All contracts encumbering current program year funds. (02 NCAC 59D .0103, 02 NCAC 59H .0103) (NCAC, T15A:
06E.0103(h))	Requests for payment for all state appropriated funds to be paid this fiscal year.
7.8. June 30:	Extension requests due to Division. Requests for payments due for contracts about to expire, or those needing payment to be credited in the closing fiscal year.

Program Review Policy

The division, under authority of the commission, conducts program reviews of at least 18 districts each year. These reviews address the district's administration of cost share programs as well as the district's compliance with the commission rules, policies and procedures. Districts may request to be reviewed by notifying the Division Director in writing. The division will select the districts that will be reviewed each year. Districts will be notified in writing prior to the scheduled review and will receive a copy of the program review forms. The district will receive written results of the review along with recommendations and corrective actions, if applicable, within forty-five (45) calendar days following the review. All commission members will have access to electronic results of program reviews. The district must respond in writing to the division within forty-five (45) days following receipt of the review to address results of any corrective actions taken.

If all items are satisfactorily addressed, the division will send a letter stating that the district response is accepted and the review is complete.

Districts that do not develop and implement a division-approved plan on how to address a corrective action will be required to have at least two district supervisors appear before the commission to explain how they will address all corrective actions. Failure to appear at the next scheduled commission meeting may affect allocations, contract approvals, payments, and supervisor appointments.

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ACCOUNTABILITY MEASURES FOR COST SHARE PROGRAM CONTRACTS

~~In order to satisfy new~~ accountability measures for ~~the~~ cost share programs ~~adopted~~ by the General Assembly ~~in the Program Year 97 budget bill,~~ information is being requested on pre and post best management practice (BMP) implementation nitrogen and phosphorus loss.

~~This information was required of districts in the Tar-Pamlico and Neuse River Basins in PY 97. Effective PY 98, all districts are required to submit pre and post nitrogen and phosphorous loss on all ACSP contracts.~~

The following minimum resource concerns, where applicable, should be included with each contract: soil erosion (sheet and rill: RUSLE²), nitrate leaving root zone, nitrate leaving field and phosphorus leaving field. Other resource concerns may be included where applicable and feasible. ~~See Section V for~~ Refer to the required conservation effects matrix for BMP specific requirements.

When reporting effects for cost share program contracts, accomplishments for all conservation practices (CSPs, EQIP, waste management systems, non-cost share, etc.) implemented in the conservation system should be reported. Any revision to a contract or conservation plan which changes the effects should be reported to the division.

~~Animal waste management BMPs (waste storage structures and waste application systems):~~

~~The data accounted for will be the amount of fresh manure, in nitrogen and phosphorus (P₂O₅) units generated and managed under an animal waste management system.~~

~~If BMPs that are not a part of the waste management system are included in a contract, the nitrogen and phosphorous accounting must be reported separately for each BMP system.~~

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CANCELED FUNDS FROM COST SHARE PROGRAM CONTRACTS

STATEMENT OF INTENT

The commission is responsible for ensuring that cost share program (CSPs) funds are allocated in such a manner as to address the highest priority water quality and quantity needs of the State, as required by the purpose of the specific cost share program. The commission allocates financial assistance funds to soil and water conservation districts each year according to each district's CSPs strategy plan for the current program year. When funds from CSPs contracts written in a previous program year are cancelled, the funds should be made available to the commission to be reallocated to meet current year needs of districts.

STATEMENT OF POLICY

It is the policy of this commission that all cancelled funds from CSPs contracts, other than funds cancelled from contracts written in the current CSPs program year, shall revert to the state account to be reallocated to districts by the commission. Districts shall not be required to submit revised annual strategy plans to be eligible to receive supplemental allocations, but they may submit revised strategy plans if their strategy plan differs significantly from the annual strategy plan that was submitted by June 1 of the current program year.

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~~This policy shall become effective beginning July 1, 2001 and shall remain in effect until rescinded, amended, or otherwise altered by the Soil and Water Conservation Commission. Any change in policy shall be effective at the discretion of the Commission. Notice shall not be required.~~

CANCELLATION FOR COST SHARE CONTRACTS IN UNRESOLVED PENDING STATUS

STATEMENT OF INTENT

There continues to be a significant number of cost share contracts that are submitted for division approval but which have deficiencies that prevent their approval. These contracts are held pending resolution of the deficiency. Often the deficiencies involve simple items such as missing maps, conservation effects information, or signatures. Many of these contracts remain in pended status for prolonged periods, frequently for more than a year. Sometimes the contracts expire with the deficiency never being resolved.

Many of the contracts are pended awaiting design approval signatures, often from the NRCS Area Office or division engineers. Districts should submit the contract for design approval in a timely manner, but the turnaround time on design approval is often beyond their control.

When contracts are submitted and entered into the cost share database the funds for the contract are encumbered. When these contracts remain in pended status for prolonged periods, it decreases the amount of time remaining for the cooperator to complete the project, and it increases the likelihood that the contract will be cancelled or expired with the project not completed.

STATEMENT OF POLICY

Cost share contracts that are pended for deficiencies other than design approval should have the deficiencies resolved within 45 calendar days of the date the district is notified of the deficiency. If the district fails to show a good faith effort to resolve the deficiency within 45 calendar days, then the division is authorized to terminate the contract and unencumber the funds in the contract.

For contracts pending design approval, the district must demonstrate that it has initiated the design approval process from the appropriate authority within 45 calendar days of contract submittal to the division. Examples of allowable documentation include, but are not limited to, NRCS practice design form, email documentation requesting engineering assistance, email status update, etc. If the documentation is not received as outlined above, then the division is authorized to terminate the contract and unencumber the funds in the contract.

For contracts that are terminated, the division shall notify the district by email or letter and include the reason the contract was terminated.

This policy applies to all cost share programs under the commission's authority.

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This policy applies to all cost share programs under the commission's authority.

COST SHARE PROGRAM MATCH

The commission, in accepting the authority and responsibility of Cost Share Programs, retains the authority to approve the use of Cost Share Program best management practice (BMP) and technical assistance funds as “match” for the purpose of securing grants or other project funds.

All entities, districts, municipal, county, state, federal or private, must provide to the division at the time of the application a written request to use Cost Share Program funds as “match” for any purpose. The division shall be provided a complete copy of the specific project proposal, (including project purpose, activities and funding sources) for which Cost Share Program funds are to be used as a match. The commission has delegated the authority for approving and tracking match to the division. Information will be provided to the commission based on request.

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The commission has delegated the authority for approving and tracking match to the division. Information will be provided to the commission based on request.

CRITERIA FOR EXTENSION OF PREVIOUS PROGRAM YEAR CONTRACTS

STATEMENT OF INTENT

On June 30 of each program year all outstanding third year contracts automatically expire and all funds encumbered to those contracts are returned to state accounts. The commission recognizes that to a very limited extent some contracts should be extended one additional year. The intent of this policy is to restate and clarify the commission's policy on criteria for extension of previous program year contracts and to specify minimum documentation required to support the request to extend the contract.

STATEMENT OF POLICY

It is the policy of this commission that:

Prior to presentation to the commission, the division must receive by June 30 of the expiration year a written statement from the district board that explains why an extension is necessary and that the district has the technical assistance available to assist the applicant. The district must also provide to the division a timeline of key dates involving the contract, an explanation of the amount of work already completed under the contract, and an explanation as to why the contract was not completed in the time normally allotted.

The timeline of key dates should (at a minimum) include:

- Date of application by cooperator for cost share assistance
- Date contract approved by district supervisors
- Date contract approved by division
- Approximate date the cooperator began work on implementing the contracted best management practices (BMPs)
- Other applicable dates of significance (e.g., date required engineering approval received, date materials or equipment ordered and delivered)
- Date installation will begin, and
- Date installation will be completed.

Cost Share Program contracts can be extended one year beyond the original three-year period.

Contracts for annual conservation tillage or repairs will not be extended for any reason.

Generally the commission will not approve an extension unless at least 1/3 of the required work in the cost share contract is completed prior to June 30 of the year the contract was originally scheduled to expire. However, the commission will consider extension requests where the district can document that it has been unable to provide needed technical assistance in a timely manner. The commission will not consider an extension where delays result from the inaction on the part of the cooperator or disagreements over technical standards or district recommendations.

Division staff is authorized to deny any request for extension that does not meet the above criteria.

Division staff is also authorized to approve extension requests for purpose of payment if the contract is completed and the request for payment is received by the day before the July Commission meeting. Otherwise, extension requests must be approved by the commission.

ATTACHMENT 11g

If the request for payment is not received by the day before the July commission meeting, a district supervisor must appear before the commission to request the extension.

CRITERIA FOR EXTENSION OF PREVIOUS PROGRAM YEAR CONTRACTS

STATEMENT OF INTENT

On June 30 of each program year all outstanding third year contracts automatically expire and all funds encumbered to those contracts are returned to ~~the Cost Share Program Astate~~ accounts. The commission recognizes that to a very limited extent some contracts should be extended one additional year. The intent of this policy is to restate and clarify the commission's policy on criteria for extension of previous program year contracts and to specify minimum documentation required to support the request to extend the contract.

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- Approximate date the cooperator began work on implementing the contracted best management practices (BMPs)
- Other applicable dates of significance (e.g., date required engineering approval received, date materials or equipment ordered and delivered)
- Date installation will begin, and
- Date installation will be completed.

Cost Share Program contracts can be extended only one year beyond the original three-year period.

Contracts for annual conservation tillage or repairs will not be extended for any reason.

Generally the commission will not approve an extension unless at least 1/3 of the required work in the cost share contract is completed prior to June 30 of the year the contract was originally scheduled to expire. However, the commission will consider extension requests where the district can document that it has been unable to provide needed technical assistance in a timely manner. The commission will not consider an extension where delays result from the inaction on the part of the cooperator or disagreements over technical standards or district recommendations.

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ATTACHMENT 11g

Commission meeting. Otherwise, extension requests must be approved by the commission ~~on a case-by-case basis.~~

If the request for payment is not received by the day before the July commission meeting, ~~the District~~ a district supervisor must appear before the commission to request the extension. ~~A district supervisor must present any requests for extension to the Commission~~

~~This policy shall remain in effect until rescinded, amended, or otherwise altered by the Soil and Water Conservation Commission. Any change in policy shall be effective at the discretion of the Commission. Notice shall not be required.~~

INTERIM PERFORMANCE MILESTONES IN COST SHARE PROGRAM CONTRACTS

STATEMENT OF INTENT

The Commission has determined that a significant percentage of Cost Share Programs (CSPs) contracts are cancelled with no work ever completed. Many of these contracts tie up CSPs funds for up to three years. It is the intent of the commission that the staff develops and uses contracts that will require cooperators in CSPs to initiate work on implementing best management practices within twelve months.

STATEMENT OF POLICY

It is the policy of this commission that all CSPs contracts shall include an interim performance milestone for at least 1/3 of the work required to be implemented on a contract to be completed within twelve months of the date the contract receives final division approval. District Boards of Supervisors may grant up to an additional six months for the work to begin if the cooperator requests an extension in writing or by appearance before the District Board. In the event that the cooperator fails to complete at least 1/3 of the required work within 12 months, or within 18 months if the district grants a 6-month extension, the district shall terminate the contract and notify the cooperator and division (using form NCCSPs-18).

Determination of what constitutes 1/3 of the work required by the contract shall be at the discretion of the District Board of Supervisors.

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STATEMENT OF POLICY

It is the policy of this commission that all CSPs contracts ~~written beginning with the 2002 program year~~ shall include an interim performance milestone for at least 1/3 of the work required to be implemented on a contract to be completed within twelve months of the date the contract receives final division approval. District Boards of Supervisors may grant up to an additional six months for the work to begin if the cooperator requests an extension in writing or by appearance before the District Board. In the event that the cooperator fails to complete at least 1/3 of the required work within 12 months, or within 18 months if the district grants a 6-month extension, the district shall terminate the contract and notify the cooperator and division (using form NCCSPs-18).

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ATTACHMENT 11i

POLICY ADDRESSING APPROVAL OF COST SHARE APPLICATIONS, CONTRACTS AND REQUESTS FOR PAYMENTS

This policy specifies the process for approving cost share applications, contracts and requests for payments.

Applications and contracts

1. Applications and contracts must be approved during an official board meeting.
2. Applications and contracts must be approved as separate action items as required by 02 NCAC 59D .0108.

Requests for payment

1. Requests for payment (RFPs) must be complete, including proper job approval authority signature or letter, prior to approval.
2. RFPs should be considered and approved at board meetings.
3. Boards may delegate signature authority on RFPs to a person, not a position. This delegation shall be recorded in board minutes and include the name of the person and the delegated authority. The authority remains with the person until rescinded.
4. The commission recommends delegating signature authority only to supervisors.
5. Although the board retains the ultimate authority for decisions, boards can delegate signature authority to a primary delegate and an alternate delegate. If the primary or the alternate is unavailable, RFPs will go back to the board.
6. If the RFP benefits the primary or alternate delegate, that delegate cannot approve the RFP. The other delegate or the board can approve the RFP.
7. RFPs approved outside of a board meeting must be presented and recorded at the next board meeting as an information item.

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POLICY ADDRESSING APPROVAL OF COST SHARE APPLICATIONS, CONTRACTS AND REQUESTS FOR PAYMENTS

This policy specifies the process for approving cost share applications, contracts and requests for payments.

Applications and contracts

1. Applications and contracts must be approved during an official board meeting.
2. Applications and contracts must be approved as separate action items as required by 02 NCAC 59D .0108.

Requests for payment

1. Requests for payment (RFPs) must be complete, including proper job approval authority signature or letter, prior to approval.
2. ~~Requests for payment (RFPs)~~ should be considered and approved at board meetings.
3. Boards may delegate signature authority on RFPs to a person, not a position. This delegation shall be recorded in board minutes and include the name of the person and the delegated authority. The authority remains with the person until rescinded.
4. The commission recommends delegating signature authority only to supervisors.
5. Although the board retains the ultimate authority for decisions, boards can delegate signature authority to a primary delegate and an alternate delegate. If the primary or the alternate is unavailable, RFPs will go back to the board.
6. If the RFP benefits the primary or alternate delegate, that delegate cannot approve the RFP. The other delegate or the board can approve the RFP.
7. RFPs approved outside of a board meeting must be presented and recorded at the next board meeting as an information item.

North Carolina Soil and Water Conservation Commission
Policy for ~~District Supervisor~~ Mileage, Subsistence and Per Diem Reimbursements
From State-Appropriated District Supervisor Travel Funds
Updated ~~November 28, 2012~~ January 6, 2013

I. Guiding Principles

~~District supervisor~~ Non-staff travel, as made available through the Division of Soil and Water Conservation (division), supports supervisor mileage, subsistence and per diem for the following functions: monthly local Soil & Water Conservation District (district) board meetings; spot check field reviews required by the NC Agriculture Cost Share Program (ACSP), Agricultural Water Resources Assistance Program (AgWRAP) and Community Conservation Assistance Program (CCAP); Soil and Water Conservation Commission (commission) meetings; annual UNC School of Government's *Basic Training for Soil and Water Conservation District Supervisors*; NC Association of Soil & Water Conservation District (NCASWCD) spring and fall area meetings; and the annual NCASWCD state meeting. The following guiding principles, as a general guide and not as an absolute, will be used to manage the allocation of funds to each of the different functions:

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II. Local District Board Meetings and Spot Check Field Reviews

- A. Regular monthly meetings of the local district board and spot checks related to the ACSP, AgWRAP and CCAP are a high priority. This budget priority is directly tied to statutory responsibilities of supervisors and is directly related to the mission and goals of the NC Department of Agriculture & Consumer Services (NCDA&CS) and the division.
- B. The budget line item to support local district meetings and spot check responsibilities should constitute approximately 50% of the total available funds, preferably more.

III. Commission

- A. Meetings and functions of the commission are critical due to statutory responsibilities and the direct relationship with the mission and goals of NCDA&CS and the division.
- B. The budget line item to support commission travel should be maintained at a level necessary to support six (6) meetings per year.

IV. School of Government Training

- A. *Basic Training for Soil and Water Conservation District Supervisors* annual training at the UNC School of Government in Chapel Hill has high priority due to commission policy regarding required training for appointed supervisors and the division's responsibility to provide adequate supervisor

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training to ensure new supervisors are adequately equipped to fulfill their statutory responsibilities.

B. To maximize the use of available funds, supervisor attendance at the School of Government training should be prioritized as follows: (1) supervisors required to attend for appointment, (2) any new supervisor and/or first time attendee, (3) supervisors who have not had the training within the past five years, and (4) all supervisors.

C. Approximately 5% of available funds should be directed to the School of Government training on a yearly basis. Attendance should be approved as per the above priorities when necessary to stay within budget guidelines.

V. NCASWCD Annual State Meeting

A. The annual state meeting is critical to a comprehensive, statewide conservation program and should be conducted on an annual, recurring basis.

VI. Spring and Fall Area Meetings

A. Spring and fall area meetings are important to the effectiveness of local districts and the operation of the NCASWCD. It is desirable to conduct both area meetings but critical that at least one area meeting is held per year in each of the NCASWCD's organizational areas.

B. Of the two area meetings, the fall meeting is the most critical due to resolution consideration, standing committee appointments, nominations and election of officers, etc. In addition, the spring area meetings start less than six weeks after the close of the annual state meeting.

VII. General Budget Planning Guidelines

A. Budget planning should be guided, not as an absolute, by the following as a percentage of available funds:

- District monthly meetings and spot checks 50.0%
- Commission meetings 3.0%
(based on funding needed to conduct 6 meetings)
- School of Government training 5.5%
- Spring and fall area meetings 5.5%
- Annual state meeting 36.0%

VIII. Reimbursement Guidelines

A. All approvals and authorizations are contingent upon funding availability and are in accordance with the NC Office of State Budget and Management (OSBM) statutory rates for reimbursement. Updates to funding availability and reimbursement rates will be posted to the district listserv and at: <http://www.ncagr.gov/SWC/districts/forms.html>.

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- B.** State employees (or individuals who receive all or part of their income from state appropriations) who also serve as district supervisors are not eligible to receive per diem and are subject to different subsistence and mileage reimbursements per OSBM guidelines. For specific guidance go to: <http://www.ncagr.gov/SWC/districts/forms.html>
- C.** Other eligibility requirements:
- Only original receipts will be accepted with travel vouchers
 - Travel vouchers must be submitted by the last day of the month following the month in which the travel occurred.
- D.** Specific policy regarding district supervisor mileage, subsistence and per diem is as follows:
- 1. Annual State Meeting**
- a. In accordance with GS 139-7, approval of the commission is hereby given to all qualified supervisors to attend the annual state meeting of the NCASWCD.
 - b. All qualified supervisors who attend the annual state meeting are authorized to receive mileage, subsistence and per diem allowances in accordance with the OSBM statutory rates for reimbursement.
 - c. The requirement for a quorum of supervisors from an individual district is hereby waived in the case of attendance at an annual state meeting.
- 2. Local District Board Meeting**
- a. In accordance with state statutory rates, each supervisor is authorized to receive mileage, subsistence and per diem allowances for a maximum of 12 local district board meetings during the state's fiscal year, where a quorum is present.
 - b. Officially adopted minutes of district meetings, duly signed by the board secretary or board chair, are required by the commission to support the payment of travel funds and should be provided to the division as soon as they are available. Travel reimbursement may be processed based on draft minutes of district meetings and such minutes must be submitted with travel vouchers, and followed by officially adopted minutes as soon as possible.
 - c. For district supervisors who are not state employees, subsistence will be limited to the equivalent of a dinner allowance only. *(For FY2012-2013, this equivalent is \$17.90)*
- 3. Area Meetings**
- a. In accordance with GS-139-7, expressed approval of the state commission is hereby given to all qualified supervisors to receive mileage, subsistence and per diem

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allowances in accordance with the OSBM statutory rates for reimbursement to attend two NCASWCD semi-annual area meetings within their respective areas.

- b. The requirement for a quorum of supervisors from an individual district is hereby waived in the case of attendance at area meetings.
- c. An area meeting attendance list must be submitted to the division before travel reimbursements can be made.
- d. Subsistence will be limited to the meeting's registration cost not to exceed \$30.00. No other meal allowance equivalent is eligible for reimbursement.

4. Other Meetings

- a. A Supervisor shall be authorized to receive mileage, subsistence and per diem allowances for any local district board meeting held outside the district in which he or she ordinarily serves, provided **prior written approval** is obtained from the commission or its designee.
- b. ~~No supervisor shall be authorized to receive mileage, subsistence and per diem allowances to attend meetings relating to any existing or proposed RC&D Project.~~
- c. In addition to the annual state meeting, two area meetings, regularly scheduled monthly district meetings and spot checks, a supervisor shall be authorized to receive mileage, subsistence and per diem allowances for travel directly related to other duties and responsibilities of their position as approved in advance by the commission.

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5. N.C. Agriculture Cost-Share Program (ACSP), Agricultural Water Resources Assistance Program (AgWRAP) and the Community Conservation Assistance Program (CCAP)

- a. Supervisors are authorized to receive mileage, subsistence and per diem for meetings called by the division and approved by the commission in regard to the ACSP, AgWRAP and CCAP.
- b. District supervisors are authorized to receive mileage, subsistence and per diem for the required five percent (5%) field review of the ACSP, AgWRAP and CCAP contracts and related practices in their county.
- c. The requirement for a quorum of supervisors from an individual district is hereby waived in the case of attendance at spot check field reviews.
- d. Supervisors are authorized to receive mileage, subsistence and per diem for attendance at commission meetings where the supervisor is called upon to represent his/her respective district before the commission.

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This policy shall be in effect on and after November 28, 2012, and shall remain in effect until rescinded, amended, or otherwise altered by the Soil and Water Conservation Commission. Any change in policy shall be effective at the discretion of the Commission. Notice shall not be required.

This policy was adopted by the Soil and Water Conservation Commission in regular session on [November 28, 2012](#) [January 6, 2013](#).

Vicky Porter, Chair
Soil and Water Conservation Commission

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