

MINUTES

**NORTH CAROLINA
SOIL AND WATER CONSERVATION COMMISSION
TELECONFERENCE**

Archdale Building
Ground Floor Hearing Room
512 N. Salisbury Street
Raleigh, NC
July 15, 2009

MEMBERS PRESENT

Don Cox
Manly West
Richard Smith
Bobby Stanley
James Ferguson
William Pickett, Jr.

OTHERS PRESENT

Pat Harris
David Williams
Dick Fowler
Michelle Raquet
Lisa Fine
Shelly Baird
Dewitt Hardee
Julie Henshaw
Davis Ferguson
Kristina Fischer
Danny Edwards
Bill Dunlap
Ralston James

Ed Gavin
Vernon Cox
Mary Combs
Ken Parks
David Cash
Warren SWCD
Franklin SWCD
Cecil Settle
Kelly Ibrahim
Donna Stearns
Bonnie Bendell
Stewart Walker
Sandra Reid

Summary of Actions Taken by the Commission

1. The following district supervisor appointments were **approved**:
 - David Lindley of Alamance SWCD filling the un-expired term of Fenton Carrington
 - Heath Myers of Clay SWCD filling the un-expired term of Chris Logan
 - Curtis Greylon Barwick of Sampson SWCD filling the un-expired term of David Matthews
 - Henry E. Moore of Sampson SWCD filling the un-expired term of Anna S. Sumner
2. The following supervisor contracts were **approved**:
 - James Mason of Hertford SWCD - contract #46-09-107-04; BMP: conservation irrigation (drop nozzles) - \$6,031
 - Richard Bragg of Transylvania SWCD - contract #88-09-19-05; BMP: trout mortality composter - \$15,000
 - Melina James of Macon SWCD – contact #56-09-11-07; BMP: well
3. The Commission **approved** the CCAP Job Approval Authority (JAA) request for Kevin Clark of Burke SWCD for cisterns sized at 3,000 gallons or less.
4. The Commission **approved** the Phase XII agreement of the Swan Quarter Dike Project.
5. The Commission **approved** the Marsh Sill BMP for CCAP.
6. The Commission **approved** the PY2010 CCAP Average Costs List.
7. The Commission **approved** the 2010 CCAP Detailed Implementation Plan with the addition of Marsh Sills as a BMP.
8. The Commission **approved** changes to the Scavenger Nutrient Crop Incentive including the change from a 3 year to an annual practice, district verification the scavenger crop reaches the required kill date, and clarification to bin seed language for the scavenger nutrient crop and cover crop practices.
9. The Commission **approved** changes to the ACSP average costs list for PY2010 including addition of Biovator Rotary Composter capped at \$1,140 per linear ft., new breakdown costs for forced aeration compost systems, increase in poultry litter spreader cost to \$14K maximum and cost shared at 75% (90%), increase costs for inline water control structures, and additional size categories for inline water control structures.
10. The Commission **approved** the 2010 ACSP Detailed Implementation Plan with the inclusion of specified 75% and 90% cost-share caps; changes to the nutrient scavenger crop BMP language; inclusion of the pasture renovation practice that was a temporary practice approved for the Drought Response Program; and two changes were made to minimum life expectancy for the Crop Residue Management BMP at one year, and the Nutrient Scavenger Crop with a change from three years to one year.

11. The Commission **approved** the following extension requests for 2007 ACSP contracts:
 - Cabarrus SWCD for C. Oliver Hill, contract #13-07-15-16.
 - Clay SWCD for Frank Ledford, contract #22-07-09-06.
 - Haywood SWCD for Kevin Norris, contract #44-07-14-05.
 - Orange SWCD for Harold Sykes, contract #68-07-15-09 and Denise Hudson, contract #68-07-21-02.
 - Person SWCD for Billy Adcock, contract #73-07-05-13.
 - Pitt SWCD for Brooks Farms, Inc., contract #74-07-28-09.
 - Polk SWCD for Donald Arledge, contract #75-07-220-01.
 - Warren SWCD for Walter Renn, contract #93-07-17-13.

12. The Commission **tabled** the Union SWCD landowner appeal of restriction of pasture renovation on hayland to its September meeting.

13. The Commission **tabled** the Wayne SWCD request for exception to the average cost cap for poultry litter spreader to its September meeting.

Preliminary Items

The July 15, 2009 meeting of the North Carolina Soil and Water Conservation Commission was held in the Ground Floor Hearing Room of the Archdale Building, 512 N. Salisbury Street, Raleigh, NC. It was conducted as a teleconference.

Vice Chairman Richard Smith called the meeting to order at 9:10 a.m. He welcomed everyone to the meeting and asked that they introduce themselves.

Vice Chairman Smith charged the Commission members to declare any conflict of interest or appearance of conflict of interest that may exist for agenda items to be considered by the Commission as mandated by Executive Order Number One.

Vice Chairman Smith noted he had an Agriculture Cost Share Program (ACSP) contract extension to come before the commission for approval and would excuse himself from voting. He appointed Commissioner Manly West to serve as chair when the extension was presented.

Commissioner Don Cox noted an Orange County ACSP contract extension request was coming before the commission and that he would reclude himself from voting however Vice Chairman Smith did not think it was a conflict and legal counsel Ed Gavin confirmed it was not a conflict. It was also noted a contract extension request from Haywood County was not a conflict for Commissioner James Ferguson.

Approval of Agenda

Vice Chairman Smith removed item #18 and item #20C per staff recommendation. Commissioner William Pickett motioned to approve the agenda as amended. Commissioner Ferguson seconded the motion. The motion carried.

Approval of the Minutes

Commissioner West made a motion to approve the minutes as presented and Commissioner Bobby Stanley provided a second. The motion carried.

INFORMATIONAL ITEMS

Division Report

Division Director Pat Harris presented the Division Report stating the following points:

- A proposed logo for commission letterhead was presented and commissioners were asked to review and provide feedback.
- The Department of Environment and Natural Resources (DENR) controller's office notified the division that a large number of outstanding checks paid out for the Ag Cost Share Program and supervisor travel had not been cashed by commission members and district supervisors. The expiration date of the checks is 120 days and division staff was currently working to alert check recipients.
- The State has not passed its current fiscal year 2010 budget and was operating at 85% of full budget and the continuing resolution #1 was to expire at midnight. The Senate as of yesterday had passed Continuing Resolution #2 at 84% which was open ended without an expiration date. At this time it was unclear when DENR would honor supervisor travel reimbursements
- Director Harris recognized division staff for their professionalism during the tough economic period.
- Director Harris also recognized its continued successful partnership with the Natural Resource Conservation Service (NRCS). The division and NRCS have worked together to secure a \$1.1 million cooperative conservation partnership initiative grant to implement innovative animal waste management technologies on selected sites. She also commended Vernon Cox for his hard work on this project despite the short turn-around time.
- Director Harris also recognized Dick Fowler and Cecil Settle with the NC Foundation for Soil and Water Conservation for their work on securing sponsorship for the Leadership Initiative for select district supervisors.
- Budget update - while not official at this time, it appeared the ACSP would lose \$1M from its financial assistance funds for Best Management Practices (BMPs). There has been no indication of reductions to ACSP technical assistance funds at this time.
- Richard Rogers with the Clean Water Management Trust Fund (CWMTF) announced on May 5, 2009, that it was decided to suspend payments to several contracts due to the state's economic situation. Five of these contracts directly

- impacted division and districts projects. Staff worked very quickly to notify districts to stop work and identify the work that had been done. DENR worked internally to secure funding for the projects but on June 14, 2009, the CWMTF Board of Trustees unsuspended three of those five contracts. Currently two contracts were still suspended for the Phase IV Swine Farm Floodplain Easement Program for \$3M and for the Conservation Reserve Enhancement Program (CREP) for \$1.5M. Director Harris recognized David Williams, Julie Henshaw, Natalie Woolard, Shelly Baird, countless district employees and Boards for their hard work and patience with
- The 2009 Resource Conservation Workshop was a success with 84 students participating. This event was sponsored by the division, NC State University and the NC Association of Soil and Water Conservation Districts. Director Harris recognized Ralston James, Steve Bennett, David Cash, Sandra Weitzel, Dick Fowler, Cindy Draughon, Channa Witanachchi and Bill Dunlap for their hard work to make this event a success.
 - Director Harris recognized Michelle Lovejoy and her team for their work to host a successful District Employees Workshop (DEW), "*Global Thinking, Local Action.*" It will be August 17-20, 2009, at the Holiday Inn in Statesville, N.C. This year's focus and training tracts will be focused on Ag Cost-Share, Community Conservation Assistance Programs, District Law and Operations, Working Lands Preservation, Conservation Easements & Environmental Education.
 - The National Canon Envirothon is scheduled for August 2-8, 2009 at UNC-Asheville. She recognized division staff for their continued hard work on this program and the division's commitment of staff hours to make this program a success.
 - Division Director reported on supervisor travel funds and concerns about reductions for FY2010. Specifically she discussed the division's non-employee travel and per diem, mileage, subsistence and registration line items. FY2009's starting allocation was \$345,598 and ended at \$304,551 actually expended when Governor Perdue restricted state spending in April 2009. For FY2010, the budget will start at \$295,598 when compared to FY2009 because FY 2009 included \$50,000 non recurring funds. Projected reductions are 25% at this time. Division staff evaluated FY2009 expenditures and determined the following: Local district meetings and spot checks = \$145,134; spring and fall meetings = \$33,025; School of Government training for supervisors = \$16,681; annual state meeting = \$103,939; and commission meeting expenses = \$5,772. Based on FY2009 expenditures and projected FY2010 cuts, Director Harris directed division staff to come up with recommendations for spending cuts. Dick Fowler will present these recommendations later this morning.

Vice Chairman Smith thanked Director Harris, division staff, partners and volunteers for keeping the programs going. He then opened the floor for questions

Association Report

Commissioner and NCASWCD President William Pickett, Jr. provided a written report which is attached and made part of the minutes. He recognized the NC Foundation for Soil and Water Conservation for securing grants to sponsor the Leadership Initiative for the

upcoming year. Commissioner Pickett plans to go to Asheville the 1st of August to support the Canon Envirothon.

NRCS Report

State Conservationist Mary Combs presented a written NRCS report which is attached and made part of the minutes. She reported on the following items:

- Mr. Stewart Lee will fill the Public Affairs Specialist position for NRCS starting September 13, 2009. He is currently the NRCS Public Affairs Specialist in Louisiana and previously worked in the same position in Delaware. He is from South Carolina where he started his career working with the Farm Bureau Federation.
- NRCS was currently experiencing challenges with the Environmental Quality Incentives Program (EQIP). Due to the late allocation, the funds had to be encumbered by August 15, 2009. Currently a \$1M was obligated with \$12M remaining and 30 days to obligate to contracts.
- Pending official announcement from the USDA Secretary, the Agriculture Water Enhancement Program (AWEP) selected the division as the state applicant for \$100,000 for the irrigation efficiencies improvement project. Funds have to be obligated by August 15, 2009.
- NRCS will implement the Conservation Stewardship Program this year. Staff is heading next week St. Louis for training.
- State Conservationist Combs recognized the division's support of engineering services to the Swan Quarter project. The design is complete, under review, with Phase 12 construction to start soon. Funding has been secured for Phase 13.
- State Conservationist Combs is looking forward to the Capitol Hill visits this year with NACD Board Member John Finch, NACD alternate board member Franklin Williams, and Commissioner Ferguson. She has not been able to be involved in these efforts over the past 8 years, so it's refreshing to be able to participate in the legislative visits again as technical support to the leadership as they elevate the issues of the partnership and NRCS in Washington, D.C.
- State Conservationist Combs looks forward to attending at least one day of the Southeast NACD meeting in Charleston, SC. NRCS will meet with NACD leadership from the Southeast Region to talk about issues including the computer seating charge and local work groups. Local work groups are need district supervisor leadership to be functional. State Conservationist Combs plans to discuss training availability as a priority, and initiate efforts to help NRCS and districts through functioning local work groups.

2009 ACSP Spot Check Report

Ms. Michelle Raquet, ACSP Program Manger reported that district spot check reports were due to the Division by June 1st. For FY09, all reports were submitted by deadline which was outstanding. She was happy to report that spot check findings resulted in 92.5% being compliant, 4% needing repair, and 3.6% being non-compliant. She also noted that those practices found to be non-compliant were related to structural practices. Many of the

structures were not being used as intended (e.g. equipment storage versus waste storage). The districts indicated they would notify cooperators of non-compliance share these notifications with the division. Ms. Raquet will keep the commission updated on the spot check reports.

2009 CCAP Spot check report

Community Conservation Assistance Program (CCAP) Manager Shelly Baird reported the following:

- The first CCAP spot check report is required this year. CCAP requires 25% of completed projects to be spot checked.
- There are 31 districts that have completed projects on the ground for a total of 102 projects throughout the state.
- Spot checks have been completed on over half of the required 54 projects to be checked. All of these were found to be compliant and functional. Three projects were in need of minor repairs including replanting and adding additional mulch.

Update on Warren Miller Contract – New River SWCD

Mr. David Williams reported he spoke with Mr. Warren Miller on Monday and received a letter from him yesterday about Mr. Miller's non-compliance on his contract for a feeding and waste storage structure by failing to store waste in the structure as intended. Last March the Commission authorized Mr. Williams to offer Mr. Miller an alternative to repayment by renewing his contract obligation for a full 10 years to maintain the structure. Mr. Miller agreed to the terms of renewing the maintenance period for 10 years. The division would work with the district to implement a contract amendment to revise the expiration date of the Miller contract to July 10, 2018. Mr. Miller came into compliance on July 11, 2008. Mr. Williams is to alert the district that the storage structure is to be annually spot checked.

Revised Contract forms - CCAP & ACSP

Mr. Williams reported the need exists to modify its ACSP and CCAP contract forms as experienced through the CWMTF's suspension of funds. Division staff was currently reviewing the state policies and developed language for contracts and requests for payments to specify contracts are (1) subject to availability of state funds and (2) operator/cooperator must release his/her federal records as part of the application and the contract. Presently the division requires a separate form for release of information for compliance with the Farm Bill's section 1619 requirements. At the Commission's September meeting, division staff will propose a set of priorities and related procedure for recall of encumbered state funds in the unlikely event the state experiences cash management problems.

ACTION ITEMS

Consent Agenda

Commissioner Bobby Stanley offered a motion to approve the consent agenda. Commissioner West provided a second, and the motion carried. The following items were approved as part of the consent agenda.

Appointment of district supervisors:

- David Lindley of Alamance SWCD filling the un-expired term of Fenton Carrington
- Heath Myers of Clay SWCD filling the un-expired term of Chris Logan
- Curtis Greyton Barwick of Sampson SWCD filling the un-expired term of David Matthews
- Henry E. Moore of Sampson SWCD filling the un-expired term of Anna S. Sumner

NCACSP contracts for district supervisors:

- James Mason of Hertford SWCD - contract #46-09-107-04; BMP: conservation irrigation (drop nozzles) - \$6,031
- Richard Bragg of Transylvania SWCD - contract #88-09-19-05; BMP: trout mortality composter - \$15,000
- Melina James of Macon SWCD – contact #56-09-11-07; BMP: well

CCAP Job Approval Authority (JAA) request for Kevin Clark of Burke SWCD for cisterns sized at 3,000 gallons or less.

Swan Quarter Watershed Phase XII Project Agreement

Vernon Cox presented the following:

- The Swan Quarter Dike Project, when completed, will provide flood protection for the town of Swan Quarter and surrounding agriculture land in Hyde County.
- Background: The most recent phase of the project was completed in September, 2007, and involved an installation of a PVC retaining wall around the township of Swan Quarter. The vast majority of the funds for this project have been Federal funds provided through the USDA/NRCS PL 566 Small Watershed Program. To date \$650,000 in state appropriations have been earmarked specifically for this project by the General Assembly and approximately \$177,000 has been expended on previous phases.
- In May, 2009, Hyde County signed a contract for Phase XII of the project, involving construction of 4,250 linear feet of dike. The project agreement specifies the amount of state funds currently available as cost-share for eligible local costs. The available \$472,879 would be utilized to match local costs associated with items such as road and utility modifications. The agreement notes that *financial assistance is contingent on availability of funds as appropriated by the North Carolina General Assembly*. Funds

have been appropriated over the last 5-6 years and the division has been fortunate to retain these funds, however staff feels the availability of funds language is needed in the event the General Assembly decided to divert funds to another purpose.

- The Hyde County Board of Commissioners has approved the agreement and the final step is approval by the Soil and Water Conservation Commission.

Commissioner Stanley made a motion to approve the Phase XII agreement of the Swan Quarter Dike Project. Commissioner West seconded the motion. The motion carried.

District Supervisor Travel Policies

Mr. Dick Fowler presented the following:

- Set of draft recommendations entitled “State Soil and Water Conservation Commission Policy for Paying Supervisor’s Travel and Per Diem – draft updated July 13, 2009.”
- The first section of the document provided guiding principles for the prioritization district supervisor travel funds disbursement for budget shortfall years. The categories for prioritization are local district board meetings and spot checks, Soil and Water Conservation Commission, School of Government Training, annual state meeting, and area meetings. Recommendations were based on FY2009 expenditures for supervisor travel reimbursements.
- The remaining portion of the document re-states the Commission policies as adopted on November 18, 1998 with grammatical changes and minor clarifications related to state requirements for original receipts and use of draft district versus approved meeting minutes to expedite processing of travel vouchers, the required deadline for travel reimbursements to be submitted at the end of the month following the month in which travel occurred, and the 25% required spot checks for CCAP.

Director Harris and Mr. Fowler answered questions from commissioners. As requested by Commissioner Ferguson, Director Harris will research flexibility of changing meal costs and per diem amounts as established by the State Office of State Budget and Management (OSBM) and report her findings back to the Commission in September. Director Harris explained that in preparation for events like the state annual meeting, division staff prepares a travel authorization, signed by Director Harris, that allows supervisors to be paid \$15 per day for per diem in conducting official state business, \$0.25 per mile for travel, established meal costs for breakfast, lunch and dinner, and an established amount for lodging. These amounts differ for district supervisors who are also state employees. Commissioner Ferguson asked whether this policy can be changed at a later date and it was agreed it can be changed at any time by the Commission for items other than those required by the state such as use of original receipts and deadline for submitting reimbursement form.

Commissioner Ferguson made a motion to adopt the proposed Commission policy for paying supervisor’s travel and per diem. Commissioner West seconded the motion. The motion carried.

CCAP Advisory Committee Recommendations

Ms. Shelly Baird reported the CCAP Advisory Committee met by conference call on June 22, 2009, and offer two items for approval by the Commission.

The first is the proposed Marsh Sills BMP as an alternative approach to shoreline protection. Ms. Baird recognized Bonnie Bendell with the Division of Coastal Management for her assistance with developing this BMP. She reported the Commission in May as well as to the Advisory Committee in May and there was a requested comment period. Comments were reviewed and addressed with proposed language added to the practice. The CCAP Advisory Committee endorses the Marsh Sill BMP be added as a new BMP to CCAP. The CCAP Advisory Committee's recommendation for costs on this new BMP is to use 75% of actual cost, not to exceed \$5,000.00.

Commissioner West made a motion to approve the Marsh Sill BMP for CCAP and Commissioner Pickett provided a second. The motion carried.

The second item for consideration was the CCAP Average Costs List for Program Year 2010. On June 16, 2009, 10 districts participating on a conference call to discuss the new average costs list. Division staff compiled information from completed projects and evaluated actual costs to develop the cost list. Proposed changes include:

- Lowering excavation costs to \$2.50/ft²
- Change measurement of soil amendment and mulch to cubic yards and related cost change
- Adjustment in cost for small cisterns
- The accessories package to use 75% of actual costs not to exceed \$700.
- For critical area planting, addition of compost blanket at an average cost of \$20/100 ft² and a compost sock at an average of cost of \$3/linear ft.
- Adjust excavation costs for diversions and grassed swales to use 75% of actual cost not to exceed \$2.50/sq ft. cost share amount. For vegetation (grass), proposed increase to average cost to \$2.50/100 ft².
- Proposed increase to vegetation (mulch, small grain straw) to \$1.50/100 ft² for diversions and grassed swales.
- The addition of Marsh Sills as a BMP with a proposed cost of 75% of actual cost not to exceed \$5,000.00.

Discussion ensued regarding above ground cisterns versus underground cisterns and placing a cap on payment. The CCAP Advisory Committee will meet again August 13, 2009, and will take up this issue for discussion and cap consideration.

Ms. Julie Henshaw extended an invitation to the commissioners to participate in the CCAP Advisory Committee meeting scheduled for August 13, 2009, starting at 10 a.m., in the Archdale Building's 14th floor conference room #3. A meet-me-number will be provided.

Commissioner Don Cox made a motion to approve the PY2010 CCAP Average Costs List. Commissioner Stanley seconded the motion. The motion carried.

Approval of 2010 CCAP Detailed Implementation Plan

Ms. Baird presented the proposed 2010 CCAP Detailed Implementation Plan. No changes were made to items 1-15. The only addition is number 16 to reflect the approval of Marsh Sills as a BMP into the program.

Commissioner West motioned to approve the 2010 CCAP Detailed Implementation Plan. Commissioner Pickett provided a second. The motion carried.

Proposed allocation of CCAP Financial Assistance for 2010

Ms. Henshaw requested reallocation of unencumbered grant funds through the CCAP program. The program is currently operating under three grants, two of which Director Harris discussed in her report through the Clean Water Management Trust Fund, and the third is through the 319 Grant Program. Approximately \$551,611.00 is available to reallocate to the participating districts in those three grants. Seventeen districts requested to retain their unencumbered funds because they were unable to encumber these funds to contracts due to the state spending freeze.

The allocation line of \$551,611.00 is slightly less than the unencumbered value. The difference is due to a return of funds from the Craven SWCD from a 319 Grant which will need a contract amendment to balance. Staff will provide an updated allocation list with state appropriations to the Commission at its next meeting for consideration.

Commissioner Pickett made a motion to approve the proposed allocations as presented. Commissioner Stanley provided a second. The motion carried.

TRC Recommendations

Mr. Williams reported that the Technical Review Committee (TRC) met on June 24, 2009, and offers two recommendations for consideration by the Commission.

The first recommendation involves the Nutrient Scavenger Cover Crop Incentive. Changes were first made to this practice in March and the TRC recommends further refinement of the practice by changing it from a three year practice to an annual practice. The reasoning is the three year practice prohibits a cooperators who plants small grain in the rotation from participating. Secondly, the district would have to verify that the crop reaches the kill date in order to qualify for payment. This verification requirement would put an additional

workload on the district and the cooperator to coordinate the site visits before the crop is actually killed. TRC felt this was important to make sure the state is getting the full benefits of the practice by maximizing the amount of nutrients utilized by the crop. Staff made one change to the bin seed language. Proposed language is "The cooperator using bin seed must be careful to adhere to the restrictions imposed by the Federal Plant Variety Protection Act, N.C. Seed Rules and Statutes, and laws governing the use of seeds from patented plants." This language does not prohibit the use of bin seed. The language is intended to call attention to State and Federal regulations.

Commissioner West made a motion to approve the proposed changes to the Scavenger Nutrient Crop incentive. Commissioner Ferguson provided a second. The motion carried.

The second recommendation from the TRC involves average costs for the PY2010 ACSP average cost list. Recommendations include:

- Addition of Biovator rotary composter to pay 75% - 90% of actual costs not to exceed \$1,140.00/linear ft.
- Forced aeration compost system - propose to revise cost breakdowns from 4 to 5.
- Modest cost increase for gasification systems.
- Increase costs for the waste application poultry litter spreader with current cap at \$9,333.00 (cap on actual cost of the unit) and propose to pay 75% or 90% of the maximum actual cost of \$14,000.00. This recommendation is based on several actual price quotes received from districts. The program would pay 75% to 90% of actual costs not to exceed \$14,000.00 if this recommendation is approved.
- Increase cost for inline water control structures because program had not been paying the actual installation costs. Proposing to increase costs by \$50 for each size and then add three new sizes not originally in the program.

Commissioner Pickett made a motion to approve the proposed changes to the ACSP average costs list for PY2010. Commissioner Ferguson provided a second. The motion carried.

Proposed allocation for ACSP Technical Assistance for 2010

Mr. Williams reported that since the state did not have a budget, staff was unable to recommend technical assistance allocations for PY2010. He did want to update the Commission that Wake, Lee, Yadkin and Gaston SWCD requested new positions. Of those, Wake and Lee currently do not have a cost-share technical assistance position. Also, there were several Districts that requested less money than they received last year, which may indicate there are some salary reductions occurring in some districts. The division did not anticipate receiving a funding increase for PY2010. Last year the program received \$200K in non-recurring funds which will impact this year's technical assistance budget. Fortunately the program received a \$50K appropriation for technical assistance through the drought response program which will help to mitigate this year's shortfall in technical assistance funds. The program also has \$9,500 through the division's Ecosystem Enhancement Program (EEP). A significant amount of technical assistance funds are available through a 319 grant and additional assistance is provided by NRCS for a technical position in Hyde

SWCD. The division is seeking additional funds in recognition that technical assistance is key to the success of the ACSP.

First priority under that ACSP Rule is to fund one technical assistance position in every district that can provide the match to support that position. The new positions in Wake and Lee will be included in the proposed budget. Staff will not recommend any cost of living increases. The Commission has the authority to use CCAP funds for financial assistance (BMPs), technical assistance, education and outreach. To this point, CCAP funds have been used for financial assistance only but the division will recommend the Commission allocate some of the CCAP funds to split fund (50:50) funding for the technical assistance positions in New Hanover and Dare SWCD which did not have ACSP contracts this year. Based on the proposed budget, staff will recommend four positions be placed on non-recurring funds for PY2010. These positions will not be funded after PY2010 unless additional funds are secured. The four positions are located in Nash, Rockingham, Greene and Orange SWCD's. The division has not completed data base upgrades for close out for PY2009. When this is completed, the rank of the positions may change slightly. It appears there will be enough funds to provide \$770 per FTE of operating support. This amount is considerably lower from last year's support of \$1,675 per FTE. The requests from Gaston and Yadkin SWCD would not be approved because the Commission lacks sufficient resources to include those positions in the budget. Adding positions beyond that first position in each district is the last priority in the allocation formula. When the division receives its new budget, staff will propose recommendations for the final allocation of technical assistance and financial assistance resources.

Proposed allocation for ACSP Financial Assistance for 2010

Remove from Agenda due to lack of budget.

Approval of the 2010 ACSP Detailed Implementation Plan

Ms. Raquet presented the following recommendations for the FY2010 ACSP Detailed Implementation Plan:

- Specified 75% and 90% cost-share caps (ie: abandon well) for further clarification to the caps that are currently listed in the average cost list.
- Changes to the Nutrient Scavenger Crop BMP as approved in March, 2009.
- Inclusion of the Pasture Renovation Practice that was a temporary practice approved for the Drought Response Program.
- Two changes were made to minimum life expectancy. The Crop Residue Management BMP was added to the table with a minimum life expectancy of one year. The Nutrient Scavenger Crop based that approved today with a life expectancy change from three years to one year.

Commissioner West made a motion to approve the proposed changes to the ACSP Detailed Implementation Plan for PY2010. Commissioner Pickett provided a second. The motion carried.

Mr. Williams asked Vice Chairman Smith if he could readdress the Commission regarding a second TRC recommendations that he forgot to mention. Specifically the change to the bin seed language in the nutrient scavenger practice was also needed for the cover crop practice.

Commissioner West made a motion to approve the bin seed language change for the cover crop practice. Commissioner Stanley provided a second. The motion carried.

ACSP Issues from Districts

- **Extension Requests for 2007 ACSP Contracts.** Ms. Raquet stated it is Commission policy that the division is to receive from the district boards a letter requesting the extension of its 2007 contracts. In cases where the request for payment is not received before the July Commission meeting, the district must appear before the Commission to request the extension (in this case via teleconference).
- The division received the Gaston request for extension for Mr. Melvin Kiser. No extension was requested.
- Extension request from Cabarrus SWCD for C. Oliver Hill, contract #13-07-15-16. Commissioner West made a motion to approve the extension request for C. Oliver Hill and Commissioner Pickett provided a second. The motion carried.
- Extension request from Clay SWCD for Frank Ledford, contract #22-07-09-06. Commissioner Pickett made a motion to approve the extension request for Frank Ledford and Commissioner Stanley provided a second. The motion carried.
- Extension request from Haywood SWCD for Kevin Norris, contract #44-07-14-05. Commissioner Stanley made a motion to approve the extension request for Kevin Norris and Commissioner West provided a second. The motion carried.
- Extension requests for Orange SWCD for Harold Sykes, contract #68-07-15-09 and Denise Hudson, contract #68-07-21-02. Commissioner Stanley made a motion to approve the extension requests for Harold Sykes and Denise Hudson and Commissioner Pickett provided a second. The motion carried.
- Extension request from Person SWCD for Billy Adcock, contract #73-07-05-13. Commissioner Stanley made a motion to approve the extension request for Billy Adcock and Commissioner Cox provided a second. The motion carried.
- Extension request from Pitt SWCD for Brooks Farms, Inc., contract #74-07-28-09. Commissioner West made a motion to approve the extension request for Brooks Farms, Inc. and Commissioner Stanley provided a second. The motion carried.
- Commissioner West assumed chairmanship of the meeting for the following action. Extension request from Polk SWCD for Donald Arledge, contract #75-07-220-01. Commissioner Cox made a motion to approve the extension request for Donald Arledge and Commissioner Pickett provided a second. The motion carried. Vice Chairman Smith did not vote on the motion.
- Vice Chairman Smith assumed chairmanship of the meeting. Extension request from Warren SWCD for Walter Renn, contract #93-07-17-13. Commissioner Ferguson

- made a motion to approve the extension request for Walter Renn and Commissioner Cox provided a second. The motion carried.
- Landowner appeal of restriction of Pasture Renovation on Hayland – Union SWCD. After a brief discussion, Commissioner Manly West offered a motion to postpone this item for the Commission’s September meeting. Commissioner James Ferguson seconded the motion, and the motion was approved.
 - The Wayne SWCD made a Request for exception to the average cost cap for poultry litter spreader. After a brief discussion, Commissioner James Ferguson offered a motion to postpone this item for the Commission’s September meeting. Commissioner Bill Pickett seconded the motion, and the motion was approved.

Comments by Commissioners

Commissioner Stanley asked why so many post-approval contracts were showing up on the commission agenda. Mr. Ken Parks stated that ACSP and CCAP staff encourages districts to use a spreadsheet to track their contracts, money amounts, approvals by the board and approval by the Division. A spreadsheet tracking tool assists the districts to keep on top of their contracts and the status of each.

Mr. Williams stated that this has been exceptional year in the number of contracts that were developed due to the Drought Response Grant Program. He also stated that the ACSP and CCAP staff has been working with DENR ITS to develop an on-line database that will include a tracking system for contracts and the status. The on-line database will be accessible to all districts.

Commissioner Stanley recommended that an email be sent to all districts stating the Commission’s policy on post-approval contracts. Mr. Williams stated that an email related to the policy can be sent through the email listserve from the ACSP staff. Mr. Parks indicated that the ACSP staff can review this policy during future ACSP trainings. Mr. Parks also stated it would be beneficial if the ACSP staff was notified of new district employees. Being notified of new district employees will allow the ACSP staff to provide examples and recommendations for tracking contracts and contract procedures.

Commissioner West attended the Vick Family Farm Celebration in Wilson County and reported that it had a good turn out and everything went very well. The *Southeastern Farm Press* has an article on Lynwood Vick, the son of Jerome Vick, and how Lynwood took over the entire farm operation after his dad’s critical illness. Commissioner West stated that the farm was a “class act” operation and the award was a well deserved recognition.

Public Comments

Mr. Dewitt Hardee of the Department of Agriculture and Consumer Services stated that his office passed a resolution against Senate Bill S907 because of the issue of all the waters belonging to the state (private wells and ponds, etc.), and the state’s intent to plan, regulate and control the withdrawal and use of those waters.

Approved September 16, 2009

Being no further business, Vice Chairman Smith adjourned the meeting at 10:32 a.m.

Patricia K. Harris
Patricia K. Harris, Director

Donna L. Starnes for
Beki Holloway, Hearing Clerk

These minutes were approved by the North Carolina Soil and Water Conservation Commission on September 16, 2009

Patricia K. Harris
Patricia K. Harris, Director