

State Technical Committee April 16, 2015 Meeting Notes

All presentations referenced in this document may be found on the [Kentucky State Technical Committee webpage](#).

NRCS State Conservationist Karen Woodrich opened the meeting at 9:35 a.m. by welcoming everyone and thanking them for being present. Because there were first-time attendees, Ms. Woodrich asked everyone to introduce themselves and whom they represented. There were 43 persons present and a list of attendees is attached to these meeting notes.

Ms. Woodrich made a [presentation](#) about the Dust Bowl, how the Natural Resources Conservation Service (NRCS) came to be, and how important the work is that everyone present does to ensure we don't return to this situation. She said we need to remember what we learned, so we don't repeat past mistakes. She mentioned April 14 as "Black Sunday" and April 22 as Earth Day. She encouraged everyone to get out and tell/share the natural resource story. She stated that she values the partnerships we all share, old and new.

She introduced NRCS State Soil Scientist Steve Blanford who made a presentation about the International Year of Soils. By cutting an apple, he demonstrated the amount of the world (soil) available to feed the world; 1/32nd of the world. He offered 2015 Soils Planners to those present and to take them to share. He mentioned the "I Heart Soils" selfie campaign, and NRCS's soil health efforts, highlighting no-till and cover crop as practices that have been around for decades. He announced a July 20, 2015, Soil Health Forum, 1:00 pm – 4:30 CST to be held at the Sloan Convention Center in Bowling Green, Kentucky, and invited/encouraged people to come, and to bring farmers. Those interested should RSVP to him at steve.blanford@ky.usda.gov or (859) 224-7606 by June 15, 2015. Mr. Blanford's PowerPoint presentation may be found by [clicking here](#).

Ms. Woodrich then introduced Kim Richardson, Director of Kentucky Division of Conservation, who provided an update on the Ohio River Basin Water Quality Trading Project. Through the program, farmers receive funding to install certain conservation practices. From this effort, credits are earned which are then sold to permitted sources (industry) to meet regulatory requirements. It is estimated through the project pilot trading period (from 2013-2015) conservation practices resulted in 30,000 pounds of phosphorous and more than 60,000 pounds of nitrogen from entering the Ohio River. The multi-state project region is the Ohio River Basin and Kentucky counties include Bracken, Mason, Carter, Elliott, and Greenup. The goals are to reduce the nutrient loading of the Ohio River, provide support to local farmers, and provide several ancillary ecosystem benefits including pollinator habitat, greenhouse gas avoidance, carbon sequestration, soil health, and habitat enhancement.

Division of Conservation is currently in the credit validation process. Once verified, credits will be sold at the first public auction on May 20, 2015, in New York City. Funds generated through the sale of credits will go back into the program to install new best management practices on private lands. Ms. Richardson noted that the project was recently awarded the US Water Prize, the top water award in the country, which will be presented in Washington, DC. This award honors individuals, institutions, and organizations making outstanding strides in the advancement of sustainable solutions to national water challenges. It is administered by the US Water

Alliance. Past winners include PepsiCo, Frito-Lay, Miller-Coors, Project WET Foundation, and San Francisco Public Utilities Commission. Ms. Richardson's PowerPoint presentation may be found by [clicking here](#).

She then discussed the Regional Conservation Partnership Program (RCPP) project that was submitted by Division of Conservation and approved for funding. She identified the collaborating partners, noting that there are a wide range of partners. She said the project name is "Managing Poo" and it is looking at livestock operations that have nutrient issues and to help to address them. The partners are ready to start, but are a little short on details right now. She hopes to have more to share on RCPP at next state technical committee. She mentioned there will be another opportunity to submit RCPP proposals soon and recommended people use this program.

She asked if there were any questions and the following were asked and answered:

Q: Regarding the water quality trading – how was the nitrogen and phosphorus poundage calculated?

A: The EPA Region 5 model was used. It takes specific practices and models them using a variety of parameters. A representative from the Kentucky Division of Water noted that it is considered reliable information.

Q: Who will be bidding on these credits?

A: A number of businesses including ones such as Duke Energy, Pike Electric, sanitation districts. The credit opportunity has been promoted to Kentucky industry and she is hoping to see large companies here to participate.

Q: Regarding the sale of credits – where will this money go?

A: The funds get invested back into the project, to do more conservation practice installation. The sales do not go to the landowners. The landowner gets 75 percent to install the practices which result in the credits. The credit sales will go to Electric Power Research Institute (EPRI) to put back into the project. The farmers don't actually sell the credits; it's handled through a registry.

Q: To what standards are the practices implemented?

A: NRCS standards and specifications are used for implementation. Local conservation districts work with the project participants.

Q: How many producers have participated so far?

A: Eleven in Kentucky. There has been about \$30,000 per county (3 counties) to start, then it was increased to 5 counties (about \$10K+ per county.)

Q: Can the industries who purchase the credits increase their output?

A: No, the credits are to offset their usage; it does not allow an increase.

Q: One of the goals noted was pollinator habitat – how is this being done in the water quality trading project?

A: Most practices in this project are structural in Kentucky but other states are doing more.

Ms. Woodrich stated that the Chief of NRCS and the agency are making it a point to help facilitate third party verifiers like DOC in establishing a trading program. Regarding RCPP, she said final reviews were being conducted at the national level and agreements should be signed soon. She noted that more information would be forthcoming about the Kentucky projects.

There being no more questions for Ms. Richardson, Ms. Woodrich introduced Paulette Akers who has moved from her position at the Kentucky Division of Water where she worked with watershed management and non-point source pollution control. She is now with the Kentucky Division of Compliance Assistance. She gave an overview of the Division, noting that the Division is not the Division of Enforcement, and highlighting the KY EXCEL opportunity. This is a free environmental leadership program and encouraged everyone to check it out. She noted that the Division receives more than 1,000 calls per year. It serves as a resource so a person doesn't have to call multiple state government offices to get an answer. They would like to work more with farmers. Details of her presentation may be found in her PowerPoint presentation may be found by [clicking here](#). One of the slides has the Division's contact information and she said it could be printed out and used as an informational poster. She announced an upcoming "Ag Environmental Boot Camp" which will be held May 14, 2015, beginning at 9:00 a.m. at 300 Fair Oaks Lane in Frankfort. It will cover common issues and solutions; air, water and waste regulations that pertain to farms, and resources for compliance. Attendees should include ag extension agents, technical service providers, ag associations, and commodity groups, among others.

A comment from the group was made that it sounds like some of the enhancements under NRCS's Conservation Stewardship Program (CSP) would qualify for EXCEL activities. Ms. Akers responded that this is true, as well as Live Green Lexington, and welcomed the opportunity to work with these and other groups. A representative from the Kentucky Dairy Development Council said that the dairy folks appreciate the boot camp opportunity.

Ms. Woodrich then introduced Deena Wheby, Kentucky NRCS Assistant State Conservationist for Programs who provided a brief update of the National Water Quality Initiative (NWQI) and Mississippi River Basin Healthy Watersheds Initiative (MRBI). Before beginning her presentation, she mentioned that after the last state technical committee meeting, someone asked if there was a listing of NRCS acronyms. She said she had prepared a document listing many of the acronyms frequently heard at NRCS meetings. A copy of that document may be found by [clicking here](#). (Note – the list has been slightly updated since it was distributed at the meeting.) She also showed the group an "I Heart Soil" selfie that she had taken with U.S. Secretary of Agriculture Tom Vilsack at the Washington, DC, airport last month, and said how excited she was to have had that opportunity.

Ms. Wheby discussed the two national initiatives (both funded with Environmental Quality Incentives Program [EQIP] funding) noting how the watersheds and project areas were selected for each, and the progress that had been made. She said that both NWQI and MRBI had opportunities in federal fiscal year 2015 to change watershed/project areas if desired. Using input from the state technical committee (gathered earlier via email), and other partners, it was

decided to discontinue the Western Kentucky NWQI project (Bennettstown-Little River) but to keep Central Kentucky's Clark's Run, and Eastern Kentucky's Headwaters Hinkston Creek. A new watershed, Mock's Branch, was submitted and approved for NWQI. Mock's Branch is contiguous to Clark's Run. She noted that they have had a successful sign-up already this year.

For MRBI, she said that states were allowed to submit up to five small watersheds for new projects and could request to continue an existing project that had completed its project lifespan. Kentucky submitted five "12-digit" watersheds contiguous to the former Lower Green River MRBI as a new project and it was approved. The Red River project, started in 2012, was asked to be continued and it was also approved. Kentucky expects to receive (dependent on available funding) \$1.8 million of funding for these project through 2018. Ms. Wheby informed the group that the numbers used in this (and her later presentation) were for informational purposes only, and if anyone wished to use NRCS figures in any official manner, to let her know and she would get them certified numbers for their use. Ms. Wheby's PowerPoint presentation including NWQI and MRBI maps may be found by [clicking here](#).

Ms. Woodrich then called for a short break.

Following the break, Ms. Woodrich offered "I Heart Soil" stickers to whomever wanted them. She introduced Amanda Moore, Kentucky's new Assistant State Conservationist for Management and Strategy, who just came onboard. Her previous assignment was at the NRCS national office in Washington. She will work with the administrative functions of Kentucky NRCS including agreements.

Ms. Woodrich next introduced Mark Ferguson, Kentucky NRCS State Resource Conservationist. Mr. Ferguson discussed the current opportunity to apply for state level Conservation Innovation Grants (CIGs). These grants are to demonstrate proven technology that is not widely adopted. On farm research is now allowed for the first time. Kentucky has \$225,000 is available with \$75,000 per grant allowable. Projects can be up to three years in length. The application period through May 22, 2015. State CIG topics are Soil Health, Water Quality, Forage Quality and Quantity. For more information, contact Mr. Ferguson mark.ferguson@ky.usda.gov or Tibor Horvath at tibor.horvath@ky.usda.gov (859) 224-7413 or check out the website at www.ky.nrcs.usda.gov. He mentioned that Mr. Horvath has accepted the state agronomist position with NRCS in Alabama. Someone asked if his position be refilled. Ms. Woodrich said that she is assessing it now to see if it will be filled as is, or with other duties.

Mr. Ferguson discussed Soil Health Cover Crop Job Sheet revision, which includes an option to leave out the Daikon Radish where crop fields do not have compaction issues. This will allow for an extension of the seeding date to October 15 throughout Kentucky. Mixes with the Diakon Radish have the following seeding windows: East of I-65 – 8/15 through 9/15; and West of I-65 - 9/1 through 9/30. These revisions were made with feedback that NRCS has received from partners and customers. Mr. Ferguson said that NRCS is always willing to take a look at barriers and welcomes feedback from everyone. NRCS will review recommendations and address if technically feasible.

He reminded everyone that Conservation Compliance has been recoupled with the crop insurance subsidy. Farmers who are current NRCS or FSA participants won't notice a difference. If they are not, they will need to file an AD-1026 with the Farm Service Agency (FSA) by June 1 in order to be eligible for premium subsidies for the reinsurance year beginning July 1.

There will be TSP update for CNMP Tools Training today (April 16) in Bowling Green and on April 23 in Lexington. It will cover tools such as manure management planner, RUSLE2, N/P Index, etc. If anyone is interested in becoming TSPs, contact Mr. Ferguson and he will work with you and/or provide more information.

He stated that NRCS will be refilling the vacancy left by Jerry Adams. The position vacancy was announced April 15 and is open through April 24. Duties include state technology coordinator (NRCS ToolKit – planning tool) and Forestry coordinator. Ten NRCS individuals have been trained to certify forestry practices. Will probably be another 3 months to get someone in the position. The following questions were asked and answered:

Q: Who presently approves the CNMPs that are done? (The ones submitted by an actual TSP for participant payment.)

A: The TSP is certified. NRCS staff has a checklist to ensure all the sections of the CNMP are there. No detail is reviewed for technical correctness, because the TSP is certified. On an annual basis, NRCS state office staff reviews five percent of those completed. This is an in-depth technical review for correctness.

Follow-up comment: Had heard that Tibor Horvath reviews them.

Response: Sample plans are reviewed (and farm visited) prior to TSP being certified.

Ms. Woodrich called on Deena Wheby again, this time to give a Financial Assistance Programs Update. Ms. Wheby gave updates for fiscal year 2014 for the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP) and discussed the fiscal year 2015 funding and application status for both of these programs. She noted that CSP applications have risen from 59 last year to 255 this year due to extra outreach and thanked everyone present for their efforts in helping reach out to potential participants.

She mentioned that 2014 was the first time that all applications for Seasonal High Tunnels were not funded and that there was some negative feedback received on this. She also said that from 2012-2014, NRCS had entered 530 EQIP contracts on Seasonal High Tunnels for over \$3.2 million. She said that the reason for not funding all the applications in 2014 (and projected not to fund them all in 2015) is because requests are greater, payment levels have increased, the square footage limitation has been removed, and overall EQIP funds are down. She also noted that Kentucky has been identified as second in the nation for the number of EQIP Seasonal High Tunnels contracted.

She also informed the group that there are still 25 active Wildlife Habitat Incentive Program (WHIP) contracts which NRCS will support until they are completed. She mentioned that since WHIP was repealed by the 2014 Farm Bill, NRCS will spend at least five percent of EQIP

funding on wildlife habitat practices and activities. She said that Kentucky has had an EQIP wildlife effort for several years, so we are ahead of many states on this requirement.

Ms. Wheby then spent a few minutes discussing the new Agricultural Conservation Easements Program (ACEP), noting that it takes the place of three repealed programs: Farm and Ranch Lands Protection Program (FRPP), Grasslands Reserve Program (GRP), and the Wetlands Reserve Program (WRP). She stated that there are two components under ACEP: Agricultural Lands Easement (ALE), which performs similar functions of FRPP and GRP; and Wetlands Reserve Easement (WRE), which performs similar functions of WRP. She said she will still be responsible for the ALE (former FRPP) component of ACEP, and Jack Kuhn will handle the WRE and grasslands part of ALE. She gave an overview of the ACEP-ALE component noting that it requires an entity to partner with NRCS to acquire conservation easements. This is the same as it was for FRPP, but was not required under GRP. NRCS can pay up to 50 percent of the appraised fair market value of ALE easements, and the partnering entity must pay the rest as well as any legal, survey, appraisal fees, etc. She provided numbers for fiscal year 2014 ACEP-ALE activities and said that there is a sign-up ongoing now which closes on May 15. She noted that Kentucky has received an initial allocation of just over \$1.3 million for ACEP-ALE. She invited anyone who had questions to contact her.

Next, Ms. Wheby gave a brief update of the two RCPP projects selected for funding in Kentucky. One is the “Managing Poo” project previously discussed by Ms. Richardson, and the other is the “Cerulean Warbler Appalachian Forestland Enhancement” project. Kentucky is one of five states on this project and only parts of Eastern Kentucky are included. More details on both of these project may be found in Ms. Wheby’s [PowerPoint presentation](#). She said she expected to see a fiscal year 2016 Announcement for Program Funding to be announced in the near future. She reminded everyone that RCPP is delivered through the authorities and rules of the following “covered programs”: EQIP, CSP, ACEP, Healthy Forest Reserve Program (HFRP), and in the identified Critical Conservation Areas, that the Watershed Protection and Flood Prevention Act was available.

She concluded her presentation by saying that Interim Final Rules for EQIP, CSP and ACEP had been published (and opened for comments) and committee persons should have received emails regarding this as they were published. She said ACEP was still accepting comments until April 28, 2015. She reminded everyone that the numbers used in her presentation were for informational purposes only, and if anyone wished to use NRCS figures in any official manner, to let her know and she would get them certified numbers for their use.

Ms. Woodrich introduced the final presenter, Jack Kuhn, Assistant State Conservationist for Natural Resources Planning. He began by discussing the new Agricultural Conservation Easement Program (ACEP), and highlighted the changes from the previous repealed programs (WRP, GRP, and FRPP.) He said that May 15 is the national ACEP application cutoff date and that Kentucky will have a June 12 cut-off date for ACEP-Wetlands Reserve Easement (WRE) component. He mentioned that fiscal year 2014 ACEP did not have Adjusted Gross Income (AGI) requirements, but fiscal year 2015 ACEP enrollments require AGI compliance. He discussed the Kentucky ACEP-WRE compensation for fiscal year 2015. He said the basis for the compensation offer will be the lowest of either the fair market value of the land using either

Uniform Standards for Professional Appraisal Practices (USPAP) appraisal, Areawide Market Analysis (AWMA), Geographic Area Rate Cap (GARC), or the landowner offer. He showed a map and chart with the WRE GARCs. These may be seen in his PowerPoint presentation by [clicking here](#). He stated that the GARC is 95 percent of AWMA or Appraisal. He asked the committee if they thought the compensation procedures should be the same for fiscal year 2016 as they are for fiscal year 2015. He said there had not been much movement in Kentucky land values from 2014 to 2015, but some individual counties increased and some decreased. He said that we expect minimal price corrections due to lower commodity prices. He added that there are always some outlier high prices. He then showed a slide showing Kentucky's WRP/WRE funding obligations since 2004. This may be seen in his presentation by [clicking here](#).

Mr. Kuhn next discussed the Grasslands of Special Significance (GSS) part of ACEP-Agricultural Lands Easement (ALE). He said this is what replaced the functions of the repealed GRP. A main difference in the two programs is that GSS requires an eligible entity to purchase the easements; under GRP, NRCS acquired and held the easement. The entity must bear the cost of any appraisals, legal fees, title clearance/insurance, etc. They must also cover the cost of monitoring and other related administrative and transaction costs. GSS are lands that contain little or no noxious or invasive species, are subject to the threat of conversion to nongrassland uses or fragmentation, and land that is pasture, shrubland on which the vegetation is dominated by native grasses, grass-like plants, shrubs or forbs, or is improved, naturalized pastureland and rangeland. It provides, or could provide, habitat for threatened or endangered species or at-risk species, protects sensitive or declining native prairie or grassland types, or provides protection of highly sensitive natural resources.

He reminded the committee that there are landowner and entity eligibility requirements including having an established farm record with FSA, being in compliance with Highly Erodible Land and Wetland Conservation compliance, and for participants operating under an Employee Identification Number (EIN), they must also have a DUNS number and current SAM registration. More details may be found in his presentation by [clicking here](#). The following question was asked and answered:

Question: Is forestland eligible under ACEP?

Answer: Forestland would be more appropriate under the Healthy Forests Reserve Program (HFRP). Mr. Kuhn said that Kentucky used to have a HFRP watershed, but no longer. He mentioned that HFRP is one of the covered programs under the Regional Conservation Partnership Program (RCPP.) He added that there could be some forest-type grasslands, but it would be tough. He also said that there could be a small possibility that there would be some wetlands in forestland that could be eligible for ACEP-WRE.

There being no more questions asked of Mr. Kuhn, Ms. Woodrich reminded the Committee that they are a USDA committee, not just NRCS. She then called on Jeff Jones of Rural Development (RD) for any remarks. He mentioned that RD is active in Secretary Vilsack's "Know Your Farmer, Know Your Food" effort. He said that there is a Notice of Funding Availability (NOFA) coming out for Value Added Producer Grants to assist a producer to further adding value to their product. It will have two parts, one for planning e.g. feasibility study, the other for working capital once planning is completed (but no bricks and mortar or equipment). Both require a

minimum of 50 percent match. He mentioned that the Kentucky Center for Agriculture and Rural Development (KCARD) was a good source for assistance to review grant applications. He mentioned that RD expended more than \$300,000 in Kentucky on energy assistance last year, and is currently taking applications for in excess of \$2 million they plan to award this year on energy efficiency and energy generation. First deadline is April 30th and the second is June 30th with loan applications accepted year round.

Ms. Woodrich then called on Marcinda Kester of the Farm Service Agency (FSA) for any remarks. Ms. Kester said that FSA is waiting for a General CRP announcement and expects one at the end of April. She said that if any producers have losses due to weather on pastureland that there may be available assistance under the Emergency Conservation Program (ECP) for debris removal and fence replacement. She said that the Livestock Indemnity Program is now permanent and this is for loss of cattle by a catastrophic event or predators. If anyone wants more information (required documentation, etc.) about this program, they may contact FSA.

Ms. Woodrich asked the attendees if there were any announcements. Joe Cain, Kentucky Farm Bureau, announced that the Water Management Working Group meets on May 9, 2015, and that there is a soil health component.

There being no other questions or announcements, Ms. Woodrich announced the next meeting will be on August 13, 2015, welcomed those with the “I Heart Soils” stickers to stay for a [group photograph](#), and adjourned the meeting at 12:00 noon.

Attachments:

- List of Attendees
- Agenda

Attendees – State Technical Committee Meeting – April 16, 2015

Name	Representing
Karen Woodrich	USDA – Natural Resources Conservation Service
Marcinda Kester	USDA – Farm Service Agency
Jeff Jones	USDA – Rural Development
Allen Kyle	Technical Aspects
Joe Cain	Kentucky Farm Bureau
Brad Lee	University of Kentucky
Jeff Sole	The Nature Conservancy
Jim Roe	Kentucky Division of Water
Jon Cambron	Kentucky Division of Water
Brent Harrel	US Fish and Wildlife Service
Jonathan Baxter	US Fish and Wildlife Service
Tim Hughes	Division of Biofuels
Tod Griffin	ABAK
Darwin Newton	Western Kentucky University
Paulette Akers	Kentucky Division of Compliance Assistance
Kim Richardson	Kentucky Division of Conservation
Pam Snyder	Kentucky Division of Forestry
Dawn Riley	Monty’s Plant Food Company
Ben Koostra	Limestone-Cooper
David Chinn	Monty’s Plant Food Company
Jack Stickney	Kentucky Rural Water Association
Ray Smith	University of Kentucky
David Wayne	Kentucky Department of Agriculture
Don Dott	Kentucky Nature Preserves Commission
Dave Maples	Kentucky Cattlemens Association
Danny Hughes	Kentucky Department of Fish and Wildlife Resources
Zak Danks	Kentucky Department of Fish and Wildlife Resources
Sarah Fritschner	Louisville Farm to Table
Tim Joile	Kentucky Waterways Alliance
Claudia Cotton	US Forest Service – Daniel Boone National Forest
Katy Ross	Kentucky Horse Council
Angela Caporelli	Kentucky Department of Agriculture (Aquaculture)
Myrisa Christy	Kentucky Center for Agriculture and Rural Development (KCARD)
Henry Duncan	Kentucky Woodland Owners Association
Adam Andrews	Kentucky Corn Growers Association
Kevin Heidemann	Kentucky Center for Agriculture and Rural Development (KCARD)
Maury Cox	Kentucky Dairy Development Council
JoAnn Corum	Cumberland Valley RC&D
Michael Duckworth	TASK, Inc.
Deena Wheby	USDA – Natural Resources Conservation Service
Mark Ferguson	USDA – Natural Resources Conservation Service
Steve Blanford	USDA – Natural Resources Conservation Service
Jack Kuhn	USDA – Natural Resources Conservation Service

AGENDA

Kentucky USDA State Technical Committee

April 16, 2015

9:30 a.m.

NRCS State Office

2nd floor conference room

771 Corporate Drive

Lexington, Kentucky

9:30 a.m.	Welcome, Introductions and Opening Comments	Karen Woodrich NRCS State Conservationist and State Technical Committee Chair
9:45 a.m.	International Year of Soils Healthy Soils for a Healthy Life	Steve Blanford NRCS State Soil Scientist
10:00 a.m.	Water Quality Trading Program and Resource Conservation Partnership Program (RCPP) Updates	Kim Richardson Director Kentucky Division of Conservation
10:15 a.m.	An Introduction to the Division of Compliance Assistance	Paulette Akers Assistant Director Kentucky Division of Compliance Assistance
10:35 a.m.	Mississippi River Basin Healthy Watersheds Initiative (MRBI) and National Water Quality Initiative (NWQI) Updates	Deena Wheby NRCS Assistant State Conservationist Programs
10:50 a.m.	Updates to Soil Health Cover Crop Requirements State Conservation Innovation Grant (CIG)	Mark Ferguson State Resource Conservationist
	Program FY 2014 Updates and FY 2015 Activity	
11:05 a.m.	<ul style="list-style-type: none">• Environmental Quality Incentives Program (EQIP)• Conservation Stewardship Program (CSP) • Agricultural Conservation Easement Program (ACEP)<ul style="list-style-type: none">○ Agricultural Land Easement (ALE) ○ Wetland Reserve Easement (WRE)	Deena Wheby Jack Kuhn NRCS Assistant State Conservationist Natural Resource Planning
11:45 a.m.	Discussion, Announcements, etc.	Group
	Closing Comments	Karen Woodrich
