

Minnesota State Technical Committee Meeting
October 25, 2011
Stearns History Museum
235 33rd Avenue South
St. Cloud, MN

Participants:

Don Baloun, NRCS	Kevin Paap, Farm Bureau
Tim Koehler, NRCS	Wayne Anderson, MPCA
Myron Taylor, NRCS	Linda Meschke, Rural Advantage
Brenda Tonn, NRCS	Ian Cunningham, Pipestone SWCD
David Rose, NRCS	Les Everett, U of MN
Rhonda Osterman, NRCS	Matt Holland, Pheasants Forever
Alex Dubish, FSA	Jim Kukowski, MN Soybean Growers
Sheldon Myerchin, USFWS	Mark Lindquist, MN DNR
Warren Formo, MAWRC	Thom Peterson, MN Farmers Union
Barbara Weisman, MDA	Jodie Provost, MN Wildlife Society
Riley Maanum, MCGA	Dale Walz, Stearns SWCD
Beth Kallestad, Cannon River Watershed Partnership	Adam Wartheson, Land Stewardship Project
Mark Lefebvre, Stearns SWCD	Mark Wettlaufer, MDH
Bob Lefebvre, MMPA	Representative Paul Torkelson

Don Baloun

Opening comments and remarks along with NRCS updates.

*CTAP Update (*handout - MN_CTAP_Sheet.pdf)*

The Natural Resources Conservation Service (NRCS) is the U.S. Department of Agriculture's principal agency for providing conservation technical assistance to private landowners, conservation districts, tribes, and other organizations. NRCS delivers this assistance through its voluntary Conservation Technical Assistance Program (CTAP). CTAP is available to any group or individual interested in conserving our natural resources and sustaining agricultural production.

Conservation planning is a key to everything with soils also being a key. We would like to see all producers have a conservation plan for a 5 to 10 year period.

Assistance to Tribal Nations – outreach is very important, especially farmer-led initiatives like Discover Farms, with Pheasants Forever on more biologist positions and conservation compliance.

Producer Business planning should include conservation as a line item with a dollar amount entered.

Discussion and comments from the committee.

*Certainty Framework (*handout - Certainty Framework FINAL july 19 2011.pdf)*

If a producer does a conservation plan, they would have certainty against prosecution.

- Would include voluntary and regulatory
- Producer option to do this

Let's try to do this

Increased communications – I see a role here for the University, Discovery Farms, many agencies where we could get common newsletters out that the landowners, not the farmers, are going to read for a consistent message – there needs to be conservation on your farm – don't anticipate getting the top rental rate for every acre.

The second part is something that I will push is Discovery Farms – being a good neighbor, i.e. neighbors interacting with each other and may be giving neighbors notice when planning to spread manure so they could possibly plan events, etc. around that or letting the producer know they have an event and asking that they hold off for a couple of days. Just taking the time to send out a postcard and letting neighbors know your plans. This often times makes an enormous difference in relationships and is very much appreciated.

Don discussed MOU development and having the MSTC member agencies assist. If we can all agree on this then I'm hoping we can get the Ag committee to sign on to the MOU as well, so I'm going to be coming to you guys – MN Corn Growers, Soybean Growers, Farm Bureau, etc. – and we're going to ask you to sign on. Many of the agencies represented at the meeting that are highly respected in the communities and could help get this going. We would like to have pilot farms such as Discovery Farms and get the producers to “drive the bus” and the rest of us coming along for the ride.

Discussion and comments from the committee.

ACTION ITEM: MSTC recommended Warren formo and Don Baloun Co-Chair a Subcommittee on Certainty.

*Wetland Mitigation (*handout - Minnesota Wetland Talking Points)*

A landowner will be exempt from wetland conservation provisions if conversion of the wetland functions is mitigated (compensated) by the landowner through restoration of a converted wetland, enhancement of an existing wetland, or creation of equivalent wetland functions on a new site in the area. This information from the Wetland Mitigation Fact Sheet.pdf located on the MSTC web site.

The producer knows best what is on their property and what needs help. The producer writes the conservation plan, we provide the assistance. We tell them what we have for standards, we tell them what we think will apply, then they decide what options are best for their property.

Representative Paul Torkelson – I want to thank you, Don, for your attitude. I think it's tremendous that there is some willingness within the organization to go forward in a well meaning and practical direction that will benefit not only agriculture, but also the State of Minnesota. I think this is a WIN/WIN for the producers and the environment. Two things:

planning and framework. I do think planning is critical – every farm has its own character, as Don alluded to. It's not only the land, but also the operator. We each do our planning in different ways does things a little different and we cannot have a blanket approach for every farm. The other piece is wetland mitigation.

Don talked about some of the aspects of wetland mitigation. I feel very strongly that the producer writes the conservation plan and we provide the assistance. We tell them what programs are available and what practices we think would apply and they decide what is right for their operation. The producer needs to discuss what their needs are so we can work with them to get a plan in place.

Discussion and comments from the committee.

*NRCS-BWSR Partnership Approach to Wetlands (*handout)*

The kick-off for Ag-mitigation banking in Alexandria went very well. We have an LLC right now that has formed that has formed – it's a group of six producers and they are actively working with BWSR right now to obtain easement rights to wetlands to open up the first ag-only mitigation bank.

*CPA Interim Off-Site Procedures for Use in Wetland Compliance (*handouts and informational materials: Drainage Systems Fact Sheet, Wetland Banking Fact Sheet, Agricultural Wetland Banking Scoping Document Contents, CPA - MN Off-Site Methods – Interim)*

Sid Cornelius discussed the procedures and methods the Natural Resources Conservation Service (NRCS) will use in Minnesota to conduct off-site wetland determinations for FSA purposes. These methods supplement the offsite methodology found in the Corps of Engineers Wetlands Delineation Manual and approved Regional Supplements to that manual. These methods replace the Minnesota Wetland Mapping Conventions of August, 1994. Informational materials can be found on the MSTC website.

Discussion and comments from the committee.

Mark Lefebvre and Beth Kallestad - On Farm Network stalk nitrate testing

On-Farm Network Discussion by Beth Kallestad and Mark Lefebvre

- Cannon River Watershed Partnership overview
- We want to give farmers as many nutrient management tools as possible
- The On-Farm Network® is an organization of crop producers interested in economics, stewardship, and reducing their environmental footprint.
- Ag Technology and Environmental Stewardship Foundation a 501(c)3 entity established, owned and managed by farmers for the express purpose of exploring the economic and environmental impacts of new crop production and soil management technologies, inputs and practices.
- More info at: <http://www.agtechonfarm.net/> or <http://www.isafarmnet.com/>
- 8 project areas so far in multiple states

- Studying nitrogen management for corn production.
- Participating growers use precision ag tools and technologies to conduct research on their own farms - stalk nitrate tests and aerial views of fields. Fine tune nitrogen management.
- Their data is merged with results from other growers local and regional picture how specific products and practices influence crop production profits and, potentially, the environment.
- Partnerships with the Environmental Defense Fund, the Iowa Department of Agriculture and Land Stewardship, the USDA Natural Resource Conservation Service, and a host of private foundations and agribusinesses have contributed greatly to the success of this program.
- Stearns County is Minnesota example
 - 2010 – 16 producers enrolled 52 fields
 - 2011- 29 producers enrolled 88 fields and 4 replicated strip trials
 - Only 3 producers didn't resign in 2011 from 2010 participants and 1 had no corn
 - On-Farm Network invoices \$300/field for guided stalk sampling and \$725/strip trial
 - Producers receive incentive payments of \$366/field and \$1125/strip trial
 - Adaptive management component includes a farmer meeting to discuss sampling results
 - Participants are required to attend the meeting to get the incentive payment
 - 6 - 8 hours per contract are spent on administration and coordination
- How can we expand this? Cannon River watershed as pilot area? Funds available? What help could STC members provide?

Discussion and comments from the committee.

ACTION ITEM: Subcommittee on Nutrient Management and come up with recommendation

CRP, Alex Dubish, FSA (*handout - FSA Conservation Highlights 2011 October2011.pdf)

Currently, MN has enrolled over 1.5 Million acres of CRP involving over 61,000 CRP contracts in 86 of the 87 Counties in MN into the CCRP, CREP, FWP, General Signup CRP, and SAFE. In Fiscal Year 2011, Minnesota producers received in excess of \$100 million in CRP Annual Payments making the state the fourth largest recipient of CRP funds nationally. In Minnesota ~127,000 acres expire in 2011, ~291,000 acres expiring in 2012 and ~129,000 acres expiring in 2013.

For FY 2010 and 2011, Minnesota entered into 82 contracts involving 10,000 acres and over the two year period over \$800,000 in payments. Minnesota, currently, has exhausted the acreage allocation for both CP37 Duck Nesting Habitat and CP38E SAFE. Minnesota accepted over 56,000 acres in both General and Continuous CRP for FY2011.

Discussion and comments from the committee.

Tim Koehler, NRCS, Easement Programs (WRP, FRPP, GRP) 2011 Update (*handouts)

Tim gave a progress report for FY 2011 for the Wetland Restoration Conservation Initiative for the Red River of the North Watershed of Minnesota, North Dakota and South Dakota and an NRCS Easement Program Update.

Myron Taylor, NRCS, Financial Assistance Programs, 2011 Update (*handouts)

Myron talked about five major points: 1) cost-share; 2) streamlining; 3) consistency; 4) conservation planning; 5) resource-based allocations.

- 1) Cost-share: since 2007 NRCS has not been offering cost-share. NRCS offers a payment rate, which is based on the average cost to install a conservation practice. Payment rates are based on average actual cost and the percentage payments you receive may or may not be equal to any range of 50 to 75%.
- 2) Streamlining: Based on average cost - this way you'll know up front approximately how much money you're going to receive for installing that conservation practice and if it made sense for you financially to go ahead and install with the understanding that if you're going to pay me \$5/acre to do this, that makes sense to me and this is a good sound investment. When you look at the amount of time it takes field staff to go through receipts for fertilizers, seeds, looking at seed tags, that's time the field staff is working in the office, where this time could be better spent in the field applying conservation and talking with landowners.
- 3) Consistency: This year our Chief, Dave White, after reviewing payment schedules nationwide, saw that there were a lot of discrepancies in how those payment rates were figured. There was no real communication between states on what MN paid for a sediment basin and what WI paid, and being that we are one agency, NRCS, why should there be so much inconsistency in the dollars that we're paying for a practice here versus the one across the river or in ND and SD. Chief White had the notion to regionalize our payment schedules - our nation was broken up into 12 economic resource regions - Minnesota is grouped in with Wisconsin and Michigan. Basically looked at ag in those states and they all sort of compared equally and we will share, for at least the first year, these 15 practices we will offer the same payment rate. The STC still has the flexibility in the calculation of that payment rate to base that rate at a different rate than WI, however, the underlying cost will be the same, it's just a matter of that State Conservationist's purview of what percentage they'd like to base that on. So it's going to be a two-step process. This year we use the top 15 practices that were cost-shared through our contracting software. We had a meeting and developed eight scenarios for each of those practices that are going to be common throughout the three states. Each State Conservationist can decide whether to offer all eight of those or he can offer one or anywhere between - this is up to the State Conservationist. More than likely when we roll out the EQIP program this year, we're only going to show the ones we are going to offer because it doesn't make sense to offer something that is being done only in MI or WI.
- 4) Conservation Planning: What's been happening is that we've been basing our planning decisions or planning on what is being offered through our programs, which is completely backwards. We should be developing a plan first, then seeing where there is some overlap with our conservation programs. In this way we are making sure that we

are only focusing on the major resources concerns that are on the landscape and that are the most desired by the local work groups and MSTC.

- 5) Resource-based allocations – this year all of NRCS has gone through a new budgeting process and each state has had to submit a state resource assessment. We identified what the top resource concerns are and we based our “wish list” of dollars on what is the top priority and what is needed to address that. We are trying to base our request for dollars on what the actual resource concerns are in state. MN is changing the way we are doing EQIP, changing our funding pools, we have consolidated a lot of our funding pools, because nationally, we have to justify why we have the number of funding pools that we do as well as develop an allocation formula to put money in all of those funding pools. Our plan is to have specific area funding pools – each county will still have the one funding pool that was determined at the Local Work Group meeting and then there will also be state-level funding accounts, which is mainly our national initiatives as well as some of our special initiatives to our under-represented groups. So we are trying to be smarter in allocating our dollars as well as identifying the most pressing resource concerns in each county through the local work group process in making sure those needs will go to the top and we are able, with the limited dollars that we have, fund those needs first and in this way we can be sure that we are being responsible with the dollars that we have been given. Our technical assistance is still available as it has always been.

Discussion and comments from the committee.

*All handouts are on the MSTC website: <http://www.mn.nrcs.usda.gov/partnerships/mstc/>

Next Meeting Scheduled for November 30, 2011.