

Nevada NRCS
State Technical Advisory Committee Meeting Minutes
November 29, 2011

Welcome & Roll Call: NRCS Nevada State Conservationist, Bruce Peterson thanked everyone for participating. Partners attending were: Reggie Premo, Cooperative Extension (CE); Kristin Pete, Duck Valley Shoshone-Paiute Tribal Irrigation Dept.; Katie Nuffer, Farm Service Agency (FSA); Joe Sicking, Paradise-Sonoma Conservation District (CD); Rod Davis, CE; Jerry Annis, Lander CD; Jessi Eckert, Lahontan/Stillwater CD; Dave Schmidt, Walker River Paiute Tribe (WRPT); Ray Begay, WRPT; John Watermolen, Nevada Div. of Forestry (NDF); Adria DeCorte, NDF; Duane Petite, The Nature Conservancy; Daniel Allen, Bureau of Indian Affairs; Clint Koble, FSA; Carl Clinger, Big Meadow CD; Dick Reason, Tonopah CD; Doug Busselman, Nevada Farm Bureau; Sarah Peterson, Bureau of Land Management; Michael Pennington, Community Services Agency; Gerry Emm, WRPT; Michelle Langsdorf, Mason/Smith Valley CD; Susan Abele, US Fish and Wildlife Service; Randy Emm, CE.

NRCS employees attending were: Gary Roeder, Assistant State Conservationist-Programs, Bill Elder, Assistant State Conservationist-Operations; Craig Plummer, Leah Mori, Bryan Shupe, James Gatzke, Kory Kulinsky, Andrea Sestanovich, Karl Anderson, Jarrod Edmunds, Jim Gifford, Jessica Gwerder, Trina Johnson; Susan Looper, and Liz Warner.

Please note: handouts from STAC meeting can be found online at http://www.nv.nrcs.usda.gov/programs/stac_meetings.html

FY 2011 Accomplishments

Bruce Petersen gave an update of accomplishments, including:

- Five staff positions were created by leveraging funds with partnering agencies and organizations, including the Nevada Dept. of Wildlife, US Fish and Wildlife Service, and Pheasants Forever. The positions will put additional staff on the ground throughout the state and in the Bi-State region of Nevada and California primarily to promote sage- grouse habitat conservation efforts. The positions are located in Elko (2), Ely, Minden, and Reno.
- FY 2011 Program participations included:
 - ~250 producers submitted applications
 - ~150 applications were approved for funding under the Environmental Quality Incentives Program (EQIP), for about \$7.6 million.
 - 9 Wildlife Habitat Incentives Program (WHIP) applications funded, totaling over \$600,000
 - 3 sage-grouse habitat easements were funded, totaling over \$3 million
 - 18 hoop houses (seasonal high tunnels) were funded under the Agricultural Management Assistance (AMA) program
- NRCS is offering special funding for fire rehabilitation to address those areas affected by fire this summer and early fall.
- Bruce noted for the first time since his arrival, the Grassland Reserve Program (GRP) was getting good participation. He has requested \$18M from NRCS National Headquarters (NHQ) for easements in the bi-state area to prevent fragmentation of critical sage-grouse habitat.

Statewide Resource Assessment:

Bill Elder gave an update on the Resource Concern Matrix. The report outlines some of the Historical Resource Concerns for Nevada, called a **Statewide Resource Assessment**. This data was collected by land use (cropland, rangeland and pastureland) and resource concerns specific to that land use, including: water quantity, forage quality, invasive species, open space, water quality, and wildlife.

The analysis was developed into a matrix tool that mapped out Nevada land uses and resource concerns on that land. This information is intended to be a tool for the State Technical Advisory Committee (STAC) and local working groups to help prioritize funding for program delivery. **ACTION:** Bill would like to hear from STAC members and local work groups what is missing from this data, if anything.

It was noted that other funds, like fish and wildlife habitat degradation, had been reduced because sage-grouse habitat conservation has become a priority. It was noted that funding for FY 2012 would most likely model FY 2011 funding.

Carl Clinger asked if the number of producers per land use, and the number of producers that had actually received Financial Assistance, had been considered in the assessment analysis. Bill stated yes.

It was noted that identified resource concerns may shift funding priorities from years past. Range and pasture funding will now become a greater priority in the future. Bill stated that, "Social equity is the goal for funding."

The State Resource Assessment is intended to be a tool that could influence funding by NRCS.

John Watermolen, Forest Stewardship Coordinator, Nevada Division of Forestry, asked why the State Resource Assessment did not have a forestry component, and wanted to know how the forestry component was being addressed in Farm Bill Programs. Bill acknowledged that the forestry component has not been address in the State Resource Assessment, but should be. It was noted that there is actually funding for forestry components through EQIP, but there is no forest fund pool presently for Non-Industrial Forest Land.

John Waterman stated that he is currently working with private landowners along the Carson Front who are interested in working through NRCS for their forest resource concerns and wanted to know how to get started, including forest health, fuel reduction and shaded areas.

How do private landowners work with the NRCS Approved Forestry Template? Here are the steps:

- Go to the local NRCS Field Office.
- Develop a plan first with NRCS.
- Sign up for EQIP.
- Work with the local working group about the need for a forestry fund pool.

USDA Budget Update and Forecast (2012):

Bruce reported:

- Ag Appropriations Bill was passed on November 18, 2011
 - Bill provides program funding for FY 2012 similar to FY 2011
 - Projected program funding for 100 – 150 contracts
- 2008 Farm Bill expires in 2012
 - New 2012 Farm Bill still needs to be decided
 - Public listening sessions will be held and comments solicited.

STAC recommendations on payment rates:

Bruce Petersen asked for STAC comments regarding NRCS payment rates. Are the payment schedules for practices too high or too low?

- 150 applications out of 250 were funded in FY 2011
- Financial assistance in Nevada has gone primarily to irrigation pivot systems
- Nevada provides a 75% payment rate based on the estimated average cost of installing the practice.

- Nevada provides a 90% payment rate based on the estimated average cost of installing the practice to Historically Underserved Producers (Limited Resource, Socially Disadvantaged, and Beginning Farmers/Ranchers).
- Some NRCS states offer 25% payment rates for selected fund pools.
- Nevada NRCS Field Offices reported that program applications for FY 2011 were significantly higher than previous years, including:
 - Winnemucca reported 35 applications FY 2011, 20 applications FY 2010
 - Minden reported 31 applications FY 2011
 - Elko reported 52 applications FY 2011
 - Fallon reported 60 applications FY 2011
 - Lovelock reported 20 applications FY 2011, about the same as FY 2010
- There was concern expressed that if the payment schedule rates were reduced, example 75% to 55%, the smaller farmers would be negatively impacted, and not as likely to participate in programs.
- There was concern expressed that the Financial Assistance for Farm Bill Programs was going out to the same producers who continue to apply.
- Bruce commented that Nevada has more range than anywhere else in the US, but that only about 3% of the millions of Farm Bill dollars are going towards range resource concerns in Nevada. Bruce reported that about 90% of Nevada's Farm Bill Program allocation went to irrigation projects.
- The over-all consensus from STAC participants was that the NRCS payment rates need to stay the same as FY 2011.
- Bruce reported that the NRCS Chief made a decision that NRCS needed to get some consistency concerning the payment rates across a single region. This effort by NHQ to regionalize the payment schedules produced 15 practices for 8 different scenarios in the same region. There are 11 different regions. Nevada worked with Colorado, New Mexico and Arizona as a like geographical region. The 15 practices developed for payment like schedules in our region include:

○ Fencing	○ Heavy Use Area Protection
○ Brush Mgt.	○ Shallow Water for Wildlife
○ Pipeline	○ Prescribed Grazing
○ Pest Mgt.	○ Pasture and Hay Land Planting
○ Nutrient Mgt.	○ Irrigation System
○ Cover Crop	○ Pumping Plant for Water Control
○ Forest Stand Improvement	○ Upland Wildlife Mgt.
○ Water Troughs & Tanks	
- Carl Clinger felt that local work groups were losing local input and control for payment schedules.
- Rod Davis in Lander County (Battle Mountain) expressed concern that the projected cost of getting the water out of the ground was putting enormous pressure on the producer with a pivot. Rod felt certain that the cost of commercial electricity was going to drive some producers out-of-business. Bruce stated that NHQ has recognized the issue of the rising cost of pumping water, and that NRCS is creating opportunities for producers to participate in energy saving cost share practices.
- **ACTION** : There was consensus that the issue of changing the payment rate schedules should be addressed next year.
- **ACTION**: It was suggested that we publicize program opportunities on conversion to dry land and energy efficiency.

FY 2012 Proposed Fund Pools (EQIP, AMA and WHIP) and National initiatives (Organics, High Tunnels, Energy)

Gary Roeder provided handouts and information regarding the basic fund pools developed for each local working group and covered the National Initiative sign up periods.

- Irrigated Crop Pasture LWG fund pool Subaccount EQIP.
- Non-Irrigated Range LWG fund pool Subaccount EQIP.
- Funds pools for Historically Underserved Producers.
- It was noted that there were no "carryover" dollars for Programs.

- Discussed Tribal Fencing Policy to improve grazing on Tribal Lands.
- Initiative Subaccounts through EQIP, AMA, WHIP 2012:
 - Sage-Grouse (funding pools for Private and Public lands)
 - Seasonal High Tunnels
 - Organic (Certified & Transitioning)
 - On-Farm Energy Audits (CAPS & TSP)
- The closing dates for the National Initiatives-Batching Periods will be:
 - 02/03/2012
 - 03/30/2012
 - 06/01/2012
- Funding for Fire Rehabilitation
- Local funding to address irrigation drainage concerns throughout Nevada. This would possibly include a Tailwater Recovery system. AMA is possibly the best program to address that concern.
- It was suggest by Karl Anderson that initial allocations for fund pools be posted on NRCS Nevada website. **ACTION: Allocations will be sent to STAC members. FY 2012 allocations are attached.**
- Discussed the different program funding pools, each funding pools with its limitations, and new subaccounts be established to better use funding received between EQIP, AMA and WHIP specific to the different National Initiatives promoted (Sage-Grouse, High Tunnels, Organic and On-Farm Energy). Bruce emphasized that if funds are left over in one fund pool that it is rolled into another fund pool to be used.
- It was emphasized to utilize funds in a way that is the BEST FIT for the program.
- It was noted that 10 year WHIP contracts are possible for folks who are interested.
- It was noted that funding, including Regional Equity funds, is a moving target regarding where the funds are actually spent. Funding seems to be adjusted to accommodate the highest program interest - the number of applications per program.
- There was a lot of discussion about the On-Farm Energy funding criteria, what is required in terms of measuring pump efficiency primarily, and who would actually conduct the efficiency testing.
- It was noted that Farm Bill Programs have a continuous signup period throughout the year, including submitting applications and requesting conservation planning.

Easement Programs (Overview and Ranking Tools)

- Three sets of ranking criteria were developed to prioritize easement funding in Nevada, including GRP, Wetlands Reserve Program (WRP) and Farm and Ranchland Protection Program (FRPP).
- There is a lot of interest in the Bi-State Area for Sage-Grouse through GRP. Minor changes in ranking criteria were made this year.
- Three WRP easements for over \$3.3 million were funded last year. Two of the easements were perpetual conservation easements, and one easement was a 30-year easement. Gary stated he felt we may have been able to fund more WRP projects last year if we'd had more acres available under our National Acreage Cap (which Congress sets), but that we had more money than application acres. Gary stated that this may be an indicator that the cost of easements had come down across the US because of the National decreases in property values over the past 3-5 years. NRCS Nevada had to send back about \$2 million dollars of unused funding.
- Gary handed out the updated FY 2012 FRPP Ranking Criteria and noted that the last time the ranking had been updated was in 2007 for FY 2008 funding. It was noted that the FRPP policy required updates to ranking criteria specific to cultural resources. Gary noted that NRCS Nevada had to return all FRPP funding last year because we didn't have an entity with matching funds for any easements offered in FY 2011.
- Gary requested comments on all of the ranking criteria updates. It was noted that the FRPP easement objective was to keep farm and ranch land in agriculture. Gary noted that our easement programs were "Legacy" programs for generational landowners wanting to insure that their agricultural lands stay in agriculture, especially those lands that are facing development pressures.
- Dick Reason stated that he felt it was more an energy cost issue that was the leading cause of Nevada farms and ranches going out-of-business, and urban development issues. He felt that the

easement programs should include an energy component. Dick felt that if easement participants were going to use the money they got from the easement for energy development that they should rank out better when competing for funding. As the Nevada water tables go down, energy goes up to get the water out of the ground.

- Gary noted that there had been discussion about consolidating the easement programs into one program for funding. Gary stated that Dick's comments about tying Nevada energy issues to the ranking criteria for easement funding would be best served once comments for the 2012 Farm Bill begin.
- Randy Emm commented that he felt funding was more geared to politics based on the concerns of other environmental groups, like the groups concerned about the sage-grouse and wild horses.
- Gary responded by re-emphasizing the importance of the local work groups and STAC comments, evaluations, and other input towards these issues; and, that the aim was to keep NRCS funds going to the best possible use based on Nevada needs.
- GARC (Geographic Area Rate Cap) – Discussion about tables provided included:
- GARC's sent to NHQ include an updated Market Analysis for our state and proposes what the land values should be (rate cap compensation) for FY 2012. Market Analysis was broken down by county throughout the state.
- Market analysis for land values are broken down by land use for crop and hay. For example, under WRP, we compensate for up to 90% of the fair market value.
- It was noted that Carson and Clark County land values could not be determined in the market analysis, and that a separate appraisal evaluation will be conducted if we have WRP applications in those areas.
- Five categories are analyzed for WRP Market Analysis and rates up to 90% of that value, including:
 - Cropland.
 - Pastureland.
 - Natural & Seasonal sub-irrigated areas that get more water and subsequent production.
 - Rangeland with improvements (watering facilities & fencing).
 - Rangeland with no improvements (many areas have no water sources or they haven't been developed in those areas yet).
- GRP has a proposed rate of 67% of the updated market analysis. GRP may include grazing utilization. Cropland is not eligible. Pastureland is eligible.
- The updated market analysis demonstrated that there was more information available this year, and better information available.
- It was noted that some counties are so large that there may be significant land value differences between areas in a single county.
- Land values are directly related to the water available to the cropland and competing land development areas.

Other Business:

- **Tribal Boundary Fence Policy (Bruce)**

Nevada NRCS has developed a new tribal fencing policy. Tribal fencing does not include perimeter fencing for the reservation. Grazing management is the aim for fencing.

- Randy Emm said that each reservation was challenged by different governing structures for grazing.
- The Tribal range districts need an inventory before any fencing occurs.
- BIA in Carson City suggested a need to open up the fencing application to the 12 Range Districts. Stated that CFR 162 mandated participation by BIA in developing plans on Tribal lands for fencing.
- Reggie Premo stated each Tribe would need to have some sort of fencing resolution.
- BIA, by policy, must participate in conservation activities on Tribal lands. Data and resources are available to assist NRCS. Talk to Dave Smith, BIA, Carson City. **ACTION**
- Replacement Irrigation Systems was discussed.
- Payment rate financial assistance (FA) was discussed for smaller farmers.

- Clint from FSA and Bruce reiterated USDA's commitment to outreach and program participation for the Native American communities. They mentioned the USDA lawsuits.
- Bruce said we would announce the policy and handle problems that may arise given all of the different circumstances.

NOTE: New policy announced Feb. 14, 2012. Posted online at <http://www.nv.nrcs.usda.gov>.

STAC MEETING SUMMARY OF ACTION AND DISCUSSION ITEMS:

- Resource Concern Matrix – STAC members are asked to review and provide input.
- Forestry resource concerns are not being addressed. NRCS needs to be a player with NDF. Perhaps a fund pool is needed.
- Leave cost share payments alone for now. There was concern expressed that applications from big vs. small producers are not treated equally.
- Drainage fund pool needed for drainage issues. This issue was raised in Caliente, Duck Valley and Fallon. Possibly use AMA to fund drainage projects.
- Payment Rates – Fear of losing local input and control over funding priorities.
- Duck Valley has instances where pipe just won't work. We need to work with the Tribe on ditch lining options.
- TSP should be hired to address NEPA on public lands.
- Carl Clinger commented that the last STAC Meeting Minutes were very good, but that there was no follow-up on the needs that had been listed from that meeting. Carl felt the follow-up on the issues needed to be better by NRCS. We need to review the minutes from the prior STAC meeting and report on our progress on action items.
- It was suggested that we publicize program opportunities on conversion to dry land and energy efficiency.
- Share our data with STAC members regarding our initial program funding and our allocation across all of the funding pools.
- Announce a program sign up period for Tribal fencing.
- An issue was raised on cost share on pipe. We currently pay the same rate for 18 to 24 inch pipe. We need to split it out more. 24 inch pipe is much more expensive than 18 inch. Is the option available to increase the payment in certain circumstances?
- Mike Odegard will organize a Pest Management and IPM subcommittee.

FY 2012 Fund Allocations – Nevada NRCS

Account Name	Initial Allocation	Regional Equity	Target
Nevada	\$5,755,483.00	\$2,128,549.00	% Alloc
National Initiative Funding Pools			
FY12 Certified Organic	\$0.00		
FY12 On-Farm Energy	\$0.00		
FY12 Organic Transition	\$0.00		
FY12 Seasonal High Tunnels	\$0.00		
Statewide Funding Pools			
NV_Sage-Grouse	\$912,965.00		100
NV_Fire_Rehab	\$287,774.15	\$106,427.45	5
NV_Group Projects	\$575,548.30	\$212,854.90	10
NV_Limited_Resource	\$287,774.15	\$106,427.45	5
NV_Beginning_Farmer_Rancher	\$287,774.15	\$106,427.45	5
NV_SociallyDisadvantaged	\$197,100.80		2.5
NV_Tribal_Grazing_Management	\$0.00	\$197,100.80	2.5
Local Work Group Funding Pools			
Carson_River	\$345,328.98	\$127,712.94	6
Churchill	\$230,219.32	\$85,141.96	4
Elko_Eureka	\$805,767.62	\$297,996.86	14
Humboldt	\$287,774.15	\$106,427.45	5
Lander	\$230,219.32	\$85,141.96	4
Pershing	\$230,219.32	\$85,141.96	4
South_Central	\$1,093,541.77	\$404,424.31	19
Walker_River	\$402,883.81	\$148,998.43	7
Washoe-Storey	\$402,883.81	\$148,998.43	7