

MINUTES

OHIO SOIL AND WATER CONSERVATION COMMISSION JULY 10, 2008 – 8:30 AM Delaware, Ohio

Chairman Mott called the meeting to order at 8:30 a.m. and the attendees recited the Pledge of Allegiance.

Chairman Mott asked Tracy Bleim to give a roll call of the members. The following members were present:

Tom Price
Fred Cash
Clark Sheets
Randy Mott
Susan Reeves
Jerry Bigham
Kevin Elder not present

Others present included: David Hanselmann, Executive Secretary, Tracy Bleim, Fred Hammon, Tim Gerber, Dorothy Farris, Jill Evans, Kirk Hines, and Steve Hawkins, ODNR Division of Soil and Water Conservation; Mindy Bankey, OFSWCD; Rick Ellsmore, NRCS; Dan Binder, Franklin SWCD; Larry Ufferman, Delaware SWCD; and Jeff Mitchell, FSA.

APPROVAL OF AGENDA

Chairman Mott asked for any additions or corrections to the agenda as submitted.

Clark Sheets moved to approve the agenda.
Susan Reeves seconded the motion. Motion carried.

APPROVAL OF APRIL 9, 2008 MEETING MINUTES

Chairman Mott asked if there were any corrections to the April 9, 2008 minutes as mailed. Mott thanked Bleim for the minutes provided.

Chairman Mott asked for approval of the April 9, 2008 minutes as mailed.

Fred Cash moved to approve the April 9, 2008 minutes as mailed.
Tom Price seconded the motion. Motion passed.

AUDIENCE TO VISITORS

Chairman Mott asked if any visitors would like to address the Commission and invited them to participate in the discussions.

Dan Binder of Franklin SWCD introduced himself and said that he was glad to be able to join the meeting.

Chairman Mott thanked Larry Ufferman and the Delaware SWCD for a very nice tour yesterday.

COMMISSION MEMBER REPORTS

Jerry Bigham had nothing to report.

Reeves stated that she attended the monthly board meetings.

Sheets reported that he attended the monthly board meetings and encouraged everyone to attend Summer Supervisor School at the end of July.

Cash said that he attended local board meetings and also is serving on a council comprising of 18 counties for the Girl Scouts. Cash noted that he encouraged members of the scouting board to work with the SWCDs to see if there is any collaboration that we can do on managing the forestry properties that they have.

Price wanted to encourage everyone to attend the Ohio State Fair in August. Price noted that with fuel being the way that it is, the fair is an even better value to attend and find out what is going on around Ohio. Price added that the OFBF exhibit is new this year.

Mott reported that he attended local board meetings and has been working on local FRPP requests for farmland preservation as well as our local farmland preservation program.

ANNUAL REPORTS

Hanselmann reported that DSWC received all 88 annual reports from the SWCDs.

SUPERVISOR APPOINTMENTS

Hanselmann reported that there are three board member appointments to approve. Unfortunately, two of the appointments relate to deaths of board members. From Mercer SWCD, Brother Don Fisher passed away and the board has unanimously recommended that Brother Nick Renner be appointed to replace Brother Don Fisher.

In Pickaway SWCD, there was the untimely death of Terry Neff and the board is unanimously recommending that Vickie Sheets fill that position. Sheets had been a board member from 1999 through 2007.

The last appointment is for Carroll SWCD. Brad Ocel resigned from his position and the board has unanimously recommended Chuck Pearson to replace Brad Ocel.

Chairman Mott asked if there was a motion to approve the three appointments for supervisor.

Tom Price moved to approve the appointments of the recommended supervisors.
Susan Reeves seconded the motion. Motion carried.

JOINT BOARD OF SUPERVISORS

Hanselmann reported that there was a request for a formation of a joint board of supervisors for Marion and Morrow SWCDs, in which they would jointly implement the McKibben Ditch Drainage Project. From our point of view, it is an important project that has been in the planning stages for two or three years. Our division solicited a substantial grant from US EPA to pay the additional cost of an alternative channel design and there has been amongst the conservation district and staff and others in the community that the approach seems acceptable, certainly the additional funds are helpful. Unfortunately, that is the same county where there was a complaint filed on another drainage project on Bee Run and that led the county commissioners to be very slow in approving additional projects. Hanselmann thought that was behind us, and there was still one large hurdle, pending the completion of the design by the Corps of Engineers to grant approval of a 404 permit. But the need today is to formally approve creation of the joint board for the McKibben Ditch Project.

Chairman Mott asked if there were any comments from the OSWCC and if not asked for a motion to approve this joint board of supervisors?

Clark Sheets moved to approve the formation of the joint board of supervisors.
Susan Reeves seconded the motion. Motion carried.

Hanselmann said that he had another item to bring up briefly as part of the Executive Secretary Report. Hanselmann stated that Fred Hammon will address it and it is in regards to SWCDs implementing the SWIMS program per the requirements that the OSWCC established.

Hammon distributed an updated list of SWCDs abiding by the SWIMS guidelines set by the OSWCC and actually two districts, Paulding and Champaign, came from the bottom group of districts and moved to the top group of districts that were meeting the requirements of SWIMS reporting.

Hammon said that basically we have 11 out of the 88 districts not meeting all of the perimeters and so we are really encouraged because it is only about 12% of all of the districts and we have about half of the year to go yet and we will continue to work with those districts. On the back side of that page, we put together a scorecard of 1-4, with 4 being the closest to gaining compliance. Hammon added that we are continuing to do individual training and offering assistance wherever possible.

Hammon stated that the second page that Martin Joyce put together for you is an update of where we are at. Hammon reported that the new modules have been updated and the goal is to begin training SWCDs on new modules in September. The link between the SWIMS program and NRCS's "Toolkit" program seems to be going a little slower than we'd like. DSWC is waiting on the formal agreement with NRCS, which will address sharing or transferring of data among the partners. Hammon mentioned that development of a "data import tool" which Butler and Hamilton SWCDs spoke about at the last OSWCC meeting is being worked on. The tool would be used to pull information from "local" tracking programs and would insert the information into SWIMS. DSWC has been working with the SWIMS developer, the Cengea Company to build the tool and is hopeful to have the tool available within the next few months. The cost for that will be around \$13,500 and we have actually included that amount in the overall state SWIMS budget. Hammon thought that this could be used as the basis for making SWIMS talk to Toolkit. As other districts may be required to use another reporting tool for the county system, this patch should work for them also.

Cash said that DSWC and the staff should be commended for working with the districts in creating this because it is a very big plus for the SWIMS package.

Dan Binder asked if this patch was something that other users would need to pay a user's license on?

Hammon stated that it will actually be a core part of SWIMS so that other districts are able to use it also.

OSWCC ACTION AND DISCUSSION ITEMS

REVIEW DSWC STAFF RE-ORGANIZATIONS AND REDUCTIONS

Hanselmann reported that the state budget is coming up short in terms of revenue and at the last OFSWCD annual meeting in January Governor Strickland announced significant budget cuts in three tiers and so far the first tier has been a sizable cut – about \$730 billion and our division ended up with a reduction of \$400,000 in the Lake Erie CREP account and \$448,000 in our division operating budget. For this coming fiscal year, the amount for FY '08 that just ended was somewhat less than that, but we knew that the reductions in the fiscal year that just ended and the \$448,000 reduction that started July 1st that there was no way that we could absorb that level of cut without reducing staff. We spent considerable time scoping out the best way to approach the staff reductions and work with ODNR's human resources office along with several other offices that are needing to reduce staff and we came up with a plan that took several months to put together and was ultimately approved by the Department of Administrative Services and the Office of Budget and Management. We had four positions that we needed to eliminate and one position we were able to move. Hanselmann referred to the colored Table of Organization which represents the division's staff after July 19.

Hanselmann stated that on the black and white TO, the five positions highlighted in blue are the positions being removed. We were able to arrange a transfer into MRM for Rick Burke, our IT Manager. Randy Keitz, our Area 2 Engineer was offered a position with MRM although it was not related to our budget cuts. This black and white TO is from April of 2001 shortly before Larry Vance left as chief. Hanselmann added that he thought that it would be useful to see that there were 62 positions at that time and we will be down to 38 on July 19, which is the effective date of our reorganization.

Hanselmann noted that there has been a significant reduction in our soils staff since 2001. With the further reductions, we will be left with 5 soils positions. Tim Gerber of the Soils Section has indicated that he

plans to retire at the end of November and Nelson Strong of the Communications Section plans to retire at the end of September. We plan to refill the Soils Section Administrator position, which will leave 3 soil scientists out in the field. We don't have confidence on what the next budget will provide for us and we are probably looking at another 10% reduction. Hanselmann said that we will bide our time and see what the next budget holds for us and go from there. We will certainly be looking at partnerships with NRCS and The Ohio State University. Hanselmann thought that we should still have a viable soils program, but hoped that we wouldn't have to reduce the soils program anymore. Hanselmann said that he was worried that these reductions and further reductions that may occur would cause the division to be unable to provide the same leadership and support that we have in the past.

Evans said that of the three layoffs that we had, one will be moving to MRM, one will be an intermittent employee until he reaches retirement in a few months, and the other employee we were able to put into another position by the use of some coastal money for six months so that he could look for another position.

Mott commented that he wasn't happy with the results, but that is what we are faced with. Mott appreciated the efforts of the division to help the individuals as much as possible.

REVIEW FY '09 OVERALL BUDGET FOR 725-502 (SWCDs, etc), 725-683 (C&D FEE FOR SWCDs), 725-407 (LAKE ERIE CREP), 737-321 (DSWC OPERATING)

Hanselmann reported that luckily there was no cut for the current biennium for the 725-502 account which goes to the conservation districts. There was a nice increase of \$600,000 from FY '08 to '09 and that was at the request of the OFSWCD, our districts, and our department to cover the anticipated growth in local matchable income, which has been running 5-6% in recent years. The income in revenue for the CD&D tipping fee which is account 725-683, you will see \$1.8 million on the handout distributed. This is what we had anticipated when the \$0.25 for the fund was added to support conservation districts and state match. We came close to that the second year. The revenue is down considerably – almost 19% to just under \$1.5 million last year. We see no reason to think that will pick up anytime soon. DSWC is projecting that for FY '09, '10 and '11 we will receive \$1.5 million. At this point, we hope that it doesn't fall further. With the increase that was in the general revenue funds, it allows us to keep the match rate fairly high.

Hanselmann stated that the watershed coordinators were allotted \$275,000. The remaining urban grant to Portage SWCD we still owe them a little bit of money from last fiscal year and the remaining payment will be made this FY '09 totaling \$40,000. There are \$10,000 of nonpoint source mini-grants for education work that we have been able to provide. Hanselmann added that \$110,000 will be set aside for the ag pollution abatement program (cost share and the livestock environmental assurance program). Legislative earmarks are \$495,000. Those are itemized at the very far left at the bottom. Heidelberg Water Quality Lab will receive \$220,000, the Indian Lake Watershed Project will receive \$125,000, the Conservation Action Project will receive \$50,000, and Grand Lake St. Marys will receive \$100,000. Those equal the \$495,000 in legislative earmarks.

Hanselmann added that \$113,500 will be used for SWIMS enhancements to the software, data storage costs, and to cover the cost of the data import tool. Certainly this will help the districts that we have been working with in recent months as well as several other districts down the road.

Hanselmann stated that \$50,000 has been set aside for a GIS Enterprise System which will provide a natural resource analytical tool that SWCDs, local communities, individuals, and other state agencies could use to gather data for a variety of purposes and then build into that an analytical capability. It could be used to scope where on-site septic systems are appropriate or if land application of manure is suitable for a certain area.

Hanselmann reported that DSWC has submitted two applications to the Ohio Water Development Authority and both are requesting \$200,000 which is the maximum that we could apply for. The first one would be a continuation of some of the urban stormwater grant work, the training and outreach, but mainly analyzing the stormwater runoff criteria and standards that are in our Rainwater and Land Development

book that are widely used by the development community. Hanselmann added that there is a 50% match requirement for these grant applications.

Hanselmann stated that DSWC would need to contract out the development of this GIS system. We tentatively determined that it would cost a minimum of \$300,000 for that so if we are lucky enough to get a grant approved for \$200,000 from OWDA, we should know that by November. DSWC has proposed to put in \$50,000 from GRF for each of two years, this year and next year so that we can provide the match for this grant. We would have another \$100,000 for in-kind match that we could provide through our division staff and conservation district staff who are anxious to be involved. So we propose to set aside \$50,000 as potential match for that grant and if the grant doesn't materialize, DSWC hoped to keep those funds available and seek other grant opportunities for that project. Hanselmann stated that those are the funds accounted for in FY '09 for the 502 account and the tipping fee account.

Hanselmann added that the Lake Erie CREP is in another separate GRF account. The fund started in FY 99 at \$2 million per year, but has diminished to \$1 million in FY '06 and we have lost \$400,000 in FY '08 and now we will be reducing that \$600,000 to \$467,119 for FY '09.

Hanselmann thought that we still have a viable Lake Erie CREP program since there is some money left in various counties that we had previously distributed. We may have a match issue with the Farm Service Agency in a year or two. In January we calculated that we were about \$3 million "in the good" in terms of our match commitment, but with this reduced amount of state cash for landowner incentive payments, we will definitely be headed towards a break-even match. Obviously, we can't go in the red in terms of match money.

Hanselmann stated that our division operating budget will be down to \$3,626,180 in FY '09.

Cash commented that the services provided by ODNR are crucial and it is very important to have agency staff. Cash remained optimistic for our future, though.

APPROVE DISTRIBUTION OF STATE MATCHING FUNDS TO SWCDs; REVIEW PROPOSED TIMING OF CASH DISTRIBUTION

Evans reported that SWCDs were spared any cuts for FY '09 which is good news. Evans said that the revenue on the C&D tipping fee came in much lower this year and essentially that carryover of \$360,000 - \$380,000 or so that we had established ended up being a carryover of \$70,000 so it makes it a little bit tough in terms of cash flow, but Evans thought that OBM would be a little easier to work with in terms of getting the money out so Evans hoped to only send out two checks this year. Evans stated that there are two different matching scenarios that were sent out to you earlier. The white copy is the traditional formula and this would spend down all of our money that we would have available.

Evans added that we also provided a scenario that would create a \$250,000 carryover which we could either decide to carry it over in FY '10 or districts could carry it over the next calendar year.

Given the downward trend in revenue, DSWC was thinking that this might be the prudent way to go since the construction and demolition revenue is slowing down considerably. Essentially, it makes the difference of about 2% in the overall match of SWCDs from 98% to about 96%. It will change a little bit given that the Program Assistance Grants aren't going to be quite \$100,000 so these numbers may change slightly depending on what you all decide to do with the Program Assistance Grants.

Hanselmann added that the letter that was sent out with the OSWCC packet tried to articulate, as Jill has, the rationale for setting aside the \$250,000. The DSWC management team discussed the options and believed that this would be the wise approach and was our recommendation that we go with the green handout. Hanselmann said that DSWC knows that this cuts the match rate a little and it is \$250,000 divided by 88 which equals over \$2,000 per SWCD on average that we would be holding back. Hanselmann thought that we should sympathize with the cash flow issue, but districts need their funds from the state by December generally. Sometimes a few can get by with the state money coming in January or February, but obviously money that is available next June isn't all that helpful to them. Hanselmann said

that there are other items that we funded out of that account and we sort of mixed and matched to try to get through the year with these other ag pollution abatement cost share projects and luckily even the legislative earmarks. For example, the Heidelberg Water Quality Lab didn't get their final payment until a couple of weeks ago, but still there is only so much of that we are able to do and certainly 90% of these funds are state matched so Hanselmann thought that we needed to re-establish that carryover and then work in the next biennium budget to overcome that 2% temporary reduction and then we will talk about the anticipated larger reduction here in a few minutes.

Mott summarized that with the scenario that we have in front of us, when would checks go out to the districts as you anticipate it today?

Evans thought that a little less than half would go out before August 1st and then the second check would be in November. We may have to request some volunteer districts to hold back on their second check to help with the cash flow.

Mott reiterated that the majority of districts would get their second checks in calendar year 2008 then.

Hanselmann said that he was trying to focus the Director of ODNR's Budget Office on determining that for the last several months. Hanselmann added that Koffi Akakpo is meeting with the Office of Budget and Management today and Hanselmann has an appointment with him tomorrow. Hanselmann said that he is remaining optimistic that in early August and then in early November, two checks will be sent out to the majority of districts except for the few districts that volunteer to delay their payments. Hanselmann didn't think that he would know for sure until tomorrow and then perhaps even after that. Hanselmann said that he felt that he made a big issue of it with the Director's Office though.

Steve Hawkins noted that in the past we tried to get the money out to the districts as quickly as possible to prevent the state legislature from taking it away. Hawkins asked if they would try to take away this \$250,000?

Hanselmann thought that they would not because effectively that \$250,000 will not be received until April, May or June anyway because that is the time that it will actually come into our office.

Evans added that the balance at any one time would probably not be \$250,000 since money is received gradually over the year.

Hammon concurred and thought that this was probably the safest amount of money to hold back.

Mott asked if there was a motion to let the staff know what our intentions actually are?

Price moved to create the \$250,000 carryover as described in the green handout that was distributed and is attached.

Cash seconded the motion.

Mott asked if there was any discussion?

Price asked how the \$250,000 was arrived at?

Hanselmann said that it was sizeable enough to deal with at least a modest budget cut and to deal with some of the cash flow issues. Hanselmann said that this keeps state match at 96% and added that he wouldn't want to go any lower than \$250,000 and if he did recommend a different number it would probably be a higher number.

Cash commented that he supported the budget adjustment.

Mott added that if you look at what our state match has been historically, this \$250,000 fits very well with what we are working with.

Price asked if at our April meeting, there is a difference in our budget projections, do we reserve the right to move this amount up to maybe \$350,000 from \$250,000? Or is that too late?

Hanselmann thought that in all likelihood we would need to be recovering funds from conservation districts to pay for the legislative earmarks that we haven't paid yet. We have a little play with the ag pollution abatement cost share, but know that we are only a few months away from FY '10 and so in the ballpark of \$100,000 we can move one way or the other maybe, but if it is much more than that...and this may be something that we want to include in the correspondence announcing the match rates that we have set aside this \$250,000, however, if there are budget cuts greater than that, or if the C&D income declines further, there is a possibility that we would need to recover some of the state match commitment. It is a small possibility, but at least it will let people know what we need to do with a budget cut above \$250,000.

Mott stated that the motion has been called and all those in favor of going with the scenario B on the green pages as we have been presented signify by saying "I". Motion carried.

**DISCUSS, AND POSSIBLY APPROVE, RECOMMENDATION FOR LIMITING
"ACCUMULATION" OF \$8,000 ANNUAL STATE MATCHING FUNDS FOR CAPITAL
IMPROVEMENTS**

Hanselmann asked the OSWCC members to review the purple handout in the OSWCC member packets.

Hanselmann reminded the OSWCC that several years ago, the OSWCC adopted a policy that limited matchability of local appropriations to be spent on capital improvements. The OSWCC did this by utilizing the authority in the revised code which states they have the authority to review and approve any state match funds above \$8,000/year for each conservation district. Hanselmann noted that this policy didn't speak to the point of previously accumulated funds, essentially a district's carryover, which districts need to have to deal with cash flow since their funds are derived from state, county, and local funds. The issue came up recently on what limitations should be placed on the expenditure of carryover accumulated in state funds. Hanselmann noted that this would not affect the local or county funds, but only the state funds. Hanselmann said that after the last OSWCC meeting, it was requested that a policy or options be provided. Hanselmann stated that there are two options in front of the OSWCC to consider. DSWC is recommending the 1st option which is in all caps starting with "Moreover, no more than two years of the allowable \$8000 per year of state match funds can be accumulated in a district's carryover to pay for the cost of a capital improvement. Thus a current year's \$8,000 could be combined with no more than \$16,000 of carryover of state funds for a total of \$24,000. It is recognized that carryover consists of both local and state funds. The \$8,000 per year and \$24,000 total relates to use of state funds. Division of Soil and Water Conservation Program Specialists can help calculate carryover proportions."

Hanselmann said that the rationale for this recommendation is that it provides a level of expenditure for construction, for example, since many districts have land labs or outdoor education centers which DSWC feels that something which is of this more modest nature should be allowable for conservation districts to utilize those state funds so that if costs are higher, such as over \$100,000 then local or grant funds could be used for that purpose. The rationale for limiting capital appropriations was that philosophy that the OSWCC adopted which was still to focus state match money on the conservation district operations (hire staff, cover board costs, maintain computers and vehicles, etc). Hanselmann added that acquiring property and conservation easements is good, but in tight budgets, it is important to focus state match funds on the operational costs of the 88 districts. That was our philosophy and our recommendation to have a significant limit of \$8,000 per year and then this carryover issue of \$16,000 is an appropriate level of limitations, still focusing state match money on operational costs, but opening the doors for some construction costs.

Hanselmann noted that option #2 would be more limiting.

It states that "no 'carryover' of state funds from previous years' state match can be used for capital improvements, except that up to \$16,000 of state match funds included in carryover accumulated prior to 12/31/08 can be added to a current year's \$8,000."

Cash questioned as it is right now, how does it sit on terms of carryover funds? Is there a limit?

Hanselmann said that currently there is no limit on the accumulation of carryover for multiple years. DSWC tries to work with conservation districts to avoid a large carryover and that relates to the discussions with the county budget office, the county commissioners, and somewhat to the Director of ODNR. It is somewhat challenging for the Director of ODNR to support an increase in state match when the Director and his staff is aware that there is multi million dollars in carryover in the 88 districts. Director Logan is a former county commissioner and he understands the value of some carryover, but some districts have established a carryover a bit too large and we have been encouraging some of those districts to spend down the carryover. If you go district by district, you will even see that on this budget, some county commissioners were noting that they had a tight budget and weren't sure how they were going to fund the districts and the districts were letting them know that they had a carryover and that they could help them out this year. Hanselmann added that this is the kind of give and take that a carryover allows you to have that kind of discretion with the budget situations. We have a district administrator here who is faced with what is the exact amount of carryover that is useful for us.

Price asked what the amount of carryover was for our districts? \$1 million or \$10 million?

Hanselmann said that it was over \$1 million.

Larry Ufferman said that Delaware SWCD has a scenario where they received two grants two years in a row for the Big Walnut CREP and we still have some money left over from those grants. We were matched \$8,000/year and if we were to use that first scenario that you provided us, you can spend \$16,000 of the previous carryover, but you can't ask for additional match?

Hanselmann said that a district could spend up to \$16,000 of previous carryover state funds that were matched on, but you couldn't have an additional match if that is what you are asking. Nothing here would allow it to go back and provide additional match. We are only speaking to how those carryover funds can be expended.

Mott commented that they were already accumulated funds and they had already been matched so we are not adding any more to that.

Hanselmann added that previously there was no policy to limit our matchability if some local municipality offered a conservation district \$1million to buy some land or conservation easements and we would have been obligated to match those funds. With the ongoing budget issues, it is enough of a hurdle to deal with the increasing operational costs without also having to deal with major capital expenditures.

Mott noted that we are being asked to provide our input as a commission as to what this policy should be and Mott added that Hanselmann has provided a couple of scenarios that we have had input on, which would clean up our existing policy that we have now. Mott asked if there was a motion in favor of one of the options?

Price asked what the OFSWCD's take on this was?

Sheets said that he had mixed views on it himself. For example, you have a district with a long-term goal and they have set aside funds and have worked with their local county commissioners and kept them abreast of the carryover and everyone knows what they will be using it for and we come back and penalize them here for being conservative and have a long range goal for them to achieve. Sheets said that he could see the other side of it, too, where you have the opposite view.

Mott asked DSWC if they had any idea of what a typical carryover amount per year for a district is?

Evans said that it was anywhere between \$0-\$300,000 and added that there wasn't any typical carryover amount for a district.

Mott said that his district uses a multi-year equation to submit to county commissioners based on past match rates. If you average those out and go from an 85% match rate to a 98% match rate, then a district is sitting there with some extra funds if you call it that. Do you spend those monies down as a district on maybe something that you weren't prepared to do right away and you didn't have it in your long range plan or do you carry those funds over for a year or two so that you are able to provide a plan to utilize those funds. If you are fiscally responsible, you accumulate funds so that you don't have to borrow those funds from someone else.

Hawkins asked how you would track how those funds are spent?

Hanselmann thought that we could make all of the districts aware that this is the policy and DSWC staff would need to be made aware of all of the land acquisitions or buildings that the districts wanted to purchase. Hanselmann added that this could be included in the new board member trainings.

Mott commented that some of the reasons for having this in place would be that small amounts of money and he didn't know what constituted a "small" amount of money, but those monies are not creating a hardship for the matchability of the total amount of funds for a year. In other words, that is not an issue or creating a problem for us as we are moving forward in time. Problems would be for a district that went out and got a large grant and then all of a sudden that became a pot of money that could be matched and now that has an affect on all other 87 districts. Mott added that there are a few parts to this.

Hawkins said that if he was a district and had a large amount of money coming from the state and you spent all of that money down and then use the district fund for a capital purchase – how do you separate those funds out?

Hanselmann said that what he is hearing is option #3 would be we have an \$8,000/year limit, but then perhaps not limit any accumulation of that and then if you accumulate \$8,000/year for 10 years then you have \$80,000 of state money to put towards a capital improvement project along with any additional local money.

Mott thought that went back to our original discussion with regard to if you are trying to be fiscally responsible as a district and accumulate some funds back and they go to the county commissioners with a plan for that money, does it make it difficult to account for those funds? Probably.

Hawkins said it is the "shell game".

Hanselmann thought that we could track it, but there isn't any way to prevent the "shell game".

Sheets joked can he make a motion for option #3 then – but it isn't on the page there?

Hanselmann articulated that option #3 could be accumulated carryover up to \$8,000 of state match for capital improvement purposes which could be carried forward and there is no additional limit on the use of accumulated state match for capital expenditures. So it would be \$8,000/per year and you could accumulate that indefinitely and expend that – up to that amount in any one year. There would be no limit above and beyond the current policy of limiting \$8,000/year so it is consistent with the current \$8,000/year limitation, but not prohibiting carryover of that \$8,000 as long as you want to would be option #3.

Farris asked how SWCDs would track it?

Mott commented that he was going to bring it up that if the OSWCC was going to offer this as its policy, it seems prudent that local boards should decide as to what monies are associated with capital improvements and they designate those funds for that which makes it easier to track.

Farris thought that maybe they could submit that information with the Form 11 to show where those funds are at to put the burden of tracking on them.

Hawkins clarified so the districts will have to calculate out the \$8,000/year and they will have to get the money from somewhere else if it isn't enough?

Price thought that there should be the ability for the district to earmark or set aside those funds and show what that money will be used on later for auditing purposes.

Cash commented that his feelings mirror Clark Sheets' opinions on this and couldn't see what would be the better option.

Mott didn't see any problem moving this to another meeting since we have a few more options here and we haven't had a whole lot of time to review them. Mott added that there have been a number of great points made today, but maybe we are not ready to make a decision today?

Clark Sheets moved to table this to the next meeting.

Fred Cash seconded the motion. Motion carried.

Mott hoped that David could articulate option #3 and have it ready for it to discuss at our next OSWCC meeting.

REVIEW AND APPROVE PROGRAM ASSISTANCE GRANTS FOR THREE SWCDs; REVIEW AND APPROVE PROPOSED CHANGES TO PROGRAM ASSISTANCE GRANTS POLICIES FOR FY '10

Hammon reported that DSWC received three applications this year from the following counties: Harrison, Jackson and Vinton. Harrison SWCD asked for the full amount, \$35,000 and the committee thought that it was appropriate to give them that amount since the district had been cut from \$39,500 to \$12,500 this year, but they haven't taken that lightly and they have been working pretty strong. In the past two elections, they have run a levy and both have failed and they are putting it on a third time this November. They are trying to secure some dedicated local funds. Harrison SWCD lost their conservation wildlife technician and they hired Ray Rummell, a past District Conservationist who will work for the district part time. Hammon said that the committee is recommending full funding for Harrison SWCD.

Hammon stated that Jackson SWCD has applied three times for the Program Assistance Grants. The first time they were awarded \$10,000 and the second time they were awarded \$25,000. Hammon said that there was a change in the funding amount for Jackson SWCD because Hammon had inadvertently included a \$7,000 amount for hiring a potential watershed coordinator and that really should have gone into Vinton's section. Hammon said that the committee is recommending \$25,000 for Jackson SWCD. They have been level funded for a number of years and they have gone through the strategic planning process.

Lastly, Vinton SWCD requested \$32,450 and they have been awarded two previous times. DSWC funded them \$6,200 in 2006 and \$7,936 in 2007. This was a little more challenging decision because one of the major portions of their request was to fill a \$10,000 benefits fund. They have a 28 year employee potentially retiring in a few years and they haven't had a lot of carryover and had to use almost all of their funds for operations. The district was worried how they were going to pay her retirement costs, sick leave, and vacation leave so they wanted to build a \$10,000 benefits fund. The committee didn't feel that this was an appropriate use of these funds, but they did suggest that they wanted to do some more community outreach and those types of efforts so the committee is recommending that we give them \$18,500 with the specific stipulation that they don't use it for the benefit fund.

Hammon said that if you totaled all of those up with the reduction of \$7,000 the total comes to \$78,500 for the Program Assistance Grants to be distributed to those districts.

Mott clarified that the balance of the \$100,000 would be returned to state match.

Hanselmann questioned whether the \$7,000 that was inappropriately listed under Jackson SWCD doesn't need to be transferred to Vinton SWCD for that same purpose?

Hawkins said that the Vinton SWCD had an opportunity to get a watershed coordinator and they wanted to have \$7,000 in hand before hiring the individual and they realized that was not going to be a possibility this year, but maybe next year so they elected to go through the RC&D this year because they are classified as a charitable organization, as Hawkins understood.

Mott stated that we have \$78,500 in total grants and the balance from the \$100,000 would go back to state match and these are the three recommendations from the committee.

Tom Price moved to accept the recommendations made by the committee for the Program Assistance Grants.

Clark Sheets seconded the motion. Motion carried.

Hammon referred to the blue sheet in the OSWCC member packets that discussed the proposed policy changes to the Program Assistance Grants. There was a request to allow districts to receive funding over a longer time period than three years so the division is recommending changing the number of years a district may receive a grant from three to four, but keeping the overall maximum cap of \$105,000 in a seven year period. Hammon stated that the exact wording on the policy will read, "Districts are eligible to receive PAG funding up to 4 times within a 7-year period and cannot exceed \$105,000 combined." Hammon thought this would allow us to remain flexible and would give Vinton and Jackson another shot at receiving funding.

Mott asked if there was any discussion?

Fred Cash moved to accept the policy change as provided.

Susan Reeves seconded the motion. Motion carried.

REVIEW OVERALL DSWC/SWCD PROPOSED BUDGET FOR FY '10, '11 BIENNIUM

Hanselmann stated that DSWC submitted the proposed budget to the Director's Office for the next biennium budget. The Office of Budget and Management stipulated that agencies could submit two versions of the budget and they both are based on the fiscal year that started July 1st. In our case, the Lake Erie CREP account numbers are down as well as our operating budget. With those reduced numbers, we can submit a budget request of 90% of those or a 95% option. Director Logan has said that the information from the Office of Budget and Management has indicated that our department shouldn't expect much more above the 90% level. Time will tell since the Governor doesn't submit the budget until around February 1st or so, but the pessimistic view is that this is the strong word from OBM. Hanselmann said that we would reduce the Lake Erie CREP by \$46,000 further so we are losing acres of enrollment. Hanselmann added that for every dollar of state funds that go out, we get about \$10 of federal funds as payments to landowners.

Hanselmann said that the C&D tipping fee scenario is not so good right now and then there will be a 10% reduction in the 502 account which is close to \$1.3 million. Hanselmann said that our best presumption is that there will be \$500,000 in legislative earmarks and that no additional funds will be added to cover the cost of those earmarks. Hanselmann said that DSWC has tried to advise the SWCDs and Heidelberg Water Quality lab that we weren't including those earmarks in the budget proposal, but it is often played out that they end up back in the budget – sometimes with additional cash, but oftentimes without it. That is about a 4% flex in the state match rate so at that 90% level in FY '10 the match would fall to 84.2% and in FY '11 with the projected local match increase it would fall to 80.1%. This equates to the cash loss of \$1.3 million, which some of that could come out of the watershed coordinators and ag pollution abatement cost share but over 90% of the funds in that account is for state match so it would be an actual reduction in state match funds and a substantial percentage reduction above and beyond that.

Hanselmann thought that it would be a challenge for ODNR to submit a budget that would be above the 90% level for state match. With the department and our division having a 10% reduction and being forced to lay people off, it is a pretty challenging picture to not have a proportionate reduction in the proposed budget for conservation districts - also, knowing that they were spared a cut recently.

Hanselmann said that the division operating budget has a \$360,000 reduction at the 90% level so it would go from \$3.6 million down to \$3.2 million and we would need to release another 5 positions so we would go from 38 full time positions down to 33 positions. For now, the proposal is to reduce one of the two people focused on watersheds, two program specialists and two resource management specialists from what we submitted to the Director's Office. DSWC will focus on what the impact would be on each of those programs when we present our budget to the Director's Office in the presentation that we are scheduled to give them tomorrow.

Hanselmann said that there is a lot of discussion going on to make downtown aware of what the impacts will be. DSWC is talking with ODA and Ohio EPA also. Hanselmann said that he was optimistic that the SWCDs will receive some funding, but was less optimistic about the division receiving any funding and felt that further reductions in our division will probably occur.

REVIEW VAN WERT COUNTY COMPLAINTS REGARDING AN "IMMINENT THREAT" OF POLLUTION FROM MEDIUM SWINE OPERATIONS UNDER CONSTRUCTION, AND THEIR RESOLUTION

Hanselmann referred the OSWCC members to the letters regarding the pollution complaint and emphasized that the complaint that was filed in Van Wert County at the time was against two hog operations that were under construction and it is under our authority to investigate complaints not only where there is an allegation of pollution of waters of the state, but also an imminent threat to pollution of waters of the state. Hanselmann said that we have never had a formal complaint filed on that basis previously and the concerned citizens in Van Wert County were very organized so there was and potentially still is a potential for lawsuits. We wanted to be very deliberate for the basis for reaching a decision and exploring a lot of technical information to reach that judgment. DSWC invested a substantial amount of staff time on this complaint.

Hines said that we tried to keep the process as simplistic as we could. The operation that we investigated had proposed 2400 head of hogs and Hines noted that 2500 head of hogs requires ODA's jurisdiction. Hines asked the OSWCC members to review the letter and referred to the first underlined section that stated "ODNR-DSWC is required to investigate the aforementioned complaints to determine if the facility is polluting or poses an imminent threat to polluting waters of the State." In this case, the operations weren't in place and it was only being proposed so it was only a threat of pollution. Hines thought that it was prudent to investigate this site so that a lot of money was not invested in an area that should not be considered for this operation.

Hines noted that the facility that they were constructing had two levels and the bottom level was on the ground surface for this facility and typically that bottom level is underground in most other operations. This landowner had looked at well logs and had raised the design for those purposes. Upon seeing that, we had to review sites that were not constructed yet and used our groundwater maps, well logs, and the USDA standards to determine the pollution potential. Hines said that this site had proposed to have 15 feet of separation between the operation and the aquifer. Hines added that the USDA standard requires 15 feet of separation between the operation and the aquifer so this design meets those standards.

Hines said that the three complaints made were the following: 1) alleged complaint that shallow depth to bedrock and that the minimal separation distance between the waste storage structure and the aquifer will lead to pollute waters of the state 2) alleged complaint that the concrete construction methods utilized for the floor of the manure storage structure (pit) is vulnerable to cracking and will result in ground water pollution and 3) alleged complaint that absent a manure management plan the operation will pose an imminent threat to polluting waters of the state.

Hines said that the first complaint regarding depth to bedrock was addressed by requesting the operation to have the 15 feet of separation designed by a professional engineer. The second complaint referred to the concrete construction methods utilized and DSWC felt that industry standards were logical. Hines stated that the last complaint involved a requirement to have a manure management plan and DSWC is asking for a CNMP.

Hines reported that in the conversations with the operator, they are choosing to develop and adhere to a Comprehensive Nutrient Management Plan for this swine facility. This plan will be developed in cooperation with the Van Wert SWCD. Hines added that if an additional waste storage structure is constructed at this facility, a minimum of 15 feet of soil (in-situ soil plus liner, if necessary) between the bottom of the waste storage facility and the top of the aquifer zone will be provided unless special design considerations are utilized. If special design considerations are utilized, the facility will rely on professional design assistance through the services of an Ohio licensed professional engineer. The special design considerations will be submitted to ODNR-DSWC for review.

Hanselmann said that he spent five hours with the Van Wert SWCD and Jocelyn Henderson, Resource Management Specialist within our office on setting up the CNMP for this operation.

Bigham asked if he was planning to build an earthen separation as part of the 15 feet of separation?

Hines said that he was planning to go out and do some irrigation so the 15 feet of separation would include the concrete for 6 months or a year and then the operator would build the earthen storage after he is done.

Bigham asked if it is less than the 15 feet separation and if it is an artificial concrete separation?

Hines said that under USDA standards it requires 15 feet of separation unless there are special conditions such as a professional engineer design.

Hanselmann added that we would need sufficient documentation in that kind of situation to have the confidence that these standards were being met by some technology. We would need a certified engineer to approve the installation of those technologies.

Bigham thought that this doesn't cover the budget concerns that the division is being forced to deal with.

Cash thought that this was a good way to respond to the complaints and added that this facility should look at anaerobic digestion and those kinds of technologies as well. Cash thought this was an appropriate response from the division though.

DISCUSS ADVISABILITY OF CREATING A STAKEHOLDER ADVISORY COMMITTEE TO RECOMMEND CHANGES IN THE AGRICULTURAL POLLUTION ABATEMENT PROGRAM FOR SMALL AND MEDIUM "CAFOs"

Hanselmann said that six years ago DSWC created a stakeholder advisory committee to recommend changes to the agricultural pollution abatement program and that was when we adopted the standard operating procedure for all conservation districts to use and the expectation was that all verbal complaints would be responded to as well as written complaints. The SWCDs and DSWC entered into a new Memorandum of Agreement to jointly administer the ag pollution abatement program. There was an expectation that conservation districts and our staff would become aware of an operation even if no complaint was filed and we tried to initiate some discussions with the producer to remedy any violations of our rules. SWCDs and others continue to express issues with the program and our ability to deal with the producers who have issues and repeat issues in some cases. The SWCD uses the voluntary approach to solve problems, but when that doesn't work they request our division to consider issuing a chief's order, which often times that takes 6-8 months for us to go through the full process. As the near elimination of the state ag pollution abatement cost share funds occurs, that makes it more challenging for SWCDs to deal forthrightly with the complaints. Hanselmann said that we appreciate the availability of the EQIP cost share funds and how they are often applicable to solve these problems, but too often they are not as available as timely as we need. It was a strong tool for the SWCDs to know that they could count on at least a modest amount of state cost share when they asked a producer to make improvements on a timely basis.

Hanselmann said that DSWC recognizes the rigor of the ODA permit program and the respect it has come to have around the state. DSWC has well over 20,000 small and medium livestock operations going in and many have little involvement with an SWCD so there is little review by anyone planning wise. In many of

the larger medium operations that are going in, they are under the radar by the public since there is no CNMP requirement for such facilities. DSWC doesn't always have awareness of these facilities being constructed since there is no requirement which raises doubts by the citizens.

Hanselmann said that he has been asking the industry, specifically the swine industry, whether it is in the industry's interest to have a CNMP or even a requirement for a CNMP if they could be done on a timely basis.

Hanselmann said that DSWC has explored a lot of thoughts and options over the last two years, but we haven't had folks agree to a direction to improve the program and ways to remedy the lack of cost share and the implications to producers. Hanselmann added that the loss of staff and cost share makes it really hard to support the program and help with complaint investigations. Hanselmann thought that if we are going to have a meaningful ag pollution abatement program that supports the industry's needs with information and new technology we should pull the ag/environment industry together to improve the program and focus on the non-permitted side of this. Hanselmann added that it may take a law change if the group decides that some of these facilities need to be permitted. Hanselmann thought that the sources of funds to cover these costs would need to be discussed by the group.

Hines added that the rules could be tweaked so that they improve our efficiencies.

Bigham asked if DSWC was looking at an advisory group that was compositionally different from what was organized in the past?

Hanselmann said that the potential organizations are the Ohio Pork Council, OLC, OFSWCD, Ohio EPA, OEC, Division of Wildlife, OSU Extension, and NRCS to name a few.

Bigham asked if there should be additional players than what you dealt with in the past?

Cash thought that some technical engineers and manufacturers of pollution abatement products are missing from the advisory group you are proposing.

Mott added that the equine groups such as the Ohio Equine Association should be included as well.

Dan Binder commented that these wastes are a source of energy and if you have a way to downsize these operations by utilizing these technologies then you might be able to get a little bit ahead of the curve and offer some incentives that would be a sustainable approach.

Cash said that the top 100 firms on renewable energy was listed in the Engineer magazine.

Larry Ufferman thought that the Ohio Department of Development could provide leads on that also.

Mott asked what DSWC was recommending from the OSWCC at this time?

Hanselmann said that he was hoping for an indication that this is a good idea to proceed. Hanselmann didn't feel that we would need a formal approval, necessarily but certainly the OSWCC plays a key role and the OSWCC would need to approve any ag pollution abatement rule changes that our division would propose so we wouldn't want to go down this path without at least your tacit approval. Hanselmann didn't think that it would be inappropriate for the OSWCC to formally endorse the establishment of a committee.

Mott opened the floor for discussion.

Price said that the interest in this has been pushed by the interest groups who do not feel that they have a say in these matters so Price thought that we should communicate with them. Price thought that some legislators or their staff members should be on that advisory committee, too.

Hanselmann said that he spoke with the Chief of Legislative Affairs and the decision was made to have some key members informed along the way and to share some draft recommendations for their feedback, but maybe not invite them to join the committee.

Tom Price moved to make this a tacit approval by the OSWCC for the process to move forward.

Fred Cash seconded the motion. Motion carried.

CONTINUE PLANNING FOR SETTING CONSERVATION PARTNERSHIP STRATEGIC DIRECTION

Hanselmann apologized for not having been more prepared, but noted that we did have a meaningful meeting at Fountain Square a few months ago where several of you came in and helped us think through how we could approach this. Unfortunately, the Van Wert situation took a lot of time along with the biennium budget and the layoffs so there were a lot of time consuming matters that prevented us from making further progress.

Mott brought up the point that the meeting in January and the meeting in July is somewhat short since we don't have a full day so he questioned whether it would be feasible to add 30-45 minutes to our November and April meeting to work on strategic planning?

Cash thought that maybe we should expand that time because the meeting that occurred earlier involved a lot of other entities who were also available so maybe the internet or a conference call could be used also.

Cash added that he thought a web presence for this OSWCC would be a good idea.

Mott noted that staff have to prepare the work that goes into having a meeting and didn't want to overload them. Mott added that he would like to keep this going because we have a good start and we need to keep it rolling.

AGENCY AND SWCD REPORTS

OSU

Bigham reported that OSU is spending a lot of time doing strategic planning on two levels: visioning and budgetary. Most of the budget is tied to a lot of the line items such as OARDC or the Experiment Station so we are considering getting a broker to help formulate that since most people don't realize we get a lot of money from those line items. Bigham said that the College of Food, Agricultural, and Environmental Sciences is planning to go back to Battelle to capture the essence of things that we want to lay out for public consumption.

Bigham noted that the Smithsonian Museum of Natural History is opening an exhibit in Washington for two years on soils this month and then it will become a traveling exhibit. Bigham said that from everything he has read, it will be a phenomenal public relations piece for soil and water. Bigham added that just over the last few weeks there was a senate resolution dealing with the conservation of soils and natural resources and it was authored by Sherrod Brown and supported by George Voinovich. There was a follow-up letter to the editor in the Columbus Dispatch this week and it was very negative about the waste of senate time to do something like this. Bigham thought that the Senate could do a lot worse than preparing resolutions for encouraging public awareness on conservation of soil and water resources.

Bigham said that OSU has been involved with the National Geographic on the September issue regarding an article on soil and water.

NRCS

Rick Ellsmore reported that we have a Farm Bill, but the budget is very weak. The Farm Bill was authorized for \$4.2 billion which is a 38% increase from our 2002 Farm Bill. It officially begins on October 1st. Now that it has passed it is in the rule making process. Ellsmore said that some of the changes proposed will offer cost share assistance to producers to develop what the Secretary is calling "niche"

plans– these will be put out to third party vendors to complete that so the producers will actually receive cost share dollars and they will be paying the third party vendors to complete those. Some of the plans targeted right now are the forest management plans, grazing management plans, the transition to organic, air quality plans, drainage water management plans, etc. Ellsmore said that he is currently working on the forest management plan and is hoping to have that finished up by the end of the month.

Ellsmore said that CSP is now the Conservation Stewardship Program and not the Conservation Security Program so there has been a name change there. Ellsmore added that there are plans to have the flexibility to open that up nationwide on a watershed basis and Ellsmore suspected that there will be several rulemaking changes because of the amount of detail required.

Ellsmore reported that WRP no longer has a yellow book appraisal process. They have also expanded the CIG which is the Conservation Innovation Grant program which supports partnerships and new technologies.

Ellsmore said that from a staffing standpoint, NRCS is at 232 right now and believed the ceiling is in the 242-244 range. Ellsmore said that NRCS has 4,167 active contracts from the 2002 Farm Bill that they would like to finish up.

NRCS just completed the 2008 Sandusky River Watershed CSP sign up where we had 173 applications. The EQIP demonstration project at the Grand Lake St. Marys area was successful and NRCS was able to put over \$1 million in to the nutrient waste storage practices and cover crops in Auglaize and Mercer counties.

Ellsmore reported that the national CIG awards for Ohio were announced recently and we received three. One was the Conservation Technology Information Center for \$255,000, one for the Mercer SWCD for \$50,000, and one for the Ohio Farmers Union Family Farm Center for \$200.

Ellsmore said that he just received a message that the critical feed and hay and grazing program under CRP was cancelled Tuesday morning and was going to let FSA discuss that. Ellsmore added that he had done a lot of leg work to get the technical criteria to get that finished up and there was a strong interest here in Ohio to do that.

Ellsmore said that Cosby wants all of the contribution agreements finished up and ready to go and added that we have been under the audit process for OIG and they are taking a longer look at our contribution agreements because anything over \$100,000 has to be approved at the regional level.

FSA

Jeff Mitchell reported that FSA is still under the old authority of CRP and CREP which means the old Farm Bill up until the end of September. The new Farm Bill starts October 1st and we don't expect many changes in regards to CRP. The only change is that in 2010 the average goal set by congress has been reduced from \$31.2 billion down to \$32 million.

Mitchell thought that they were looking at the big picture of adding more land back into crop production so the CREP and CRP practices would be installed on environmentally sensitive land such as filter strips and wetlands. Mitchell said that our acreage on CRP right after the FY '07 was reduced by 16,000 acres because contracts expired and were not re-enrolled. We were able to get 71% of our expiring contracts to re-enroll, but we did lose 16,000 acres. The CRP land coverage in Ohio is about 3%. Mitchell said that we lost 16,000 acres but since then we have gained a little over 7,000 acres so CRP is not a dead program.

Mitchell said that he sent out a questionnaire to find out how many acres are coming out of CRP to come into crop production and at our rough estimate we figured we have lost over 500 acres. Mitchell thought that conservation is still alive in Ohio and we have not lost as many acres in CRP as what some people may think.

The national office sets some goals to help us reach FSA's strategic planning goals of more wetlands and buffers in the country and they set our goal of 6,360 acres for buffers and 1,210 acres for wetlands and we have already met our goal for this year at 3 months in. Mitchell said that we have over 13,775 miles of 50 ft buffers along our streams in Ohio which is pretty impressive. Mitchell said that the CREP enrollments have slowed down some, but the Lake Erie CREP was still plugging along and we are still getting some buffer practices up there. The Scioto CREP has slowed down dramatically from what it was a couple of years ago, but we are approaching 90% of our goal of 70,000 acres on the Scioto CREP.

Mitchell said that we are third in the nation in CREP acres mainly because of our Scioto CREP and the large number of floodplain acres that are available and Ohio is second in the nation in the number of contracts so we have a heavy workload. Ohio is third in the nation on the annual rental payment rates for CRP and CREP sign-ups.

Mitchell said that FSA will be looking at land value surveys where our FSA county committees will be giving estimates of cash rental rates and we have an opportunity to change 2007 if they don't think it is right and they will give us an estimate for 2008. The national office will then take those numbers and will apply it back to them and it will be adjusted proportionally. Mitchell thought that when they were finished there would be a soil rental rate increase for each county.

Mitchell said that Ross County leads in enrolling acres through CRP. Darke County leads in the CP33 by acres enrolled which is the quail buffer practice that is popular in Ohio.

Mitchell reported that the Ohio SAFE program is targeting focus areas to benefit high priority state declining species such as the grassland areas or wetland practices. This is a federally funded program, but administered by the state. The Nature Conservancy helped to develop a proposal for SAFE which has been approved.

The proposal to add the portion of the Rocky River Watershed to the Lake Erie CREP has been approved for expansion in the Lake Erie CREP. An announcement will be made soon and sign-up should begin shortly.

Mitchell reported that the critical feed use on CRP acres was announced recently and this provision on CRP contracts came out at about the same time that the Farm Bill was announced. Mitchell said that they started this program to allow producers to hay or graze their CRP acres and once they signed up and were approved, NRCS would have to go out and look at those grassland acres to determine if it is feasible or whether it is able to handle haying or grazing without damaging the cover. Mitchell said that 50% of each field would have to be left unhayed or ungrazed and the interest for this program was high and we already had 5-10,000 acres enrolled in sign-up. Mitchell said that people were going to begin the haying and grazing after the nesting period of July 15 until we received this notification of a temporary restraining order suspending critical feed use on CRP. Several state and federal wildlife organizations collaborated and went to a district federal court judge in Washington State and he felt that it was necessary for the halt of this to determine if this was in violation of the National Wildlife Federation settlement. Mitchell said that in the settlement agreement that affected some states it limited them so that they could hay or graze one out of every 10 years on CRP acres. Mitchell said that when congress threw in this critical feed use program, the National Wildlife Federation thought that this was undercutting their settlement which is why they took this to court and got this temporary restraining order. Mitchell said that a hearing has been scheduled for July 17, 2008 and until then we are on hold.

Mitchell said that it was an unfortunate situation because he knew one farmer who had 400 acres in grass CRP and he bought \$25,000 in hay equipment and he had it contracted to sale so that farmer was very upset.

Mott appreciated Jeff Mitchell attending the meeting today and providing that information to the OSWCC.

OFSWCD

Mindy Bankey reported that the OFSWCD had their third annual county commissioners tour down in Hocking County recently. This following weekend we are heading out for the NACD Legislative Conference and then the following week is the Summer Supervisors School.

Future 2009 OSWCC Meeting Dates

Wednesday, January 21 has been changed to **January 27, 2009 at Fountain Square**

Wednesday, April 8, 2009 at Fountain Square

Tuesday and Wednesday, July 7-8, 2009

November 11, 2009 will need to be changed because of Veterans Day

Clark Sheets congratulated Tom Price for another term to the OSWCC.

Mott thanked everyone for their attendance today.

With no further business to come before the Commission at 12:20 p.m.,

Clark Sheets moved to adjourn the meeting.

Susan Reeves seconded the motion. Motion carried.

Respectfully submitted,

Randy Mott, Chairman

David Hanselmann, Executive Secretary