



Funding Recommendations for Agricultural Water Quality Certification Program



Contact: Brad Jordahl Redlin, (651) 201-6489

January 1, 2016

625 Robert Street North . St. Paul, MN 55155-2538 . 651-201-6012

www.mda.state.mn.us

Table of Contents

Executive Summary..... 3

Introduction 3

Background..... 3

USDA Funding and Consultation 4

Funding Recommendation 6

Appendix 1.....7

Appendix 2.....17

Pursuant to Minn. Stat. § 3.197, the cost of preparing this report was approximately \$300.

Executive Summary

The Commissioner of Agriculture recommends the Minnesota Agricultural Water Quality Certification Program (MAWQCP) be funded at the Governor's requested \$2.5 million in FY17 from the Clean Water Fund.

The Commissioner has determined, in consultation with the United States Department of Agriculture (USDA), that:

- The required match to the \$9,000,000 USDA award is the funding and delivery of MAWQCP services statewide.
- The failure to fund the \$2,500,000 annual operating budget of the MAWQCP would mean the USDA award of \$9 million for matching project support would not be available to Minnesota agricultural producers.
- Other state spending does not fund delivery of MAWQCP services statewide, and in order for other state spending to serve as match to the USDA award it would require that the spending be transferred from its appropriated purpose to instead fund delivery of MAWQCP services statewide.

Introduction

The Minnesota Agricultural Water Quality Certification Program (MAWQCP) is a voluntary opportunity for farmers and agricultural landowners to take the lead in implementing conservation practices that protect our water. Those who implement and maintain approved farm management practices will be certified and, in turn, obtain regulatory certainty for a period of ten years.

Through this program, certified producers receive regulatory certainty, recognition and priority for technical and financial assistance. The public receives assurance that certified producers are using conservation practices and managing their agricultural operations to protect Minnesota's lakes, rivers and streams. Certified producers may use their status to promote their business as protective of water quality. Producers seeking certification can obtain specially designated technical and financial assistance to implement practices that promote water quality.

The MAWQCP uniquely responds to challenges in conservation. Producers develop and maintain comprehensive, effective, and economical conservation for ten years and realize financial and productivity rewards without an ongoing payment for doing so. The certification assessment process assesses every acre of the entire operation, instilling whole-farm conservation planning, and determines only those places where conservation treatments are needed, rather than self-selected single-site, single-treatment adoption. Rented land is treated equally for resource concerns by providing for both producers and landlords to be certified and, furthermore, certification provides for non-farming landowners to obtain professionally-developed conservation plans for every parcel they own that can be directly incorporated into their leases.

Background

1. Program Background

The MAWQCP is a first-of-its-kind program in the U.S. and is designated as a national demonstration project for protecting both water quality and helping conserve working lands. In January of 2015, the United States Department of Agriculture (USDA) committed \$9 million to the MAWQCP through a Regional Conservation Partnership Program (RCPP) award from the USDA's Natural Resources Conservation Services (NRCS).

The RCPP award is a competitive award and the MAWQCP was selected as one of 115 winners from a pool of nearly 600 applicants. The NRCS selected the certification program based on the program's:

- ability to assist producers in meeting the water quality resource concern;
- ability to coordinate among public and private partners and with other local, state or national initiatives to leverage significant non-federal financial and technical resources;
- innovative delivery model, which partners with local organizations and industry to deliver conservation; and,
- statewide access of program services available to 100 percent of Minnesota's producers.

2. Legislative Background

In 2015, the Minnesota Department of Agriculture (MDA) received an appropriation from Minnesota's Clean Water Fund to implement the MAWQCP on a statewide basis for fiscal year 2016 (FY16). Per 2015 Minnesota Session Laws, 1st Special Session, Chapter 2, Article 2, Section 3(g):

\$2,500,000 the first year is to implement the Minnesota agricultural water quality certification program statewide.

In addition to the FY16 appropriation, the legislature required the commissioner of agriculture to consult with the United States Department of Agriculture regarding whether other existing state spending may be considered matching funds and count towards the State's contribution for the MAWQCP. The 2015 Minnesota Session Laws, 1st Special Session, Chapter 2, Article 2, Section 3(g) states:

The commissioner of agriculture shall consult with the United States Department of Agriculture to determine whether other state spending would qualify as a match for the agricultural water quality certification program funds available from the federal government.

The legislature has also required the commissioner of agriculture to provide a report to the Clean Water Council and the legislature detailing the commissioner's funding recommendation for the MAWQCP for fiscal year 2017. As stated by 2015 Minnesota Session Laws, 1st Special Session, Chapter 2, Article 2, Section 3(g):

By January 1, 2016, the commissioner shall submit a report on funding recommendations to the Clean Water Council and the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture, the environment and natural resources, and the clean water fund. Funds appropriated in this paragraph are available until June 30, 2016, and the commissioner may request additional funding for this program for fiscal year 2017.

USDA Funding and Consultation

In 2015, the MDA entered into a Memorandum of Understanding (MOU) with the USDA, NRCS as part of the RCPP award. The MOU established a framework for cooperation between the NRCS and the MDA as it relates to the implementation and development of the MAWQCP.

Under the MOU the NRCS provides annual technical and financial assistance through existing NRCS programs to MAWQCP-eligible producers and landowners, as requested by MAWQCP service providers. These funds must be matched with funds from the MDA. NRCS contributions to the MAWQCP are outlined in Table 1.

Table 1: RCPP Funding FY 2016 - 2019

	FY 2016	FY 2017	FY 2018	FY 2019
NRCS Funding	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000

The MOU also states the NRCS will consider and use, as appropriate, recommendations from the MAWQCP when it is evaluating and ranking program applicants for its financial and technical assistance programs. Further, the MOU states the NRCS will provide prompt and timely implementation of projects identified by the MAWQCP.

Under the MOU, the MDA agreed to implement the MAWQCP by providing matching funding for the program. The funding commitments, which were developed as part of the RCPP application process, are outlined in a detailed work plan (see Appendix 1). Under the work plan and its corresponding budget, the MDA is scheduled to provide \$10 million in funding to the MAWQCP in annual matches (see Tables 2 and 3).

Table 2: MDA Funding Commitments FY 2016 - 2019

	FY 2016	FY 2017	FY 2018	FY 2019
Total MDA Match Funding	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000

Table 3: Breakdown of MDA Funding Commitments FY 2016 – 2019

	FY 2016	FY 2017	FY 2018	FY 2019
Financial and Technical Assistance for Producers	\$1,637,500	\$1,637,500	\$1,637,500	\$1,637,500
Program Administration	\$862,500	\$862,500	\$862,500	\$862,500

Per the legislature's order, the commissioner consulted with the USDA regarding the use of other state spending to meet the RCPP match funding requirements. USDA-NRCS Minnesota State Conservationist, Cathee Pullman provided the USDA response regarding the MDA's obligations under the RCPP award (see Appendix 2). In part, the determination of USDA states:

The NRCS award made to the Minnesota Department of Agriculture Water Quality Certification Program requires a significant portion of funding to be non-federal funds during the life of the five-year partnership agreement. The Minnesota RCPP project was selected because it exceeded the criteria as identified in the statute and achieved significant leverage of funds, diverse partnerships, solutions to address water quality, and innovation. If the non-federal contribution from the Minnesota Department of Agriculture that was described in the full proposal is not made available throughout the five-year life of the partnership agreement, this project would not be able to utilize the NRCS RCPP award.

The USDA response clearly identifies the MDA's funding obligations in the form of the annual operating budget of the MAWQCP and highlights the fact that the MDA would not receive RCPP award if the match is not provided by the MDA.

The MDA has considered how other existing state spending could be utilized to meet the MDA's RCPP award match that exists in the form of the annual operating budget of the MAWQCP. The majority of the MAWQCP's funding (65.5%) exists as technical and financial assistance support that is passed through to local Soil and Water Conservation Districts (SWCD) and agricultural producers to deliver services and attain certification. The remaining funds (34.5%) are used for program administration and staffing.

No other state spending exists that is passed through to local SWCDs for providing MAWQCP certification services as required by the match. Additionally, no other state spending exists to support MAWQCP operations. In summary, any use of other existing state spending to support MAWQCP, and meet the RCPP award matched funding obligation, would require the transfer of already appropriated funds from the appropriated purpose to instead fund MAWQCP annual operations.

Funding Recommendation

The MAWQCP is an innovative and commonsense model for identifying and mitigating agricultural risks to water quality and it is being developed as a national demonstration project. The MDA is committed to the program and recommends it be funded at Governor's requested \$2.5 million in FY17.

Though MAWQCP has been operational in the field and certifying farms for just 18 months, it already enjoys broad support across the state. The large base of support stems from the program's unique design, which delivers conservation via local partnerships. The MAWQCP has in fact received grant-based commitments from the state's Soil and Water Conservation Districts to begin processing a total of more than 700 new MAWQCP applicants by June 2016. That is in addition to the nearly 300 MAWQCP applications currently active.

The commissioner recommends maintaining the annual funding commitment of \$2.5 million from the Clean Water Fund to provide MAWQCP services and allay the danger of losing the RCPP award that will provide an additional \$9 million in federal support to Minnesota's farmers.

MEMORANDUM OF UNDERSTANDING
for partnership between the
USDA Natural Resources Conservation Service (NRCS)
And
Minnesota Department of Agriculture

Introduction:

This Memorandum of Understanding is entered into between the U.S. Department of Agriculture (USDA), Natural Resources Conservation Service, henceforth named "NRCS", and the Minnesota Department of Agriculture, henceforth named MDA. NRCS and MDA are engaged in complementary and compatible activities related to providing financial and technical assistance to agricultural and forest producers through provisions of the Regional Conservation Partnership Program (RCPP). Partnership activities include efforts to encourage conservation of natural resources through technical and financial assistance which may be provided by both parties to the agreement.

I. Authority

This Agreement is entered into in accordance with:

Subtitle I of Title XII of the Food Security Act of 1985 as amended by section 2401 of the Agricultural Act of 2014.

II. Background

RCPP is a voluntary conservation program that establishes specific parameters for working with eligible partner entities to provide financial and technical assistance to producers and landowners of eligible land. The assistance provided through this Memorandum of Understanding enables producers and landowners to install and maintain conservation activities to address priority natural resource concerns. The Secretary of Agriculture has delegated the authority for administration of RCPP to the Chief of NRCS who is Vice President of the Commodity Credit Corporation (CCC). MDA has submitted a request for NRCS program assistance to address priority natural resource concerns in the State of Minnesota. MDA is an eligible partner entity and meets statutory requirements of RCPP to carry out activities specified in this agreement and work with eligible program participants to help implement conservation activities on eligible lands as defined in this agreement.

NRCS is the lead Federal agency for conservation on private land. In carrying out this role, NRCS provides voluntary conservation planning, technical and financial assistance to farmers,

ranchers, and other landowners to address the natural resource concerns on the Nation's private and nonfederal land.

NRCS delivers RCPP assistance through the authorities and rules of the following programs, referred to throughout this agreement as “covered programs”: the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), and Agricultural Conservation Easement Program (ACEP), to eligible program participants within a defined project area. Additionally, the project area identified under this agreement is within a National project category designated by the Secretary of Agriculture.

III. Purpose

The purpose of this agreement is to establish a partnership framework for cooperation between NRCS and MDA on activities that involve implementation of conservation activities through covered programs on eligible lands within the approved project area via the Minnesota Agricultural Water Quality Certification Program (MAWQCP) national demonstration project.

IV. Responsibilities of Parties

A. NRCS will:

1. Provide on an annual basis, technical and financial assistance through the covered programs as requested by the MDA, and as available, to eligible producers and landowners located within the approved project area. Note: NRCS reserves the right and authority to reduce or discontinue program benefits to support this partner agreement based upon funds availability, changes in agency priorities, or inability of MDA to deliver resources or provisions of this agreement. ACEP and EQIP program contracts and agreements obligated with producers landowners as a result of this agreement are assured of funding for the entire length of the approved contract or agreement and not subject to provisions of this agreement regarding fund availability. On CSP program contracts, NRCS agrees to provide payment annually, subject to the availability of funds.

2. In the case of specific work projects or activities that may involve the transfer of funds, services, or property, NRCS will provide a maximum of seven million, two hundred thousand dollars (\$7,200,000) as described in Attachment A – Plan of Work and Attachment B – Budget Sheet:

EQIP : \$5,616,000

CSP: \$288,000

ACEP: \$1,296,000

3. Implement and administer the covered programs to the extent possible to address identified RCPP project natural resource concerns. Such assistance includes use, as NRCS determines appropriate, of recommendations from MDA for evaluation and ranking of program applications, development of Conservation Activity Plan standard for the MAWQCP certification assessment process, and expeditious obligation of approved contracts and agreements for eligible producers and landowners to facilitate timely implementation of activities within the project area.

3. Provide annual review and recommendations to MDA regarding the project to ensure success and implementation of conservation activities related to program contracts and agreements.

B. MDA will:

1. Complete items in Attachment A - Plan of Work.

2. In the case of specific work projects or activities that may involve funds, services, or property, MDA will provide a maximum of \$11,500,000 as described in Attachment A – Plan of Work and Attachment B – Budget sheet:

Financial Assistance: \$2,140,000

Technical Assistance: \$4,985,000

Program Administration: \$4,375,000

3. Comply with the project "Budget" which identifies other funding sources which support technical or financial resources identified in Attachment A - Plan of Work.

4. Provide NRCS with updated estimates of the annual amount of program funding specifically needed to address identified priority natural resource concerns within the project area.

5. Provide NRCS with a list of suggested "ranking criteria" that could be used by the agency for evaluation and ranking of eligible producer program applications. The suggested criteria shall relate to the RCPP project area objectives to address priority natural resource concerns.

6. Provide NRCS with the procedure and protocols for conducting whole-farm assessments for MAWQCP certification for the development of a Conservation Activity Plan standard for the MAWQCP certification assessment process.

7. Provide the NRCS agency representative with semi-annual reports during the project period and a final project report that documents project accomplishments and goals achieved.

Such reports shall include activities and services that are provided by MDA to program participants to help achieve objectives of the agreement. Reports shall also address partner efforts to monitor and evaluate implementation of conservation activities included in NRCS program contracts and activities within the approved project area. Additional report requirements, if appropriate and included in the RCPP proposal, shall include:

- a. Numbers of NRCS program participants assisted and/or cooperating in the project effort.
 - b. Acres of project area addressed in NRCS program contracts and/or extents of conservation activities implemented in the project area each year and for the final project report.
 - c. Contributions from other agencies or organizations which help implement provisions of the agreement and further project objectives
 - d. Assistance provided to program participants to help meet local, State, and/or Federal regulatory requirements.
 - e. Information related to efforts to address water quality, water conservation, and other natural resource related concerns.
 - f. Efforts to provide innovation in applying conservation methods and delivery of NRCS programs, including new outcome-based performance measures and methods.
 - g. Efforts related to renewable energy production, energy conservation, mitigating effects of climate change, adaptation, or fostering carbon sequestration.
 - h. Efforts for outreach to, and participation of, beginning farmers or ranchers, socially disadvantaged farmers or ranchers, limited resource farmers or ranchers, Indian Tribes, and veteran farmers and ranchers within the project area.
8. Provide NRCS an assessment of the project's effects and at the conclusion of the project, report to NRCS on the results of the project and the funds leveraged. Such report will also include a summary for the entire project period of the information provided in the annual reports.
9. Privacy Act (Authority: 5 U.S.C. 301 and 552a; 31 U.S.C. 9701) Employee(s) shall not disclose any private or sensitive data which is contained in a system of records NRCS maintains, by any means of communication to any person, or to another agency outside USDA, unless the disclosure is authorized in writing by NRCS. Employees whose duties require handling records in these systems must, at all times, protect the integrity, security, and confidentiality of private and/or sensitive data. Employees must exercise care so that information contained in these files is not inadvertently disclosed to families, friends, or others who have no need to know. Keep all private information in secure areas when not in use during office hours.

Examples of Private Data: Social Security number (SSN); tax identification (ID) number; employee National Finance Center ID; account numbers; and farm, tract, or common land unit numbers.

Examples of Sensitive Data: Name, address, or other geographic indicators; e-mail address; phone number; race; gender; ethnicity; disability; birth date.

C. It is mutually agreed upon by both parties:

1. To cooperate in developing and implementing conservation plans that address priority natural resource concerns in the defined project area.
2. That the designated representative of MDA and the designated representative of NRCS will cooperate to develop procedures to ensure good communication and coordination at the various levels of each organization.
3. NRCS and MDA and their respective agencies and offices will manage their own activities and utilize their own resources, including the expenditure of their own funds, in pursuing the objectives of this agreement. Each party will carry out its own separate activities in a coordinated and mutually beneficial manner. Each party therefore agrees that it will assume all risk and liability to itself, its agents or employees, for any injury to person or property resulting in any manner from the conduct of its own operations, and the operations of its agency or employees under this agreement, and for any loss, cost, damage or expense resulting at any time from failure to exercise proper precautions, of itself, its own agency or its own employees, while occupying or visiting the projects under and pursuant to this agreement. The Government's liability shall be governed by the provisions of the Federal Tort Claims Act (28 U.S.C. 2671-80).
4. That nothing in this agreement shall commit either NRCS or MDA to obligate or transfer any funds or financial assistance that NRCS may provide to eligible program participants. Specific work projects or activities that may involve the transfer of funds, services, or property among MDA and offices of NRCS will require execution of separate agreements and be contingent upon the availability of appropriated funds or technical services. Such activities must be independently authorized by appropriate statutory authority. This agreement does not provide such authority. Negotiation, execution, and administration of each such agreement must comply with all applicable statutes and regulations.
5. That MDA is responsible, without recourse to NRCS or USDA, for the settlement and satisfaction of all contractual and legal issues arising out of arrangements entered into between the MDA and third parties to carry out project activities.
6. This agreement does not restrict either party from participating in similar activities with other public or private agencies, or organizations, and individuals.

V. Expected Accomplishments and Deliverables

1. Every 6 months the partner will submit a written performance report. Each report will cover:
 - a. A comparison of actual accomplishments with the goals and objectives established for the reporting period and, where project output can be quantified, a computation of the costs per unit of output.
 - b. The reasons why goals and objectives were not met, if appropriate.
 - c. The recipient will submit a final performance report within 90 days after completion of the project.
2. Complete whole-farm planning and identify site-specific management and structural practices to reduce a producers risk to water quality. Provide regional specialists and reimbursement for SWCD services that will deliver MAWQCP statewide. Field staff will conduct water quality assessments, education, research, project promotion, management and planning. Regional specialists will deliver 1,200 whole farm assessments and SWCD will contribute 300 whole farm assessments.
3. MDA will provide state Financial Assistance (FA) for practices that impact 17,541 acres in FY2015-FY2019. These funds can be used to supplement EQIP contracts or provide FA separate and independent from EQIP.
4. Install site-specific practices through EQIP that impact 46,033 acres in FY2016-FY 2019. The practices identified for implementation are listed on Attachment C Practice List.
5. Install site-specific practices through CSP that impact 524 new acres for each of fiscal years 2016, 2017, 2018 and 2019. The practices identified for implementation are listed on Attachment C Practice List.
6. Install site-specific practices through ACEP and complete easements on 34 new acres through ACEP for each of fiscal years 2016, 2017, 2018 and 2019. The practices identified for implementation are listed on Attachment C Practice List.

VI. Technical and Administrative Contacts

A. NRCS Technical and Administrative Contacts:

Ryan Galbreath
375 Jackson Street
St. Paul, MN 55101-1854

Lanette Dietrich
375 Jackson Street
St. Paul, MN 55101-1854

B. MDA Technical and Administrative Contacts:

Brad Jordahl Redlin,
Minnesota Agricultural Water Quality Certification Program manager
625 Robert St
St Paul MN 55101-200-5307
brad.redlin@state.mn.us

VII. Duration

This agreement takes effect upon the signature of NRCS and MDA and shall remain in effect for 5 years following the date of signature. This agreement may be extended or amended upon request of either NRCS or MDA as long as the extension or amendment does not extend this agreement beyond 5 years from date of execution, with a single 12-month extension available in the discretion of NRCS. Either NRCS or MDA may terminate this agreement with a 60 day written notice to the other party. Note: Although this RCPP agreement is limited to a maximum of 5 years, NRCS program contracts and agreements with producers and landowners may extend beyond this period of time.

VIII. List of Documents

Attachment A – Plan of Work


Attachment B – Budget

Attachment C – Practice List

IX. Signature

IN WITNESS THEREOF, the parties hereto have executed this Memorandum of Understanding as of the last written date below.

U. S Department of Agriculture, Natural Resources Conservation Service

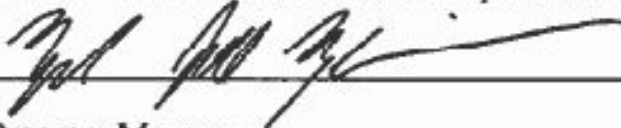


State Conservationist

4/28/15

Date

Brad Jordahl Redlin Authorized Representative



Program Manager

4-27-2015

Date

ATTACHMENT A PLAN OF WORK (65-6322-RCPP15-02)

Project Location: State-wide, Minnesota

Description of Project Activities: Conduct water quality risk assessments, develop site-specific solutions and provide technical and financial assistance to producers through the Minnesota Agricultural Water Quality Certification Program, a national demonstration project.

TASK	WORK PRODUCT	TARGET DATE	NRCS Cost	Partner Cost	Total Cost
Objective 1 – Administration and operations for MAWQCP to conduct water quality risk assessments and develop site-specific solutions					
1-1. Complete whole-farm planning and identify management and structural practices to reduce producers' risk to water quality.	Provide regional specialists and reimbursement for SWCD services that will deliver MAWQCP statewide. Field staff will conduct water quality assessments, education, research, project promotion, management and planning. Regional specialists will deliver 1,200 whole farm assessments and SWCD will contribute 300 whole farm assessments.	FY2015-FY2019	\$0	\$4,985,000	\$4,985,000
1-2. MDA administration and operations including education, training, research, promotion, management and planning.	MDA will oversee the delivery of 1,500 whole farm assessments resulting in certification; 65% is program operations and administration and 5 FTE at MDA, 15% for assessment and database management, 15% for project promotion and communications and 5% for travel.	FY2015-FY2019	\$0	\$4,375,000	\$4,375,000
Sub-total					\$9,360,000
Objective 2 –Implement structural practices and management practices to address issues identified in Objective 1.					
2-1. FA for water quality conservation practices determined from Objective 1. Partner funds can be used to supplement EQIP contracts or provide FA separate from EQIP.	MDA will provide Financial Assistance for practices that impact 17,541 acres in FY2015-FY 2019.	FY2015-FY2019	\$0	\$2,140,000	\$2,140,000
2-2. FA for water quality conservation practices through the EQIP program. Specific practices will be determined from Objective 1.	EQIP will provide Financial Assistance for practices that impact 46,032 acres in FY2016-FY 2019.	FY2016-FY2019	\$5,616,000	\$0	\$5,616,000
2-3. FA for water quality conservation practices through the CSP program. Specific practices will be determined from Objective 1.	CSP will provide Financial Assistance for practices that impact 524 new acres for each of the fiscal years: 2016, 2017, 2018 and 2019.	FY2016-FY2019	\$288,000	\$0	\$288,000
2-4. FA for water quality conservation practices through the ACEP program. Specific practices will be determined from Objective 1.	ACEP will provide Financial Assistance for easements on 41 new acres for each of the fiscal years: 2016, 2017, 2018 and 2019.	FY2016-FY2019	\$1,296,000	\$0	\$1,296,000
Sub-total					\$9,340,000
Total			\$7,200,000	\$11,500,000	\$18,700,000

	TASK 2-1: State FA @ \$122 ac -1		TASK 2-2: EQIP @ \$122 acre-1; 78%			TASK 2-3: CSP @\$27.50 acres-1; 4%			TASK 2-4: ACEP-WRE @\$8,000 acre-1; 18%		
	MDA		NRCS								
	no. of treatment acres	FA contracts	no. of acres	EQIP FA contracts	TA EQIP	no. of acres	CSP FA contracts	CSP TA	no. of acres	ACEP - WRE FA contracts	ACEP TA
fy2015	2,664	\$325,000									
fy2016	3,719	\$453,750	11,508	\$1,404,000	\$351,000	524	\$72,000	\$18,000	41	\$324,000	\$81,000
fy2017	3,719	\$453,750	11,508	\$1,404,000	\$351,000	524	\$72,000	\$18,000	41	\$324,000	\$81,000
fy2018	3,719	\$453,750	11,508	\$1,404,000	\$351,000	524	\$72,000	\$18,000	41	\$324,000	\$81,000
fy2019	3,719	\$453,750	11,508	\$1,404,000	\$351,000	524	\$72,000	\$18,000	41	\$324,000	\$81,000
subtotal	17,541	\$2,140,000	46,032	\$5,616,000	\$1,404,000	2,096	\$288,000	\$72,000	164	\$1,296,000	\$324,000

TECHNICAL ASSISTANCE PARTNER		
TASK 1-1	MDA	NRCS
	TA	TA
fy2015	\$250,000	\$0
fy2016	\$1,183,750	\$0
fy2017	\$1,183,750	\$0
fy2018	\$1,183,750	\$0
fy2019	\$1,183,750	\$0
	MDA/PARTNER	NRCS
Technical Assistance Totals	\$4,985,000	\$0

ADMINISTRATION PARTNER		
TASK 1-2	MDA	NRCS
	TA	TA
fy2015	\$925,000	\$0
fy2016	\$862,500	\$0
fy2017	\$862,500	\$0
fy2018	\$862,500	\$0
fy2019	\$862,500	\$0
	MDA/PARTNER	NRCS
MDA Administration Totals	\$4,375,000	\$0

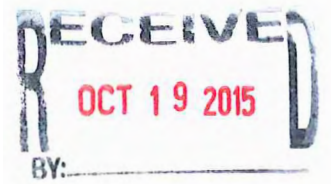
Summary				Cumulative Total
	Financial Assistance	Technical Assistance	Administrative Assistance	
PARTNER	\$2,140,000	\$4,985,000	\$4,375,000	\$11,500,000
NRCS	7,200,000	\$1,800,000		\$9,000,000
EQIP	\$5,616,000	\$1,404,000		
CSP	\$288,000	\$72,000		
ACEP-WRE	\$1,296,000	\$324,000		

C

	TOTAL Partner	TOTAL NRCS
FINANCIAL ASSISTANCE	2,140,000	7,200,000
TECHNICAL ASSISTANCE	4,985,000	1,800,000
ADMINISTRATION	4,375,000	
CUMULATIVE TOTAL	11,500,000	9,000,000



United States Department of Agriculture



Appendix 2-

October 14, 2015

Natural Resources
Conservation Service

Minnesota
State Office

375 Jackson Street
Suite 600
St. Paul, MN 55101

Ph: 651-602-7900
Fax 855-823-7656
www.mn.nrcs.usda.gov

Brad Redlin
Minnesota Agricultural Water Quality Certification Program Manager
Minnesota Department of Agriculture
625 Robert Street North
St. Paul, MN 55155

Dear Mr. Redlin:

The Regional Conservation Partnership Program (RCPP) was authorized under the 2014 Farm Bill with a purpose to develop partnerships between the Natural Resources Conservation Service (NRCS) and numerous eligible partners identified in the statute. For fiscal year 2015, NRCS selected 115 projects from a pool of nearly 600 pre-proposals and made these awards from a highly competitive field.

Criteria and priority to certain applications were used to identify and select awards and are based on several factors described in the statute.

- Assist producers in meeting or avoiding the need for a natural resource regulatory requirement.
- Have a high percentage of producers in the project area.
- Significantly leverage non-federal financial and technical resources and coordinate with other local, state, or national efforts.
- Provide innovation in conservation methods and delivery.

The NRCS award made to the Minnesota Department of Agriculture Water Quality Certification Program requires a significant portion of funding to be non-federal funds during the life of the five-year partnership agreement. The Minnesota RCPP project was selected because it exceeded the criteria as identified in the statute and achieved significant leverage of funds, diverse partnerships, solutions to address water quality, and innovation. If the non-federal contribution from the Minnesota Department of Agriculture that was described in the full proposal is not made available throughout the five-year life of the partnership agreement, this project would not be able to utilize the NRCS RCPP award.

If you have any further questions, please do not hesitate to contact me. Thank you.

Sincerely,

CATHEE PULLMAN
State Conservationist

cc:

Nick Vira, Assistant State Conservationist - Financial Assistance Programs, NRCS, St. Paul, MN
Lanette Dietrich, Assistant State Conservationist - Easement Programs, NRCS, St. Paul, MN