

SAN MATEO COUNTY RESOURCE CONSERVATION DISTRICT

January 23, 2008

Meeting of the Agricultural Production Subcommittee

RCD Office

625 Miramontes Street, Half Moon Bay, CA 94019

PRESENT: Rich Allen (Director); Jim Reynolds (Director); Jim Howard (NRCS staff); Louie Figone (Subcommittee member); Kellyx Nelson (RCD staff- *by telephone*); Carolann Towe (RCD staff); Ron Sturgeon (public).

CALL TO ORDER:

Mr. Figone called the meeting to order at 1:00 p.m.

PUBLIC COMMENT:

No members of the public were present at this time.

SELECTION OF AGRICULTURAL WATER QUALITY GRANT RECIPIENTS:

Kellyx stated that the purpose of the meeting was for the Agricultural Production Subcommittee, serving as the grant's Selection Committee, to determine how to award the projected remaining available funds. She provided the following background:

The grant agreement with the State requires approximately 60:40 overall match to their grant funds for construction and implementation of agricultural water quality projects. The match is from EQIP contracts and producers for most of the projects and from Farm Bureau and producers for the cover crop subcontract. The current estimated total cost for the projects approved last year by the Selection Committee that are moving forward is \$391,571. This is an estimate because only two projects have been completed, for which we know the true actual costs. Based on the match ratio for the estimated total cost, the grant will reimburse producers \$160,544. Producers are encouraged to thoroughly document their true costs so that they can be reimbursed more, keeping with the match ratio. There is approximately \$220,000 allowable in the grant to pay for implementation, of which approximately \$160,000 is currently anticipated to be spent. Staff estimates that approximately \$60,000 will remain for the Selection Committee to award this year and recommends a combination of augmenting support for the current practices, keeping within the match ratio, and funding new practices.

Jim H. presented staff recommendations for new practices to be funded with the remaining approximate \$60,000. These recommended producers/ practices (1) are in EQIP contracts, (2) are likely to successfully implement the practices this year, and (3) meet the criteria for funding established by the Selection Committee last year. He reviewed the practices, commenting on likely willingness to participate and likely potential to complete the project by the deadline date of implementation- October 15th, 2008. He noted that the numbers were randomly assigned to maintain anonymity and did not represent ranking.

- #21 low potential
- #22 high potential; has an existing project from the first round of funding (#5)
- #23 unknown; didn't respond during the first round of projects.
- #24 high potential (75-80%); has an existing project from the first round of funding (#4)
- #25 medium potential (40%); has an existing project from the first round of funding (#1)
- #26 unknown interest, but it is not likely

Kellyx suggested a combination of augmenting funding of projects already approved while selecting additional projects to supplement. The RCD would pay different percent rates of actual costs for current projects depending on the EQIP match. No producer would be reimbursed for more than he or she spent, e.g. producers who received EQIP match at 75% would not receive an additional 41% from the grant. Others who received EQIP match at 50% would receive more than 41% from the grant, as long as the match ratio for total costs was consistent with the State contract. Remaining funds would be distributed across the newly selected projects.

Jim H. and Kellyx advised that the producers most likely to participate in the second round of funding because of their willingness to participate and likelihood of completing the practices by October 15th overlap to some extent with producers who were awarded funds in the first round. This is noteworthy because one of the selection criteria was equitable distribution of funds. However, other criteria included feasibility of implementation and willingness to participate. Rich stated his understanding was that this was not a distribution of income exercise but one to get practices in the ground. Kellyx agreed that the Selection Committee reflected this priority with their weighting system. Water Quality Benefit was weighted at 60%, while Equitable Distribution was weighted at 10%. She read the equitable distribution criterion aloud: "Inclusion of the project does not compromise the distribution of grant resources across a number of producers and practices."

Kellyx suggested the committee approve all recommended practices, #21 through #26, as allowable for funding so that Jim H. can pursue the possibilities with the producers. Approving all practices that are in EQIP contract, have water quality benefit, and are on the selection criteria approved list would give staff the ability to pursue more diverse participants and therefore maximize equitable distribution. Any that are found not to be feasible for implementation this year or unwilling to participate would necessarily be dropped, as those selection criteria are absolute (yes/no, not weighted).

Jim H. gave a status update on the projects currently selected for funding.

Rich requested an update on the cover crop project. Carolann reported that the cover crops were in the ground, but that only 14 of the 18 sites were planted. Ron asked how many acres that included. She was unable to answer his question since the RCD has not yet received an invoice from the Farm Bureau. She further noted that no monitoring has taken place yet as the QAPP has not yet been approved by the State. Rich asked if the producers in the cover crop project know that they are being supported by RCD funding. Kellyx said that some of them did not know that the RCD was involved. The producers were given Participator Agreements to sign

that would formally notify them that this was an RCD project, but it is unclear how many have signed them yet because RCD staff has not yet seen any signed documents. Louie noted he would bring that up at the next FB meeting.

Jim H. noted he would know within two weeks to a month which producers would be likely to participate.

PUBLIC COMMENT:

Ron noted that he was familiar with the selection criteria document but was unsure about how they were applied, as some practices don't have the same water quality benefit as others. He wanted to know if the projects on the recommended list had been ranked by each criterion, as the list does not note how the projects were included.

Kellyx and Jim H. acknowledged Ron's question as a valid issue and agreed that the kind of analysis he was asking about was not done for selection of these projects. Rich noted that the selection criteria include a menu of practices to choose from that were approved by the Selection Committee. Kellyx explained that such an analysis, while potentially valuable and interesting, was beyond the scope of this process and current staff capacity. The selection criteria are essentially yes/no. If the project has water quality benefit, it is awarded the full 60% weight. Projects are not individually weighed for how much water quality benefit they achieve. That would be particularly difficult to do with some of the practices that are companion practices, meaning they may not have water quality benefit independently. She also noted that ranking one practice as more valuable than another could be controversial. Jim H. agreed regarding the controversy and added that, with the scarcity of available projects, all projects would still have been included and ranking them would not have achieved anything.

DECISION:

Rich proposed accepting staff recommendations. Jim R. seconded and all committee members present were in favor.

ADJOURNMENT:

Meeting adjourned at 2:30 p.m.