



Big Stone Soil and Water Conservation District

990 US Highway 12, Ortonville, MN 56278
(320) 839-6149 ext. #3
www.bigstoneswcd.org

2023

Big Stone Soil and Water Conservation District Cost Share Policy

February 2023

I. INTRODUCTION:

- a. The Big Stone Soil and Water Conservation District (hereafter referred to as SWCD) administers cost programs that reimburse land occupiers for installing SWCD approved Best Management Practices. Minnesota Statute 103C.501 affords the SWCD the ability to receive funds from the Board of Water and Soil Resources (BWSR) and provide financial assistance to land occupiers through contracts between the SWCD and the land occupier.
- b. BWSR has established policies for cost share programs
- c. The SWCD will abide by these policies and hereby establishes the Big Stone Soil and Water Conservation District Cost Share Policy.
- d. For each fiscal year of cost share funds, the SWCD will review this cost share policy
- e. SWCD or their agents will have access to enter this property for inspection throughout life of contract.

II. COST SHARE FUNDS

- a. Cost Share projects include but not limited to; Water and Sediment Control Basins, Grassed Waterways, Saturated Buffers, Drainage Water Management, Field Windbreak installation, Unused Well Sealing, Shoreline Restorations, Rain Gardens, and the Nonstructural Land Management Practices listed in Section IV.
- b. Up to 20% of the Erosion Control and Water Management Grant, for each fiscal year, may be utilized for technical and administrative purposes.
- c. The District will adopt the average rates as shown on the most recent Farm Custom Rate Survey developed by Iowa State University Extension or by the Minnesota State University Extension for all in-kind reimbursement.
- d. Repair of Damaged Practices. The SWCD will use eligible funds to repair damage to a conservation practice, if the practice was installed using approved standards, damage was caused by reasons beyond the control of the land occupier, and damage or failure of the practice was not due to improper maintenance or removal of the practice within the effective life.

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III. PERCENTAGE RATES

- a. Total cost-share from State funds alone will not exceed 75% of the eligible reasonable cost of the practices unless prior approval is received by the SWCD Board and is allowed in BWSR Program Policy.
 - i. Example: EQIP pays 42%, ECWMP may pay the remaining 58%, but if EQIP pays 12% ECWMP may still only pay 75% bringing total cost share to 87%.
- b. Cost-share for unused well sealing, after any other state or local funding sources are established at 50% of the eligible reasonable cost of the practice with a maximum of \$800 per well.
- c. The SWCD will only provide cost share for structural practices that provide a measurable benefit to water quality and quantity concerns.
- d. If at any time the contract holder fails to meet the terms of the contract, the board is will require that cost share be returned to the SWCD, at 150% of the contracted dollar amount.
- e. Utilizing state and non-state funds for a project will be considered on a case-by-case basis by SWCD staff. If a contract is approved as such, payment amounts from combined state and non-state sources shall not exceed the maximum cost share rate of 100%.

IV. NONSTRUCTURAL LAND MANAGEMENT PRACTICES (NLMP)

- a. The SWCD will submit a specific NLMP Implementation Plan Request Form with the information required for BWSR approval for FY2023-2024.
- b. An NLMP Implementation Plan will serve as the incorporated policy for the use of the ECWMP towards non-structural projects.
- c. These practices will utilize flat rate cost share as defined by Section V of this policy.
- d. **FLAT RATE COST SHARE**
 - e. Flat rates will be used as an alternative to actual costs documented by receipts or invoices when providing cost share for approved nonstructural Best Management Practices
 - f. When using flat rates a land occupier cannot accept any other state or federal funds for that practice unless program policy allows.
 - g. The District will enter one contract with each individual land occupier for the planned number of years of the practice.

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- h. The land occupier will be paid in one lump-sum payment after the initial year the practice has been installed and certified complete by the technical representative.
- i. The remaining years of the practice will be completed under the operation and maintenance plan and inspected annually by a technical representative of the SWCD.
- j. If the land occupier fails to maintain the practice during the practice duration, they will be liable for 150% of the flat-rate payment received for the practice. SWCD board can use discretion to decide this reimbursement.
- k. The rates and general requirements for Nonstructural Land Management Practices (NLMP) are as follows.
 - i. References to “traditional” “General EQIP” payment rates can be found in the most recent published installment of EQIP Contracting Guidance Document and/or EQIP cost-list – payment schedule.
 - ii. Contracts are for a three-year span of applying the specified practice.
 - iii. These practices can be re-located to other fields on the farm if acres reach a minimum of original contract acres, or the acres may be delayed, due to weather as deemed necessary by the board of supervisors at that time.
 - iv. Residue and Tillage Management –
 - 1. Use as a guideline, NRCS Practice Standard 329 for No-Till, Strip-Till
 - 2. Will utilize a locally adjusted rate based upon the most recent “traditional” “General EQIP” payment rate for Residue and Tillage Management practices.
 - 3. The rate will be \$18 per acre for 2023, set by SWCD board annually.
 - 4. EXAMPLE: “3 years of no-till on 160 acres at \$18/ac/yr”
“SWCD will pay \$54 per acre in a lump sum on those 160 acres which must be no-tilled for the next 3 years.
 - 5. The maximum payment will be \$8,640 for No-Till, Strip-Till unless otherwise approved by the SWCD board. This equates to 160 acres.
 - v. Cover Crops
 - 1. Use as a guideline, NRCS Practice Standard 340, University of Minnesota Recommendations, or other accredited documents.

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2. The maximum acreage per contract will be fixed at the contract maximum of \$5,400. SWCD board by review for exceptions.
 - a. This equates to 40 acres.
3. The rate will be locally adjusted based upon the most recent listed traditional rate for "Cover Crops" 340.
4. Grazing by livestock is permitted any time it does not affect the initial development of plants.
5. Annual installation of cover crop
 - a. Will utilize a locally adjusted rate based upon the most recent "traditional" "General EQIP" payment rate for "Cover Crop - Basic and organic/non-organic"
 - i. These rates were set by SWCD board February 7, 2023.
 1. Single species cover crop
 - a. \$35 per acre.
 2. Multiple species (two or more)
 - a. \$45 per acre.
 - b. Three Year Annual installation of cover crop
 - i. The above rate will be paid as a lump sum of three times per acre for a minimum of following standard recommendations for establishment of a single cover crop.
 - ii. EXAMPLE: "3 years of Cereal Rye, Turnips, and Tillage Radish on 40 acres" "3 x 40 x \$45= \$5,400 lump sum"

vi. Buffers

1. Cost shared Buffers or Filter Strips must follow, at a minimum, all current NRCS Practice Standard 393 requirements.
2. Contracts for establishing buffers will be paid at a flat rate of:
 - a. \$200 per acre for any non-invasive seed mix, and
 - b. \$300 per acre for Conservation Cover mixes.
 - i. Use NRCS 327 seed mix as an example.
3. Non-desirable species such as reed canary grass, brome grass, Kentucky bluegrass, quack grass must not be used. Acceptable seed source requirements are summarized in BWSR's Native Vegetation Establishment and Enhancement Guidelines.
4. Native shrub plantings (amongst native grasses and flowers) for wildlife, fruit, or nut production are allowed.

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5. Cropping history is required and is defined as in agricultural crop production for at least two of the last five years.
6. Allowable Activities after established, or after 3 years, whichever is greater, include haying, seed propagation, bio-energy production, and prescribed burning, outside of the nesting season of May 15 to August 1. Alternative dates can be approved by the SWCD on a case-by-case basis for weed control, tree and shrub management or emergency repairs. Grazing after successful establishment is allowed with an approved grazing management plan after the third year (Prescribed grazing, practice standard 528).
7. Contracts will be paid by the district after the practice can be verified and documented as planted. Fractional acreages will be paid down to the hundredth of an acre.

V. Technical Expertise:

- a. Technical services will be provided by District staff with appropriate technical approval authority; conservation partners with appropriate technical approval authority (such as: Natural Resources Conservation Service and/or West Central Technical Service Area); a professional licensed engineer, and/or reputable vendor with applicable expertise and liability coverage.

VI. Practice Standards:

- a. All practices must be consistent with USDA Natural Resources Conservation Services Field Office Technical Guide (FOTG) or be professionally accepted engineering or ecological practices.

VII. Contract Noncompliance:

- a. The District, after learning of potential non-compliance, will:
 - i. Review applicable law and rule.
 - ii. Review project file contents, contract, and operation/maintenance plan.
 - iii. Conduct on-site investigation, include pictures, and complete a site inspection form.
 - iv. Interview the land occupier.
 - v. If determined that land occupier is in compliance, the District staff will document this decision and no corrective action is needed.
 - vi. If determined that land occupier is not in compliance, the District staff will present to the District Board their findings and corrective action plan.

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- vii. If the District Board agrees that a non-compliance condition exists, a corrective action plan will be completed and sent via registered mail to the land occupier. The corrective action plan will make reference as to why the practice is not in compliance; specify what the land occupier must do to correct the situation and give deadlines for corrective action to be completed.
- viii. If the District Board doesn't agree that a non-compliance condition exists, then it will be documented, and no corrective action plan is needed.
- ix. The District staff will follow up to make sure land occupier completes corrective action in time allotted.
- x. If land occupier fails to implement the corrective action plan, the land occupier will be considered in a "violation" status. The District will contact the Board of Water & Soil Resources Board Conservationist and at this time ask for the state's assistance.

VIII. Priority

- a. Because of limited cost-share funding, the District has set priority areas in order of priority as:
 - i. Sub-Watersheds of waters listed as impaired on the Watershed District WRAPS report and/or through the MN PCA.
 - ii. Sub-Watersheds of tributaries of MN River listed as "other waters"
 - iii. Sub-Watershed leading into Big Stone Lake
 - iv. Sub-Watershed leading into Artichoke Lake
 - v. Sub-Watershed leading into Long Tom Lake
 - vi. Sub-Watersheds of public streams that lead to MN River
 - vii. Sub-Watershed of the Mustinka River and Drywood Creek
- b. Because of limited cost-share funding for soil health, the District has set a point system to the applications for cost share funds dispersed for cover crops and conservation tillage as listed below.
 - i. Operations with a diverse crop rotation. (3 crop minimum) – 50 points
 - ii. Operations doing a combination of reduced tillage and cover crops. – 40 points
 - iii. Operations with no tile or at minimum water quality inlets. – 30 points
 - iv. Operations with adequate (every water body) filter strips across their operation. – 20 points
- c. These priority practices in the point scale will only be applied if projects exceed funding in a specific priority cutoff (reference IX-a)

IX. Other policies applicable to the program:

- a. **Cost Share Contract.** A contract between the District and land occupier receiving state funds is required to provide a legal standing to ensure practices are installed and maintained according to approved standards and specifications.

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The District must approve or deny the contract. The land occupier must not start construction or installation of the practice until the District approves the cost-share contract. If construction or installation starts prior to approval the land occupier will not be eligible for state cost-share funds.

- b. **Contract Approval:** The District Board will approve or deny the contract. The action taken will be documented in the District's meeting minutes. Approval of contract is considered approval for expenditure of funds. The District Board delegates signing contracts and supporting program documents to the District board designee and/or the District Manager.
- c. **Contract Amendment:** Changes to an executed contract are considered an amendment to the contract and subject to review and approval by the District Manager. Prior to approving an amendment, technical staff must attest that the amendment has merit. Amendments shall not be considered or approved after the end of the contract or after approval to issue final payment on the original contract has been made. Amendments are limited to changes in practice specifications, installation dates, land occupier information, practice components, or cost share amounts.
- d. **Payment:** Land occupiers must not perform work before application and contract are both signed and approved. Then, they must report work completed and show receipts that were incurred that first year, and sign a voucher, prior to requesting reimbursement.
- e. **Partial Payments:** The District may consider allowing partial payments. The partial payment requests will be reviewed on an individual basis. Land occupiers not completing partially paid projects shall be considered violation of state statute and shall be directed, unless otherwise authorized by the state board, to return up to one hundred fifty percent (150%) of the amount of financial assistance received, or less based on SWCD board discretion.
 - i. **E.g.** A non-structural practice is completed one year, but the following years present challenges outside of the landowner's control, so that it is no longer feasible to continue, the board may ask for a return of partial funds.
- f. **Cost Share on Tree Plantings:** A \$500.00 charge will be added to the bill if District staff goes out to site to plant and/or mat and it is not prepared properly, resulting in rescheduling of services. This \$500.00 charge will not be cost shareable. See tree policy for additional details.

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X. This policy applies to all BWSR programs

XI. Active, Approved policy for ECWMP and State Conservation Cost Share in fiscal years prior remains applicable to cost share funding utilized from those years' grants

APPROVED BY BIG STONE BOARD OF SUPERVISORS

DATE: 2-7-2023

Board Chairman Don McGill

District Manager [Signature]

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