

**SENATE AGRICULTURE AFFAIRS COMMITTEE
FY 2015 ANNUAL REPORT NARRATIVE
Tues., Feb. 17, 8:00 am**

SLIDE 1: INTRODUCTION

Good afternoon, Chairman Rice, and Committee members. I'm Teri Murrison, Administrator of the Idaho Soil and Water Conservation Commission. With me are Carolyn Watts, Chairman Norman Wright, Commissioner Leon Slichter, and Dave Radford. Our Annual Report will be followed today by a separate but related presentation by the Idaho Association of Soil Conservation Districts. Today I want to discuss why our work matters, and then deliver our annual report to the Committee.

SLIDE 2: IDAHO'S OLDEST CONSERVATION MOVEMENT

The state was a leader in establishing Idaho's oldest conservation movement. During the Great Depression, there were dust and erosion issues due to what were at the time common land management practices. The slide shows one such practice on Stockton Farm near Coeur d'Alene. March 9th marks the completion of our 75th year as a state agency established to help farmers and ranchers reduce erosion.

IC Title 22, Chapter 27 provided for the formation of local conservation districts and established the Commission and districts as Idaho's primary entities to make voluntary conservation improvements on a broad scale. Statute has since expanded responsibilities to planning and implementation of programs and projects benefitting soil, water, air, plants, and animals, including sage grouse, fish, and other species. Seventy five years later we have plenty of work to do.

SLIDE 3: WHAT'S CONSERVATION THE IDAHO WAY?

Conservation the Idaho Way is our monthly newsletter, but it's actually much more – it's a state of mind. Idahoans love the land, clean air and water, well-managed landscapes, and they expect agriculture, fish, and wildlife to thrive together. They don't like regulations. Conservation the Idaho Way is a way of life.

We take care of and improve our natural resources for future generations while maximizing their benefits to the state and the people. We focus on cooperative and collaborative efforts with local people who know and work the land.

It matters that this Committee and others continue strong support for voluntary conservation and the partnership because true to our agricultural roots, we sow seeds of good stewardship all around the state. Federal and state partners, the Commission and the NRCS, supply technical expertise, funding, and more to

empower locally led conservation districts - the “boots on the ground” – who undertake projects with willing landowners.

SLIDE 4: ISWCC ORGANIZATIONAL STRUCTURE

The Governor appoints five Commissioners to staggered 5-year terms. They oversee policy to serve Idaho’s soil and water conservation districts, perform various program duties related to water quality planning and implementation, provide low interest conservation loans, and more.

Of our existing 16 FTPs, 13.9 are General Fund, and 2.1 work in the RCRDP dedicated fund – most of us do a little bit in multiple programs. 12 work in field offices around the state, and 4 work full time in Boise.

SLIDE 5: CORE FUNCTIONS

We focus on three core functions: providing districts with technical and other support services, offering non-regulatory, science-based incentive programs to develop voluntary conservation practices, and administration. Administration is largely self-explanatory. Let me briefly tell you about the other two.

SLIDE 6: SERVICES AND PROGRAMS

First, here's a table broken down by core function categories. It shows the programs and services for which we are statutorily responsible. Due to constrained resources, we've prioritized them under the Status column. They are all important - some more than others when resources are scarce. <PAUSE>

SLIDE 7: KEY SERVICES & WHO WE SERVE – DISTRICTS

There are 50 districts in Idaho. We strengthen them and build capacity. We provide specialized technical assistance for conservation planning, engineering, watershed assessments, and sage grouse, fish, and other species conservation projects.

SLIDE 8: DISTRICT SUPPORT

We allocate trustee and benefit funds - \$1,203,200 last year. Each district receives a base allocation of \$8,500, matching dollars for local contributions capped at \$50,000 per district, \$1,000 in operating funds, and approximately \$850 per district in capacity building funds.

Last year, districts formally requested 10,858 hours of technical assistance. We were only able to supply about half of that. In the last few years, we've increased our support output despite no staff increases in the field: In 2014 we helped 38 of

50 districts with projects (up 7 from 2013), initiated 57 new projects (up 33 from 2013), worked on 103 ongoing projects (up 62 from 2013), and with partners, served 386 landowners (140 more than in 2013). Despite this, due to resource constraints, in FY 2015, we still only supplied ½ of every technical assistance hour requested by districts.

SLIDE 9: BEAR RIVER/WHISKEY CREEK PROJECT

Perhaps the best way to explain technical assistance is to show you what 3 partners – from left to right, Chris Banks of IASCD, Pauline Bassett of Caribou SCD, and Allan Johnson with the Commission – and a bunch of other folks just did on Bear River and Whiskey Creek.

SLIDE 10: WHAT IT WAS

Near Grace in Southeastern Idaho, the Bear River is listed for not meeting Clean Water Act standards for beneficial uses. It's considered by DEQ to be a high priority for applying best management practices to address agricultural pollutants: bacteria, nutrients, & sediment/erosion.

Running over highly erodible soils on the Niter Bench above the Bear River, Whiskey Creek was piped decades ago and a dairy barn and concrete floored

corral built on top of it. For years, manure was pushed down the hill next to the creek, adding nutrients and sediment to the water. More recently, even though the dairy was defunct, the corral still housed livestock. Property owner Max Nichols knew it was a problem, wanted to reduce the nutrient loading, and restore the creek to a natural condition, so he enlisted the help of Bassett, Banks, and Johnson.

The Caribou District got a grant from DEQ to reduce livestock impacts on 1 mile of the Bear River – removing cattle from the stream banks and developing off-stream watering facilities - and to restore 400' of Whiskey Creek. They dismantled the barn and corral, daylighted the creek, and restored its sinuous course 400' down the Bench .

Banks got other partners to sign on to help, including North Gem High School who planted and laid sod to hold the hillside in place, PacificCorp's Environmental Coordination Committee, Trout Unlimited, and more. The barn was torn down and the materials donated to a boys and girls club.

SLIDE 11: WHAT IT IS

Whiskey Creek's BMPs alone are expected to eliminate 1,870# of phosphorus and an incredible 296,343#s of sediment from the Creek. The Bear River BMPs are

expected to reduce 68,359#s of phosphorus and 44,875#s of sediment. The total project cost for both Bear River and Whiskey Creek was \$358,404 total (\$145,789 match & \$212,615 319-grant).

Now Nichols and everyone who sees Whiskey Creek is thrilled with the glorious stream cascading down the Bench. The Creek babbles, the water is clear and clean, and several weeks after completion there were already fish in Whiskey Creek .

Whiskey Creek is one of engineer Allan Johnson's signature technical assistance accomplishments. The project and the partnership typifies the way we all work together to make Idaho a better place. We leave resources in better condition than we found them. Whiskey Creek is the kind of project we long to do more of.

SLIDE 12: RCRDP Loan Program

Our second core function is providing incentive-based and general conservation programs and services. Our flagship incentive program, the Resource Conservation and Rangeland Development Program provides low interest loans to purchase equipment and install projects that provide conservation benefits. Loan rates range from 2 ½ to 3 ½ %.The maximum amount is \$200,000 per loan, \$300,000 per borrower.

As of December 31st, we've 92 outstanding loans and a principal loan balance of \$3,814,595. We saw an increase in inquiries and applications in 2014. We approved 12 loans - 8 more than in 2013 – and loaned out an additional \$841,624. We've mounted an aggressive marketing campaign and as the numbers show, we're seeing an increase in interest and activity.

Last year our Nitrate Priority Area/Ground Water Program treated about 28,000 acres, reducing nitrates by about 142k #s, Phosphorus by 32k #s, and sediment by 54,618k #s.

SLIDE 13: KEY SERVICES & WHO WE SERVE- PROGRAMS

Our Conservation Reserve Enhancement Program (CREP) conserves water usage on marginal farm ground in the Eastern Snake River Plain Aquifer. Participating landowners receive \$130 an acre per year from the Farm Service Agency in exchange for not farming these lands.

Last year 156 CREP contracts were signed in the region, enrolling 16,792 acres, and saving 66,916 acre feet of water – enough to serve about 330,000 people, save almost 134,000 tons of soil erosion, diverting up to 4.5 million pounds of fertilizer, and significantly benefiting wildlife and fish.

SLIDE 14: TOTAL MAXIMUM DAILY LOAD PROGRAM (TMDL)

We assist DEQ in preparing TMDL implementation plans to strategically reduce agriculturally-generated pollutants in Idaho's impaired surface waters. Since we began writing implementation plans - utilizing staff and previously, independent contractors - we've completed 99 plans. In 2014, staff completed 6 plans, and juggled 15 in process. There are 19 new or to-be-updated plans pending.

SLIDE 15: AGRICULTURAL POLLUTION ABATEMENT PLAN UPDATE

This year we're updating the Idaho Agricultural Pollution Abatement Plan, Idaho's response to Section 208 of the federal Clean Water Act (PL 92-500). It represents the agricultural portion or action element of the State Water Quality Management Plan and details how agricultural nonpoint source pollution is to be managed. It's updated and revised about every ten years.

We're working with an Advisory Committee of nineteen members representing state and federal agencies, and with representatives from conservation, industry and commodity groups. A final Plan will be certified by the Governor by July 1st.

SLIDE 16 thru 25 – 2 seconds per slide

Finally, these are fact sheets from the conservation districts located in your legislative districts – we’ve put a copy of each in your folders. Please give them a call to ask what they’re doing – they’ll be delighted to show you.

SLIDE 26: THANK YOU

Locally led, voluntary conservation involving the efforts of conservation districts, the Commission, NRCS, and private landowners is the key to Conservation the Idaho Way.

Mr. Chair, thank you for your support, time, and attention. Do you have any questions for us?