

CORRESPONDENCE/MEMORANDUM _____ **State of Wisconsin**

DATE: July 22, 2015

TO: Land and Water Conservation Board Members and Advisors

FROM: Keith Foye, DATCP *Keith Foye*
Bureau of Land and Water Resources Management

Pamela Biersach, DNR *P. Biersach*
Bureau of Watershed Management

SUBJECT: 2016 Joint Preliminary Allocation Plan for the Soil and Water Resource Management Program and the Nonpoint Source Program

Recommended Action: This is an informational item. However, if the LWCB wishes to do so, it may vote to “receive” the *2016 Joint Preliminary Allocation Plan*. A vote to “receive” the preliminary allocation plan does not bind the LWCB to any position.

Summary: The *2016 Joint Preliminary Allocation Plan* provides details on how both the Department of Agriculture, Trade and Consumer Protection (DATCP) and the Department of Natural Resources (DNR) propose to allocate available nonpoint grant funds to county Land Conservation Committees and other project sponsors. This plan does not include allocation of DNR funds to cities, towns, and villages for projects under ss. 281.65 or 281.66, Wis. Stats. In 2016, \$19,203,863 will be jointly allocated.

As part of the decision-making record, DATCP prepared an environmental assessment (EA). The EA finds that DATCP’s proposed allocation is not a major action significantly affecting the quality of the human environment and concludes that an environmental impact statement is not required.

Breakdown of 2016 Joint Allocation

DATCP County Staff & Support Grant **Total=\$8,739,100**

DATCP proposes to allocate \$8,739,100 in grants to county land conservation committees (counties) and other project sponsors from the following sources:

- \$ 5,711,900 DATCP SEG from s. 20.115(7)(qe)
- \$ 3,027,200 DATCP GPR from s. 20.115(7)(c)

The following steps are involved in the two-tier process used to make the staffing allocation. Tier 1 awards each county \$75,000 as a basic award. Tier 2 attempts to provide counties with funding to pay for three positions based on actual costs of those positions at the rate of 100 percent for the first position, 70 percent for the second, and 50 percent for the third. As a result of increases in staffing costs, combined with level appropriations, DATCP can fund each county’s first position, and only 70 percent of the county requests for their second positions at the 70 percent rate. DATCP has no funding for a county’s third position funded at the 50 percent rate.

Beginning with the 2017 application, DATCP will require that each county document its top five priority activities for each grant year, including performance targets and benchmarks for each

activity. Counties will be expected to report on their progress in meeting benchmarked activities when they submit their annual report the following April.

DNR Planning and Local Assistance Grants

Total=\$34,175

The maximum amount that DNR plans to allocate to counties through the Urban Nonpoint Source and Storm Water Management Grant Program for planning projects is \$34,175. These funds come from the Urban Nonpoint Source and Storm Water Management SEG appropriation of s. 20.370(6)(dq). A reserve has been created to show these funds. DNR will include specific allocations to individual counties in the *2016 Joint Final Allocation Plan*.

DATCP Cost-Share Grants

Total =\$5,528,053

DATCP proposes to allocate a total of \$5,528,053 for cost-sharing from the following funding sources:

\$ 3,675,048	DATCP Bond from s. 20.866(2)(we)
\$ 200,000	DATCP Bond Reserve from s. 20.866(2)(we)
\$ 1,653,005	DATCP SEG Revenue from s. 20.115(7)(qf)

In 2016, DATCP will allocate **\$3,675,048** in **Bond Revenue** funds based on the following factors (and percentages): base funding of \$10,000 per county (~20%); under-spending based on a cumulative 3-year average (~50%); Census farmland acres (~20%); and past 3-year performance in total dollars spent on bond practices (~10%).

DATCP will again set up **\$200,000** in **Bond Reserve** funds for regulatory animal waste response (NR 243) projects. Individual grant awards from this reserve will be allocated to counties on a first-come, first-served basis using a separate application process, <http://dnr.wi.gov/Aid/NOD.html>

DATCP proposes to allocate **\$1,653,005** in **SEG** funds from s. 20.115(7)(qf) using the following criteria: the number of NM checklists submitted to DATCP in 2014 for farmers located in the county, the number of farmers in each county claiming FPP credits for tax year 2013, and the county's record in spending or committing at least 80% of its 2014 SEG funds.

DNR Cost-Share Grants

Total = \$4,254,340

DNR proposes the following reserve amounts totaling \$4,254,340, as maximum possible allocations from the following funding sources:

\$ 3,053,674	DNR Bond Revenue from s. 20.866(2)(tf), Wis. Stats.
\$ 100,000	DNR GPR from s. 20.370(6)(aa), Wis. Stats.
\$ 100,666	DNR Bond Revenue from s. 20.866(2)(th), Wis. Stats.
\$ 1,000,000	DNR Sec. 319 Account (Federal)

DNR will make final detailed allocations to individual counties in the *2016 Joint Final Allocation Plan*.

DATCP NMFE and Cooperator Grants**Total =\$648,195**

DATCP will allocate \$101,064 in SEG funds from s. 20.115(7)(qf) to 11 grant recipients to provide farmer nutrient management training. From the same account, DATCP will also allocate \$547,131 in SEG funds for contracts to support nutrient management implementation and other project activities including SOC.

Comment on Preliminary Allocation Plan

The 2016 Joint Preliminary Allocation Plan, and DATCP's Environmental Assessment, were provided to all county land conservation department offices and other interested parties prior to the LWCB's August 4, 2015 meeting. Counties, project cooperators and others may submit comments about the 2016 Joint Preliminary Allocation Plan. In addition to written comments, interested persons may request to appear before the LWCB to present comments by completing a Public Appearance Request Card at the start of either the August 4, 2015 or October 6, 2015 meeting. LWCB meetings are held at the Department of Agriculture, Trade and Consumer Protection building at 2811 Agriculture Drive, Madison, WI.

Written comments must be e-mailed by September 5, 2015 to:

Kim Carlson at
E-mail: datcpswrm@wisconsin.gov

Materials Provided:

- ◆ *2016 Joint Preliminary Allocation Plan*
- ◆ *Environmental Assessment*

Presenters: Richard Castelnuovo (DATCP); Linda Talbot (DNR)

2016 JOINT PRELIMINARY ALLOCATION PLAN

Soil and Water Resource Management Grant Program and Nonpoint Source Program

The allocations identified in this preliminary plan provide counties and others with grant funding for conservation staff and support costs, landowner cost-sharing, and runoff management projects. The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) and the Department of Natural Resources (DNR) are making these allocations to protect Wisconsin's soil and water resources, consistent with the objectives in chs. 92 & 281, Wis. Stats.

DATCP is allocating grants to county land conservation committees (counties) and other project cooperators in 2016 through the Soil and Water Resource Management Program (Table A).

DNR is allocating grants to counties through the Targeted Runoff Management (TRM), Urban Nonpoint Source and Storm Water Management (UNPS), and NR 243 Notice of Discharge (NOD) programs (Table B).

For 2016, a total of \$19,203,863 is allocated based on the state budget for the 2016-18 biennium. Table C summarizes all allocations, by grantee. Organized by funding category, Chart 1 below summarizes grant fund requests, unmet funding requests and preliminary allocations. Chart 2 below shows the allocation categories by funding sources.

If required, these allocations may be adjusted based on reductions in appropriations or authorizations.

Chart 1: Summary of Requests and Joint Allocations for Grant Year 2016			
Funding Category	Total Requests	Unmet Requests	Preliminary Allocations
DATCP ALLOCATIONS			
County Staff/Support	\$16,025,340	\$7,286,240	\$8,739,100
County LWRM Cost-Share (B)	\$7,146,000	\$3,470,952	\$3,675,048
NR 243 Reserve (B)	\$200,000	\$0	\$200,000
LWRM Cost-Share (SEG)	\$2,643,900	\$990,895	\$1,653,005
Project Contracts (SEG)	\$592,931	\$45,800	\$547,131
NMFE Training Grants (SEG)	\$101,064	\$0	\$101,064
SUBTOTAL	\$26,709,235	\$11,793,887	\$14,915,348
DNR ALLOCATIONS			
UNPS Planning	\$34,175	0	\$34,175
UNPS Construction	\$100,666	0	\$100,666
TRM Construction	\$5,217,727	\$2,064,053	\$3,153,674
NOD Reserve (B & CP)	1,000,000		\$1,000,000
SUBTOTAL	\$6,352,568	\$2,064,053	\$4,288,515
Total			\$19,203,863

Chart 2: Funding Sources

Staff and Support Grants	
\$ 5,711,900	DATCP SEG from s. 20.115(7)(qe)
\$ 3,027,200	DATCP GPR from s. 20.115(7)(c)
\$8,739,100	DATCP Subtotal
\$ 34,175	DNR SEG from s. 20.370(6)(dq)
\$ 0	DNR Sec. 319 Account (federal)
\$ 0	DNR GPR from s. 20.370(6)(aa)
\$ 34,175	DNR Subtotal
=====	
\$ 8,773,275	TOTAL Staff & Support Grants
Cost-Share Grants	
\$ 3,675,048	DATCP Bond from s. 20.866(2)(we)
\$ 200,000	DATCP Bond Reserve from s. 20.866(2)(we)
\$ 1,653,005	DATCP SEG Revenue from s. 20.115(7)(qf)
\$ 5,528,053	DATCP Subtotal
\$ 3,053,674	DNR Bond Revenue from s. 20.866(2)(tf)
\$ 100,000	DNR GPR from s. 20.370(6)(aa)
\$ 100,666	DNR Bond Revenue from s. 20.866(2)(th)
\$ 1,000,000	DNR Sec. 319 Account (federal)
\$ 4,254,340	DNR Subtotal
=====	
\$ 9,782,393	TOTAL Cost-Share Grants
NMFE & Other Project Cooperator Grants	
\$ 101,064	DATCP NMFE SEG from s. 20.115(7)(qf)
\$ 547,131	DATCP OPC SEG from s. 20.115(7)(qf)
=====	
\$ 648,195	TOTAL NMFE & Other Grants
=====	
\$19,203,863	GRAND TOTAL

Abbreviations Used Above:

LWRM = Land & Water Resource Management Plan Implementation
NA = Not Applicable or Available
TRM = Targeted Runoff Management
UNPS = Urban Nonpoint Source and Storm Water Management
B = Bond Revenue
CP = Cropping Practices

Table A: 2016 Preliminary Allocations of DATCP Funding

County	DATCP Staffing & Support Allocation	LWRM Plan Implementation		Total DATCP 2016 Allocation	County	DATCP Staffing & Support Allocation	LWRM Plan Implementation		Total DATCP 2016 Allocation
		Bond Cost-Sharing	SEG Cost-Sharing				Bond Cost-Sharing	SEG Cost-Sharing	
Adams	119,023	57,000	28,000	204,023	Oconto	128,621	42,500	14,980	186,101
Ashland	104,756	50,000	14,000	168,756	Oneida	92,590	35,000	0	127,590
Barron	115,967	52,500	28,000	196,467	Outagamie	157,787	62,500	50,000	270,287
Bayfield	108,794	62,000	8,400	179,194	Ozaukee	137,862	62,000	42,000	241,862
Brown	133,686	40,048	0	173,734	Pepin	114,835	40,000	11,200	166,035
Buffalo	100,990	52,500	33,600	187,090	Pierce	130,465	82,500	20,000	232,965
Burnett	105,598	17,000	12,000	134,598	Polk	145,834	43,000	0	188,834
Calumet	121,244	32,000	50,000	203,244	Portage	135,703	67,500	0	203,203
Chippewa	166,836	42,500	38,423	247,759	Price	80,942	42,000	0	122,942
Clark	139,116	72,500	50,000	261,616	Racine	132,436	57,000	42,000	231,436
Columbia	137,670	87,500	45,000	270,170	Richland	97,842	47,500	28,000	173,342
Crawford	101,946	47,500	14,000	163,446	Rock	158,794	67,500	45,000	271,294
Dane	162,254	42,500	45,000	249,754	Rusk	95,839	57,000	28,000	180,839
Dodge	137,622	27,500	10,000	175,122	Saint Croix	143,533	27,500	25,000	196,033
Door	160,095	32,000	19,600	211,695	Sauk	126,135	67,500	42,000	235,635
Douglas	123,296	27,000	0	150,296	Sawyer	78,576	35,000	7,000	120,576
Dunn	152,127	64,000	16,800	232,927	Shawano	111,493	22,500	14,000	147,993
Eau Claire	136,154	62,500	45,000	243,654	Sheboygan	130,118	62,500	14,000	206,618
Florence	81,066	50,000	0	131,066	Taylor	93,762	82,500	28,000	204,262
Fond du Lac	141,761	67,500	15,000	224,261	Trempealeau	109,826	67,500	45,000	222,326
Forest	79,081	15,000	0	94,081	Vernon	124,221	52,500	45,000	221,721
Grant	97,040	67,500	0	164,540	Vilas	122,711	45,000	0	167,711
Green	131,284	67,500	45,000	243,784	Walworth	145,153	62,500	0	207,653
Green Lake	134,181	57,000	28,000	219,181	Washburn	103,364	47,000	8,400	158,764
Iowa	102,744	32,500	45,000	180,244	Washington	121,022	42,000	10,080	173,102
Iron	97,778	40,000	0	137,778	Waukesha	156,732	20,000	0	176,732
Jackson	125,159	82,500	28,000	235,659	Waupaca	120,789	67,500	45,000	233,289
Jefferson	171,802	35,000	14,000	220,802	Waushara	119,481	50,000	20,000	189,481
Juneau	112,398	47,500	0	159,898	Winnebago	141,198	32,000	50,000	223,198
Kenosha	120,434	57,000	14,000	191,434	Wood	126,840	67,500	24,500	218,840
Kewaunee	106,496	47,500	16,800	170,796	Reserve		200,000		200,000
LaCrosse	141,257	57,000	50,000	248,257	Sub-Totals	\$8,739,100	\$3,875,048	\$1,653,005	\$14,267,153
Lafayette	95,585	52,500	45,000	193,085					
Langlade	85,592	57,000	28,000	170,592					
Lincoln	100,237	60,000	7,000	167,237	OTHER PROJECT COOPERATOR (OPC) FUNDING				
Manitowoc	154,625	67,500	50,000	272,125	UW-CALS			360,000	360,000
Marathon	148,618	82,500	50,000	281,118	Nutrient Management Farmer Education (NMFE)			101,064	101,064
Marinette	145,096	57,000	45,000	247,096	WI Land + Water (WLWCA)			149,131	149,131
Marquette	97,123	57,000	38,422	192,545	Standard Oversight Council (SOC)			35,000	35,000
Menominee	75,000	20,000	0	95,000	Conservation Observance Day			3,000	3,000
Milwaukee	76,337	20,000	0	96,337	Sub-Totals			\$648,195	\$648,195
Monroe	106,728	52,500	16,800	176,028	TOTAL	\$8,739,100	\$3,875,048	\$2,301,200	\$14,915,348

Table A-1: 2016 Staff and Support Tier 1, Tier 2, Rounds One, Two and Three

County	Tier 1							Tier 2							2016 DATCP Staffing & Support Allocation
	Base Allocation	First Position at 100% (Round 1)	Round 1 Award	Adjusted Award (Tier 1 + Round 1)	Second Position at 70% (Round 2)	Eligible Round 2 Award	Round 2 Award at 70.160193% (of 70%)	Adjusted Award (Tier 1 + Round 1 & 2)	Third Position at 50% (Round 3)	Round 3 Award No Funds Available					
Adams	75,000	80,702	5,702	80,702	54,620	54,620	38,321	119,023	29,744	0	119,023				
Ashland	75,000	72,424	0	75,000	44,988	44,988	29,756	104,756	16,732	0	104,756				
Barron	75,000	77,175	2,175	77,175	55,290	55,290	38,792	115,967	38,164	0	115,967				
Bayfield	75,000	75,192	192	75,192	47,893	47,893	33,602	108,794	20,296	0	108,794				
Brown	75,000	89,971	14,971	89,971	62,308	62,308	43,715	133,686	39,395	0	133,686				
Buffalo	75,000	63,899	0	75,000	48,145	48,145	25,990	100,990	12,929	0	100,990				
Burnett	75,000	72,125	0	75,000	46,487	46,487	30,598	105,598	24,421	0	105,598				
Calumet	75,000	83,851	8,851	83,851	53,296	53,296	37,393	121,244	37,533	0	121,244				
Chippewa	75,000	116,603	41,603	116,603	71,598	71,598	50,233	166,836	48,033	0	166,836				
Clark	75,000	98,573	23,573	98,573	57,786	57,786	40,543	139,116	24,331	0	139,116				
Columbia	75,000	102,410	27,410	102,410	50,257	50,257	35,260	137,670	35,878	0	137,670				
Crawford	75,000	68,859	0	75,000	44,548	44,548	26,946	101,946	13,732	0	101,946				
Dane	75,000	111,753	36,753	111,753	71,980	71,980	50,501	162,254	48,421	0	162,254				
Dodge	75,000	97,907	22,907	97,907	56,606	56,606	39,715	137,622	40,338	0	137,622				
Door	75,000	113,250	38,250	113,250	66,768	66,768	46,845	160,095	41,783	0	160,095				
Douglas	75,000	83,562	8,562	83,562	56,633	56,633	39,734	123,296	1,545	0	123,296				
Dunn	75,000	109,927	34,927	109,927	60,148	60,148	42,200	152,127	41,494	0	152,127				
Eau Claire	75,000	104,698	29,698	104,698	44,834	44,834	31,456	136,154	34,248	0	136,154				
Florence	75,000	76,535	1,535	76,535	6,458	6,458	4,531	81,066	0	0	81,066				
Fond du Lac	75,000	96,287	21,287	96,287	64,815	64,815	45,474	141,761	44,093	0	141,761				
Forest	75,000	42,556	0	75,000	38,260	38,260	4,081	79,081	2,766	0	79,081				
Grant	75,000	61,963	0	75,000	44,451	44,451	22,040	97,040	29,037	0	97,040				
Green	75,000	100,390	25,390	100,390	44,034	44,034	30,894	131,284	31,378	0	131,284				
Green Lake	75,000	92,482	17,482	92,482	59,434	59,434	41,699	134,181	39,735	0	134,181				
Iowa	75,000	73,645	0	75,000	40,899	40,899	27,744	102,744	23,196	0	102,744				
Iron	75,000	63,221	0	75,000	44,244	44,244	22,778	97,778	5,822	0	97,778				
Jackson	75,000	87,921	12,921	87,921	53,076	53,076	37,238	125,159	0	0	125,159				
Jefferson	75,000	126,207	51,207	126,207	64,987	64,987	45,595	171,802	46,387	0	171,802				
Juneau	75,000	76,860	1,860	76,860	50,653	50,653	35,538	112,398	12,500	0	112,398				
Kenosha	75,000	100,967	25,967	100,967	27,746	27,746	19,467	120,434	13,073	0	120,434				
Kewaunee	75,000	75,685	685	75,685	43,915	43,915	30,811	106,496	38,277	0	106,496				
LaCrosse	75,000	94,732	19,732	94,732	66,312	66,312	46,525	141,257	46,795	0	141,257				
Lafayette	75,000	65,525	0	75,000	38,815	38,815	20,585	95,585	22,356	0	95,585				
Langlade	75,000	68,636	0	75,000	21,461	21,461	10,592	85,592	7,357	0	85,592				
Lincoln	75,000	60,505	0	75,000	50,466	50,466	25,237	100,237	23,424	0	100,237				
Manitowoc	75,000	108,519	33,519	108,519	65,710	65,710	46,102	154,625	42,988	0	154,625				

Table A-1: 2016 Staff and Support Tier 1, Tier 2, Rounds One, Two and Three

County	Tier 1										Tier 2										2016 DATCP Staffing & Support Allocation
	Base Allocation	First Position at 100% (Round 1)	Round 1 Award	Adjusted Award (Tier 1 + Round 1)	Second Position at 70% (Round 2)	Eligible Round 2 Award	Round 2 Award at 70.160193% (of 70%)	Adjusted Award (Tier 1 + Round 1 & 2)	Third Position at 50% (Round 3)	Round 3 Award No Funds Available	Base Allocation	First Position at 100% (Round 1)	Round 1 Award	Adjusted Award (Tier 1 + Round 1)	Second Position at 70% (Round 2)	Eligible Round 2 Award	Round 2 Award at 70.160193% (of 70%)	Adjusted Award (Tier 1 + Round 1 & 2)	Third Position at 50% (Round 3)	Round 3 Award No Funds Available	
Marathon	75,000	102,839	27,839	102,839	65,249	65,249	102,839	45,779	148,618	0	75,000	102,839	27,839	102,839	76,906	65,249	45,779	148,618	45,278	0	148,618
Marquette	75,000	100,788	25,788	100,788	63,152	63,152	100,788	44,308	145,096	0	75,000	100,788	25,788	100,788	42,145	63,152	44,308	145,096	45,079	0	145,096
Marquette	75,000	73,775	0	73,775	32,757	32,757	75,000	22,123	97,123	0	75,000	73,775	0	73,775	49,736	31,532	22,123	97,123	6,335	0	97,123
Menominee	75,000	0	0	0	49,736	49,736	75,000	0	75,000	0	75,000	0	0	75,000	0	0	0	75,000	6,927	0	75,000
Milwaukee	75,000	0	0	0	76,906	76,906	75,000	1,906	76,906	0	75,000	0	0	75,000	1,906	1,906	1,337	76,337	30,460	0	76,337
Monroe	75,000	77,159	2,159	77,159	42,145	42,145	77,159	29,569	106,728	0	75,000	77,159	2,159	77,159	42,145	42,145	29,569	106,728	11,486	0	106,728
Oconto	75,000	93,674	18,674	93,674	49,811	49,811	93,674	34,947	128,621	0	75,000	93,674	18,674	93,674	49,811	49,811	34,947	128,621	31,358	0	128,621
Oneida	75,000	62,592	35,154	62,592	37,479	37,479	62,592	17,590	92,590	0	75,000	62,592	35,154	62,592	37,479	37,479	17,590	92,590	12,299	0	92,590
Outagamie	75,000	110,154	35,154	110,154	67,892	67,892	110,154	47,633	157,787	0	75,000	110,154	35,154	110,154	67,892	67,892	47,633	157,787	42,499	0	157,787
Ozaukee	75,000	89,755	14,755	89,755	68,568	68,568	89,755	48,107	137,862	0	75,000	89,755	14,755	89,755	68,568	68,568	48,107	137,862	37,929	0	137,862
Pepin	75,000	86,016	11,016	86,016	41,076	41,076	86,016	28,819	114,835	0	75,000	86,016	11,016	86,016	41,076	41,076	28,819	114,835	23,695	0	114,835
Pierce	75,000	91,205	16,205	91,205	55,958	55,958	91,205	39,260	130,465	0	75,000	91,205	16,205	91,205	55,958	55,958	39,260	130,465	34,380	0	130,465
Polk	75,000	102,264	27,264	102,264	62,101	62,101	102,264	43,570	145,834	0	75,000	102,264	27,264	102,264	62,101	62,101	43,570	145,834	43,458	0	145,834
Portage	75,000	96,761	21,761	96,761	55,505	55,505	96,761	38,942	135,703	0	75,000	96,761	21,761	96,761	55,505	55,505	38,942	135,703	38,368	0	135,703
Price	75,000	52,492	0	52,492	30,977	30,977	75,000	5,942	80,942	0	75,000	0	0	75,000	30,977	8,469	5,942	80,942	8,145	0	80,942
Racine	75,000	92,701	17,701	92,701	56,634	56,634	92,701	39,735	132,436	0	75,000	92,701	17,701	92,701	56,634	56,634	39,735	132,436	20,022	0	132,436
Richland	75,000	65,905	0	65,905	41,652	41,652	75,000	22,842	97,842	0	75,000	0	0	75,000	41,652	32,557	22,842	97,842	29,757	0	97,842
Rock	75,000	113,482	38,482	113,482	64,583	64,583	113,482	45,312	158,794	0	75,000	113,482	38,482	113,482	64,583	64,583	45,312	158,794	43,680	0	158,794
Rusk	75,000	65,393	0	65,393	39,309	39,309	75,000	20,839	95,839	0	75,000	0	0	75,000	39,309	29,702	20,839	95,839	10,534	0	95,839
Saint Croix	75,000	96,637	21,637	96,637	66,842	66,842	96,637	46,896	143,533	0	75,000	96,637	21,637	96,637	66,842	66,842	46,896	143,533	43,414	0	143,533
Sauk	75,000	87,171	12,171	87,171	55,536	55,536	87,171	38,964	126,135	0	75,000	87,171	12,171	87,171	55,536	55,536	38,964	126,135	33,754	0	126,135
Sawyer	75,000	49,235	0	49,235	30,862	30,862	75,000	3,576	78,576	0	75,000	0	0	75,000	30,862	5,097	3,576	78,576	22,858	0	78,576
Shawano	75,000	75,888	888	75,888	50,748	50,748	75,888	35,605	111,493	0	75,000	75,888	888	75,888	50,748	50,748	35,605	111,493	28,035	0	111,493
Sheboygan	75,000	92,601	17,601	92,601	53,474	53,474	92,601	37,517	130,118	0	75,000	92,601	17,601	92,601	53,474	53,474	37,517	130,118	29,369	0	130,118
Taylor	75,000	65,504	0	65,504	36,238	36,238	75,000	18,762	93,762	0	75,000	0	0	75,000	36,238	26,742	18,762	93,762	15,381	0	93,762
Trempealeau	75,000	60,266	0	60,266	64,372	64,372	75,000	34,826	109,826	0	75,000	0	0	75,000	64,372	49,638	34,826	109,826	30,270	0	109,826
Vernon	75,000	86,330	11,330	86,330	54,006	54,006	86,330	37,891	124,221	0	75,000	86,330	11,330	86,330	54,006	54,006	37,891	124,221	33,755	0	124,221
Vilas	75,000	86,335	11,335	86,335	51,847	51,847	86,335	36,376	122,711	0	75,000	86,335	11,335	86,335	51,847	51,847	36,376	122,711	28,383	0	122,711
Walworth	75,000	99,527	24,527	99,527	65,031	65,031	99,527	45,626	145,153	0	75,000	99,527	24,527	99,527	65,031	65,031	45,626	145,153	41,241	0	145,153
Washburn	75,000	73,299	0	73,299	42,133	42,133	75,000	28,364	103,364	0	75,000	0	0	75,000	42,133	40,432	28,364	103,364	6,260	0	103,364
Washington	75,000	86,557	11,557	86,557	49,123	49,123	86,557	47,613	156,732	0	75,000	86,557	11,557	86,557	49,123	49,123	47,613	156,732	32,468	0	156,732
Waushara	75,000	109,119	34,119	109,119	67,863	67,863	109,119	38,704	120,789	0	75,000	109,119	34,119	109,119	67,863	67,863	38,704	120,789	34,579	0	120,789
Waupaca	75,000	82,085	7,085	82,085	55,165	55,165	82,085	37,094	119,481	0	75,000	82,085	7,085	82,085	55,165	55,165	37,094	119,481	36,575	0	119,481
Waushara	75,000	82,387	7,387	82,387	52,870	52,870	82,387	38,237	141,198	0	75,000	82,387	7,387	82,387	52,870	52,870	38,237	141,198	38,908	0	141,198
Winnebago	75,000	102,961	27,961	102,961	54,499	54,499	102,961	35,612	126,840	0	75,000	102,961	27,961	102,961	54,499	54,499	35,612	126,840	31,795	0	126,840
Wood	75,000	91,228	16,228	91,228	50,758	50,758	91,228	35,612	126,840	0	75,000	91,228	16,228	91,228	50,758	50,758	35,612	126,840	31,795	0	126,840
Totals	5,400,000	5,999,602	967,783	6,367,783	3,722,778	3,722,778	6,367,783	2,371,313	8,739,100	0	5,400,000	5,999,602	967,783	6,367,783	3,722,778	3,722,778	2,371,313	8,739,100	2,025,796	0	8,739,100

Table B: 2016 Preliminary Allocations of DNR Funding

County	Targeted Runoff Mgmt. BMP Construction	Urban NPS & Storm Water Mgmt. BMP Construction	Urban NPS & Storm Water Mgmt. Planning	Total DNR 2016 Preliminary Allocations
Adams	\$0	\$0	\$0	\$0
Ashland	\$0	\$0	\$0	\$0
Barron	\$0	\$0	\$0	\$0
Bayfield	\$0	\$0	\$0	\$0
Brown	\$0	\$0	\$0	\$0
Buffalo	\$0	\$0	\$0	\$0
Burnett	\$0	\$0	\$0	\$0
Calumet	\$0	\$0	\$0	\$0
Chippewa	\$0	\$0	\$0	\$0
Clark	\$0	\$0	\$0	\$0
Columbia	\$0	\$0	\$0	\$0
Crawford	\$0	\$0	\$0	\$0
Dane	\$0	\$0	\$0	\$0
Dodge	\$0	\$0	\$0	\$0
Door	\$0	\$0	\$0	\$0
Douglas	\$0	\$0	\$0	\$0
Dunn	\$0	\$0	\$0	\$0
Eau Claire	\$0	\$0	\$0	\$0
Florence	\$0	\$0	\$0	\$0
Fond du Lac	\$0	\$0	\$0	\$0
Forest	\$0	\$0	\$0	\$0
Grant	\$0	\$0	\$0	\$0
Green	\$0	\$0	\$0	\$0
Green Lake	\$0	\$0	\$0	\$0
Iowa	\$0	\$0	\$0	\$0
Iron	\$0	\$0	\$0	\$0
Jackson	\$0	\$0	\$0	\$0
Jefferson	\$0	\$0	\$0	\$0
Juneau	\$0	\$0	\$0	\$0
Kenosha	\$0	\$0	\$0	\$0
Kewaunee	\$0	\$0	\$0	\$0
LaCrosse	\$0	\$0	\$0	\$0
Lafayette	\$0	\$0	\$0	\$0
Langlade	\$0	\$0	\$0	\$0
Lincoln	\$0	\$0	\$0	\$0
Manitowoc	\$0	\$0	\$0	\$0
Marathon	\$0	\$0	\$0	\$0
Marinette	\$0	\$0	\$0	\$0
Marquette	\$0	\$0	\$0	\$0
Menominee	\$0	\$0	\$0	\$0
Milwaukee	\$0	\$0	\$0	\$0
Monroe	\$0	\$0	\$0	\$0
Oconto	\$0	\$0	\$0	\$0
Oneida	\$0	\$0	\$0	\$0
Outagamie	\$0	\$0	\$0	\$0
Ozaukee	\$0	\$0	\$0	\$0

Table B: 2016 Preliminary Allocations of DNR Funding

County	Targeted Runoff Mgmt. BMP Construction	Urban NPS & Storm Water Mgmt. BMP Construction	Urban NPS & Storm Water Mgmt. Planning	Total DNR 2016 Preliminary Allocations
Pepin	\$0	\$0	\$0	\$0
Pierce	\$0	\$0	\$0	\$0
Polk	\$0	\$0	\$0	\$0
Portage	\$0	\$0	\$0	\$0
Price	\$0	\$0	\$0	\$0
Racine	\$0	\$0	\$0	\$0
Richland	\$0	\$0	\$0	\$0
Rock	\$0	\$0	\$0	\$0
Rusk	\$0	\$0	\$0	\$0
Saint Croix	\$0	\$0	\$0	\$0
Sauk	\$0	\$0	\$0	\$0
Sawyer	\$0	\$0	\$0	\$0
Shawano	\$0	\$0	\$0	\$0
Sheboygan	\$0	\$0	\$0	\$0
Taylor	\$0	\$0	\$0	\$0
Trempealeau	\$0	\$0	\$0	\$0
Vernon	\$0	\$0	\$0	\$0
Vilas	\$0	\$0	\$0	\$0
Walworth	\$0	\$0	\$0	\$0
Washburn	\$0	\$0	\$0	\$0
Washington	\$0	\$0	\$0	\$0
Waukesha	\$0	\$0	\$0	\$0
Waupaca	\$0	\$0	\$0	\$0
Waushara	\$0	\$0	\$0	\$0
Winnebago	\$0	\$0	\$0	\$0
Wood	\$0	\$0	\$0	\$0
TRM & UNPS Reserves*	\$3,153,674	\$100,666	\$34,175	\$3,288,515
DNR NR243 Reserve				\$1,000,000
Total	\$3,153,674	\$100,666	\$34,175	\$4,288,515

*The reserve amounts for TRM and UNPS Grants are estimated because the grants have not yet been awarded.

Table C: Summary of 2016 Joint Preliminary Allocations of DATCP and DNR Funding

County	Staffing & Support from DATCP and DNR	Cost-Sharing from DATCP and DNR	Total Allocation of DATCP and DNR Funding	County	Staffing & Support from DATCP and DNR	Cost-Sharing from DATCP and DNR	Total Allocation of DATCP and DNR Funding
Adams	119,023	85,000	204,023	Oconto	128,621	57,480	186,101
Ashland	104,756	64,000	168,756	Oneida	92,590	35,000	127,590
Barron	115,967	80,500	196,467	Outagamie	157,787	112,500	270,287
Bayfield	108,794	70,400	179,194	Ozaukee	137,862	104,000	241,862
Brown	133,686	40,048	173,734	Pepin	114,835	51,200	166,035
Buffalo	100,990	86,100	187,090	Pierce	130,465	102,500	232,965
Burnett	105,598	29,000	134,598	Polk	145,834	43,000	188,834
Calumet	121,244	82,000	203,244	Portage	135,703	67,500	203,203
Chippewa	166,836	80,923	247,759	Price	80,942	42,000	122,942
Clark	139,116	122,500	261,616	Racine	132,436	99,000	231,436
Columbia	137,670	132,500	270,170	Richland	97,842	75,500	173,342
Crawford	101,946	61,500	163,446	Rock	158,794	112,500	271,294
Dane	162,254	87,500	249,754	Rusk	95,839	85,000	180,839
Dodge	137,622	37,500	175,122	Saint Croix	143,533	52,500	196,033
Door	160,095	51,600	211,695	Sauk	126,135	109,500	235,635
Douglas	123,296	27,000	150,296	Sawyer	78,576	42,000	120,576
Dunn	152,127	80,800	232,927	Shawano	111,493	36,500	147,993
Eau Claire	136,154	107,500	243,654	Sheboygan	130,118	76,500	206,618
Florence	81,066	50,000	131,066	Taylor	93,762	110,500	204,262
Fond du Lac	141,761	82,500	224,261	Trempealeau	109,826	112,500	222,326
Forest	79,081	15,000	94,081	Vernon	124,221	97,500	221,721
Grant	97,040	67,500	164,540	Vilas	122,711	45,000	167,711
Green	131,284	112,500	243,784	Walworth	145,153	62,500	207,653
Green Lake	134,181	85,000	219,181	Washburn	103,364	55,400	158,764
Iowa	102,744	77,500	180,244	Washington	121,022	52,080	173,102
Iron	97,778	40,000	137,778	Waukesha	156,732	20,000	176,732
Jackson	125,159	110,500	235,659	Waupaca	120,789	112,500	233,289
Jefferson	171,802	49,000	220,802	Waushara	119,481	70,000	189,481
Juneau	112,398	47,500	159,898	Winnebago	141,198	82,000	223,198
Kenosha	120,434	71,000	191,434	Wood	126,840	92,000	218,840
Kewaunee	106,496	64,300	170,796	DATCP NR243 Reserve:		200,000	200,000
LaCrosse	141,257	107,000	248,257	DNR NR243 Reserve:		1,000,000	1,000,000
Lafayette	95,585	97,500	193,085	DNR Reserve:	34,175	3,254,340	3,288,515
Langlade	85,592	85,000	170,592	Sub-Totals	\$8,773,275	\$9,782,393	\$18,555,668
Lincoln	100,237	67,000	167,237				
Manitowoc	154,625	117,500	272,125	OTHER PROJECT FUNDING:			
Marathon	148,618	132,500	281,118	UW CALS		360,000	360,000
Marinette	145,096	102,000	247,096	NMFE		101,064	101,064
Marquette	97,123	95,422	192,545	WLWCA/SOC		184,131	184,131
Menominee	75,000	20,000	95,000	Cons. Obs. Day		3,000	3,000
Milwaukee	76,337	20,000	96,337	Sub-Totals		648,195	648,195
Monroe	106,728	69,300	176,028	TOTAL	\$8,773,275	\$10,430,588	\$19,203,863

DATCP'S PRELIMINARY ALLOCATION

1. Staff and Support

The allocation under this category provides staff and support funding for counties, and project grants to cooperators. Grant awards are provided consistent with the terms of the 2016 grant application materials located at: http://datcp.wi.gov/Environment/Land_and_Water/Conservation/SWRM_Grant_Program_Working_Manual/Allocation_and_Other_SWRM_Functions/

A. Funds Available

The amount listed in Chart 2 consists of DATCP's annual appropriation in the 2015-17 budget of \$3,027,200 in GPR funds and \$5,711,900 in SEG funds "for support of local land conservation personnel under the soil and water resource management program." DATCP has no underspending from prior years that might be added to the funds appropriated for this allocation.

B. Grant Awards

DATCP revised the funding formula for staffing grants as more fully identified in the 2016 grant application.

Tier 1

As provided by s. ATCP 50.32(5), DATCP has discretion to offer a minimum grant award, and has elected to provide \$75,000 per county under Tier 1, resulting in a total allocation of \$5,400,000 (providing each of the 72 counties with a base award of \$75,000).

Tier 2

After awarding funds under Tier 1, DATCP then has \$3,339,100 available for the Tier 2 allocation, which for 2016 implements a modified version of a formula designed to meet the statutory goal of funding an average of 3 staff persons per county at the rates of 100, 70 and 50 percent. As modified, the formula limits DATCP funding for a county's first position. Counties may only claim department heads, technicians and engineers who work full-time (defined as over 95%) on eligible conservation activities as their first position.

DATCP makes Tier 2 awards in three rounds in an attempt to support the three positions. For round one, DATCP can fully fund county requests for their first position at the 100% rate. However, for round two, DATCP can only fund about 70% of the county requests for their second position at the 70% rate. DATCP has no funding to make awards in round three for a county's third position funded at the 50% rate. Table A-1 (pages 3 and 4) provides round-by-round details of the Tier 2 allocation for each county. In awarding staffing and cost-share funding, DATCP makes minor adjustments in the awards for one or two counties to account for available funds.

Unmet Need for Staff and Support Funds

DATCP would need an increase of about \$3.0 million in its annual appropriations to reach the statutory goal of funding three positions at 100, 70 and 50 percent. Given that appropriations are outside of its immediate control, the agency has channeled its recent efforts in a different direction; namely, making more effective use of available dollars. DATCP's proposed efforts are discussed below in the "Future Directions" section.

Reallocation and Redirection

DATCP approves the reallocation of up to \$8,000 to the Menominee Indian Tribe of Wisconsin submitted with Menominee County's grant application, and will require the county to provide a report on funds expended for this purpose.

Future Directions – Staff & Support Funding

In an effort to strengthen county conservation programs, DATCP intends to increase accountability requirements. Beginning with the 2017 grant application, counties must identify their top five priority activities for the year in which the application is submitted, and describe their performance targets and benchmarks for each activity. DATCP will not process grant applications unless they include adequately benchmarked performance measures. Counties will be expected to report on their progress in meeting benchmarked activities when they submit their annual report

the following April. Applying the factors in ATCP 50.30, DATCP may use this performance data in making grant awards in future allocations.

In addition, s. ATCP 50.32(5) (as amended on May 1, 2014) eliminates the minimum annual staffing grant and provides flexibility for DATCP to award “different grant amounts to different counties” based on the factors in s. ATCP 50.30. DATCP may reevaluate the minimum grant it provides.

2. Bond Revenue Cost-Sharing

The allocations under this category provide cost-sharing for NR 243 projects (awarded to counties from a reserve), and provide counties grants for landowner cost-sharing. Unless otherwise noted below, grants are awarded consistent with the terms of the 2016 grant application (see page 8 for the link to the website for the application).

A. Funds Available

The allocation amount listed in Chart 2 consists of \$3.5 million; half of DATCP’s authorization in the 2015-17 budget of \$7.0 million in bond funds, with the following adjustment:

- Increase the amount by \$375,048 from unspent bond funds from previous allocations.

B. Grant Awards

Bond Reserve projects

DATCP will allocate \$200,000 to a reserve for the purpose of funding regulatory animal waste response (NR 243) projects in cooperation with DNR. DATCP and DNR use a separate application process to award funds from this reserve, which is more fully described at web site, <http://dnr.wi.gov/Aid/NOD.html>

Landowner Cost-Sharing

After setting aside a \$200,000 reserve, DATCP has \$3,675,048 in bond funds available for allocation to counties for landowner cost-sharing. DATCP makes awards to counties by

first providing base funding, and then applying criteria related to county performance and need. This approach is designed to better meet the statewide priorities set in s. ATCP 50.30(2) including the need to address farms with water quality issues and support participation of farms in the farmland preservation program (FPP).

After providing base funding (~20% of available funds) of \$10,000 to each county, DATCP’s funding approach awards the remaining \$2,955,048 based on: a 3-year average of past performance in spending bond cost-share dollars (~50%), farmland acres determined through the 2012 USDA Ag Census data (~20%), and a 3-year cumulative on past performance in total dollars spent on bond practices (~10%). The funding formula has two performance-related criteria that reward counties that (a) have had 20% or less under-spending, and (b) spent \$75,000 or more on bond practices during a three-year time period. A needs-based criterion provides funding for counties with 50,000 or more farmland acres set by the 2012 Census. Table 1 (page 13) shows each county’s total award amount and the factors that contributed to the county’s final award.

Unmet Need for Bond Cost-Share Funds

DATCP was unable to satisfy \$3,470,952 in county requests for funds. Combined with reductions in DNR TRM grants, this funding deficit has practical implications for our capacity to implement state and local priorities including farm runoff standards, and may impact conservation compliance efforts for farmers participating in FPP.

3. SEG Fund Allocation

The allocations under this category provide funding for (1) landowner cost-sharing, (2) farmer and related training involving nutrient management, and (3) nutrient management implementation support and other projects of statewide importance. Grant awards are provided consistent with the terms of the 2016 grant application (see page 8 for the link to the website for the application).

A. Funds Available

The allocation amount listed in Chart 2 (page 1) consists of DATCP's annual appropriation in the 2015-17 budget of \$2,500,000 in SEG funds "for cost-sharing grants and contracts under the soil and water resource management program under s. 92.14" with the following adjustments:

- A decrease of \$250,000 as a result of a redirection of funds for producer-led watershed councils.
- An increase based on an encumbrance of \$270,000.

In addition, DATCP is holding back and not allocating \$218,800 until it determines whether these funds are needed to meet any lapse responsibilities. DATCP's final SEG cost-share or cooperator allocations may be adjusted based on DATCP's determination.

Of the \$2,301,200 in funds available for allocation, \$1,653,005 will be provided to counties for landowner cost-sharing, \$101,064 will be awarded for nutrient management farmer training, and \$547,131 will be awarded to project cooperators including a \$3,000 award for Conservation Observance Day. The majority of grant funding awarded in this category directly benefits farmers and other landowners by providing either cost-sharing, training or nutrient management support.

Landowner Cost-Sharing

DATCP awards grants to counties for cost-sharing to farmers primarily for nutrient management (NM) plans at the maximum rate of \$7 per acre for four years. Recently DATCP has allowed greater use of cost-share funds for cover crops and other cropping practices to implement a NM plan. The 56 counties that applied for \$2,643,900 in grants will be awarded \$1,653,005 for cost-sharing NM plans on an anticipated 59,036 requested acres at \$28 per acre or less.

For 2016, DATCP continued to apply the streamlined criteria for making grant awards, ranking applicants based on the number of NM checklists submitted to DATCP in 2014 for farmers located in the county, the number of

farmers in each county claiming FPP credits for tax year 2013, and the county's record in spending or committing at least 80% of its 2014 SEG funds. This grant process relies on data already collected by state agencies regarding county need and performance.

DATCP scored each application using the 100 point scale specified in the grant application. Applicants were ranked based on scores and organized into three groups for allocation purposes. Counties were granted either the highest maximum award for their grouping, or the amount that the county requested, whichever was less. The awards in each of the three groups are as follows:

Group 1

Score range: 86 - 100
Maximum Award: \$50,000
Minimum based on request: \$10,000
Number of counties: 14

Group 2

Score range: 70-85
Maximum Award: \$45,000
Minimum based on request: \$10,080
Number of counties: 22

Group 3

Score range: 15 - 69
Maximum Award: \$42,000
Minimum based on request: \$7,000
Number of counties: 20

Of the 56 grant recipients, 36 did not receive the maximum awards established for their respective groups because their requests were below the maximum award level. As the minimum awards indicate, a number of requests were \$35,000 to \$40,000 less than amounts counties were eligible to receive. In fact, 16 counties received \$15,000 or less based on their requests.

Table 2 (page 14) enumerates each county's score and grouping, and the competitive award for each county. The term "N/A" is used to identify the 16 counties that did not apply for funds. The shaded boxes in the "Award" column indicate counties that received less than their group's maximum award for the reasons listed in the table. Table A (page 2) also reflects amounts allocated to each county under the "SEG Cost-Sharing" column.

For 2016, DATCP will allow counties with documented NM plans covering 75% or more of their farmed acres to spend a maximum of 50% of their county’s 2016 SEG allocation on practices other than NM including grassed waterways and other bondable practices, as long as the receiving landowner has a 590 NM plan, DATCP pre-approves the county’s planned expenditures, and DATCP amends the county’s grant contract to reflect those expenditures. The final allocation will provide additional information about this exception to the cost-share requirements.

Nutrient Management Farmer Education (NMFE) Training Grants

For 2016, DATCP received 10 requests for funding under Tier 1 and one request for Tier 2 funding, totaling \$101,064 in requests. DATCP will fully fund all requests, in the amounts listed in Table 3 below.

All award recipients are required to sign grant contracts that incorporate the requirements of s. ATCP 50.35. All grant recipients must agree to help farmers develop nutrient management plans that meet the Natural Resources Conservation Service (NRCS) 590 Standard.

Table 3: NMFE Grant Awards		
Organization	Tier	Grant Award
Barron Co	1	\$ 10,000
Dane Co	1	\$ 11,600
Eau Claire Co	1	\$ 6,600
Grant Co	1	\$ 8,000
Lafayette Co	1	\$ 2,750
NWTC	1	\$ 6,331
Sauk Co	1	\$ 9,800
SWTC	1	\$ 15,000
Trempealeau Co/ WTC	1	\$ 14,450
Vernon Co	1	\$ 14,533
Manitowoc Co	2	\$ 2,000
Total		\$ 101,064

Statewide Projects: Nutrient Management Implementation Support, Cooperators

In addition to funding NMFE training grants, DATCP dedicates a portion of its SEG

appropriation to fund projects that make important statewide contributions to conservation, meeting the following grant priorities in s. ATCP 50.30(3): fund cost-effective activities that address and resolve high priority problems; build a systematic and comprehensive approach to soil erosion and water quality problems; contribute to a coordinated soil and water resource management program and avoid duplication of effort. DATCP has targeted the following areas for funding: support for nutrient management implementation activities including SnapPlus, building capacity to provide statewide training, and the development of technical standards. The 2015 allocation plan provides details on DATCP’s commitment to reinvigorate training through an increased investment of staff and financial resources.

In regard to specific funding requests, the following provides DATCP funding decisions regarding each application submitted. In making its decisions, including the award amounts, DATCP considered the degree to which each project contributed to the department’s overall training goals. Each of the project awards for 2016 is documented in the lower right-hand corner of Table A (page 2). All award recipients are required to sign grant contracts that incorporate the requirements of s. ATCP 50.35, and include significant accountability measures.

In the subcategory of Nutrient Management Implementation Support, DATCP received one application from the UW Madison College of Agricultural and Life Sciences (UW-CALS) for \$390,000 to provide support in two areas. DATCP will fund \$30,000 less than the full amount of the UW-CALS request (in part using \$270,000 of encumbered funds from 2015) as follows: (1) \$220,000 for maintaining and improving SnapPlus and related soil and nutrient management projects, and (2) \$140,000 for outreach, education and training provided by the Nutrient and Pest Management Program in UW-CALS. DATCP is funding nearly the entire request based on the following considerations: the increased importance of SnapPlus in light of the

Phosphorus Index Standards in NR 151 and the pasture standard in ATCP 50, the growing interest and need for basic nutrient management education, and the fact that these funded activities will generate measurable results.

In the project cooperator subcategory, DATCP will provide the Wisconsin Land and Water Conservation Association (WI Land+Water) \$149,131, essentially the same funding awarded in 2014. The funds are intended to support activities that build statewide capacity to deliver and coordinate conservation training among the counties and other partners.

DATCP will support the Standards Oversight Council (SOC) at \$15,000 less than the requested amount, providing \$35,000, which fairly recognizes the higher costs for maintaining statewide capacity to develop and maintain technical standards for conservation programs.

DATCP will provide up to \$3,000 for Conservation Observance Day to cover the event costs incurred by the host county.

Unmet Need for Cost-Share Funding

Even with a reduced SEG cost-share allocation in 2016, DATCP will provide 63% of the funding requested by counties, and would need an additional \$990,895 to fully fund the requested amount. Since 2008, when DATCP started actively cost-sharing NM plans, DATCP has only funded a higher percentage of requests in two other years. In 2015, DATCP funded 69% of county requests, and in 2008, it provided \$2.9 million, which represents 77% of the funds requested.

Future Directions – County Cost-Sharing & Other Funding

With respect to all cost-share allocations, DATCP is interested in identifying award criteria and strategies that advance implementation of state priorities related to agriculture. DATCP will consider opportunities to coordinate its cost-sharing with other programs to better support state priorities. For example, DATCP may set aside funds for cost-

sharing farms located in agricultural enterprise areas. The focus on state priorities may include working with DNR to implement the Wisconsin Nutrient Reduction Strategy. In an attempt to avoid the concentration of cost-share funding in limited areas, DATCP may consider better defining how cost-share funds can and cannot be used in connection with phosphorus management tools such as the P variance (2013 Wisconsin Act 378).

DATCP will continue reviewing its options to promote implementation of nutrient management planning, including the increased need for NM plans generated by new performance standards for pastures and FPP conservation compliance requirements. DATCP will evaluate the effectiveness of its policies related to cost-sharing cover crop and other cropping practices that support nutrient management plans.

DATCP may consider changes in its Nutrient Management Farmer Education grants, including an increased annual allocation for training grants, linkages to new providers, and higher grant awards in one or both categories. Increased spending on training may be the most cost-effective approach to helping farmers achieve compliance with nutrient management plans. With dedicated funding for producer-led watershed organizations, there may be new opportunities to offer farmer training through these groups.

For 2016 and the foreseeable future, DATCP is focused on increasing funding to support training activities statewide that will primarily benefit conservation professionals in the public sector.

Table 1: 2016 County Bond Cost-Share Awards

County	Bond				County	Bond			
	12-14 Cumulative Average Under-Spending**	2012 Census Acres***	12-14 Cumulative Total Dollars Spent****	Award		12-14 Cumulative Average Under-Spending**	2012 Census Acres***	12-14 Cumulative Total Dollars Spent****	Award
Adams*	1%	118,393	\$136,742	\$57,000	Marathon	4%	479,045	\$247,455	\$82,500
Ashland	0%	45,815	\$158,841	\$50,000	Marinette	0%	132,074	\$182,064	\$57,000
Barron	9%	309,750	\$94,785	\$52,500	Marquette	1%	120,185	\$125,742	\$57,000
Bayfield	0%	71,824	\$200,315	\$62,000	Menominee*	9%	561	\$34,228	\$20,000
Brown*	14%	181,197	\$81,190	\$40,048	Milwaukee*	0%	4,563	\$0	\$20,000
Buffalo	8%	305,302	\$187,904	\$52,500	Monroe*	6%	337,895	\$128,500	\$52,500
Burnett*	36%	83,608	\$4,937	\$17,000	Oconto	6%	189,389	\$72,917	\$42,500
Calumet	17%	142,374	\$118,561	\$32,000	Oneida	6%	34,926	\$182,830	\$35,000
Chippewa	17%	384,621	\$94,144	\$42,500	Outagamie	0%	250,748	\$161,188	\$62,500
Clark	0%	458,221	\$226,520	\$72,500	Ozaukee	1%	64,987	\$213,089	\$62,000
Columbia	1%	307,973	\$231,242	\$87,500	Pepin	2%	103,604	\$97,104	\$40,000
Crawford	7%	216,584	\$96,393	\$47,500	Pierce	0%	245,974	\$238,865	\$82,500
Dane	14%	504,420	\$142,324	\$42,500	Polk	4%	255,917	\$60,875	\$43,000
Dodge	22%	402,041	\$53,817	\$27,500	Portage	4%	278,673	\$189,483	\$67,500
Door*	12%	131,955	\$86,069	\$32,000	Price	6%	92,295	\$167,381	\$42,000
Douglas	14%	70,578	\$53,919	\$27,000	Racine	0%	109,964	\$182,831	\$57,000
Dunn	5%	372,259	\$108,897	\$64,000	Richland	9%	227,833	\$134,473	\$47,500
Eau Claire	0%	203,705	\$173,735	\$62,500	Rock	4%	353,793	\$167,154	\$67,500
Florence	0%	13,392	\$156,459	\$50,000	Rusk*	1%	133,601	\$131,179	\$57,000
Fond du Lac	5%	315,553	\$85,294	\$67,500	Saint Croix	22%	267,685	\$111,137	\$27,500
Forest	10%	30,258	\$13,550	\$15,000	Sauk	0%	332,649	\$176,974	\$67,500
Grant	3%	587,587	\$155,581	\$67,500	Sawyer	0%	43,554	\$40,568	\$35,000
Green	4%	302,295	\$190,325	\$67,500	Shawano	32%	261,141	\$24,843	\$22,500
Green Lake	0%	154,595	\$168,266	\$57,000	Sheboygan	2%	190,155	\$163,485	\$62,500
Iowa	25%	350,813	\$99,504	\$32,500	Taylor	1%	217,012	\$253,051	\$82,500
Iron	0%	10,207	\$94,718	\$40,000	Trempealeau	0%	323,157	\$189,362	\$67,500
Jackson	0%	239,936	\$392,707	\$82,500	Vernon	8%	345,892	\$196,714	\$52,500
Jefferson	5%	227,901	\$57,497	\$35,000	Vilas	5%	6,881	\$73,728	\$45,000
Juneau	8%	180,039	\$104,891	\$47,500	Walworth	0%	187,711	\$183,666	\$62,500
Kenosha*	0%	76,632	\$119,337	\$57,000	Washburn	5%	87,387	\$51,797	\$47,000
Kewaunee	7%	176,735	\$101,753	\$47,500	Washington	6%	133,432	\$129,574	\$42,000
LaCrosse	4%	158,718	\$150,737	\$57,000	Waukesha	7%	92,211	\$59,184	\$20,000
Lafayette	10%	368,501	\$170,184	\$52,500	Waupaca	1%	215,330	\$223,096	\$67,500
Langlade*	4%	113,881	\$119,072	\$57,000	Waushara	2%	145,210	\$137,365	\$50,000
Lincoln	5%	76,844	\$231,226	\$60,000	Winnebago*	15%	155,520	\$185,931	\$32,000
Manitowoc	0%	230,735	\$205,095	\$67,500	Wood	2%	222,730	\$224,031	\$67,500
					TOTALS				\$3,675,048

Each County was given a base of \$10,000, plus the other 3 criteria as listed below to finalize their BOND award.

**Graduated awards based on 3-yr avg underspending: 0-5% = \$35,000, 6-10% = \$20,000, 11-20% = \$10,000, and >20% = \$0

***Graduated awards based on 2012 Census acres: 275,000 or more=\$17,500, 175,000-274,999=\$12,500, 50,000-174,999=\$7,000, and <50,000=\$0

****Graduated awards based on 3-yr cumulative spending: >\$230,000 = \$25,000, \$200,000-\$229,999 = \$10,000, \$75,000-\$199,999 = \$5,000, and <\$75,000 = \$0

* County transferred 2014 BOND funds

Shaded award amounts=Lesser award based on amount requested, but they were eligible for more funding if they had requested more.

Table 2: 2016 County SEG Cost-Share Awards

County	Ranking and Award			County	Ranking and Award		
	Score	Grouping	Award		Score	Grouping	Award
Adams	75	2	\$ 28,000	Marathon	100	1	\$ 50,000
Ashland	85	2	\$ 14,000	Marinette	85	2	\$ 45,000
Barron	80	2	\$ 28,000	Marquette	55	3	\$ 38,422
Bayfield	65	3	\$ 8,400	Menominee	NA	NA	\$ -
Brown	NA	NA	\$ -	Milwaukee	NA	NA	\$ -
Buffalo	55	3	\$ 33,600	Monroe	65	3	\$ 16,800
Burnett	65	3	\$ 12,000	Oconto	85	2	\$ 14,980
Calumet	100	1	\$ 50,000	Onieda	NA	NA	\$ -
Chippewa	55	3	\$ 38,423	Outagamie	100	1	\$ 50,000
Clark	100	1	\$ 50,000	Ozaukee	65	3	\$ 42,000
Columbia	80	2	\$ 45,000	Pepin	65	3	\$ 11,200
Crawford	80	2	\$ 14,000	Pierce	65	3	\$ 20,000
Dane	80	2	\$ 45,000	Polk	NA	NA	\$ -
Dodge	100	1	\$ 10,000	Portage	NA	NA	\$ -
Door	85	2	\$ 19,600	Price	NA	NA	\$ -
Douglas	NA	NA	\$ -	Racine	65	3	\$ 42,000
Dunn	65	3	\$ 16,800	Richland	80	2	\$ 28,000
Eau Claire	80	2	\$ 45,000	Rock	70	2	\$ 45,000
Florence	NA	NA	\$ -	Rusk	55	3	\$ 28,000
Fond du Lac	100	1	\$ 15,000	Saint Croix	80	2	\$ 25,000
Forest	NA	NA	\$ -	Sauk	65	3	\$ 42,000
Grant	NA	NA	\$ -	Sawyer	65	3	\$ 7,000
Green	80	2	\$ 45,000	Shawano	90	1	\$ 14,000
Green Lake	100	1	\$ 28,000	Sheboygan	80	2	\$ 14,000
Iowa	80	2	\$ 45,000	Taylor	65	3	\$ 28,000
Iron	NA	NA	\$ -	Trempealeau	80	2	\$ 45,000
Jackson	65	3	\$ 28,000	Vernon	80	2	\$ 45,000
Jefferson	100	1	\$ 14,000	Vilas	NA	NA	\$ -
Juneau	NA	NA	\$ -	Walworth	NA	NA	\$ -
Kenosha	55	3	\$ 14,000	Washburn	65	3	\$ 8,400
Kewaunee	100	1	\$ 16,800	Washington	85	2	\$ 10,080
La Crosse	100	1	\$ 50,000	Waukesha	NA	NA	\$ -
Lafayette	80	2	\$ 45,000	Waupaca	85	2	\$ 45,000
Langlade	100	1	\$ 28,000	Waushara	85	2	\$ 20,000
Lincoln	55	3	\$ 7,000	Winnebago	100	1	\$ 50,000
Manitowoc	100	1	\$ 50,000	Wood	65	3	\$ 24,500
				TOTALS			
					\$ 1,653,005		

N/A= Did Not Apply for SEG funds

Shaded award amounts=Lesser award based on amount requested by county or lower score.

DNR'S PRELIMINARY ALLOCATION

DNR's portion of the preliminary allocation may provide funding to counties through three programs:

- 1) Targeted Runoff Management (TRM),
- 2) Notice of Discharge (NOD), and
- 3) Urban Nonpoint Source & Storm Water Management.

Table B shows the preliminary DNR reserve amounts for TRM, UNPS, and NOD. The preliminary reserve amounts have been established, as specific county allocations are unknown at this time.

FUNDING SOURCES

Allocations for TRM projects and NOD projects are from bond revenue appropriated in s. 20.866(2)(f), Wis. Stats., Federal Clean Water Act Section 319, and General Purpose Revenue (GPR) funds.

Allocations for UNPS Planning projects are from segregated funds appropriated in s. 20.370(6) (dq), Wis. Stats. Allocations for UNPS Construction projects are from bond revenue appropriated in s. 20.866(2)(th), Wis. Stats.

Note: DNR will also provide TRM grants and UNPS grants to non-county grantees. Wisconsin Statutes do not require that non-county grantees be listed in this allocation plan.

- For all grant programs, funds will be considered "committed" when a grantee has returned a signed copy of the grant agreement to DNR.
- For the TRM program, grant agreements not signed by the deadline may be rescinded by DNR, and the associated grant funds may be used to fund other eligible projects in rank order based on project scores. If, for any reason, funds committed through this allocation plan become available after March 31, 2016, these funds may be held over to fund projects selected in the next grant cycle.

1. TRM Preliminary Allocation

DNR reserves \$3,153,674 to allocate to counties for cost sharing of TRM projects during calendar year 2016. The amount placed in reserve is combined funding from bond revenue, Federal Section 319 and GPR funds. DNR's recommendation for 2016 TRM project allocations will be discussed with the LWCB at their August 2015 meeting. The exact amount allocated to successful TRM applicants will be included in the *2016 Joint Final Allocation Plan*

The maximum cost-share amount that can be awarded for a single Small-Scale TRM project is \$150,000. The maximum cost-share amount that can be awarded for a single Large-Scale TRM project is \$1,000,000.

TRM allocations made through this plan will be reimbursed to grantees during calendar years 2016 through 2018. Project applications are screened, scored, and ranked in accordance with s. 281.65(4c), Wis. Stats. Adjustments to grant amounts may occur to account for eligibility of project components, cost-share rates, or NR 151 enforcement action at the time that DNR negotiates the actual grant agreement with an applicant.

2. UNPS Preliminary Allocation

Table B contains a DNR reserve of \$34,175 for UNPS Planning projects received from county applicants. The amount placed in reserve is the maximum that all county UNPS Planning applicants may be allocated.

Table B also contains a DNR reserve of \$100,666 for UNPS Construction projects received from county applicants. The amount placed in reserve is the maximum that all county UNPS Construction applicants may be allocated.

DNR's recommendation for 2016 UNPS Planning and Construction grant allocations will be discussed with the LWCB at their August 2015 meeting. The exact amount allocated to successful applicants will be included in the *2016 Joint Final Allocation Plan*.

The UNPS Planning and Construction allocations made through this plan will be reimbursed to grantees during calendar years 2016 and 2017. Adjustments to these amounts may occur to account for eligibility of project components or cost-share rates at the time that DNR negotiates the actual grant award with applicants.

3. Notice of Discharge Program

A. Background

DNR issues notices of discharge (NOD) and notices of intent (NOI) under NR 243, Wis. Adm. Code; this rule regulates animal feeding operations. DNR has authority under s. 281.65(4e), Wis. Stats., to provide grant assistance for NOD and NOI projects outside the competitive TRM process. DNR is authorized to make grants to governmental units, which in turn enter into cost-share agreements with landowners that have received an NOD or NOI from DNR.

Cost-share assistance is provided to landowners to meet the regulatory requirements of an NOD issued under NR 243, Wis. Adm. Code. In some cases, cost-share assistance must be offered before enforcement action can be taken. In other cases, DNR is not required to provide cost sharing but may do so at its discretion. DNR has several permitting and enforcement options available under NR 243 should landowners fail to meet the conditions of the NOD.

B. NOD Preliminary Allocation

In this preliminary allocation plan, DNR establishes a reserve of \$1,000,000 for NOD projects during calendar year 2016. The reserve includes funds for structural and cropping best management practices in eligible locations. DNR may use its discretion to increase this reserve if needed. In order to receive a grant award, a governmental unit must submit an application to DNR that describes a specific project and includes documentation that an NOD or NOI has either already been issued or will be issued by DNR

concurrent with the grant award. Once DNR issues a grant to the governmental unit to address an NOD or NOI, DNR will designate a portion of the reserve specifically for that project.

Since DATCP also administers funds to correct NODs, DNR and DATCP will consult on each NOD application in order to assure that the two agencies are making the most efficient use of their available funds to address these problem sites.

DNR will require that county grantees commit funds to a cost-share agreement with the landowner within a time-frame that is consistent with the compliance schedule in the NOD. The county grantee shall use the grant award to reimburse the landowner for costs incurred during the grant period, which may extend beyond CY 2016. If the landowner fails to install practices listed in the cost-share agreement within the timeframe provided, DNR will terminate its grant with the county, leaving the landowner to correct the problems identified in the NOD without the benefit of state cost sharing.

Fund balances from terminated NOD grants and projects completed under budget may be returned to the reserve account and made available to other NOD applicants. Reserve funds remaining at the end of calendar year 2016 may either be carried over for the calendar year 2017 NOD reserve account or may be allocated for calendar year 2016 or 2017 TRM projects. DNR and DATCP issue a joint report annually to the LWCB on progress in administering NOD funds.

**SUMMARY OF CHANGES TO THE 2016
JOINT PRELIMINARY ALLOCATION PLAN**

This section will be completed to account for any changes in the proposed allocation plan based on: comments received, LWCB input, and other factors identified by DATCP or DNR.

Counties, project cooperators and others may submit comments about this 2016 Joint Preliminary Allocation Plan. In addition to written comments, interested persons may request to appear before the LWCB to present comments by completing a Public Appearance Request Card at the start of either the August 4, 2015 or October 6, 2015 meetings. Written comments must be e-mailed by September 5, 2015 to:

Kim Carlson at
datcpswrn@wisconsin.gov

FINAL ACTION

DATCP has determined that the action described in this final allocation plan for the 2016 soil and water resource management grant program shown in Table A conforms to the applicable DATCP provisions of s. 92.14, Wis. Stats, and ATCP 50, Wis. Administrative Code. DATCP reserves the right to reallocate grant funds unexpended by recipients.

Dated this ____ day of _____, 2015

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE, TRADE
AND CONSUMER PROTECTION

Ben Brancel, Secretary

DNR has determined that the actions described in this final allocation plan for the 2016 allocations of DNR funds shown in Table B conforms with the provisions of ss. 281.65 and 281.66, Wis. Stats.

Dated this ____ day of _____, 2015

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

Cathy Stepp, Secretary

Environmental Assessment
DATCP's Portion of the 2016 Joint Preliminary Allocation Plan
July 2015

I. The Nature and Purpose of the Proposed Action

Each year, the Department of Agriculture, Trade and Consumer Protection (DATCP), together with the Department of Natural Resources (DNR), allocates grant funds to counties and others for the purpose of supporting county conservation staff, landowner cost-sharing and other soil and water resource management (SWRM) activities. DATCP funds are allocated in accordance with ch. 92, Stats., and ch. ATCP 50, Wis. Adm. Code. Counties are required to have DATCP-approved land and water resource management (LWRM) plans as an eligibility condition for grants. The details of DATCP's proposed action are set forth in Charts and Tables in the 2016 Joint Preliminary Allocation Plan that accompanies this Environmental Assessment.

II. The Environment Affected by the Proposed Action

As further explained in Section III.A., the DATCP grant program operates in every county, potentially covering all of Wisconsin's 34.8 million acres. While the program can fund activities that protect surface and ground waters throughout the state, grant funds are primarily used to protect rural areas and install conservation practices on farms, which now account for less than 50% of Wisconsin's land base (14.5 million acres). Ultimately each county's LWRM plan determines the nature and scope of conservation activities in the area and the natural resources affected by DATCP funds.

III. Foreseeable Environmental Effects of the Proposed Action

A. Immediate Effects

The environmental effects of the proposed allocation plan are positive. Through support for conservation staff and landowner cost-sharing, the proposed allocation plan will result in actions on farms and other areas that reduce soil erosion, prevent farm runoff, improve management of manure and other nutrients, and minimize pollution of surface and ground water.

By providing annual funding for conservation staff and others, DATCP secures statewide capacity to deliver a wide range of water quality programs. DATCP staffing grants enable counties to hire and retain conservation staff who have the experience and technical skills required to implement county resource management plans (including the state agricultural performance standards), facilitate landowner participation in state and federal cost-share programs, and ensure cross-compliance of farmers in the revamped farmland preservation program (FPP). By funding special projects that support conservation implementation, DATCP is filling critical needs in areas such as nutrient management support, training, and coordination between the public and private sector. As discussed later, funding for county conservation staff has not kept up with the demand which is fueled by new programs such as producer-led watershed councils and phosphorus management, and the persistence of intractable ground and surface water issues throughout the state.

Each year, counties use cost-share funds to address state and local priorities identified in their local plans. Cost-share funds result in the installation of practices that control runoff pollution

and improve water quality. In 2014, counties and landowners spent about \$4.8 million in DATCP funds to install cost-shared practices with the highest spending on these practices: \$1.46 million for nutrient management plans covering 60,038 acres, \$0.48 million for 149 acres of waterway systems, \$0.47 million for 24,143 feet of streambank and shoreline protection, \$0.42 million for 30 barnyard runoff control systems, \$0.38 million for 15 manure storage systems, and \$0.21 for closure of 37 manure storage facilities. The 2014 cost-sharing represents a \$0.3 million increase in DATCP cost-share expenditures from 2013. In 2013, counties and landowners spent about \$4.5 million in DATCP funds to install cost-shared practices with the highest spending on these practices: \$1.2 million for nutrient management plans covering 55,304 acres, \$0.56 million for 32,009 feet of streambank and shoreline protection, \$0.51 million for 19 manure storage systems, \$0.33 million for 56 grade stabilization structures, \$0.29 million for 17 barnyard runoff control systems, \$0.26 million for 72 acres of waterway systems. The following developments are worth mentioning with respect to expenditures of cost-share funds: sustained increase in annual expenditures for nutrient management plans in part driven by the FPP conservation compliance requirements, the re-establishment of farm practices, particularly grassed waterways, in the list of top cost-shared practices.

B. Long-Term Effects

Over time, DATCP's annual financial support of county staff and other project cooperators has built and sustained a statewide conservation infrastructure that delivers the following reinforcing benefits:

- Outreach and education that results in positive behavioral changes.
- Development of conservation technologies such as SNAP Plus and the Manure Advisory System, and the training systems to effectively use these technologies.
- Technical assistance that ensures proper design and installation of conservation practices.
- Resource management planning that tackles local and state priorities.
- Permitting and other regulation of livestock farms that requires properly designed manure storage and nutrient management plans.
- FPP administration that protects valuable resources and promotes conservation compliance.

DATCP cost-share grants are critical in making reasonable progress in achieving water quality goals. Most farmers are not required to meet state runoff control standards without cost-sharing. Long-term, state commitment to farmer cost-sharing determines the extent to which conservation practices are installed, and in end the degree to which water quality is improved. When conservation practices are installed in a watershed or other area over time, the combined effect of these practices can result in marked water quality improvements.

Fully assessing the long-term benefits, however, is complicated for a number of reasons including the fact that DATCP's grant program operates within a collection of conservation and natural resource programs. See Section III.E. for more a detailed discussion.

C. Direct Effects

DATCP funding results in the installation of conservation practices and capital improvements that directly reduce water quality pollution and reduce soil erosion. It also secures access to technical or other assistance that supports conservation efforts, including conservation and nutrient management planning.

D. Indirect Effects

Installed conservation practices not only improve resources in the immediate area, but benefit surrounding areas including resources located "downstream" from the installed practice. Implemented on fields upstream from a lake, for example, nutrient management practices reduce sediment and nutrients that would otherwise collect in surface waters, and can provide additional protection for groundwater. Installed practices may have secondary benefits at a site, such as shoreline buffers, which not only serve to control runoff, but may increase wildlife habitat.

DATCP policies and rules mitigate secondary impacts from the installation and maintenance of conservation practices. DATCP policies ensure that counties evaluate cultural resource impacts of a project before any land-disturbing activities are initiated. To minimize erosion from excavation and construction projects such as a manure storage facility or barnyard runoff control system, DATCP rules require landowners to implement measures to manage sediment runoff from construction sites involving DATCP cost-shared practices. Adverse environmental impacts may result from improper design and installation of practices. DATCP cost-share rules avoid this outcome by requiring design and construction according to established technical standards. Improper maintenance can undermine the benefits of a long-term conservation practice. By requiring a maintenance period for conservation projects installed with DATCP cost-share dollars, DATCP ensures that practices perform in the long-term as intended.

In rare cases, certain negative impacts are unavoidable. Unusual storm events can cause manure runoff from the best-designed barnyard. Unavoidable impacts may also arise if a cost-shared practice is not maintained or is improperly abandoned. Manure storage facilities that are not properly abandoned or emptied may present a water quality threat, unless they are closed in accordance with technical standards.

Overall, the positive benefits of reducing nonpoint runoff significantly outweigh the slight risks associated with the installation and maintenance of conservation practices.

E. Cumulative Effects

While it is difficult to accurately gauge the cumulative effects of this action, it is clear that SWRM grant funds play an integral part in supporting a comprehensive framework of federal, state, and local resource management programs. By supporting 112 of the 336 conservation employees in the state's 72 counties, DATCP grant funds secure the foundation necessary to deliver a myriad of programs including participation in the following:

- In 2014, federal programs from Natural Resources Conservation Service provided \$24.9 million for Environmental Quality Incentives (EQIP) payments to install conservation practices on 132,262 acres of working lands, and nearly \$3.3 million for conservation stewardship payments for 162,029 acres owned by farmers and forestland owners. As part of its Landscape Initiatives program, NRCS provided \$0.93 million for 20 EQIP contracts for Great Lakes projects, and \$6.16 million for 65 EQIP contracts to farmers to reduce phosphorus in the Lower Fox in the Green Bay area. The Driftless Area Landscape Conservation Initiative (DALCI) provided \$1.7 million to fund 150 applications support erosion control and fish and wildlife habitat projects in Wisconsin.
- The conservation reserve enhancement program (CREP) and similar federal programs protect important natural resources while allowing landowners to make use of valuable working lands.

As of the beginning of 2015, about 44,100 acres were enrolled under CREP easements and agreements: with approximately 6,500 acres under CREP easements and the remainder under CREP 15-year agreements. The conservation benefits of the practices installed ((e.g. riparian buffers and filter strips) are as follows: 1,519 miles of streams buffered with an estimated phosphorus annual removal of 142,649 pounds, nitrogen annual removal of 75,701 pounds and sediment removal of 70,237 tons.

- The DNR continued annual funding in 2015 for Targeted Runoff Management Projects, providing about \$2.74 million to counties for cost-sharing about 11 county projects.

Assessing the full extent of the effects of grant funding is complicated by a number of factors including complex interactions and far-reaching impacts of grant funding. For example, conservation activities funded by DATCP can dampen the potential negative environmental impacts of actions driven by farm policies and economics. In particular, the risks of cropland soil erosion have increased as a result of conditions that favor increased cash grain/row cropping, and the increased market incentives to grow these crops.

IV. Persons, Groups, and Agencies Affected by the Activity

A. Those Directly Affected

County Conservation Programs and Cooperators: The proposed 2016 allocation plan provides funding to support 72 county conservation programs. The annual staffing grant allocation of \$8.7 million covers one third of the costs for county conservation staff, who number 340 according to 2014 data. DATCP grants are one of several sources for cost-share funds that include county levies, DNR grants and NRCS funding. In 2014, counties spent about \$4.8 million in DATCP cost-share funds on projects to implement LWRM plans. DATCP grants also fund private and public entities to provide statewide support for implementing conservation programs or provide special services to promote conservation statewide. DATCP funding for training and professional development is critical to maintaining county capacity to deliver high quality technical services, and reflects a state commitment to build the capacity of conservation staff statewide.

Landowners who are direct beneficiaries: Farmers and other landowners rely on many services, such as technical assistance, provided by conservation staff funded with DATCP grants. They also benefit from cost-share dollars to install conservation practices.

Other county residents: County residents benefit from resource management planning, permitting and other services provided by county conservation staff funded through DATCP grants. Through information and education efforts, for example, a county can help non-farm residents better manage lawn fertilizers, improve backyard wildlife habitat, control invasive species and minimize construction site erosion.

Farm-related businesses: Farm supply organizations, nutrient management planners and soil testing laboratories, agricultural engineers, and construction contractors provide goods and services purchased by landowners who receive cost-sharing.

B. Those Significantly Affected

Those landowners whose soil and water resources are improved or protected, as a consequence of the proposed allocations, receive significant benefits. Those neighboring landowners with properties located "downstream" of lands with nutrient and sediment delivery runoff problems

also stand to benefit. Certain measures, such as nutrient management plans, can help protect drinking water wells that serve neighboring landowners and communities. The general public benefits from conservation practices that protect water resources, and promote natural resources.

V. Significant Economic and Social Effects of the Proposed Action

On balance, DATCP's proposed action will have positive economic and social effects.

DATCP grants support cost-sharing and technical assistance that are critical to maintaining farmer eligibility for state and federal program benefits. By enabling farmers to meet farm runoff standards, grant-funded activities help farmers avoid the costs related to government enforcement actions and other liability risks. For example, farmers who follow a nutrient management plan gain liability protection in the case of a manure spill or groundwater contamination. With changes to ATCP 50 effective in May 2014, farmers face increasing responsibilities to comply with conservation requirements including new requirements related to feed storage runoff control, pasture management, phosphorus runoff from fields, and cropland setbacks from streams and lakes. DATCP grant funds enable farmers to meet these responsibilities and, in the case of FPP, keep up with expanding conservation compliance responsibilities that will be come into play in 2016.

The economic impacts of conservation vary with each individual farmer and the type of practices involved. To receive cost-sharing, landowners often pay 30% of the costs (10% in the case of economic hardship) to install a practice. Landowners also must adjust their management routines to accommodate new conservation practices and meet government cost-share requirements. With these changes, farmers face new risks including potential for reduced productivity and reduced profits. Farmers implementing these practices, however, may also see long-term benefits including savings on cost of fertilizer, sustaining soil at productive levels, and reduced liability for environmental problems.

From the standpoint of local economies, grant funds will generate demand for the purchase of goods and services to design, install and maintain conservation practices. The farm-related businesses listed in IV.A. will directly profit from this increased demand. However, as discussed in VI below, the failure to maintain adequate funding for county staff will undermine the capacity to spend state cost-share dollars on projects that benefit local businesses.

Socially, DATCP allocations provide needed support for the farming community and others to take a more active role in the protection and preservation of natural and agricultural resources. Through the increased adoption of conservation measures, farmers can ensure continued acceptance by rural communities as responsible and conscientious neighbors. Improved water quality both enhances recreational opportunities and protects the scenic rural landscape, both of which are features essential to tourism.

VI. Controversial Issues Associated with the Proposed Action

For the 2016 grant cycle, DATCP and DNR followed the expected timetable for completing the allocation process, and were not delayed by the July passage of the 2015-2017 biennial budget.

In terms of the allocation methodology, the 2016 allocation plan adheres to the well-established approach for making grant awards used in recent allocation plans, and does not propose changes that directly affect any grant formula. However, DATCP is proposing a new accountability

measure that may have an impact on future grant awards. In the last two allocation plans, DATCP focused on changes to the staffing funding formula designed to strengthen the conservation focus of county programs. Specifically, DATCP limited 100 percent funding for a county's first position to department heads or technicians who perform conservation work as their full-time responsibilities, and revised the definition of conservation activities that qualify a county staff person for funding as a first position. As more fully explained in the allocation plan, DATCP plans to focus on strengthening county conservation programs by increasing accountability. Beginning with the 2017 application, DATCP will require that each county document its top five priority activities for each grant year, including performance targets and benchmarks for each activity. Counties will be expected to report on their progress in meeting benchmarked activities when they submit their annual report the following April.

VII. Future Directions

In view of the limited dollars available for cost-sharing and the state priority to fund agricultural conservation practices, DATCP may, at some point in the future, further refocus its funding priorities to better address land in agriculture. These efforts might build on the cost-sharing limits for non-farm practices established in the 2014 revision of ATCP 50. DATCP may also consider limiting use of its cost-sharing in phosphorus management project areas where funds from point sources should be utilized.

There continues to be a need to further implement the goal of statewide implementation of nutrient management plans. The current level of nutrient management planning to protect water quality, with 28% of Wisconsin's nine million cropland acres being covered by nutrient management plans, must continue to increase. There will be a continued need to have county staff who can engage farmers and steer them toward opportunities to develop and implement nutrient management plans. Also, county staff must be available to monitor and certify conservation compliance of farmers who received tax credits under the FPP program. We may need to allow the use of SEG funds for related soil erosion control practices such as waterways and cover crops. DATCP will need to focus on the most efficient approach to spending state dollars to develop nutrient management plans, combining cost-sharing with farmer training and engaging producer-led watershed councils, and to encourage adequate state support for these soil and water conservation priorities.

VIII. Possible Alternatives to the Proposed Action

A. Take No Action

Taking no action on the proposed allocations is inconsistent with legal requirements. DATCP and DNR are statutorily mandated to provide grant assistance for their respective programs as long as the state provides appropriations.

B. Delay Action

There is no need to delay action. Furthermore, delaying the grant allocation runs the risk of hampering counties in meeting their legal responsibilities, including their contractual responsibilities to landowners, and undermines the significant environmental, economic, and social benefits of the program.

C. Decrease the Level of Activity

Further decreasing the allocations would provide fewer environmental benefits and would be inconsistent with legislative intent to implement the nonpoint program.

Therefore, this is an undesirable choice.

D. Increase the Level of Activity

Available appropriations and authorizations determine the overall level of activity. However, subject to the factors discussed in E. below, DATCP may increase the allocation in a given project category to better target spending to achieve desired conservation benefits and further legislative objectives.

E. Change the Amounts Allocated to Some or All Recipients

The allocation plan reflects a weighing and balancing of competing priorities and demands. It implements ATCP 50 and legislative directives regarding allocation of grant funds. It also reflects the input and consensus of the counties on funding issues. Changes in individual awards cannot be made without upsetting the weighing and balancing used to develop the overall allocation plan, and would unfairly deviate from grant criteria announced as part of the grant application.

IX. Mitigation of Adverse Environmental Effects

Overall, the allocations are anticipated to have positive environmental effects. Any adverse environmental effects will be of a secondary and minor nature, and can be mitigated. DATCP minimizes adverse impacts through outreach and training, and improvements in the technical standards.

X. Final Determination

This assessment finds that the *2016 Final Allocation Plan* will have no significant environmental impact and is not a major state action significantly affecting the quality of the human environment. No environmental impact statement is necessary under s. 1.11(2), Stats.

Date _____ By _____
Richard Castelnuovo, Section Chief
Land and Water Resources Bureau
Agricultural Resource Management Division

The decision indicating that this document is in compliance with s. 1.11, Stats., is not final until certified by the Administrator of the Agricultural Resource Management Division.

Date _____ By _____
John Petty, Administrator
Agricultural Resource Management Division