Madam President, members of the Virginia Association of Soil and Water Conservation Districts Board, please accept this Soil and Water Conservation Division Report.

**Agricultural BMP Cost Share Program**

On June 3, the Virginia Soil and Water Conservation Board held an electronic public meeting, at which time all policies, grant agreements, and guidance needed to launch the FY21 Virginia Agricultural Cost Share (VACS) Program were adopted. Every significant update to the BMP Tracking System either already has or will be implemented very shortly.

The 2020 Nonpoint Source (NPS) Assessment data and results are available from the DCR [NPS Assessment web page](#): NPS loads and unit area loads by hydrologic unit (HU), the NPS chapter of the 305b report, land cover and farm animal counts by various units (HUs, jurisdiction, basins, etc.), and the agricultural rankings of the HUs as used in the FY21 cost share program can be accessed from that web page.

All FY21 grant agreements, for both cost share/technical assistance and operations/administration have been signed and sent to all 47 Soil and Water Conservation Districts (SWCDs). Once SWCDs have signed and returned these agreements, they will be contractually able to implement the FY21 agricultural best management cost share program, consistent with Soil and Water Conservation Board policies, pending a few other administrative requirements.

DCR-DSWC hosted two BMP Cost Share (VACS) Update Webinars on June 11, 2020, with 114 participants attending, and on June 16, 2020, with 85 participants attending. Topics covered included the NMP (soon to include RMP) Direct Pay Program, Conservation Planning and Training as well as Engineering updates, and changes to VACS Guidelines and Specifications for FY21. A significant number of additional animal waste practices will be available beginning July 1, 2020.
To also assist SWCDs with the PY21 state cost share program, there will be two Agricultural BMP Tracking System Update Webinars, on July 9 (12:30 – 4:30), and July 14 (8:30 – 12:30).

**Conservation Planning and Other DCR Training**

On May 26, DCR hosted Virginia Agricultural BMP and Cost Share Program training as part of DCR’s Conservation Planner Certification curriculum. 48 participants from Soil and Water Conservation Districts, Resource Management Plan writers, and other partners joined the webinar to either refresh their knowledge or to learn more about the program’s background, administration, and the most often used BMP specifications.

The DCR-DSWC Conservation Planner Certification Course List has been updated to reflect the Virginia Water Concerns course and the Pesticide Orientation course that are both now available online. Enrollees can use this list going forward as they work towards DCR Conservation Planning certification. The updated list has been posted both on our website, [https://www.dcr.virginia.gov/soil-and-water/conservation-planning](https://www.dcr.virginia.gov/soil-and-water/conservation-planning) and within the Conservation Planning Training module.

Due to the social distancing requirements, the regularly scheduled Nutrient Management training class in July has been cancelled. However, the nutrient management certification exam is currently still scheduled for August 7 at the Frontier Culture Museum in Staunton.

**SWCD Financial Audits**

Financial audits of scheduled Soil and Water Conservation Districts (SWCDs) by the new financial auditing firm, Clifton, Lawson, and Allen (CLA), have been completed. DCR was briefed of their findings in February. The results of the audits have been presented to the Audit Subcommittee of the Soil and Water Conservation Board and the full Board at their meetings on June 3. Some improvements in communication between the auditor and SWCDs have been requested going forward.

**Chesapeake Bay WIP III Update**

The Department of Environmental Quality (DEQ) announced the release of Virginia’s Draft 2020-2021 Milestones for public review. These milestones were developed by the various agencies responsible for implementing [Virginia’s Phase III Watershed Implementation Plan (WIP III)](https://www.deq.virginia.gov/water/water-quality/total-maximum-daily-load-tmdl/). Virginia has set and will continue working towards two-year Milestones to improve water quality in accordance with the Chesapeake Bay Total Maximum Daily Load (TMDL). These milestones are a part of the U.S. Environmental Protection Agency's (EPA) accountability framework designed to
ensure, with confidence, that the nitrogen, phosphorus, and associated sediment allocations of the TMDL will be met.

Virginia’s 2020-2021 milestones are available to the public on DEQ’s Chesapeake Bay Nutrient and Sediment Reduction Milestones webpage.

The demonstration project in Rockingham County to identify livestock exclusion fencing along perennial streams using VGIN, DEQ, and DCR reference data sets found that between 38% - 41% of livestock operations, on perennial streams, in Rockingham County have installed stream exclusion fencing. The study also resulted in a method, using digital imagery, to identify perennial streams without field verification. Such a method is required by 2026 by HB1422/SB704.

The Virginia General Assembly passed, and Governor Northam has signed into state law, an amended version of HB1422/SB704. This law requires:

- Develop an (office) method for determining perennial streams by Dec. 2020
- Portable livestock stream exclusion fencing specification by July 2021
- OSNR to appoint a stakeholder group to develop plan for nutrient management plan adoption on cropland >50 acres, and stream exclusion if 20+ cattle, and monitor progress
- Stakeholder group membership largely defined (includes VASWCD)

DCR and DEQ held a conference call on May 11 to discuss DEQ’s stream determination methodologies and the requirement for DCR to develop a non-field methodology as a result of HB1422/SB704 (the "Bay Bill"). Although this law does not require any other state program to be consistent with the method that DCR must develop by December 2020, consistency with DEQ stream determination methodology is desirable if possible, in order to minimize confusion by farmers who are also covered by the Chesapeake Bay Preservation Act.

The Department has reintroduced “Direct Pay” for certified nutrient management planners, in counties with either less than 10% of agricultural acres under plan, or that produce more animal manure than the local crop need. Twenty-five planners have already registered with the Department and eVa. They can now be paid directly for nutrient management plans they write in over 40 targeted counties in Virginia’s Chesapeake Bay watershed. Despite other grant funding cuts, EPA recently awarded just over $469,000 in unobligated Bay Grant funding for this purpose.
Expansion of poultry litter transport in FY20 has been even more successful than earlier anticipated. While historically, the program has subsidized the transport of between 5,000 – 6,000 tons of litter per year, as the end of this fiscal year approaches, the Department, in partnership with the Virginia Poultry Federation, has agreements to transport roughly 21,000 tons. To help meet our year 2025 WIP III goal of 89,000 tons of litter transported annually, subsidized litter transport will be expanded to an additional 14 localities, primarily in VASWCD Areas II and III, on July 1 for FY21. A new map, showing the additional localities that can begin receiving subsidized litter under the DCR program, will be posted to our website.

**Ag BMP Technical Advisory Committee (TAC) Update**

Over fifty suggestions have been submitted to the Department for consideration by the Agricultural BMP Technical Advisory Committee (TAC) in 2020. The Department will prioritize all of these recommendations and present a proposed implementation schedule at the Board’s next meeting. The full TAC will have fewer voting members in 2020, just over 30, i.e. no more than one per stakeholder. Each interested SWCD can have one voting member. Each full TAC voting member is asked to also participate and vote on one TAC subcommittee. In addition, each member organization can also have one voting member on each of the other three TAC subcommittees, i.e. Animal Waste, Cover Crop/Nutrient Management, Stream Protection/Forestry, and Programmatic. The first full TAC meeting is tentatively scheduled for July 23, but will only be conducted if it is practical to be consistent with the then current COVID-19 safety guidelines.

- The following dates are tentative Full TAC meetings with confirmed reservations at these locations:
  - July 23 – 1st Full TAC Meeting in Goochland
  - August 25 – 2nd Full TAC Meeting in Charlottesville
  - October 7 – 3rd Full TAC Meeting in Charlottesville
  - November 4 – 4th Full TAC Meeting in Verona
  - December 1 – 5th Full TAC Meeting in Goochland

**Grant Opportunities**

Mapping of priority parcels needed to begin work using the $500,000 grant from the Virginia Environmental Endowment for producers’ share of the cost of new animal waste storage facilities in the Upper and Middle James River watersheds was received from the Chesapeake Conservancy in March and integrated into the Agricultural Best Management Practice Tracking System. The VEE grant will reduce, or in some cases eliminate, the farmer’s portion of cost share of expenses for
construction of these facilities through the state cost-share program. Grant payments up to $25,000 could be covered for as many as 20 facilities. Eligible SWCDs are Mountain, Mountain Castles, Natural Bridge and Peter Francisco.

The Department was invited to, and subsequently has submitted a full grant proposal, in the amount of $750,000, to the National Fish and Wildlife Foundation (NFWF) to design and install living shoreline practices in several tidal watersheds, excluding the lower James River, and to verify existing shoreline protection practices that can be counted towards the WIP III shoreline target for year 2025. The James River Association has submitted a grant application for living shorelines in the Lower James.

EPA has identified the entire Bay side of the Eastern Shore and the Great Wicomico sub-basin on the Northern Neck, as the two “Most Effected Basins” they will target for one-time grant funding. DCR has entered discussions with both SWCDs regarding the objectives and requirements associated with these funds.

**Staffing and Recruitment**

Interviews for our Nonpoint Source Data Manager position will be held in July. Our Urban Nutrient Management Coordinator, Nick Yakish, has tendered his resignation.