

Matthew J. Strickler
Secretary of Natural Resources

Clyde E. Cristman
Director



COMMONWEALTH of VIRGINIA
DEPARTMENT OF CONSERVATION AND RECREATION

Rochelle Altholz
*Deputy Director of
Administration and Finance*

Russell W. Baxter
*Deputy Director of
Soil and Water Conservation
and Dam Safety*

Thomas L. Smith
Deputy Director of Operations

August 15, 2020

The Honorable Janet D. Howell
Chair, Senate Finance and Appropriations Committee
Post Office Box 2608
Reston, Virginia 20195

The Honorable Luke E. Torian
Chair, House Appropriations Committee
4222 Fortuna Plaza, Suite 659
Dumfries, Virginia 22025

SUBJECT: Department of Conservation and Recreation's Fiscal Year 2020 End of Year Agricultural Cost-Share and Administration/Technical Assistance Funding Allocations Report

Dear Senator Howell and Delegate Torian:

This semi-annual Agricultural Cost-Share and Administration/Technical Assistance Funding Allocations report is being submitted to satisfy the requirements of Item 373 A.2. and A.3. of Chapter 1289 of the 2020 Session Acts of Assembly:

2. The department shall provide a semi-annual report on or before February 15 and August 15 of each year to the Chairmen of the House Appropriations and Senate Finance Committees on each Virginia soil and water conservation district's budget, revised budget, previous year's balance budget, and expenditure for the following: (i) the federal Conservation Reserve Enhancement Program, (ii) the use of Agricultural Best Management Cost-Share Program funds within the Chesapeake Bay watershed, (iii) the use of Agricultural Best Management Cost-Share Program funds within the Southern Rivers area, and (iv) the amount of Technical Assistance funding. The August 15 report shall reflect cumulative amounts.

3. As part of the semi-annual report, the department shall assess the impact of settlement agreements with the Commonwealth entered into between July 1, 2017, and June 30, 2022, on achieving an effective level of Soil and Water Conservation District technical assistance funding and the implementation of agricultural best management practices pursuant to §10.1-546.1., Code of Virginia. The department shall include in its report any amounts from the settlements including: 1) estimation of the timeline and amount for each fiscal year to implement agricultural best management practices; and

2) estimation of the timeline and amount for each fiscal year of additional technical assistance provided as a result of the additional funding from the settlements.

Cost-share and technical assistance disbursements to Virginia's soil and water conservation districts (districts) for Fiscal Year 2020 were made in accordance with the Virginia Soil and Water Conservation Board's *Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations (Fiscal Year 2020)*.¹ This document specifies the Board's process for allocating funding by the Department to the Commonwealth's 47 local soil and water conservation districts for cost-share and technical assistance in FY2020.

Included in this report, as it provides a more thorough picture of district payments, are administration and operations disbursements to districts for FY2020 made in accordance with the Virginia Soil and Water Conservation Board's *Policy on Soil and Water Conservation District Administration and Operations Funding Allocations for Fiscal Year 2020*.² This document specifies the Board's process for allocating funding by the Department to the districts for administration and operations in FY2020.

In December 2017, the Commonwealth of Virginia and US Fish and Wildlife Service announced several restoration projects approved for funding through the DuPont Natural Resource Damage Assessment and Restoration (NRDAR) settlement. The Honorable Michael F. Urbanski, United States District Judge for the Western District of Virginia, approved the settlement on July 28, 2017 for natural resource damages resulting from the release of mercury at the DuPont facility in Waynesboro. Approved projects include many critically needed agriculture best management practices in the Shenandoah Valley. DuPont settlement funding is offsetting state cost share needs for a limited number of farmers seeking composting facilities, grazing land management, stream exclusion with grazing land management, and animal waste control facilities. DuPont settlement funding provides technical assistance funding for the Headwaters, Shenandoah Valley, and Lord Fairfax Soil and Water Conservation District.

The following table reflects the anticipated cost of approved practices, the funding being provided (both state cost-share funds and DuPont settlement funds), and the corresponding amount of technical assistance funding provided to the three districts. The technical assistance funds provided are based on 12% of the DuPont funds requested.

¹ Virginia Soil and Water Conservation Board, "*Policy and Procedures on Soil and Water Conservation District Cost-Share and Technical Assistance Funding Allocations (Fiscal Year 2020)*", <http://www.dcr.virginia.gov/laws-and-regulations/lr8b>.

² Virginia Soil and Water Conservation Board, "*Policy on Soil and Water Conservation District Administration and Operations Funding Allocations for Fiscal Year 2020*", <http://www.dcr.virginia.gov/laws-and-regulations/lr8a>.

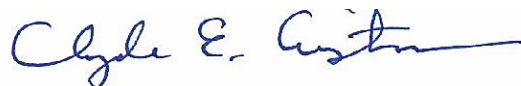
District	Total Expected Payment	State Amount Requested	DuPont Funds Requested	Technical Assistance Provided to Districts
Headwaters	\$3,382,102.90	\$925,027.05	\$2,457,075.85	\$305,975
Lord Fairfax	\$388,804.25	\$25,160.65	\$363,643.60	\$43,384
Shenandoah Valley	\$4,308,102.21	\$2,008,877.78	\$2,299,224.43	\$218,287

Additionally, Virginia developed mitigation agreements for forest fragmentation from construction of the Mountain Valley Pipeline (MVP) and Atlantic Coast Pipeline (ACP) pursuant to the Federal Energy Regulatory Commission's (FERC) process under the National Environmental Policy Act (NEPA). However, on July 5, 2020, Dominion Energy and Duke Energy announced their decision to withdraw the Atlantic Coast Pipeline project and it is unlikely that any funds will be received from this project.

The MVP mitigation agreement provides \$3,850,000 in funding; four districts will receive funding through the agreement. The funds are being managed by the Virginia Association of Soil and Water Conservation Districts (VASWCD). While there is potential for limited funding to be used in the Chesapeake Bay watershed, the majority of the land within these districts is outside of the Chesapeake Bay watershed. The amount of funds available for each district is contingent upon the percentage of tree clearing and grubbing activities performed as indicated in the mitigation agreement. After significant dialogue between districts, local stakeholders, the VASWCD, and the Department, grant agreements between the VASWCD and districts are expected to be finalized during the first quarter for FY2021. Funds should be disbursed soon after the grant agreements have been executed.

The Virginia Agricultural Best Management Practices Cost-Share Program is the lynchpin of the Commonwealth's efforts to reduce agricultural non-point source water pollution by encouraging the voluntary installation of agricultural BMPs that reduce nutrients (nitrogen and phosphorus) and sediment entering Virginia's rivers and the Chesapeake Bay. While progress continues to be made, additional cost-share and technical assistance will be necessary in the years ahead.

Respectfully submitted,



Clyde E. Cristman

cc: David Reynolds, Legislative Fiscal Analyst, House Appropriations Committee
Jason Powell, Legislative Analyst, Senate Finance and Appropriations Committee
Toni M. Walker, Associate Director, Department of Planning and Budget
Russell W. Baxter, Deputy Director, Department of Conservation and Recreation

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6	Column 7		Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
SWCD	FY20 Total Administration & Operations Assistance Budget^A	FY20 Total Administration & Operations Assistance Disbursements^A	FY20 VNRCF Total Technical Assistance Budget~	FY19 WQIF SL6 Total Technical Assistance Budget	FY20 Total Technical Assistance Disbursements+	FY19 VNRCF EOY Allocation Balance*	FY20 VNRCF Original Budget Allocation	FY19 WQIF SL6 Budget Allocation	FY20 VNRCF and WQIF Budget Adjustments@	FY20 VNRCF and WQIF Revised Budget Allocation#	FY20 Total CB VNRCF and WQIF BMP Disbursements++	FY20 Total OCB VNRCF and WQIF BMP Disbursements++	FY20 Total RMP Operating Support Disbursements	FY20 Total RCPP Match Disbursements	FY20 Total CREP Disbursements
APPMATTOX RIVER SWCD	\$104,073.00	104,073.00	\$80,209.31	-	82,220.40	-	\$277,772.00	-	\$147,714.22	425,486.22	75,982.00	412,259.92	-	-	-
BIG SANDY SWCD	\$102,428.00	102,428.00	\$13,762.55	\$0.00	14,418.00	23,172.80	\$76,910.00	\$0.00	(\$75,508.93)	\$24,573.87	-	12,910.00	-	-	-
BIG WALKER SWCD	\$118,850.00	116,825.00	\$80,793.00	\$136,304.48	217,097.48	-	\$338,323.00	\$1,048,496.00	(\$21,798.98)	\$1,365,020.02	-	1,386,819.00	-	-	20,378.30
BLUE RIDGE SWCD	\$180,260.00	180,260.00	\$107,051.00	\$0.00	117,679.08	175,390.86	\$417,846.00	\$0.00	(\$6,593.31)	\$586,643.55	18,850.25	549,475.04	-	-	26,331.85
CHOWAN BASIN SWCD	\$148,500.00	148,500.00	\$277,222.00	\$0.00	325,760.93	8,791.70	\$1,807,975.00	\$0.00	(\$3,410.13)	\$1,813,356.57	-	2,181,351.40	-	-	-
CLINCH VALLEY SWCD	\$116,951.00	116,951.00	\$212,141.00	\$0.00	212,141.00	-	\$1,041,058.00	\$0.00	(\$102,975.33)	\$938,082.67	-	1,065,058.00	-	-	-
COLONIAL SWCD	\$146,733.00	146,733.00	\$131,004.74	\$0.00	131,004.74	-	\$786,528.00	\$0.00	(\$121,866.80)	\$664,661.20	666,528.00	-	-	-	-
CULPEPER SWCD	\$211,025.00	211,025.00	\$703,639.00	\$0.00	703,639.00	1,093,500.00	\$4,351,639.00	\$0.00	(\$317,165.52)	\$5,127,973.48	2,745,730.25	-	9,762.88	8,523.76	-
DANIEL BOONE SWCD	\$116,358.00	116,358.00	\$471,791.00	\$0.00	471,791.00	-	\$3,090,072.00	\$0.00	(\$10,397.22)	\$3,079,674.78	-	2,796,181.53	-	-	-
EASTERN SHORE SWCD	\$196,040.00	196,040.00	\$514,149.49	\$0.00	514,149.49	-	\$1,868,523.00	\$0.00	\$1,456,000.00	\$3,324,523.00	2,568,171.00	756,352.00	36.30	-	-
EVERGREEN SWCD	\$116,922.00	116,922.00	\$63,156.29	\$0.00	63,156.29	-	\$201,204.00	\$0.00	\$105,182.64	\$306,386.64	-	321,204.00	-	-	-
HALIFAX SWCD	\$118,040.00	118,040.00	\$69,053.00	\$0.00	69,053.00	-	\$266,988.00	\$0.00	(\$14,124.80)	\$252,863.20	-	266,988.00	-	-	-
HANOVER-CAROLINE SWCD	\$148,915.00	148,915.00	\$307,126.00	\$0.00	307,126.00	-	\$1,672,751.00	\$0.00	(\$82,621.27)	\$1,590,129.73	1,685,193.96	-	2,563.05	-	-
HEADWATERS SWCD	\$231,992.00	231,992.00	\$568,796.25	\$0.00	444,185.81	1,486,066.00	\$4,214,108.00	\$0.00	(\$1,422,400.97)	\$4,277,773.03	1,641,660.25	-	-	-	-
HENRICOPOLIS SWCD	\$104,228.00	104,228.00	\$42,335.00	\$0.00	42,335.00	-	\$254,622.00	\$0.00	(\$45,268.97)	\$209,353.03	209,687.00	-	1,274.00	-	-
HOLSTON RIVER SWCD	\$118,310.00	118,310.00	\$143,380.72	\$0.00	143,380.72	-	\$369,770.00	\$0.00	\$158,783.82	\$528,553.82	-	544,770.00	-	-	-
JAMES RIVER SWCD	\$105,652.00	103,402.00	\$74,604.32	\$0.00	74,604.32	-	\$875,301.00	\$0.00	(\$758,039.75)	\$117,261.25	133,587.00	101,714.00	-	-	-
JOHN MARSHALL SWCD	\$145,088.00	145,088.00	\$318,906.57	\$0.00	318,906.57	425,000.00	\$2,141,330.00	\$0.00	(\$205,470.59)	\$2,360,859.41	1,317,219.38	-	1,003.59	-	-
LAKE COUNTRY SWCD	\$109,384.00	109,384.00	\$96,878.00	\$0.00	96,878.00	-	\$585,038.00	\$0.00	(\$60,369.47)	\$524,668.53	-	585,038.00	-	-	-
LONESOME PINE SWCD	\$103,914.00	103,914.00	\$74,593.24	\$0.00	74,593.24	-	\$1,057,168.00	\$0.00	(\$817,144.67)	\$240,023.33	-	346,168.00	-	-	-
LORD FAIRFAX SWCD	\$159,201.00	159,201.00	\$574,290.00	\$0.00	574,290.00	525,000.00	\$3,461,428.00	\$0.00	(\$628,586.98)	\$3,357,841.02	1,686,428.00	-	512.00	-	-
LOUDOUN SWCD	\$119,590.00	119,590.00	\$187,305.00	\$0.00	187,305.00	-	\$1,034,933.00	\$0.00	\$138,067.69	\$1,173,000.69	934,933.00	-	-	-	-
MONACAN SWCD	\$105,802.00	105,802.00	\$90,284.00	\$78,436.71	168,720.71	-	\$544,061.00	\$603,359.00	(\$229,112.50)	\$918,307.50	1,066,359.00	-	742.50	-	-
MOUNTAIN SWCD	\$119,502.00	119,502.00	\$142,438.00	\$0.00	142,438.00	35,440.93	\$1,043,228.00	\$0.00	(\$88,080.25)	\$990,588.68	401,500.00	-	-	-	-
MOUNTAIN CASTLES SWCD	\$130,382.00	130,382.00	\$125,831.11	\$0.00	125,831.11	125,133.00	\$574,996.00	\$0.00	\$41,469.12	\$741,598.12	276,500.00	84,835.00	-	-	-
NATURAL BRIDGE SWCD	\$120,035.00	120,035.00	\$144,830.45	\$0.00	144,830.45	190,594.86	\$909,761.00	\$0.00	(\$66,937.05)	\$1,033,418.81	417,570.70	-	-	-	-
NEW RIVER SWCD	\$121,556.00	121,556.00	\$143,242.00	\$0.00	143,242.00	-	\$682,917.00	\$0.00	(\$389,221.98)	\$293,695.02	-	996,443.49	-	-	-

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NORTHERN NECK SWCD	\$199,058.00	199,058.00	\$301,655.00	\$0.00	301,655.00	-	\$1,471,507.00	\$0.00	(\$5,021.24)	\$1,466,485.76	1,471,507.00	-	1,647.90	-	-
NORTHERN VIRGINIA SWCD	\$105,183.00	105,183.00	\$9,293.00	\$0.00	9,293.00	1.00	\$68,063.00	\$0.00	(\$68,063.00)	\$1.00	1,500.00	-	-	-	-
PATRICK SWCD	\$116,235.00	116,235.00	\$25,211.00	\$10,140.00	35,351.00	-	\$85,769.00	\$78,000.00	(\$9,513.19)	\$154,255.81	-	163,769.00	-	-	21,413.06
PEAKS OF OTTER SWCD	\$106,566.00	106,566.00	\$68,595.00	\$0.00	68,595.00	416,759.00	\$291,886.00	\$0.00	(\$178,042.88)	\$530,602.12	68,387.00	223,499.00	-	-	52,372.10
PEANUT SWCD	\$148,098.00	145,848.00	\$435,440.00	\$0.00	437,106.06	-	\$2,683,847.00	\$0.00	\$73,144.61	\$2,756,991.61	1,182,668.00	1,601,494.85	-	-	-
PETER FRANCISCO SWCD	\$155,463.00	155,463.00	\$196,184.57	\$13,650.00	209,834.57	-	\$818,005.00	\$105,000.00	\$324,720.93	\$1,247,725.93	1,368,005.00	-	-	-	-
PIEDMONT SWCD	\$211,880.00	211,880.00	\$168,185.59	\$0.00	168,185.59	-	\$957,571.00	\$0.00	\$83,385.23	\$1,040,956.23	921,884.00	135,687.00	-	-	-
PITTSYLVANIA SWCD	\$120,108.00	120,108.00	\$84,226.00	\$58,887.28	143,113.28	100,000.00	\$411,962.00	\$452,979.00	(\$21,562.49)	\$943,378.51	-	931,785.75	-	-	-
PRINCE WILLIAM SWCD	\$104,559.00	104,559.00	\$62,590.00	\$0.00	62,590.00	43,000.00	\$415,947.00	\$0.00	(\$46,642.56)	\$412,304.44	250,757.55	-	526.56	-	-
ROBERT E. LEE SWCD	\$215,675.00	215,675.00	\$155,916.85	\$224,067.94	387,877.55	1,552,615.04	\$1,278,150.00	\$1,723,600.00	(\$326,268.80)	\$4,228,096.24	379,995.00	1,024,308.00	-	-	-
SCOTT COUNTY SWCD	\$118,230.00	118,230.00	\$284,974.00	\$0.00	284,974.00	-	\$1,751,737.00	\$0.00	(\$39,546.80)	\$1,712,190.20	-	1,751,737.00	-	-	-
SHENANDOAH VALLEY SWCD	\$197,132.00	197,132.00	\$455,512.71	\$0.00	400,811.00	1,360,623.00	\$4,865,381.00	\$0.00	(\$3,473,647.57)	\$2,752,356.43	1,187,000.59	-	-	8,078.56	-
SKYLINE SWCD	\$148,939.00	148,939.00	\$222,709.00	\$0.00	222,567.69	304,377.53	\$1,225,149.00	\$0.00	(\$38,284.55)	\$1,491,241.98	-	1,372,441.35	-	-	24,528.20
SOUTHSIDE SWCD	\$140,510.00	140,510.00	\$60,140.00	\$63,150.71	123,290.71	144.00	\$258,910.00	\$485,775.00	(\$15,267.18)	\$729,561.82	-	744,319.00	-	-	-
TAZEWELL SWCD	\$104,185.00	104,185.00	\$64,411.55	\$0.00	64,411.55	-	\$151,142.00	\$0.00	\$88,943.98	\$240,085.98	-	251,142.00	-	-	-
THOMAS JEFFERSON SWCD	\$174,635.00	174,635.00	\$491,178.58	\$0.00	491,178.58	900,000.00	\$2,349,966.00	\$0.00	\$98,072.97	\$3,348,038.97	2,220,227.99	-	3,021.72	-	-
THREE RIVERS SWCD	\$145,789.00	145,789.00	\$420,595.05	\$0.00	420,595.05	-	\$1,937,892.00	\$0.00	\$619,975.37	\$2,557,867.37	2,557,892.00	-	4,838.10	-	-
TIDEWATER SWCD	\$144,625.00	144,625.00	\$135,472.06	\$0.00	135,472.06	-	\$581,299.00	\$0.00	\$274,032.38	\$855,331.38	866,299.00	-	-	-	-
TRI-COUNTY/CITY SWCD	\$121,533.00	121,533.00	\$140,417.00	\$0.00	140,417.00	-	\$843,863.00	\$0.00	(\$49,423.90)	\$794,439.10	843,863.00	-	339.00	-	-
VIRGINIA DARE SWCD	\$122,957.00	122,957.00	\$132,931.00	\$0.00	134,320.96	3,849.00	\$713,140.00	\$0.00	(\$16,430.00)	\$700,559.00	59,596.00	664,236.00	-	-	-
Totals	\$6,521,091.00	\$6,514,566.00	\$9,674,451.00	\$584,637.12	\$10,152,416.99	\$8,769,458.72	\$57,107,436.00	\$4,497,209.00	(\$6,145,316.67)	64,228,787.05	\$29,225,481.92	\$21,271,986.33	\$26,267.60	\$16,602.32	\$145,023.51
^ Includes Operations and Administration and Dam Maintenance															
~ Budgets adjusted for TA transfers between districts															
+ Includes TA from FY16 Supplemental SL-6 and FY17 thru FY19 Remaining Balances															
* Includes TA from FY16 Supplemental SL-6 and Transfers and FY17 thru FY19 Remaining Balances															
@ Includes FY20 VNRCF VACS Allocation Transfers, Voluntary Returns, including prior year deobligations and Reductions															
# Includes FY20 VNRCF VACS Allocation, FY19 WQIF SL6 Allocation, VNRCF Transfers, VNRCF Voluntary Allocation Returns and Reductions (column 6 + column 7 + column 8)															
++ Includes VNRCF and VACS and VNRCF and WQIF SL-6 Earmarks															