

**MACD State Council Meeting
October 24 and 26, 2016**

**Meeting Minutes
*Approved***

Shanty Creek Resort

Monday, October 24

State Council Meeting Welcome

Art Pelon, MACD President called the meeting to order at 1:08pm. Pelon welcomed all to the meeting, including guests. State Council members present: Art Pelon, Donna Fritz, Jerry Miller, Randy Gentz, Howard Haulotte, Larry Thompson, Elaine Brown Bartholic, John Mitchell and Nancy Szikszay.

Approvals

State Council Agenda – additions/corrections Pelon

Motion by Thompson, second by Szikszay to accept as written with the addition of Joe Kelpinski in the partner reports. AYES- CARRIED.

September Council Minutes Pelon

Motion by Szikszay, second by Thompson to accept the minutes as presented. AYES- CARRIED

Financials Fritz/Committee

FY16 Financial Updates - Phalen explained the updates and asked for acceptance.
Motion by Thompson, second by Fritz to accept the budget updates.

Pelon called for questions: Do we have a carry forward? Yes – about 20,000.

Pelon called for a vote – AYES CARRIED

FY17 Budget - Phalen provided an overview of the final budget and asked for acceptance. Comments: Szikszay noted that she appreciates that the budget balance forward is not included in the budget. Phalen agreed and noted that not including a budget balance forward is considered a Not for Profit best practice.

Motion by Thompson, second by Brown Bartholic to accept the report as written. AYES-CARRIED.

Partner Reports

MDARD Miller, for Shine

Steve Shine has accepted a position with the MDNR as the Wetlands Mitigation Banking Manager. MDARD ESD has not yet determined strategy for replacement. The ESD Director has not said if it will be open to just internal or extended to external candidates. Council members commented on the significant loss of Shine, and his strong advocacy for CDs.

MDARD Program totals:

- MAEAP – 41 positions; \$3.3M
- FAP – 20 positions; \$1.3M
- CTAI – 13 positions; \$845K
- PRI and FFB – 8 positions; \$500K
- HAP – 34 grants at \$100,000
- Clean Sweep – 2 grants; \$11.5K

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- Food Safety Grants – 4: Van Buran, Newaygo, Genesee and Grand Traverse CDs, with a total of \$300K. Food and Dairy Division leading, with delivery through ESD.

122 grants, 86 FTE and \$6,356,500 running through districts in FY2016. The year ahead: Miller expects the status quo.

MAEAP Update

Kelpinski

MAEAP Database - The database tracks all practice changes to better document program impacts. Technicians are now entering data, district managers to receive training in November. The database will allow MAEAP to better tell the story and provide better accountability throughout the program. Database reports are customizable to provide districts the ability to create reports tailored to their needs.

Phase 2 of the database project is developing a GIS based system to show producers the benefits of implementation of various practices and the conservation and economic impacts.

MAEAP Income - The program consistently has a budget carry forward. This year it is \$2.9M. This carry forward, coupled with the change in fertilizer assessments which go to the Clean Water Fund (CWF) generated an additional \$1 to \$1.1M. MDARD is addressing the carry forward (one time deals) and ongoing (the increase in CWF dollars) funds. Have asked staff and the MAEAP Advisory Council for input. The following opportunities have been to the Director:

Single time monies:

- Clean Sweep: Purchase of three plastic bailers to condense collected containers.
- Cost Share: Three options 1) providing grants for local cost share, 2) cost share for big ticket items, and 3) proposals from other entities for edge of field research projects that focus on keep sediment and phosphorus out of waterways.

Before spending, must go through appropriations to obtain spending authority.

Recurring funds:

- Increase grant levels
 - Increase number of technicians in high workload areas (Gratiot addition in place) Looking to add in St. Clair / Sanilac.
- Specialized training funds
- Ongoing cost share

Questions?

- Can funds be used for ag plastic recycling? Yes – this is being investigated.
- Will the increased revenue continue? Conservative expectation is around \$700,000.
- CTAI – included in grant increases? Yes.
- Verification numbers? 637 in FY16. Reverifications down because of change in reverification schedule. Yet, with the new 5 year reverification schedule, there will be a slug of 5-year reverifications that will begin in a year to a year and a half.
- FAP impacts to verifications? A big success –with about 82 verifications.

In closing, Kelpinski noted that MAEAP wants to keep WLEB MAEAP technician numbers up and is also looking to increase technician numbers in the Saginaw Bay region.

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NRCS

Lee

Currently working under a continuing resolution, which is expected to continue through the end of the calendar year.

Human Resources –

- Staff numbers are down. Currently in second year of transitioning to a centralized administration system. Still addressing growing pains with this new system.
- Starting to aggressively address vacancies (currently 30 vacancies in MI). MI-NRCS turnover averages 15-20 positions per year (150 in MI current staff, goal about 186). Some positions are difficult to fill, for example the Marquette position has been advertised several times.
- One human resources center is managing vacancies for the entire organization.
- Security clearances are an HR function.

Financial Assistance Programs –

- WLEB, RCPP, all partner programs are rolling out first to get those funds spent. Will run standard programs when the special program dollars are allocated.
- EQIP Funds: Priority in WLEB, then to other applicants. Szikszay noted the agency's responsiveness to needs in local areas, such as the urban initiatives.
- About \$20M per year in program funds to Michigan, which is high given the workload.

NRCS Challenges – How Can Districts Support?

- Getting conservation on the ground – need more cheerleaders. Utilizing local staff the best way as possible to getting conservation on the ground. Need support in local offices; currently a big strain on technical NRCS staff. Any opportunities for technical staff (outside of NRCS) to support the TA work load (GRANTS) is important.
- NRCS is not the only game in town. Other entities have more money, can be more creative than NRCS. Important to maintain the integrity of the programs; NRCS has many critics. Need to target the programs to show results and performance.

In closing Lee noted that NRCS is and will be putting pressure on the local level to provide increased support from those in NRCS federal space (300 people sitting in NRCS space). We need to maximize staff before additional staff is hired. Partner agreement employees come about from a reduction in NRCS staff funds, to better leverage staffing through agreements.

Partner Report Wrap Up

Jerry Miller offered a special acknowledgement and thank you to agency partners who have come on board as sponsors for the convention and provide ongoing support to districts and MACD. He specifically noted those attending the meeting: NRCS and MDARD. Also thanked Michigan Farm Bureau for their support.

MACDE Report

Blaszak

New name for the organization: Conservation District Employees of Michigan (CDEM).

Pleased to announce that the Missaukee CD is co-hosting the first ever Ag Plastics Recycling in Michigan, scheduled for February 14.

MFB Report

Reinart

Reinart made special note of the NRCS education grants and resolutions at MFB annual meeting. Emily's job is helping connect farmers with conservation opportunities.

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Committees/Projects/Programs

MACD Annual Plan of Work Phalen

Phalen overviewed the plan of work. No questions were presented.

Development Committee Miller/Phalen

No new activities, beyond the sponsorship activities. This committee has been assisting the White Paper committee. Miller introduced Elaine Brown Bartholic as the White Paper Committee chair.

White Paper Committee Brown Bartholic

Brown Bartholic thanked Shine for providing the template used for this effort. The White Paper will be shared with partners and legislators to secure their support. Going forward with this now because we have a supportive administration, legislators and partners. One reason for reducing the ask to obtain the buy-in of Quality of Life directors.

White Paper Overview:

- State Council original goal was \$100,000 per CD. Upon further conversation with partners the committee determined that level was too high and have determined that a \$50,000 level is a better, more realistic ask.
- Components: background, current model and challenge, solution, and business model.
- The Water Strategy is being used to define the solution, highlighting the existing delivery system and how the increased dollars would support.
- The business model asks for support in FY18 budget, with \$50,000 for each 77 CDs, to support manager activities and to leverage for additional funds. Includes MDARD funds for administrative activities; funds to MACD for training and an outreach strategy to build awareness of CDs with templates and tools for local outreach campaign.
- Intent to provide a 1:1 return on investment.
- The White Paper Committee is seeking input from district directors and staff. Miller asked State Council members to share at regional meetings on Tuesday morning.

White Paper Next Steps:

- Will take feedback from this event and address within this document. The document will be distributed in hard copy at the MACD Annual Meeting and electronically to directors and managers with a deadline of November 4th. The committee will compile and discuss input and adjust the document as needed.
- The document will be adjusted and talking points created.

Comments:

How to justify to the proposal to tax payers; what do they get for this investment? Resource protection and quality of life benefits. It is important that flexibility is built into this program—a district may not want it; performance standards and accountability will be included. Districts will not be required to participate.

Szikszay thanked the committee for the work that went into this project.

MACD Annual Meeting Assignments Phalen

- Voting Cards – Szikszay and Thompson
- Banquet Dinner Invocation - Thompson
- Region Meetings – All – Please address resolutions, officer elections in 1, 3, 5, 7, and 9. One late resolution: Monarch Butterfly as state insect.

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Meeting Recess

Art called the meeting to recess

Wednesday, October 26

Reconvene Meeting

Pelon reconvened the meeting at 9:50AM

Outstanding Business

New State Council Member Welcome Pelon

Pelon welcomed Tony Czymbor as Vice Chair of Region 6. All other regional positions remain the same.

Annual Meeting and Convention Review Pelon

All pleased with the annual meeting and resolution outcomes.

Meeting Close

Pelon called the State Council meeting to a close at 10:15 AM.