

Massachusetts 2003 EQIP Application Evaluation Instructions

DESCRIPTION

Through EQIP, the NRCS provides financial and technical assistance to farmers who voluntarily apply conservation practices that treat national, state and local natural resource concerns. Massachusetts ranks and approves applications for funding based on one state-wide process, developed in accordance with national guidance and in conjunction with priorities identified by the State Technical Committee and Local Work Groups. The ranking criteria are defined in Massachusetts *Application Evaluation Matrix*. Applications are scored by identifying the natural resource concerns to be addressed, and the extent of treatment and environmental benefit to be achieved. In addition, consideration is given to proposals that support: compliance with environmental regulations, resource management systems, ag-land protection, agricultural production, innovation and leveraged funds.

Documents required for ranking applications include the following:

- a) *Application Evaluation Worksheet (CCC-1201-MA form)*
- b) *Application Evaluation Matrix and Calculation Sheet*
- c) *Supporting documents and worksheets (i.e. maps of environmentally sensitive areas, cost estimate detail sheet)*

APPLICATION EVALUATION WORKBOOK STEP-BY-STEP INSTRUCTIONS

General Instruction.

1. Enter the applicant's identification information on the front cover of the *Application Evaluation Worksheet (CCC-1201-MA, cover page)*.
2. List the planned conservation practices and cost information for the application on page 2 of the CCC-1201, Section II. *Summary of Practice and Cost Table*, and identify any additional funding.
3. Identify the extent to which the application meets the ranking criteria, by selecting the appropriate elements from the drop-down boxes in the yellow-shaded cells on the *Application Evaluation Matrix Calculation Sheet*.
 - a. Identify the primary resource concerns addressed by the application, assess benchmark condition and level of treatment based on quality criteria, and define any environmentally sensitive areas affected by the proposal.
 - b. Identify any features that enhance the application, including: regulatory compliance or avoidance, agricultural land protection, agricultural production, leveraged funds, innovation, resource management systems, local priorities.

All other functions in the ranking worksheets will populate automatically. Refer to the following sections of this document for more explanation (see "Steps 1, 2, and 3; and Definitions).

Step 1: Application Evaluation Worksheet ("1201 Cover" tab).

Complete the top section, entering specific application identification information, including: *Farm Name, Operator, Address, Town, Zip Code, Phone, Type of Operation, FSA Farm Number, FSA Tract Number, Watershed Number (10 digit code)*, and the *Date* when the application was received.

Note: The "Farm Name" will become the tag-name of the application, automatically carrying over to all other sheets of the workbook. All other sections of this page are automatically completed as other data is entered throughout the workbook.

Step 2: Application Evaluation Worksheet, page 2 (*"Practices & Costs" tab*).

Enter specific practice and cost data for the application in the yellow-cells.

- a) List the planned conservation practices by selecting the appropriate practice code from the drop-down box (the *Practice Name* and *Units* will fill-in automatically). This list reflects the decisions of the applicant, as part of the conservation planning process.
- b) Enter the quantity of units planned (i.e. number of acres, feet ... to be applied). This number is based on field measurements and calculations.
- c) Enter the *Estimated Unit Cost* –use the "unit cost" for the practice from the *Massachusetts 2003 EQIP Cost List*. When a practice is reported in numbers (No.) or is comprised of components (i.e. concrete, pipe, etc.); then, the unit cost is the sum of the component unit costs.
- d) Use the *Cost Estimate Detail* sheet for estimating the cost of practices that are comprised of various components such as concrete, pipe, etc., then enter the total practice cost in the Practices & Costs Summary table on the CCC-1201, p. 2.
- e) Enter the *Share Rate Unit Cost*, or the government's share of the unit cost.

For example, if the government cost share rate is 75%, and the unit cost is \$5.00, then the share rate unit cost is \$3.75).

- f) Enter any other amount of funds used by the applicant to apply these practices, in the yellow cell labeled *Other Non-USDA/Non-Farmer Funds*. Note: the applicant may not receive more that 100% cost share. Non-USDA funding is not to be used to reduce the total program costs except when >100% of the total project cost is being funded. In such cases, one or more of the share rate unit costs listed above must be reduced to obtain a 100% total cost share.

For example, if 1000 ft. of fence with a unit cost of \$5.00 were cost shared at 75%, the *Estimated Total Project Cost* would be \$5000, with a *Total Program Cost* of \$3750 and a *Landowner's Cost* of \$1250. If the project were supplemented by \$1500 of additional funding from other sources, then the *Landowner's Cost* would be indicated as a negative sum (-\$250). When this occurs, reduce the over-run sum (\$250) from the *Total Program Cost* (\$3750) and divide by the number of *Units* (1,000 ft.) to calculate a corrected *Share Rate Unit Cost* of \$3.50. The result shows a *Total Program Cost* of \$3500, *Other Funds* of \$1500, and *Landowner's Cost* of \$0.

- g) Signatures in sections VII. and VIII. will be obtained after the State Review of the Application Evaluation documents, and before NRCS approves applications for contracting. The applicant's signature records their decision to accept the practices and costs of the proposed contract. The designated/district conservationist's signature denotes that the practices and rates accurately represent the plan of operations for the contract. *Note: NRCS must ensure the applicant is aware that, upon signing the CCC-1201, he or she has 10 days to make any changes to the agreed list of practices, practice amounts, and hence costs to be contracted.*

Step 3: Application Evaluation Matrix Calculation Sheet ("Calculations" tab).

Identify the extent to which the application meets the ranking criteria, by selecting the appropriate elements from the drop-down boxes in the yellow-shaded cells on the *Application Evaluation Matrix Calculation Sheet*.

Only primary resource concerns may be credited, with no more than 2 natural resource concerns identified per conservation system. Show "N/A" for minor or non-applicable resource concerns.

Risk to environmentally sensitive areas must be assessed and documented.

- a) *Environmental Benefit Calculator*: Based on field observations and conservation planning information, select the appropriate choices, from the drop-down boxes in the yellow-shaded cells, that depict the existing and projected resource conditions of the area affected by the proposed contract. This assessment is neutral to size and type of operation. If a resource concern exists and it is treated to meet NRCS Quality Criteria, then points are granted to the application.

The *Resource Concerns Aspect/Problem* column directly corresponds with the resource concerns identified in the *Application Evaluation Matrix*. The *Resource Concerns Aspect/Problem*, *Benchmark Condition* and *Desired Outcome* are defined according to the *NRCS Quality Criteria*, (using the new national template). The extent of environmental gain is measured simply by assessing whether the existing and future condition *Meets*, *Partially Meets* or *Does Not Meet* the *NRCS Quality Criteria* for the identified resource concern.

Location Factors are environmentally sensitive areas identified and documented, using approved mapping conventions, including: Mass-GIS Outstanding Resource Water Maps, Natural Heritage Program, USGS Quadrangle maps, National Wetlands Inventory, Mass. Areas of Critical Environmental Concerns (ACEC) Program Guide, Designated Cold Water Fisheries—MA Division of Fish & Wildlife *list of trout streams*, US Fish & Wildlife Service *Migratory Fishes Map*, or MA Division of Marine Fisheries maps, potable private wells, and TMDL waters listed for phosphorus or fecal coliform, when agricultural sources exist.

- b) *Cost Effectiveness Calculator*: No entries are required. This calculation is automatic, once the *Environmental Benefit Calculator* is completed, and the *Practices & Costs* table is completed.
- c) *Other National-State-Local Priorities*: Information needed to credit applications that address other identified national, state and local priorities is collected in this section of the calculation sheet. Simply select the appropriate choice from the drop-down boxes in the yellow-shaded cells. All other cells are populated automatically. District Conservationists and Local Work Groups must identify and document the top three resource concerns for their area for these points to be approved for use.

Printing Instruction.

To print the application evaluation package, hold down the <Control> key and select the desired worksheet tabs [*1201 Cover*, *Practices & Costs*, *Cost Estimate Detail* (if appropriate), *Calculations*, and *Evaluation Matrix*], and then select the print command.

Definitions

- Ag Land Protection
Massachusetts has two very successful state programs--*Agricultural Preservation Restrictions* and *Farm Viability Program*--in addition to many land trusts which strive towards the protection of agricultural lands. Points are awarded to applicants who currently have one of these and/or a *Farmland and Ranchland Protection Program (FRPP)* restriction established on their property.
- Ag Production
The 2002 Farm Bill promotes agricultural production and environmental quality as compatible goals. Massachusetts ranking matrix prioritized conservation practices and resource management systems that enhance agricultural production at three levels: a) organic and sustainable agriculture; b) food quality protection or improvement; and c) increases in crop yields or minimizing crop loss. Practices that enhance or protect *food quality* address marketability issues.
- Application Evaluation Matrix:
Massachusetts Application Evaluation Matrix identifies the 2003 EQIP statewide ranking criteria, and assigns a range of values to various aspects of each criterion. Applications are scored by identifying the existence of priority resource concerns and assessing the extent of environmental benefit gained through the proposed treatment(s).
- Benchmark Condition
Environmental gain is calculated by assessing the magnitude of the problem and extent of treatment. This is accomplished by using the NRCS Resource Quality Criteria (national criteria). There are three choices available in the ranking process-- the conditions currently: a) meet quality criteria; b) partially meet quality criteria; or c) don't meet quality criteria.
- Cost Effectiveness
Formula: Environmental Benefit/Total Project Cost x 15
This score equals the environmental benefit points divided by the total project cost. A multiplication factor is used to balance the score with the other ranking criterion.
- Desired Outcome
In assessing the extent of treatment, the desired outcome or objective of the proposed project is set in relation to the existing condition of the resource. Using the NRCS Resource Quality Criteria (national criteria), there are three choices available in the ranking process--the outcome will: a) meet quality criteria; b) partially meet quality criteria; or c) not meet quality criteria.
- Conservation System Durability
Durability is measured using the life-span of the practice or system being applied, and hence indicates a long or short-term benefit to the environment. Conservation practice life-spans are listed in the EQIP Manual.
- Environmental Benefit
Formula: EB=Problem x (Outcome-Benchmark Condition) x Location Factor x 0.15
EB is calculated by multiplying the points for the identified resource concern(s) by the environmental gain achieved through the planned treatment. The product is multiplied by a factor for location within environmentally sensitive areas. A multiplying factor is added to the formula to help proportion the total points in relation to the other three sections in the ranking system.

- Environmental Benefit Score
This score is a subtotal of three different aspects: environmental benefit, cost effectiveness and conservation system durability.
- Innovation
Massachusetts envisions *innovation* as a process that tends to follow a normal curve of social acceptance, as defined by three phases:
a) *innovative* approaches are ahead of the curve, using cutting-edge technology and methods (practice examples--anaerobic digesters, biodegradable mulch); b) *adaptive* approaches reflect the larger field of practitioners, fitting new ideas and technology to traditional practices to produce improved effects (practice examples—pest management components such as computerization or biological controls, transition to organic production, fuel storage containment); and c) *adoptive* approaches are behind the curve, simply appropriating readily available technology (practice examples—deep tillage, residue management, nutrient management).
- Leveraged Funds
According to the EQIP Rule, "it is not the intent of the Department to restrict additional cost-shares that a participant may receive from non-USDA sources, but to achieve cost-effectiveness USDA will reduce EQIP assistance when non-USDA assistance together with USDA assistance for a practice exceeds 100%." In the ranking matrix, additional points are given to applications that bring outside sources of funding and partners into the project. This calculation is made automatically.
- Local Priority
Each NRCS field office, with local working group concurrence, shall determine and document the top three resource concerns in its area, rating them in order of priority. These concerns will receive 5-3-1 points, respectively, in the application ranking score. Field Offices shall submit their list to the Program Manager prior to ranking applications.
- Location Factor
Massachusetts has traditionally assessed program applications considering their impact on environmentally sensitive areas. These traditional "location factors" will be used again in the 2003 EQIP ranking process, with one addition—TMDL listed waters for agricultural sources of phosphorous and fecal coliform. If a resource concern exists and the proposed treatment affects a *location factor*, then the appropriate values are applied in the formula for environmental benefit (see definition of environmental benefit score).

The approved list of potential location factors include the following:

- a) Drinking Water Supplies:
 - DEP Approved Wellhead Protection Area (Zone II)
 - DEP Interim Wellhead Protection Area (IWPA)
 - Private Wells (within 300 ft. of source)
 - Medium or High Yield Aquifer (within recharge zone)
 - Outstanding Resource Water
- b) Fish & Wildlife, and TMDLs:
 - Designated Shellfish Growing Area ($< \frac{1}{2}$ mi. upslope)
 - Threatened, rare or endangered species habitat (≤ 300 ft. upslope)
 - Cold water fisheries (*treatment area is ≤ 300 ft. upslope*)
 - Anadromous Fish Runs (≤ 300 ft. upslope)
 - TMDL waters with phosphorous and fecal coliform contaminants (*agricultural sources*)

- c) Other Water Quality Concerns:
 - Permanent Streams (*within 300 ft. upslope*)
 - Open Water Bodies (*within 300 ft. upslope*)
 - Wetlands (*within 300 ft. upslope*)
 - Areas of Critical Environmental Concern (ACEC)
- Points

Each application accumulates points for the aspects of each criterion that it addresses. The points are listed in the far right-hand column of the matrix, subtotaled by section and totaled for a final ranking score.
- Project Enhancements

There are seven additional features that may enhance an application: assistance with regulatory compliance or avoidance, innovative approaches, leveraged funds, planning to different levels of an RMS, ag land protection, ag-production, and local priority. Refer to the matrix for the criteria by which each of these elements is measured.
- Ranking Criteria

There are seventeen basic elements that receive points in Massachusetts ranking system, including: seven (7) *Resource Concerns*: [water quality, water quantity, soil quality, soil erosion, air quality, plant quality and animal quality]; Three (3) aspects of *Environmental Benefit*, [environmental benefit, cost effectiveness and conservation system durability]; and seven (7) elements of *Project Enhancement*, [regulatory compliance or avoidance, innovation, leveraged funds, resource management systems, ag-land protection, ag-production and local priority]. Each of these 17 basic criteria, listed vertically on the y-axis of the matrix, is further defined by three levels or aspects of the criteria, across the horizontal (x) axis of the matrix. Refer to the *Application Evaluation Matrix* for more detailed listing.
- Regulatory Compliance or Avoidance

Applications that help Massachusetts DFA priority livestock farms comply with the EPA Concentrated Animal Feeding Operation (CAFO) Rule.
- Resource Concerns Score

The resource concern score is a simple summation of the points assigned to the identified concerns of the application. These are assessed on the larger scale of the total project, not practice by practice.
- Resource Management Systems (RMS)

Massachusetts NRCS and the State Technical Committee believe that the desired level of treatment is a Resource Management System (RMS). Points are given to applications that complete a new, revised or existing RMS at various levels, including: a) whole farm, and b) Conservation Management Unit or Field level. Single practices that do not constitute a RMS are not penalized, but simply do not receive these extra points.
- Values

A range of values (5-3-1-0-and -3) are assigned to the varying aspects of the ranking criteria. The highest priority is assigned a value of 5; next highest priority is valued at 3 points, and so on. In some cases, a practice may solve one problem but create other ancillary problems; in such cases, a negative value is assigned to the practice/system. When national priorities are addressed, the values are doubled in the scoring.