

Addressing Local and State Watershed Program Funding Challenges – A Working Forum



A Summary Report of the Forum
Oklahoma City, OK
December 6-7, 2011



A Summary- Addressing Local and State Watershed Program Funding Challenges – A Working Forum

This summary was produced and provided in reference to the NWC/NRCS Contributions Agreement NRCS 58-3A75-10-117.

Agreement Deliverable: *Conduct one workshop for modeling successful state and local watershed program funding strategies featuring actual case studies. Invited attendees will include state agency staff, project sponsors, and NRCS leadership from ten states with the highest number of project dams and incomplete projects.*

Participants will complete the workshop with an action strategy that could be implemented in their state/project area. The strategy will include techniques and actions for developing support for state and local funds for operation and maintenance, project measure implementation, and development of emergency action plans.

Additional workshop products include a general template for strategy development that ensures the capacity to meet program and legal responsibilities is delivered into the future. The template will be jointly distributed to NRCS state staffs and NWC members as a summary document for the session and posted to the web site.

On December 6-7, 2011 the National Watershed Coalition conducted a workshop titled:

Addressing Local and State Watershed Program Funding Challenges – A Working Forum in Oklahoma City, Oklahoma. The objective of the Forum was stated as: "...to share information, ideas, strategies, and successes that advance the opportunity for watershed project sponsors to carry out their responsibilities with adequate financial resources. The discussion will focus on local and state funding for all aspects of sponsor project related activities and responsibilities."

Participants from AR, GA, IA, KS, KY, MO, MS, NE, OK, TN, TX, VA, and WV were invited to participate. There were 44 participants from nine states. Forum participants represented almost 70% of the 11,400 USDA NRCS Watershed Program project dams in the nation.

The Forum invitation as well as the participant list can be found in the accompanying materials.

The information and case studies shared at the forum were not theoretical in nature. Presenters were actively and successfully involved in securing non USDA NRCS funds for a wide range of project sponsor responsibilities and activities. A conservative estimate of the state and local funding for watershed project sponsor activities in the recent past represented by the experience base and activity of the presenters exceeds \$60 million.

The strategies, techniques, policy, and procedures shared were a practical look at both challenges and opportunities. The effort, innovation, planning, flexibility and action required for success were evident. The participants engaged presenters in additional discussion during the session and the Coalition received significant positive feedback from a number of participants in the weeks following the workshop.

The NWC staff compiled and documented the information and discussion from the session. Case studies were sifted for similarities that were characteristic of the different but successful efforts. The impressions of the participants concerning the common characteristics of successful efforts were gathered through a facilitated small group process conducted in the final hour of the formal session.

It was clear that “one size does not fit all” however there are several components that were essential to success no matter the scope and scale of an effort to secure funding for Watershed Program local sponsor activities. The templates and tips found here represent the incorporation of these important components for success into a *flexible* and *adaptive* plan that can be used to initiate an effort to secure funding. The information is provided as a starting point for local watershed project sponsors or their representative organizations and associations to initiate actions leading to funds that will allow them to better meet their responsibilities. It is the Coalition’s hope that the review and use of the materials will motivate and simplify, as well as provide focus and organization to sponsor efforts.

Users are encouraged to adapt or modify materials as they desire for their most applicable and beneficial state or local use. The National Watershed Coalition staff welcomes the opportunity to discuss or serve as a sounding board for developing sponsor funding strategies.

Key presentations from the Forum are summarized below.

Mississippi

Mississippi’s watershed program includes PL 566 and PL 534 dams. Approximately 3,000 structures have been built in the state. 550 are Flood Water Retarding Structures (FWS) and the remaining structures are pipes and levees, many of which have permanent pools. 90 to 100 of the FWS’s are now classified as high hazard dams due to development. The dam sponsorship varies, however most sponsors are court created boards.

In 1997 the Mississippi Legislature created legislation authorizing a Watershed Repair and Rehabilitation Cost-Share Program to assist local watershed districts in financing repair, rehabilitation, or removal of dams constructed under PL 566 and PL 534. The legislature may appropriate funds in a special fund that is administered by the Mississippi Soil and Water Conservation Commission.

The program has been funded by general obligation bonds and funds generated from contracting services provided to NRCS and other governmental entities. In 1998 MSWCC received \$5 million of general obligation bonds and in 2006 they received \$1 million of general obligation bonds.

Texas

Approximately 2,030 NRCS Watershed Program dams have been built in Texas. Texas sponsors are subdivisions of state government such as conservation districts, counties, and water improvement districts. The Texas State Soil and Water Conservation Board (TSSWCB) was appropriated \$15 million in May of 2010 to address operation and maintenance and structural repairs of these dams. Dams constructed under the USDA NRCS PL 534, PL 556, RC&D programs are eligible for funding.

The \$15 million appropriation was a result of a need expressed by watershed sponsors. The Texas Association of Watershed Sponsors developed friendships in the Texas State Senate. Texas NRCS staff coordinated a timely statewide survey with the assistance of sponsors. This survey provided valuable data showing the watershed funding needs across Texas. In 2009 TSSWCB submitted a request to the state legislature for 25% of maintenance needs and 10% of rehabilitation needs. That was \$17-\$18 million for two years. The final appropriation was \$15 million, \$7.5 million per year and up to three years to spend it.

The O&M Grant Program is a reimbursable grant program for local SWCDs and certain co-sponsors of flood control dams. This program reimburses SWCDs 90% of the cost of an eligible O&M activity as defined by the program rules; the remaining 10% must be paid with non-state funding. The TSSWCB staff and a representative stakeholder group developed rules for the O&M Grant Program during the summer of 2009

Facing a serious state budget crisis in fall of 2010 some members in the legislature wanted to eliminate the funding for the O&M Grant Program. Through the efforts of the Texas Watershed Program partners and stakeholder groups a line item for \$2 million in funding was retained.

The TSSWCB and Texas watershed sponsors learned several key lessons summarized below:

- Know your message. Visit with your legislators when they were not in session. Your messenger needs to have a personal relationship with their legislators.
- Need an advocacy association for the state. Need members with influence.
- Need the data to support the message and need.
- Need legislative champions that will carry your message.

- Need a good working relationship with your state USDA NRCS partners as a technical resource.
- Need a general idea of how the funds will be spent.
- Need to be prepared to educate sponsors and landowners about the watershed program.
- Need to have perseverance to continue when you have set backs. Need to be ready at a moments notice.
- Pictures speak volumes. Need to have pictures that show the houses in danger. Need pictures of disasters.
- In Texas, call it flood control.

Oklahoma

Approximately 2,100 dams have been built in Oklahoma. The majority of Oklahoma sponsors are conservation districts. The Oklahoma Conservation Commission (OCC) was appropriated \$2.5 million per year for five years from the Gross Production Tax Fund for rehabilitation of dams. Additionally \$6.5 million was appropriated from the state's Rainy Day Funds for rehabilitation of dams. In May of 2009 OCC was received bond funds of \$16 million to address operation, maintenance and rehabilitation of these dams. Dams constructed under the USDA NRCS PL 534, PL 556, RC&D programs are eligible for funding.

In order to have a successful watershed program it is critical to take care of the local, state, and federal partnership. In Oklahoma's case that partnership is made up of conservation districts serving as watershed sponsors, the Oklahoma Conservation Commission and the Oklahoma USDA NRCS partners. It is critical that watershed sponsors have the technical support from their state (OCC) and federal (NRCS Oklahoma) partners. More can be accomplished together as a partnership rather than individually.

To be successful the partnership must develop key messages. These key messages can be used with the state legislature to develop support for the watershed program. Your program must be important enough to the state legislature so that it can and will survive budget cuts. The Oklahoma partnership has developed an information packet that is provided to all new legislators that describes the USDA NRCS Watershed Program.

How your key messages are viewed and repeated by the media is central to your success. Start with the local newspapers, because the local citizens, who represent the heart of public opinion, read these papers cover-to-cover. In Oklahoma the partners have been very successful at using significant rainfall events and the effects of the recent drought to highlight the benefits of the watershed program to the general public through news media.

When you are successful in securing funding for a project or when a project is completed consider follow up with those that contributed to that success with a local press release or ribbon cutting.

Texas- Wise County Government Partnership

There are always beneficiaries to these dams. Many are not in the immediate area and may or may not be aware of the benefits they receive. In 1992 the Wise County Water Control and Improvement District entered into a cooperative agreement with the Tarrant Regional Water District which is located downstream of Wise County's watershed resources. Through this agreement both entities agreed to provide \$25,000 each per year for watershed engineering studies. To date this funding has supported the construction of eight dams over 16 years. Tarrant County has discovered that for every penny they spend through this agreement they receive a \$1 benefit from the sediment reduction provided by these dams.

One of the most important activities performed by the Wise County Watershed Program partnership is educating new legislators, new board members, local political leaders, and watershed sponsor partners about the benefits these sites continue to provide. Education is a continuous process that requires a conscious effort on behalf of the partners.

The partnership at the county level is based on and requires good communication and cooperation. The participants each contribute and benefit in different ways. The Watershed Program benefits make Wise County a better place.

Missouri

The East Locust Creek Watershed project in Sullivan County, Missouri is an active work in progress and designed to address an acute water shortage. One of the issues driving the process is the fact that at anytime the county is 53 days from running out of water.

The multi-year project has many funding sources to pull from.

- NRCS Cost Share
- ½ cent sales tax (Passed with 81.25% support)
- \$1.00/thousand gallon rate increase
- Tax Increment Financing District: 100% of Property Tax, 50% of Retail Sales Tax
- Dock/Easement Sales & Annual License
- Boat Access Licenses
- Marina Lease
- Housing, Agricultural & Hunting Leases
- Logging & Salvage Sales

Keys to Success

- County & Commission Support
- Outreach, Advocacy, Communication

- Landowner Support
- Congressional Delegation Support
- Creative & Workable Plan
- Comprehensive Planning
- State Delegation Support
- Smart Lake Design
- Early Stakeholder Recruitment
- Understanding Disparate Goals
- Non-Linear Project Execution
- Tackling Issues Out of Order
- IDIQ Engineering Contract
- Committed Team

Nebraska-impromptu remarks

In 1972 Natural Resource Districts were formed in Nebraska through a significant consolidation process. There are now 23 Natural Resource Districts (NRD) across the state. NRDs have many responsibilities one of which is O&M on dams. NRDs have property tax authority, which provides operating funds. NRDs do not have the authority to use bonds. Tax collections do provide funding to maintain dams.

A state revolving fund is available to local sponsors to assist to acquire land rights, easements or fee titles to land necessary to construct a new dam. In the state of Nebraska a portion of the lottery funds are dedicated to NRDs. Half of the funds go to an environmental trust fund. NRDs can apply for funds from this fund that can be used for land treatment above dams. NRDs have also used various 319 EPA funds for sediment control measures associated with dam maintenance.

Kansas-impromptu remarks

The Watershed District Act governs Kansas watersheds. There are 85 watershed districts across the state. The dams are made up of PL 566 dams and state designed dams. Kansas has recently completed its first rehabilitation project. This project was partially funded with bond funds. The local sponsor cost-share was funded with a combination of funds from a homeowners association, the city, county, and Kansas Department of Transportation.

Panel Discussion – Working Effectively with Local and State Elected Officials

Communicate

1. Personal eye-to-eye contact
2. Email: tend to be short and concise, gets to the point
3. Letters and phone calls

Communicate with your elected officials year round. They will have more time to devote to your issue when they are not in session to get information back to you. Time management is key.

Population shifts do create a dilemma in many governing bodies. The rural vs. urban dichotomy is evident in many of the states represented at the forum.

Elected officials need to hear from passionate people for the cause. Constituents must make contact with their elected officials. There is a connection between a legislator and constituent that cannot be replaced by a paid lobbyist. A lobbyist can't express the passion, only the folks at home can do that. The one on one relationship is key.

If you are calling the office of your elected official take the time to state the problem that you are calling in reference to with the staffer who answers the phone. Don't "wait on the 'guy' to get back". Use the staff of the elected official. Many times immediate, concise communication with staff will move things forward in a timely manner.

Don't burn a bridge. Never have a permanent enemy. Don't lie. Don't be timid. Advocate strongly.

- Figure out what action or outcome you want in advance. Ask for something specific.
- Explain why you're relevant. You are relevant because you live, work or serve people in the areas the official represents. Demonstrate a constituent connection.
- Understand your audience. Know your elected official's position on your issue.
- Frame your message. Frame your message in terms that make sense to your elected official.
- Develop a compelling story. Use facts, figures and statistics in your message but keep it concise and to the point. How does the issue directly impact their constituents?
- Choose an appropriate and effective method of communication tailored to the situation.
- Follow-Up!

Benefits & Challenges of Successful Funding

Texas

Districts were responsible for setting local priorities. Districts applied for grants through the Flood Control Structural Repair Grant Program administered by the TSSWCB.

Grants are available in three program areas. Cost-share rates for the three program areas are: 1) dam repair - 95% of the total cost, 2) rehabilitation -95% of the 35% required federal match, and 3) EWP - 95% of the non-federal match.

Benefits and Challenges

- TSSWCB is able to assist local sponsors to perform O&M that would otherwise not be performed.
- Educating sponsors and landowners is a challenge.
- Program administration must allow for flexibility.
- The sponsor's ability to fund the matching funds is a tremendous challenge.

Group Discussion

Question: *What important points or ideas for success have you heard in the presentations and discussion?*

- Partnerships are extremely important and require effort
- State your need clearly
- Expanding stakeholder involvement
- Be honest, don't tell a lie
- In recent years bond funding rather than general revenue has been the trend
- Tax incumbent financing
- A Special Assessment District may be a useful tool for a specific issue
- Certificates of obligation
- Turn a problem into a benefit or opportunity
- Lottery funds have designated to conservation in some states
- Build your compelling case
- Developers pay for flood protection up front
- Mitigation banks – project is an ecological site and has environmental benefits
- Tell your story, Toot your own horn
- As you approach Agencies for support, understand agencies goals – you might find the person that will help, an entrepreneurial bureaucrat
- Some state governments assist sponsors with funding for O&M
- The City of McKinney, TX assesses a development fee if developer activities impact the rehabilitation of a dam
- Tax credits may be a tool to acquire land rights
- Utilize local media – small towns
- Look at the partnership as a multi issue partnership
- NRCS needs to advocate nationally to elevate the program with in their portfolio. Everyone needs to tell the same story.

Instate partnerships. *Who could you engage in a partnership?*

- Farm bureau or similar organization – local organization can get the state organization to support issue
- County Commissioners
- Rural Water Associations/Districts
- other agriculture related associations/trade organizations (cattlemen's, wheat growers)
- Recreation associations/organizations
- Rural fire departments
- Energy development companies wanting water
- Conservation district board members and their other associations

Tools for Success-Building Support through Information and Education

Use your information and education resources effectively. Develop an education and information plan.

- 1) Identify whom you need to educate. Prioritize.
- 2) How are you going to educate those that will deliver the message?
- 3) Develop you information plan. Identify your methods-fact sheets, tours, phone calls, media outlets.
- 4) Repetition is key. Know your resources when developing your materials.

Involve a public affairs type person when developing your plan. While you supply the focus and perhaps the technical information, they will have expertise that you need to mount an effective effort.

Small Group Process-*Funding Your Watershed Program*

There are four steps to success.

- INFORM constituents
- EDUCATE decision makers
- MARKET ideas
- MOBILIZE public opinion

There are two phases of success.

- Internal
- External

Step 1 – Inform

Internal: Participants identified government boards, ratepayers, state associations, NRCS partners, their own staff members, local legislators. How do you inform internally: fact based meetings, tours, print publications, emails among staff, telephone calls, Tweets, Facebook.

You will need to find out what method is the recipient's communication preference.

External: Participants identified beneficiaries of project, full legislative body, DOT, COE, FWS, other state & federal agencies, as well as detractors of the project. How do you inform externally: local work groups can be used with external groups, association meetings, face-to-face meetings, spokesperson, have respected messenger, project webpage.

Step 2 -- Educate

Internal: Participants identified project partners, conservation boards, watershed boards, sponsors, and developers. How do you educate internally? Invite partners to board meetings, banquets, use NRCS data to craft information, newsletters, work with key legislators, state agencies

External: Participants identified county commissioners, dam safety agencies, developers, landowners, utilities, highway departments, tribal, zoning boards.

How do you educate externally? : Participants identified personal contacts, tours, letters, emails, info packets, examples of successful projects, dedications, ground breaking, annual reports, open houses for projects that are ongoing.

Step 3 - Market

Internal: Participants identified flood control benefits, public safety, agriculture land protection, quality of life, and monetary benefits.

How do you market internally? One-on-one marketing with new board members, landowners, cities (*participants also referenced previously discussed methods of communication*)

External: Participants identified state legislators, county commissioner associations, federal & state agencies, hunting/fishing organizations. How do you market externally? Website, Social media, media

Step 4 - Mobilize

Internal: Participants identified sponsors, beneficiaries, associations, NRCS, the staffs of these people. How do you mobilize internally? facts and figures, training, education, motivation, performance incentives, plan of work for the project, staff technical skills, length of project, consistent message, mission statement & goals

External: Participants identified permitting agencies, media sources, population in the area, chamber of commerce. How do you mobilize externally? personal visits, media events (radio, TV, newspaper), meet the needs of some of the other agencies – look for common goals, use a person of influence to get the message out, carry out the activities in a way that show when we are successful they are successful-win win situation

What is the difference between inform & education?

When you inform someone you provide him or her with information. When you educate someone you teach him or her how to apply the knowledge and that changes his or her behavior.

How do you know you are successful? One measure of success is when all of the external audiences become internal audiences, when their behavior changes.