



Improving Pasture Management Program
Equipment Application Guidance Document

TO: NC Soil and Water Conservation Districts

RE: 2017 Improving Pasture Management Program – Equipment Application Guidance

DATE: August 7, 2017 updated August 15

APPLICATION PERIOD: Monday August 7 at noon to Friday August 18 at midnight

Q&A Session: Friday August 11 at 1:30PM, call in 1-515-739-1015; access code 402588278

The NC Foundation for Soil and Water Conservation (Foundation), working in conjunction with the NC Association of Soil and Water Conservation Districts, NC Cooperative Extension, NC Farm Bureau Federation, NC Cattlemen’s Association, and the Better Pastures NC workgroup, is pleased to announce the 2017 Improving Pasture Management Program. The program is designed to provide resources to producers that witnessed pasture damage due to the recent drought and 2016 natural disasters; allowing for a greater number of pastures to be more drought resilient in the future.

Golden LEAF Foundation awarded the Foundation a \$200,000 grant for the purchase of pasture management equipment. The Foundation is now accepting equipment applications from NC Soil and Water Conservation Districts (Districts). The online application deadline is midnight August 18 and all 100 Districts are eligible to apply. Note limited funds are available, project partners hope to positively impact at least 10 counties at this time.

This document serves as a guidance to the application process, attached are the application questions for your reference. Further questions should be directed to Michelle Lovejoy at 919-510-4599 or ncfswc@gmail.com.

Please note the following counties are ineligible to receive equipment funded by the Golden LEAF Foundation due to the fact that they are classified as an urban county by the Rural Center or because they received equipment under the 2008 drought program.

Current Ineligible Counties – Burke, Cabarrus, Durham, Forsyth, Guilford, Mecklenburg, New Hanover, Polk, Wake.

However, the Foundation and partners are seeking additional resources. In the coming months, we anticipate obtaining \$40,000 to \$50,000 in additional funds. We strongly encourage all Districts to apply because we do not plan to release a second request for proposals as new funding sources come online. When additional funds are secured, all remaining requests will be re-ranked and resources allocated accordingly. Other funders are also considering the support of pasture management demonstrations, requests to participate will be a separate application process and counties with pasture management equipment will be given a higher priority.

Eligible Equipment - To ensure success and continuing the support of locally led conservation, project partners are not recommending what type of equipment is purchased. The District needs to consider the needs of their producers and what kind of program can be managed effectively. Districts can request similar equipment of a type already on hand but includes a different feature, such as a smaller sized no-till drill to serve the needs of the livestock community. Districts can also request equipment to replace existing equipment. **HOWEVER**, priority is given to Districts that currently have no equipment. *If your District wants to replace equipment or supplement existing equipment, pay careful attention to those application sections (20-24) and parts of the Business Plan, additional information is REQUIRED to be submitted.*

The Foundation will consider requests for the following equipment;

No Till Drills – funding cap of \$20,000, consider features that will help promote native warm season grasses

Weed Wipers – funding cap of \$2,000

Broadcast Seed Spreaders – funding cap of \$1,000

Other – Other equipment items will be considered on a case by case basis but these requests will rank lower than other requests

Submitting Multiple Equipment Requests - The Foundation does not recommend a District request more than one piece of equipment, but if the District needs to do so, two applications are required and the second application will need to be completed under a different email address. **You only need to draft one Business Plan, just be sure to include an answer per piece of equipment for Sections 1, 2, and 8.**

Sharing Equipment Regionally - Districts are encouraged to consider partnering with other Districts to manage the equipment at the regional level. If a group of Districts chose to partner, only the lead District is to submit an application, partnering Districts are required to submit a letter of partnership commitment.

Application Process

1. Obtain permission from the District Board to submit an application. Depending on how your District is structured, this may also require the approval of the County.
2. Seek input from the county level Technical Support Group. Consider the following organizations or communities for membership - District Board member, County Extension Agent, USDA Natural Resource Conservation Service field staff, USDA Farm Service Agency staff, NC Department of Agriculture and Consumer Services Regional Agronomist or Soil Scientist, County Cattlemen Association representatives, horse community representative, County Farm Bureau leadership, Farm Credit representative, and other local livestock advocates.
3. Complete the online application at <https://goo.gl/forms/HL0FwpqqPTCqnygw1>. Print a copy of your responses, a copy should also be emailed to you. Applications will be accepted until August 18 at midnight.
4. Send the following email attachments to ncfswc@gmail.com in addition to completing the online application. If any document is not received by the application deadline, the entire application will be considered ineligible. *If you run into technical issues with email or the google form please contact the*

Foundation ASAP (919-510-4599 office, 336-345-5335 cell). Foundation staff will confirm receipt of the material within 24 hours.

- a. **Business Plan** – see next section for more details
- b. **Board Certification Letter** – The letter is to be on District letterhead and signed by the Chairperson or another designated member. Include either evidence of the resolution passed as a board meeting or official action taken as recorded in the minutes. *Letters signed by staff will not be accepted.*
- c. **Equipment Sales Quote from preferred dealer** - Quote is to include make, model, and add-on features, the dealership sales person’s name and contact information including address, telephone number and email address. Get an estimate on how quickly the equipment can be delivered after an order is placed. Price should include shipping costs and full sales tax.
- d. **Match confirmation letter from the funding source** - Include the specific amount of funds available. If the funds are from the District, a letter on district letterhead signed by the Chairperson or designee is required. If matching funds are from a 3rd party, it needs to be on that organization’s letterhead and signed by a person with authority to commit the funds. The organization will receive a donation receipt letter, their contribution may be tax deductible.
- e. **Support letters from partnering Districts** (if applicable) – include if your request is to manage the equipment at a regional level among multiple Districts

Business Plan

The Business Plan is an integral part of the process. Project partners recommend the following components be addressed at a minimum. By developing this plan on the front end, the District will be able to think through how the equipment will be managed into the future. **Your application made be deemed ineligible if you do not present a concise, well thought out Business Plan. The most critical parts of the plan are described in numbers 1, 2, & 3.**

1. **Long Term Maintenance Plan – The District is expected to manage the rental funds wisely and have enough funds at the end of 5 years for a deposit on a trade or plan to retire the equipment after 10 years.** Once purchased, the equipment is considered property of the District and the Foundation assumes no future liabilities or requirements to repair or replace the equipment. Demonstrate that the

rental fees and expected usage will be enough to cover regular maintenance needs and allow the program to continue in future years. Take into consideration the anticipated usage annually, based on information collected for application question number 29.

2. **Identify the rental fee structure, these rates should be at fair market value for your region AND allow the District to replace the equipment in 5 years or maintain the equipment for 10 years.** Consult with other Districts, some charge a flat fee then charge additional fees if the usage goes over a certain amount of acreage. Other Districts charge a fee per acre. Some require a deposit, others require a certain percentage to be paid up front.
3. **Identify anticipated demand – The District will calculate how many anticipated acres will be impacted annually.** Project partners recommend polling you producers, requesting input from your Technical Support Team, polling your local Cattlemen’s Association, Farm Bureau Board, County Farmland Preservation Board, Extension Advisory Committee, Farm Service Agency Advisory Board, or other similar groups. Justify how you determined the projected number by describing the process used. Be prepared to provide additional information if requested.
4. **Identify the District’s point person for the program.** This will be the Foundation’s primary point of contact in future years.
5. **Identify the organization that will handle the day to day rental process.** If it is not a District, an agreement will be required at the time of contracting to ensure both parties understand their roles and duties. It is NOT permissible for a private business that sells equipment to act in this role. It IS permissible for the equipment to be stored on a farm, see number 9 below.
6. **Identify the organization that will collect rental fees and report sales tax to the state quarterly.** List basic fiscal steps for the process and provide assurances that the process will adhere to North Carolina’s Local Government Budget and Fiscal Control Act.
7. **Identify the technical person in charge of regular maintenance and anticipated processes.** Identify regular maintenance activities and the cost involved on an annual basis. These costs should be included in your analysis for number 2 above.
8. **Identify the responsibilities of the renter,** such as scheduling use of the equipment, picking up or returning equipment, cleaning out the seed box, etc.

9. **Identify the type of insurance needed to cover the equipment**, including if the insurance policy is to be held by the District and/or the County.
10. **Identify the storage location** and if delivery to farms will be provided by the Conservation District or another 3rd party. Address any transportation requirements such as truck size, breaking needs, hitch requirements, etc.
11. **Identify how the District will promote the program** and if any messaging will target special needs communities such as the underserved or a specific type of agriculture like the horse community.
12. **Provide evidence of the need to replace existing equipment if applicable** – If your request is to replace a current piece of equipment, the Foundation needs documented evidence that the equipment is ready to be replaced. Consider submitting photos of worn out parts and the odometer (no more than 5), historic usage, etc. Explain why rental fees collected are not enough to support replacing the equipment.

Application Ranking

The program's workgroup sought input from the Better Pastures NC workgroup for the ranking process and is in the process of receiving final approval from the Golden LEAF Foundation. Currently, each District is eligible to receive up to 110 points, of which 60 to 70 points are dictated by established data sets and listed under primary consideration. How a District completes the application will influence the remaining 30 to 40 points with a heavy weight on aspects of the Business Plan.

Primary Ranking – 60 to 70 points

1. County Drought designation as of November 29, 2016 as recorded by the Drought Management Advisory Council
2. County's flood designation as recorded by the FEMA Disaster Declaration of 2016
3. County's 2016 Economic Tier Designation as recorded by NC Department of Commerce
4. County's Rural versus Suburban classification as defined by the NC Rural Center and based on the 2014 US Census population estimates
5. County Livestock Numbers as recorded in the 2016 NC Agriculture Statistics (beef cows, milk cows, goats, sheep, horses, donkeys)
6. County Hay Acres as recorded in the 2016 NC Agriculture Statistics

7. Counties currently without access to pasture management equipment based on Foundation knowledge, the 2016 pre-survey to Districts and application information

Secondary Ranking – 30 to 40 points

- 1. Quality and completeness of Business Plan – most heavily weighted**
2. Number of organizations or communities represented on the Technical Support Group
3. How the equipment will be stored
4. If request is to replace existing equipment, the applicant will define past acreage usage, condition of current equipment and why rental fees collected are not sufficient to replace the equipment
5. Willingness to host a pasture management demonstration and associated field days, pending grant funds availability from the Foundation
6. Sharing equipment with other Districts so program is managed at a regional level
7. Special features that will support specific forage needs such as a native warm season grass seed box on a No Till Drill

Anticipated Timeline

August 7 - release application to Districts

August 18 midnight - deadline to submit applications online and submit attachments electronically to ncfswc@gmail.com

August 21 to September 1 – Foundation’s Workgroup to rank and recommend Districts for contracting based on overall ranking and quality of the Business Plan

September 5 - Foundation announces funding decision and awards contracts to Districts

September 5 to 15 - Districts submit signed contracts and 5% match. If any District does not submit the required match, their request will be put on hold until the Foundation receives the funds. Foundation orders equipment and disperses funds.

September 15 to 30 - Equipment is delivered to Districts. If any District orders specific features, or orders from a dealer that does not have a presence in North Carolina, equipment delivery will be delayed.

District Long Term Requirements

The Foundation will require the District to report on acreage usage and funds collected biannually. A certain number of sites will need to be evaluated for effectiveness in forage stand improvements. The District is the ultimate responsible party for the equipment and is required to provide regular maintenance. The District is to manage funds wisely so that a down payment on a replacement is in place by 5 years or the equipment is kept and used for 10 years.

Frequently Asked Questions

- 1. Can the District apply on behalf of another organization?** No, the District can only apply if it is willing to assume ownership of the equipment.
- 2. Can another organization provide maintenance and manage the rental process for the District? Yes, if another agency is able to help that is allowable.** The District can store the equipment on a privately-owned farm if that will make the equipment more accessible to the public. If the District partners with another organization an operations agreement needs to be in place at the time the equipment is delivered. The District cannot set up an arrangement with a private business such as an equipment dealership.
- 3. Are lime spreaders eligible? Requests for lime spreaders will be handled on a case by case basis and are a secondary priority.** Funding cannot be used for poultry litter spreaders.
- 4. What are other Districts using for a rental rate?** The Foundation called some Districts and got a variety of answers. The Foundation does not have updated rental values to offer. We recommend you call the Districts in your region that were awarded grants in the last drought or that manage equipment that was purchased by other means. Here is the list of Districts that received funds for a no-till drill from the Foundation – Alleghany, Anson/Brown Creek, Ashe /New River, Avery, Buncombe, Burke, Cabarrus, Caldwell, Chatham, Cherokee & Clay, Davidson, Forsyth, Gaston, Granville, Guilford, Halifax/Fishing Creek, Lincoln, Macon, Madison, Mitchell & Yancey, Orange, Person, Polk, Richmond, Rockingham, Rowan, Rutherford, Stanly, Stokes, Surry, Union, Watauga, Yadkin
- 5. The cap on the weed wipers seems low, is there any consideration to raise the cap?** The cap was based on purchasing smaller units that could be hauled by an ATV. The assumption was made that a

smaller unit would benefit more producers with pastures that don't have access to larger tractors. The committee will review requests during application ranking and may consider changing the cap. As a District fills out their application, assume that there will be no change in the cap that way you have a firm plan in place. The Foundation will work with selected Districts to revise documentation if the decision is made to change the cap.

6. **If a third party is contributing the funds, is it considered a donation?** The Foundation cannot offer tax advice to anyone. For all funds received from a 3rd party, the Foundation will write a donation receipt letter. How that organization handles the contribution on their end is up to them and their tax advisor.
7. **Do you have any advice as to how to load and unload smaller equipment into the back of a truck bed?** One option would be to create an elevated surface that would allow the equipment to roll from the platform onto the back of a pickup truck. Consider pallets or cinderblocks and a built floor as an option. This idea will not work well in an open storage area, you would need to be able to keep the pallets dry.
8. **When we project anticipated usage, should we only count pasture renovation acres or any acres, such as cover crops?** Include all anticipated acreage and report it as one number.
9. **Does sales tax need to be included on the receipt and will it be included on the total amount that we calculate our 5% match amount?** Yes, you need to include sales tax. The Foundation is making the equipment purchases and does not have an agriculture exemption. Based on how the program is designed, you do need to include sales tax in your total amount that you calculate the 5% from.
10. **Can you provide any guidance on managing sales tax?** No, the Foundation cannot offer guidance. The Foundation recommends you seek guidance from the Division of Soil and Water Conservation.
11. **Does the District need to report to the Foundation on the Primary Ranking numbers?** No, the Foundation has statewide data for all primary ranking. However, you can clarify if the equipment is available from another source on the application; current answers are based on the 2016 survey.
12. **Can an ineligible County be part of a multi-county team if equipment is managed regionally?** No, do not include a county that is ineligible for Golden LEAF Foundation funds. However, if your project is not selected in the first round but is considered under future grant rounds, you may be able to add in the ineligible county.

13. **For smaller equipment, can we include the cost of a trailer to haul the unit or a storage unit to store the equipment?** No, the Foundation can cost-share on the equipment only, other items will not be considered for funding.
14. **If the Board is providing the matching funds, do you need two separate letters for certification and match support?** Yes, to help streamline our application files submit two separate letters.
15. **Can the equipment be stored at a Southern State facility during the rental season?** No, equipment cannot be stored at a private business beyond a farm.
16. **If you have to store the equipment in the open, is your application ineligible?** No, but you will lose some ranking points. If it comes to a tie-breaker and all other factors are equal, an applicant able to provide shelter for the equipment will be chosen over one without shelter.
17. **Do you have a list of other Districts that manage weed wipers?** No, the Foundation only has information on Districts with no-till drills. The Foundation recommends you email neighboring Districts or put the question on the district listserv.
18. **I completed my application and the response provided is missing information, what should I do?** This is likely due to a firewall. Send the Foundation an email requesting a copy of your answers and we can send them to you in excel.
19. **Should we include a copy of the minutes or a copy of the resolution when we submit our certification letter?** Yes, this is recommended to help speed up the contracting process. However, a certification letter will be accepted without secondary information.
20. **How do I edit my responses on the online application?** You have to answer all the required questions and hit submit at the bottom of the form. A submittal verification screen will pop up with an Edit your responses clickable link. Click on it and save the URL in a word document on your desktop. Then you can go back later and edit your responses.
21. **If I'm getting matching funds from multiple sources do I need a letter from each source?** Yes, obtain a letter from each source and include the specific dollar amount that entity is contributing.
22. **If I'm getting matching funds from multiple sources, should they make their check out to the District and the District write one check to the Foundation?** No, each source should write their own check to the Foundation. The District can collect all the checks and mail them in together, this is recommended.

23. **If the matching source is the county, do you need a letter from the county?** Yes
24. **Will the Foundation issue a rental agreement template?** Yes, to the Districts that are awarded grant funds the Foundation will issue a recommended template.
25. **If the District is submitting two requests, do you need two separate Business Plans?** You only need to draft one Business Plan, just be sure to include an answer per piece of equipment for Sections 1, 2, and 8.
26. **When I try to fill out the application Google asks me to sign into my Google account, I don't have an account OR my Google account is only for personal use.** The Foundation worked with Johnston District to alleviate the issue. It is recommended that you open the form in Chrome. Or if you do not have Chrome, when you open the form watch the address bar for a pop-up requesting you to give permission for an Adobe Flash Player to open. Click yes.

ONLINE APPLICATION – Step by step process <https://goo.gl/forms/HLOFwpqqPTCqnygw1>

Application Notes - After hitting submit, you will get an on-screen confirmation that your entry was received. You will also get an email response of your answers. PLEASE NOTE this email may end up in your spam folder. You do have the ability to change your answers up until the application period closes Friday August 18 at midnight. When you receive your responses, you will see duplicative numbering, don't consider this an error.

The Foundation will reply within 24 hours to confirm receipt of attachments. If you do not get either of these emails (Google Form or Foundation) in 24 hours, please contact the Foundation ASAP at ncfswc@gmail.com, 919-510-4599 (office) or 336-345-5335 (cell). Calls on the cell phone WILL be answered after hours, excluding 9PM to 7AM. You will get a return call in 12 hours.

1. (BLANK – question does not show up on form, but answer of email address will show up on responses)
2. District Name – select from drop down menu
3. Name of person completing form
4. Primary work duties of person completing form
5. District office physical street address
6. District mailing address (not city/zip code)
7. City where District office is located
8. Mailing zip code of District
9. District office telephone number
10. Cell Phone number of primary contact (not required if number not used for business work). By providing this number you acknowledge you will accept calls outside of normal business hours if needed during the application ranking or equipment delivery process.
11. Indicate if the application is on behalf of a group of Districts that plan to manage the program at a regional level. If yes, the Foundation will not accept applications from a partnering District for the same type of equipment. Confirmation letters are required from each District.
12. Needs Statement – provide a brief statement as to why your District should be selected over other Districts. Consider things like current condition of pastures, economic dependence on livestock management, special populations that you will target for outreach, or any other relevant information.

13. Type of equipment requested, select from a drop-down menu. You can only select ONE. The Foundation DOES NOT encourage a District to submit multiple requests, but if it is needed, each request requires a stand-alone application and will need to be submitted under a different email address. Options include No-Till Drill, cap \$20,000; Weed Wiper, cap \$2,000; Broadcast Seed Spreader, cap \$1,000; Other (secondary priority, considered on a case by case basis)
14. Total cost of equipment supported by sales quote. Include add on features, shipping costs, and sales tax.
15. Total amount being requested, DO NOT exceed caps as listed in #12.
16. Secured matching funds, supported by a letter from funding source. The minimum match is 5% and any cost over the cap. ONLY LOCAL FUNDING SOURCES are permissible, other grant funds are not eligible. If your equipment is under the cap, calculate 5% of the actual cost. For example, No-Till Drill = \$1,000+; Weed Wiper = \$100+; Broadcast Seed Spreader = \$50+.
17. Technical Support Group – select applicable categories, more points are awarded based on increased number of organizations.
18. Willingness to participate in a pasture management demonstration and associated field days (pending additional grant resources being available).
19. Ability to send staff to regional / state level training
20. Indicate if equipment being requested is currently available in the county for rent to your producers.
21. If yes provide equipment details such as make and model, brand name, size, age, and acreage impacted. Report acreage number as total number since purchase, NOT annual numbers. Be able to support this number if documentation is requested.
22. Current equipment owner – select category of owner
23. Indicate if the equipment being requested to replace existing equipment
24. Indicate if the equipment being requested will be used to supplement existing equipment. Remember a request WILL NOT be considered if it is for the same equipment and the original equipment is not being retired.
25. Select category for type of area where equipment will be stored. The Foundation STRONGLY ENCOURAGES you to consider ease of access, safety factors and protecting the equipment from the elements.

26. Indicate if the equipment will be available to producers in adjacent counties, even if the equipment is not officially shared on a regional basis. For example, if a neighboring District is not a partner, does not have they type of equipment, or their existing equipment is not available, will your District allow a producer to use the equipment in the adjacent county?
27. Indicate any special features being added to the No-Till Drill to encourage specific forage types. The Foundation encourages Districts to consider supporting and promoting the use of Native Warm Season Grasses.
28. Willingness to do a pre & post assessment of the forage stand. Training will be provided and the Foundation will require documentation on a subset of pasture renovations to validate program results.
29. Demonstrate Demand – see Business Plan number 3 for more details on how to calculate the number of acres