

Working Wetlands in North Dakota

A Proposal Submitted to-The North Dakota Outdoor Heritage Fund

Outdoor Heritage Fund Grant Application

Name of Organization: Delta Waterfowl

Federal Tax ID: 53-0259796

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MAJOR Directive: The major directive that this proposal addresses is **Directive C**-to develop, enhance, conserve and restore wildlife and fish habitat on private lands.

Additional Directive: This proposal also addresses **Directive B** to improve, maintain and restore water quality, soil conditions, plant diversity, animal systems and to support other practices of stewardship to enhance farming and ranching.

Type of organization: Tax Exempt, non-profit corporation

Project Name: Working Wetlands in North Dakota

Abstract/Executive Summary:

The Working Wetlands in North Dakota project is a new concept to conserve small wetlands in cropland via a new voluntary incentive based program. It is these small, temporary and seasonal wetlands that drive duck abundance in North Dakota and as such they are the critical element in duck production. Beyond the benefits to breeding ducks, these wetlands provide habitat to a multitude of other species and also play a critical role in flood attenuation, water storage and water quality.

Yet while the value of these habitats is well documented, they also are at risk because they commonly come into conflict with production agriculture. Abundant small wetlands in a field can become burdensome to the farmer as they decrease seeded acres, may reduce yield and negatively impact the efficiency of seeding, spraying and harvesting. As a result, producers feel that they are providing a public service by providing habitat while at the same time reducing their income opportunities on their private lands.

As such, a new tool is necessary to conserve these habitats while providing an incentive to producers to demonstrate the public value these wetlands serve.

The objective of the project is to conserve approximately 10,500 acres of at risk wetlands for 5 years via this new program. OHF funding will be combined with new NRCS program dollars provided by the Regional Conservation Partnership Program (RCPP) to ensure maximum leverage and effect with OHF Funding. The proposed budget for the project is \$4,950,000 with a request from OHF of \$1,750,000. All OHF funding will be used to provide conservation payments to those producers who enroll qualified wetlands.

Delta Waterfowl will be the lead on this project but leveraging contributions from NRCS (both financial assistance to producers and technical assistance in delivery) North Dakota Game and Fish (assistance with producer outreach with their private lands biologists) and Ducks Unlimited (assistance with producer outreach with their Farm Bill biologists located in NRCS local offices).

As this is a new mechanism, it is imperative to understand the perspective of the producers that enroll in the program to gauge their satisfaction as well as solicit feedback as to how the program could be altered to meet the needs of producers while also maintaining the conservation benefits. As such, Delta Waterfowl will work with researchers at North Dakota State's agricultural economics department to do survey work to provide a real time feedback mechanism as how to improve the program.

Project Duration: 5 years

Amount of Grant request: \$1,750,000

Total Project Costs: \$ 4,950,000

(Note that in-kind and indirect costs can be used for matching funds)

Amount of Matching Funds: \$3,200,000

The match described includes both cash and non-cash commitments to the project including payments to producers, in kind for outreach to producers, human dimension evaluation and project management.

Source(s) of Matching Funds:

Natural Resources Conservation Service-Regional Conservation Partnership Program: \$3,000,000 (cash financial incentives to producers)
Delta Waterfowl Foundation: \$200,000 (cash and in kind)

Certifications:

X I certify that this application has been made with the support of the governing body and chief executive of my organization.

X I certify that if awarded grant funding none of the funding will be used for any of the exemptions noted on Page 1 of this application.

Narrative

Organization Information:

Delta Waterfowl is a 501 (c)(3) non-profit with its U.S. office in Bismarck, N.D. and its Canadian office in Winnipeg, MB. The organization is governed by a Board of Directors comprised of directors (11 in total) from across the United States and Canada. The current staff complement is 45 full time staff within its two offices and across the United States and Canada. Delta currently has a total membership of 44,000, 280 active volunteer led chapters and an annual budget of \$7.5 million annually provided by memberships, individual contributions and fundraising event proceeds.

The organization was founded in 1911 and was organized in its existing form in 1938. Historically, Delta Waterfowl's focus was upon the study of waterfowl and their habitat through scientific research. Much of what we know today about waterfowl, especially breeding duck ecology, was information generated by Delta Waterfowl's research.

Today, the organization is led by its mission: ***Delta provides knowledge, leaders and science-based solutions that efficiently conserve waterfowl and secure the future for waterfowl hunting.*** This mission informs the twin pillars of Delta Waterfowl, to provide the programs and policies to secure abundant ducks and maintaining the opportunity to hunt them.

Delta Waterfowl's programmatic focus is to secure ducks and duck hunting today and tomorrow. Delta's work for ducks focuses on the delivery of proven duck production tools like predator management and Hen Houses and promote voluntary, incentive based programing to work with farmers and ranchers to conserve habitat on private lands. On duck hunting, Delta Waterfowl advocates on behalf of duck hunters to maintain sustainable hunting opportunities and recruit the next generation of duck hunters.

Purpose of Grant – Describe the proposed project identifying how the project will meet the specific directive(s) of the Outdoor Heritage Fund Program

The purpose of the proposed project is to conserve small, at risk wetlands in cropland. These small wetlands have well documented benefits to breeding ducks, other migratory birds and other species while also playing a critical role in water storage, flood attenuation, capturing nutrients and enhancing water quality.

Yet the presence of these wetlands often come in direct conflict with modern agricultural production. These small wetlands can reduce seeded acreage, reduce yields as well as hampering efficiency in seeding, spraying and harvest. Farmers commonly express that they are providing habitat and other public benefits without compensation and with consequences for their bottom line.

This project is the result of an ongoing dialog between Delta Waterfowl staff and North Dakota agricultural leaders via the North Dakota Agricultural/Conservation Roundtable which sought to create a new venue for discussing the relationship between agriculture and conservation. The issue of small wetlands in cropland emerged as one of the key tensions in need of resolution and as such has been a primary focus of discussions in the last twelve months.

Delta Waterfowl is proposing to test a new concept of providing an annual, voluntary, incentive based payment to producers in return for the conservation of these key habitats. A prolonged wet cycle and the ongoing tension that exists between conservation of these key habitats and the farmers that own the land demands a new solution. A new effort is necessary to demonstrate the public value of these wetlands by compensating farmers a fair market value payment for the conservation benefit they are providing.

The focus for this work will be those small wetlands that are most at risk to conversion (wetlands under 2 acres in size, partially or wholly within cropland and that have ephemeral, temporary or seasonal hydrology). These resources are highlighted as they are of unique benefit to breeding ducks, water storage and quality yet are commonly those that are most in conflict with annual cropping.

The project will provide producers with an incentive to maintain these habitats based on the number of acres of eligible wetlands multiplied by the average county rental rate for cropland (utilizing NASS 2013 county rental rates). Producers will have a five year commitment for incentives upon executing an agreement.

The project recognizes that this conservation action is taking place on working cropland and as such, there are no prohibitions on any agricultural activity on program acres during the term of the agreement. The sole prohibitions are those actions which effect the hydrology of project wetlands including draining, ditching, burning, fill or tiling or otherwise impacting the wetlands ability to maintain water.

The benefits resulting from this project will be the conservation of small at risk wetlands, providing farmers with a financial incentive as well as testing the concept for future deployment at a larger scale.

Management of Project – Provide a description of how you will manage and oversee the project to ensure it is carried out on schedule and in a manner that best ensures its objectives will be met.

Delta Waterfowl and our partners have extensive experience in the management of this type of project. Delta Waterfowl administered a similar program in the 1990's in North Dakota and as such managing and administering the program will be an easily accomplished task. The goal is to have all OHF dollars obligated (for the five year term of the project) prior to 2015 growing season which will demand a coordinated outreach effort with all of the partners. Additionally, offers from producers will need to be assessed which will also front-load the effort prior to the 2015 growing season.

From there Delta Waterfowl staff will coordinate the producer satisfaction survey and convene appropriate technical review to guide the effort. We are entirely confident that the dollars will be obligated on schedule and the conservation and producer benefits will be durable over the 5 year term of the project.

Evaluation – Describe your plan to document progress and results.

As the benefits of small wetlands to breeding ducks, migratory birds, water storage and water quality are well documented, the primary emphasis in evaluation will be to solicit feedback from participating producers to discern their satisfaction with the program. As this is a pilot project with the goal of finding a conservation solution that producer's value, it is imperative to get their insights into program features, benefits as well as how the program can be improved for future consideration. Delta Waterfowl will partner with faculty at North Dakota State University agricultural economics department to conduct this work (pledged as match-no OHF funds for this portion of this work). It is hoped that this project and the parallel human dimensions research can lead to the future expansion of the concept.

Financial Information

ATTACHMENT: Project Budget – Using the standard project budget format that is available on the website at <http://www.nd.gov/ndic/outdoor-infopage.htm> , please include a detailed total project budget that specifically outlines all the funds you are requesting. Note that a minimum of 25% match funding is strongly encouraged.*

The project budget should identify all matching funds, funding sources and indicate whether the matching funds are in the form of cash or in-kind services. As noted on the standard project budget format, certain values have been identified for in-kind services. Please utilize these values in identifying your matching funds. **NOTE: No indirect costs will be funded.**

X I certify that a project budget will be sent to the Commission*

Sustainability – Indicate how the project will be funded or sustained in future years. *

The proposed grant will provide conservation on approximately 10,500 acres of small at risk wetlands in cropland for a period of five years. Funds from the Outdoor Heritage Fund will be used to directly compensate producers enrolling in the program for a period of five years.

This project is a pilot effort to test the desire and the efficacy of the approach and gauge the acceptance and input from producers to develop a larger scale effort, possibly through the next Federal Farm Bill.

Partial Funding – Indicate how the project will be affected if less funding is available than that requested.

A reduction of award amount will impact the number of producers eligible and small wetlands conserved proportionally.

Awarding of Grants

Delta Waterfowl will be able to satisfy all requirements of a contract with the North Dakota Industrial Commission.

**2014 Outdoor Heritage Fund Detailed Budget
North Dakota Working Wetlands***

Project Expense	OHF Request	Applicant's Match Share (Cash)	Applicant's Match Share (In-Kind)	Applicant's Match Share (Indirect)	Other Project Sponsor's Share	Total Each Project Expense
Conservation Payments(1)	\$1,750,000		\$	\$	\$3,000,000	\$4,750,000
Outreach materials and mailing (2)	\$	\$10,000	\$20,000	\$	\$	\$30,000
Survey (3)	\$	\$120,000	\$	\$	\$	\$120,000
Project Management (4)	\$	\$	\$50,000	\$	\$	\$50,000
Total Costs	\$1,750,000	\$130,000	\$70,000	\$	\$3,000,000	\$4,950,000

*All budget items are for the full five years of the project.

BUDGET NOTES:

1. Annual payments to producers for conservation of at risk wetlands. Payment rate of 2013 NASS cropland rental rate per eligible acre. Match provided by NRCS Regional Conservation Partnership Program. This covers the payments for the five year term of the project.
2. Design, printing and mailing of program flyer for distribution to producers.
3. Human dimensions/survey work of program participants to solicit feedback on program in conjunction with NDSU. This expense to be incurred over the 5 year term of the project.
4. Project management including ranking, scoring, annual technical review for the 5 years of the project.