



**Indiana Conservation Reserve Enhancement Program
2010 Annual Report**

Submitted by the
Indiana State Department of Agriculture
Division of Soil Conservation

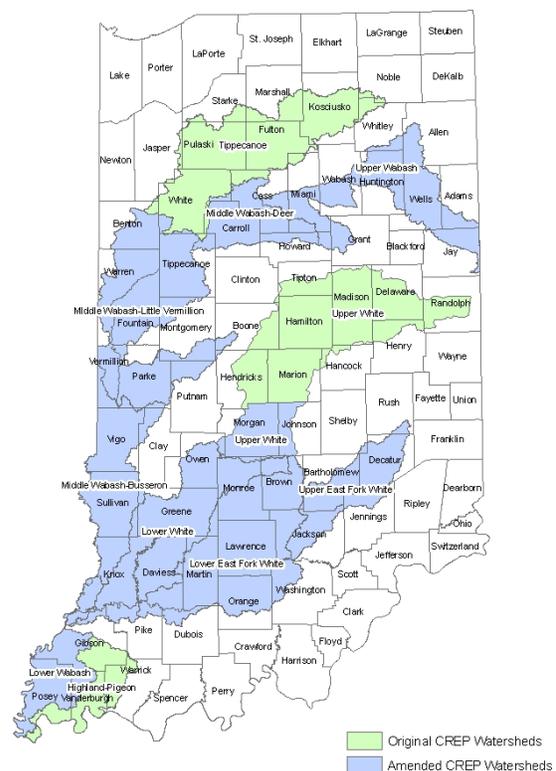
I. Executive Summary

2010 has been an exciting year for Indiana's Conservation Reserve Enhancement Program (CREP). On August 27th, the Indiana State Department of Agriculture (ISDA) and the Farm Service Agency (FSA) staff were joined by Indiana's Lt. Governor Skillman and conservation partner leaders in welcoming eight additional watersheds into CREP eligibility. With a total of 11 watersheds now eligible for CREP, Indiana is leading the way in progressive and meaningful conservation implementation. The original CREP was approved in July of 2005, and called for 7,000 acres of enrollment. The amendment has expanded this acreage to 26,250. The purpose of Indiana's CREP has not changed. That purpose is to address water quality and wildlife issues by the reduction of sediment and nutrients in watersheds and the enhancement of wildlife habitats for State and Federally listed species and other wildlife. CREP is designed to help alleviate some the concerns of high nonpoint source sediment, nutrient, pesticide and herbicide losses from agricultural lands by restoring buffers and wetlands to improve water quality. The three original watersheds eligible for CREP were the Tippecanoe, Upper White and Pigeon/Highland River Watersheds. With the CREP amendment, the Lower East Fork White, Lower Wabash, Lower White, Middle Wabash – Busseron, Middle Wabash – Deer, Middle Wabash – Little Vermillion, Upper East Fork White, and Upper Wabash are also eligible (Map 1). As of October 2010, Indiana landowners have committed to install conservation buffers and wetlands on more than 6,243.16 acres of Indiana's most environmentally sensitive lands.

II. CREP Expansion

On August 27, 2010, Indiana CREP took a leap forward and expanded its CREP eligibility from three watersheds to 11. Map 1 shows the original three watersheds and the additional eight. With the expansion, the roles and responsibilities of some of the staff changed to include CREP. The Indiana State Department of Agriculture (ISDA), through the Division of Soil Conservation (DSC) maintains ten CREP leaders, who are located in the field to assist landowners, create Conservation Plans and oversee daily CREP activities. In addition, a staff person in the Indianapolis Office manages the CREP program centrally, and two additional staff work part-time to support the administration of the program. ISDA continues to supplement this core staff with

Map 1: Original and Amended CREP Watersheds



December 7, 2010
Deb Fairhurst, ISDA Program Manager

Resource Specialists to accommodate seasonal workload and marketing opportunities. In addition to ISDA, ten Soil and Water Conservation Districts (SWCD) were selected to assist ISDA in administering funds to landowners in order to make this process more streamlined. There are also many partners involved with the promotions, administration, technical assistance, and funding of the CREP. The USDA Farm Service Agency (FSA) office and field staff continue to promote this project to producers at the USDA Service Centers. The Natural Resource Conservation Service (NRCS) provides additional technical service. The Indiana Department of Environmental Management (IDEM) and the Indiana Department of Natural Resources (DNR), sister agencies to ISDA, as well as the involved Soil and Water Conservation Districts (SWCD) and the Nature Conservancy (TNC) promote the CREP program in their day to day activities. Also, ISDA hosts a website that promotes and provides details about the CREP program. <http://www.in.gov/isda/2561.htm>

Other Changes to Indiana's CREP goals include:

- Protect a minimum of 3,000 linear miles of watercourses through the installation of conservation buffer practices (was 2,104).
- Reduce by 8% the amount of sediment, nutrients, and agricultural chemicals entering watercourses within the targeted watersheds (was 15%; percentage reduced due to higher number of acres).
- Increase the acres of wetlands in the watersheds for erosion control, sediment reduction, stormwater retention, and nutrient uptake.
- Enroll 15% of the eligible watersheds' cropland subject to normal CRP acreage limits by county (was 30%).
- Enroll 8% of the CREP acres in voluntary, ten-year contracts in the Tippecanoe watershed.
- Enroll 10% of the CREP enrolled acres in voluntary, permanent easements in the Tippecanoe and Upper White River watersheds.
- Seek enrollment of 26,250 acres of eligible cropland including frequently flooded agricultural lands, and restorable wetlands.

In 2010, Indiana's Conservation Partnership (ICP) refocused the group's priorities. CREP is now specifically named as one of the top four priorities for the ICP. The ICP consists of leaders from the Indiana Association of Soil and Water Conservation Districts (IASWCD), IDEM, DNR, Purdue University Cooperative Extension Service, the State Soil Conservation Board (SSCB), FSA, and NRCS. ISDA has worked closely with all partners to ensure the transition from three to eleven watersheds has been smooth. To help with this, ISDA hosted and co-hosted several meetings across the state to prepare our staff as well as partner staff for the upcoming CREP. Meetings were held around the state in April, mainly for SWCD staff, and in October for all partner staff involved in CREP.

Indiana's CREP Agreement is for the enrollment of 26,250 acres. The first CREP participants began signing up for the program in January of 2006. As of October 31, 2010, conservation practices covering 4,520.33 acres have been completed (installed and paid) (Table 1). The total completed plus obligated (those not yet installed and paid) acres is 6,243.16.

Table 1: Indiana CREP Total Completed and Obligated Acres and Dollars

	Contracts	Completed Acres	Paid State Funds	Obligated Acres (not completed)
Tippecanoe River	426	2968.3	\$483,855	1208.6
Upper White River	201	1310.3	\$533,775	377.9
Pigeon/Highland Rivers	80	241.73	\$45,717	123.93
<i>Upper Wabash*</i>	0	0	0	0
<i>Middle Wabash-Deer*</i>	0	0	0	0
<i>Middle Wabash-Little Vermillion*</i>	0	0	0	1.1
<i>Middle Wabash-Busseron*</i>	0	0	0	0
<i>1208 Upper East Fork White*</i>	0	0	0	0
<i>Lower East Fork White*</i>	0	0	0	0
<i>Lower White*</i>	0	0	0	0
<i>Lower Wabash*</i>	0	0	0	11.3
TOTAL	707	4,520.33	\$1,063,347	1,722.83

**New Watersheds*

In addition, the CREP agreement calls for the protection of 3,000 linear miles of watercourses through the installation of conservation buffer practices. Currently, 553.6 miles of watercourses have been protected.

Easements

The options for landowners to participate in conservation easements within the Tippecanoe River watershed and portions of the Upper White River watershed are included in the CREP agreement. The Tippecanoe River is one of Indiana’s most important and ecologically significant rivers. A large number of threatened and endangered species inhabit this river, making it especially important to preserve. The Nature Conservancy has led this effort and has contributed significant time and financial resources in easements in this watershed through CREP. In the Upper White River, a large fish kill was the result of a pollutant spill from a manufacturing plant in 1999. As part of the settlement, funds were set aside for easements through the CREP program by the board of the Upper the White River Restoration Fund which is administered by the Indiana Department of Natural Resources. Currently there are nine easements in the Tippecanoe watershed totaling 444.28 acres and \$222,140, and one easement in the Upper White totaling 35 acres and \$31,500.

Eligible Practices

The Indiana CREP offers a menu of conservation practices to address non-point source pollution runoff issues. The following is a list of practices offered through this program.

For riparian areas, the following practices are available provided the land is adjacent to an eligible stream, river or water body, and:

- has a minimum average width of 50 feet and a maximum average width of 120 feet (up to 300 feet in alluvial soils) or,
- has a minimum average width of 35 feet and a maximum average width of 180 feet (up to an average width of 300 feet in alluvial soils)

Practices include CP2 – Establishment of Permanent Native Grass, CP3A – Hardwood Tree Planting, CP4D – Permanent Wildlife Habitat, Non-easement CP22 – Riparian Buffer

For buffer areas, the following practices are available provided the land is adjacent to an eligible stream, river or water body, and:

- has a minimum average width of 35 feet and a maximum average width of 120 feet (up to 300 feet average width in alluvial soils)

Practices include CP21 – Filter Strips

For wetland areas, the following practices are available:

- CP23 – Wetland Restoration is available within the 100-year floodplain
- CP23a – Wetland Restoration – Non-floodplain
- CP31 – Bottom Timber Establishment on Wetland

Completed Acres for Federal Fiscal Year 2010

In Federal Fiscal Year 2010, landowners signed up for a variety of conservation practices offered through CREP. Between the three watersheds, filter strips has been the most popular practice among landowners, comprising of almost 61% of the completed acres from 2005-2010 (Table 3 & Chart 1). Tables 4, 5 and 6 below illustrate the total number of 2010 completed (paid) acres for each practice within each watershed and Table 3 displays the summary totals.

Table 2: Conservation Practices and Codes

Conservation Practice	Practice Code
Permanent Native Grass	CP2
Hardwood Tree Planting	CP3A
Permanent Wildlife Habitat, Non-easement	CP4D
Filter Strips	CP21
Riparian Buffer	CP22
Wetland Restoration	CP23
Wetland Restoration, Non-floodplain	CP23A
Bottomland Timber Establishment	CP31

Table 3: Indiana CREP Totals – Completed and Obligated Acres by Conservation Practice

Conservation Practice	2005-2010 Obligated		2005-2010 Completed		Total (Obligated + Completed)	
	Acres	%	Acres	%	Acres	%
CP2	5.80	0.34%	4.10	0.09%	9.90	0.16%
CP3A	14.88	0.87%	8.61	0.19%	23.49	0.38%
CP4D	0.00	0.00%	0.00	0.00%	0.00	0.00%
CP21	803.15	46.96%	2990.19	66.15%	3793.34	60.88%
CP22	53.80	3.15%	116.33	2.57%	170.13	2.73%
CP23	564.20	32.99%	121.70	2.69%	685.90	11.01%
CP23A	62.10	3.63%	374.50	8.28%	436.60	7.01%
CP31	206.50	12.07%	904.90	20.02%	1111.40	17.84%
	1710.43	100.00%	4520.33	100.00%	6230.76	100.00%

Chart 1: Total CREP Conservation Practices Percentages Completed and Obligated 2005-2010

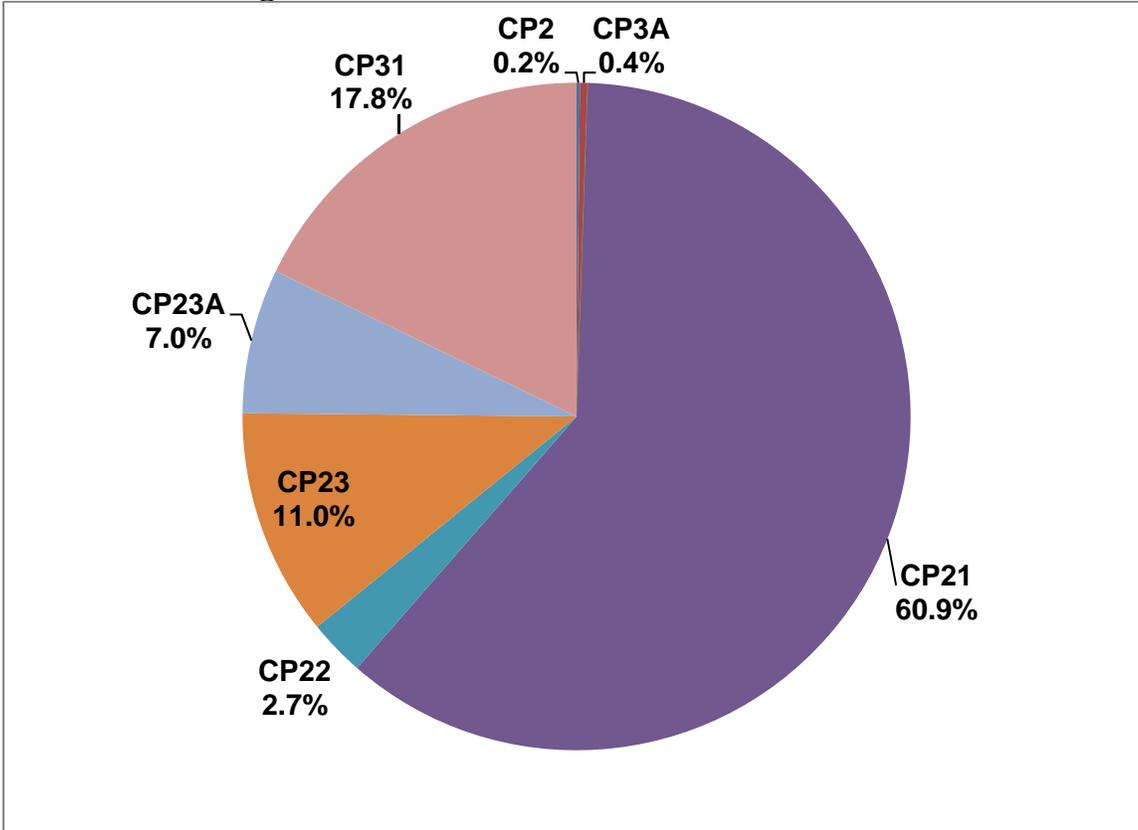
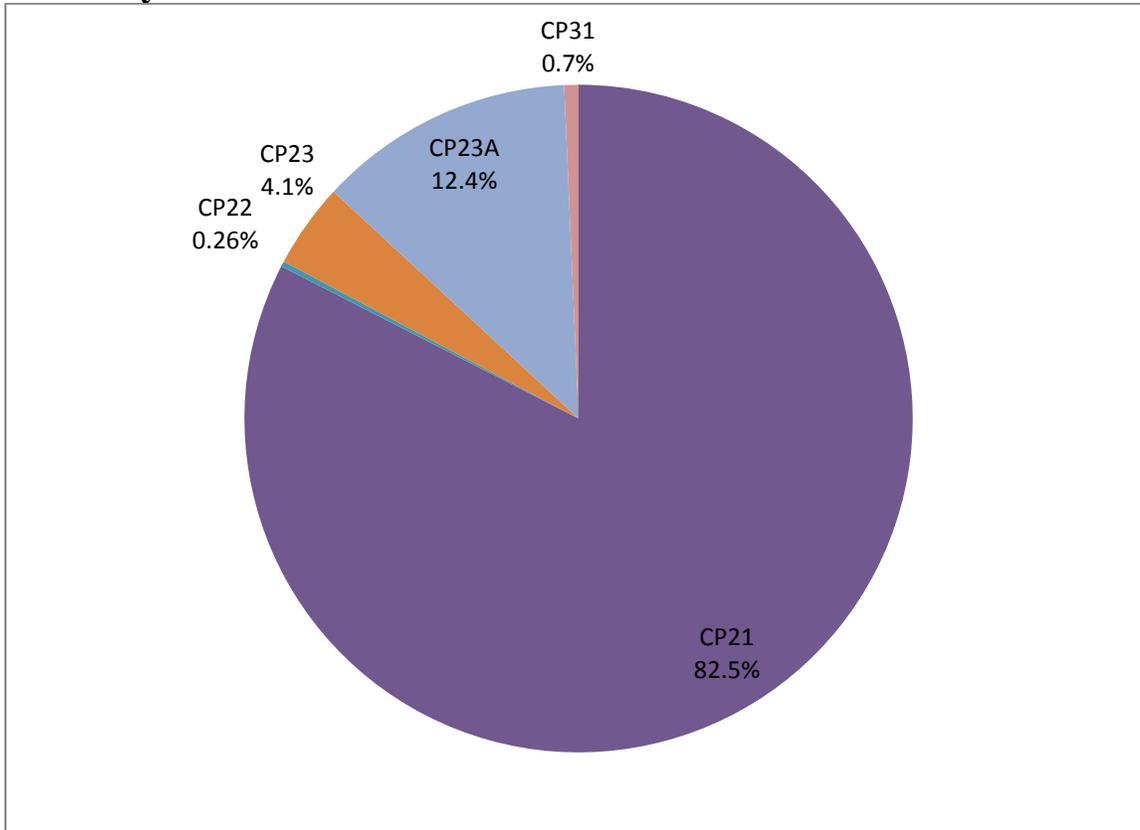


Table 4: Tippecanoe River Watershed –Percentage of Completed Acres by Conservation Practice

Conservation Practice	Total Completed 2005-2010
	Acres
CP2	0.0%
CP3A	0.0%
CP4D	0.0%
CP21	82.5%
CP22	0.3%
CP23	4.1%
CP23A	12.4%
CP31	0.7%

Chart 2: Tippecanoe River Watershed –Percentage of Completed Acres by Conservation Practice



Map 2: Tippecanoe CREP Practices

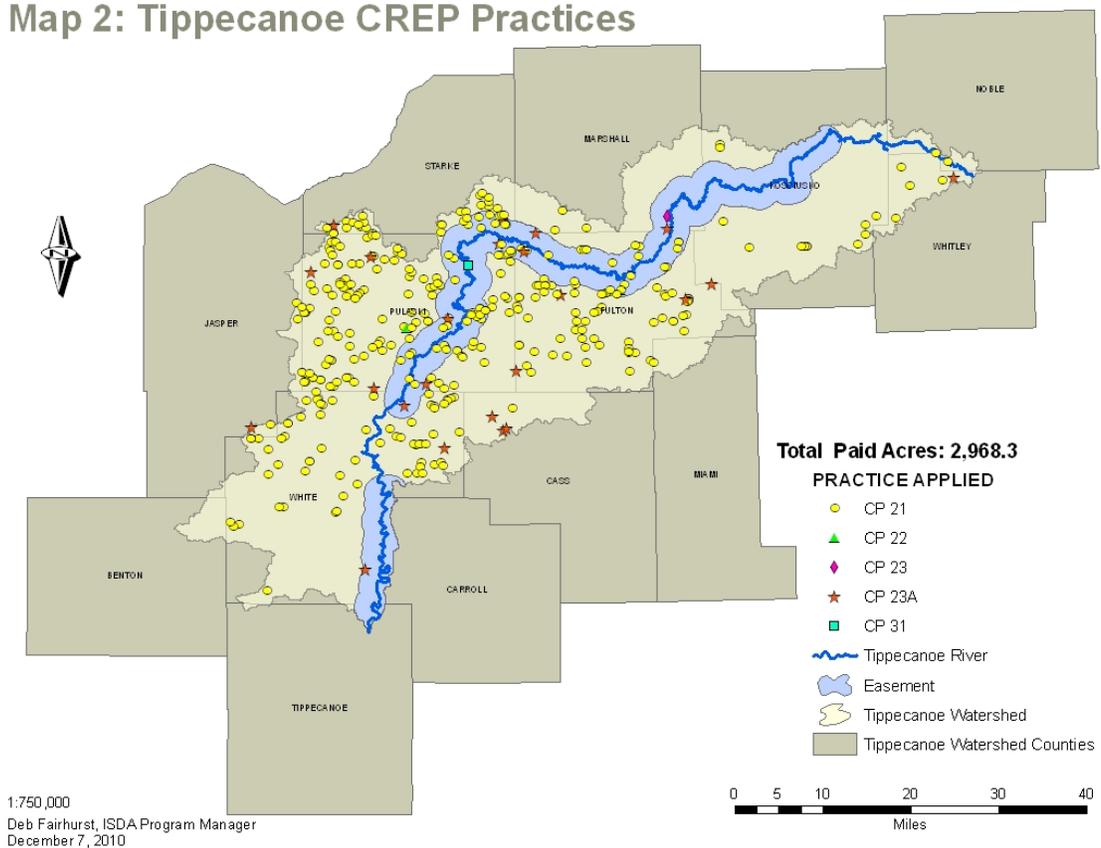
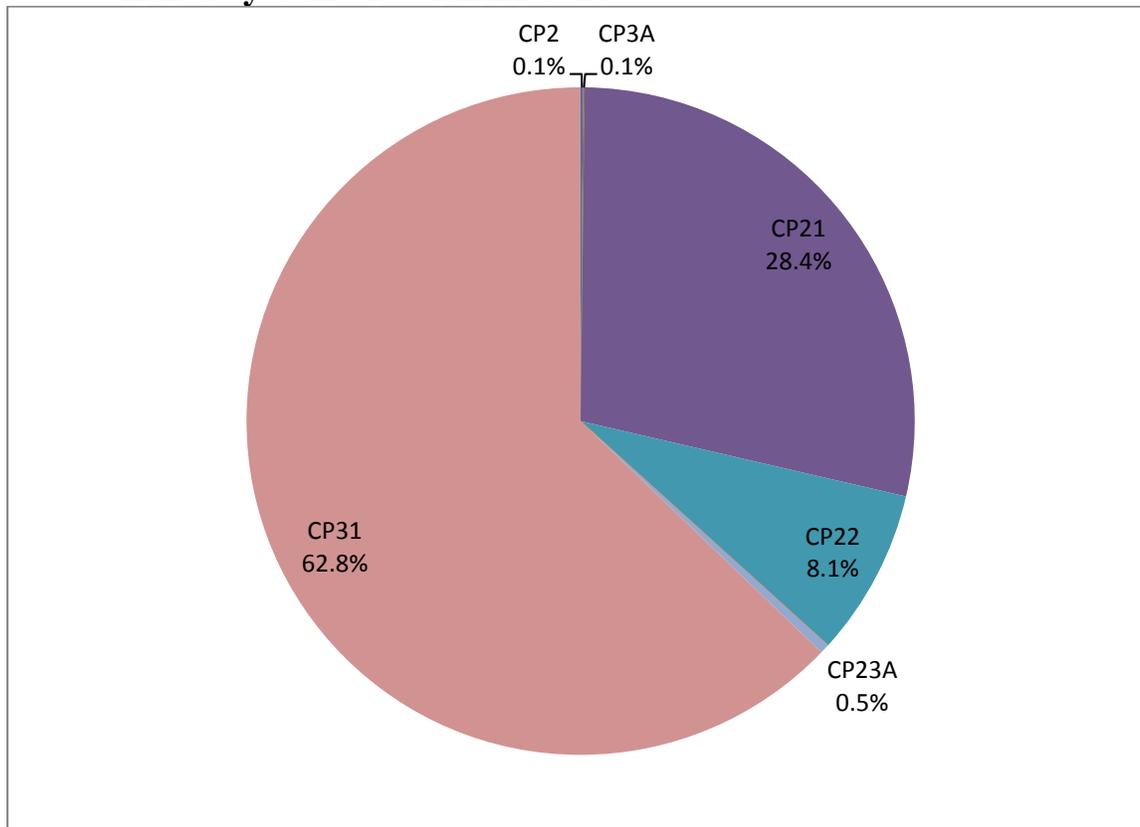


Table 5: Upper White River Watershed –Percentage of Completed Acres by Conservation Practice

Conservation Practice	Total Completed 2005-2010 Acres
CP2	0.1%
CP3A	0.1%
CP4D	0.0%
CP21	28.4%
CP22	8.1%
CP23	0.0%
CP23A	0.5%
CP31	62.8%

Chart 3: Upper White River Watershed –Percentage of Completed Acres by Conservation Practice



Map 3: Upper White CREP Practices

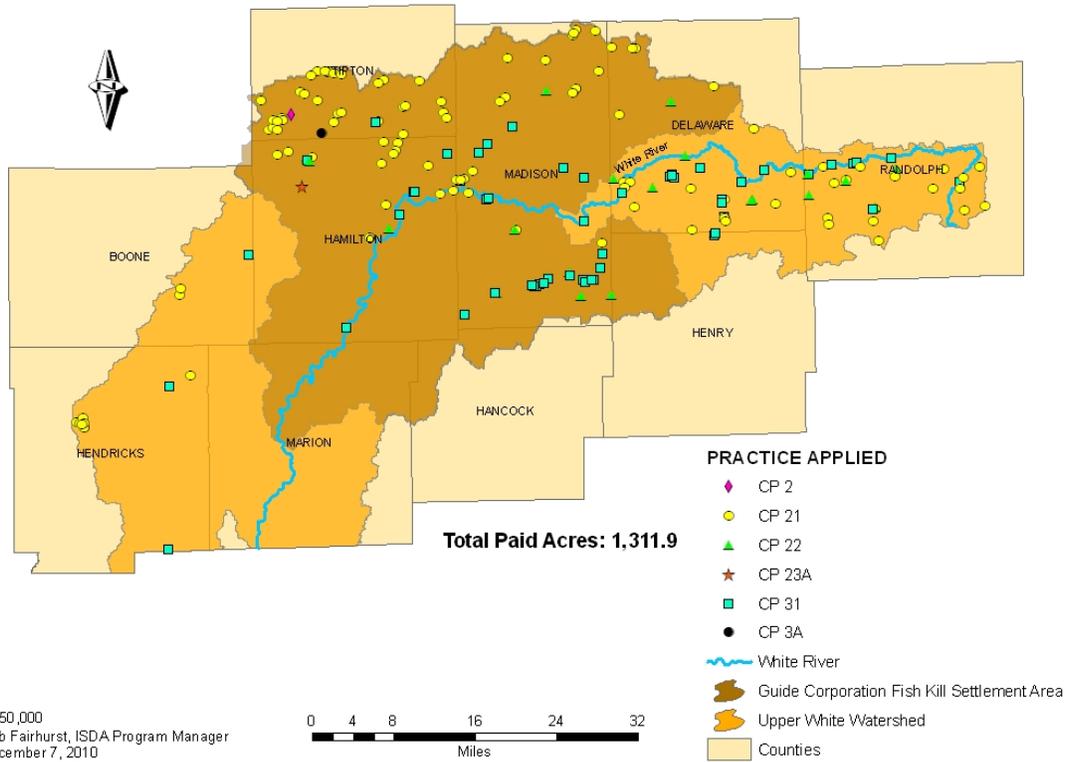
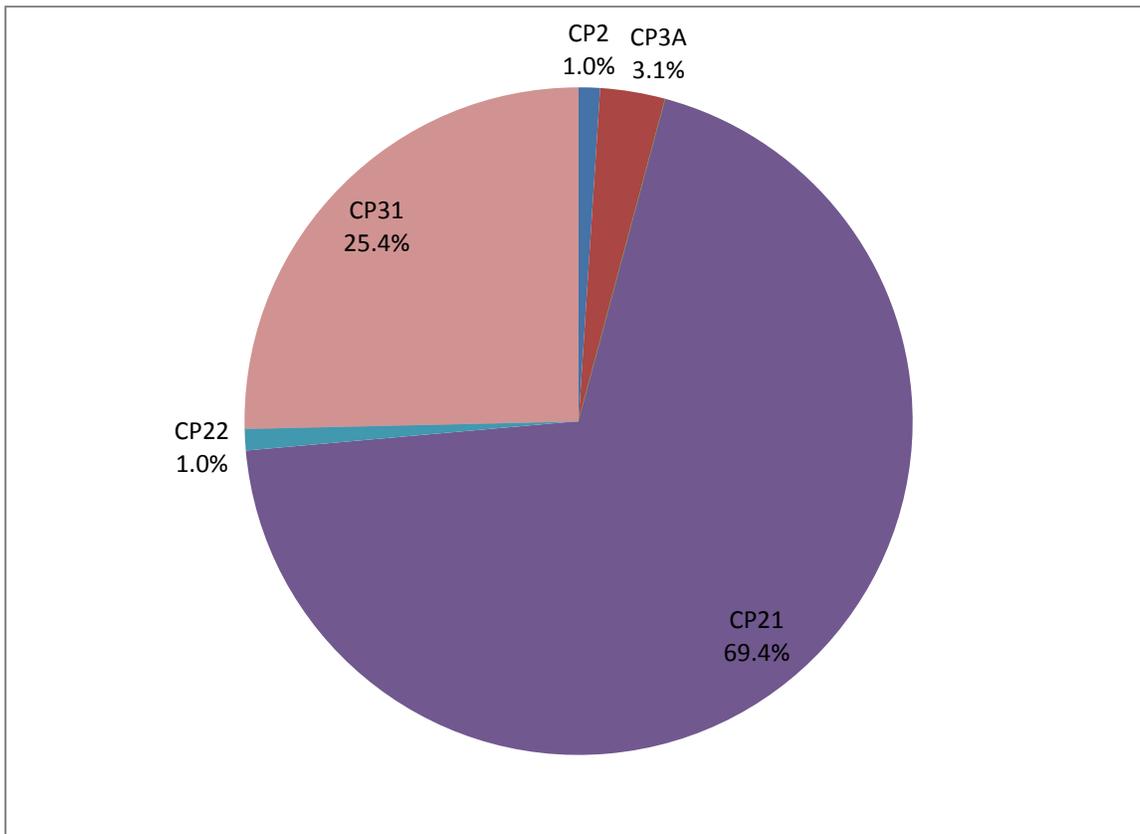


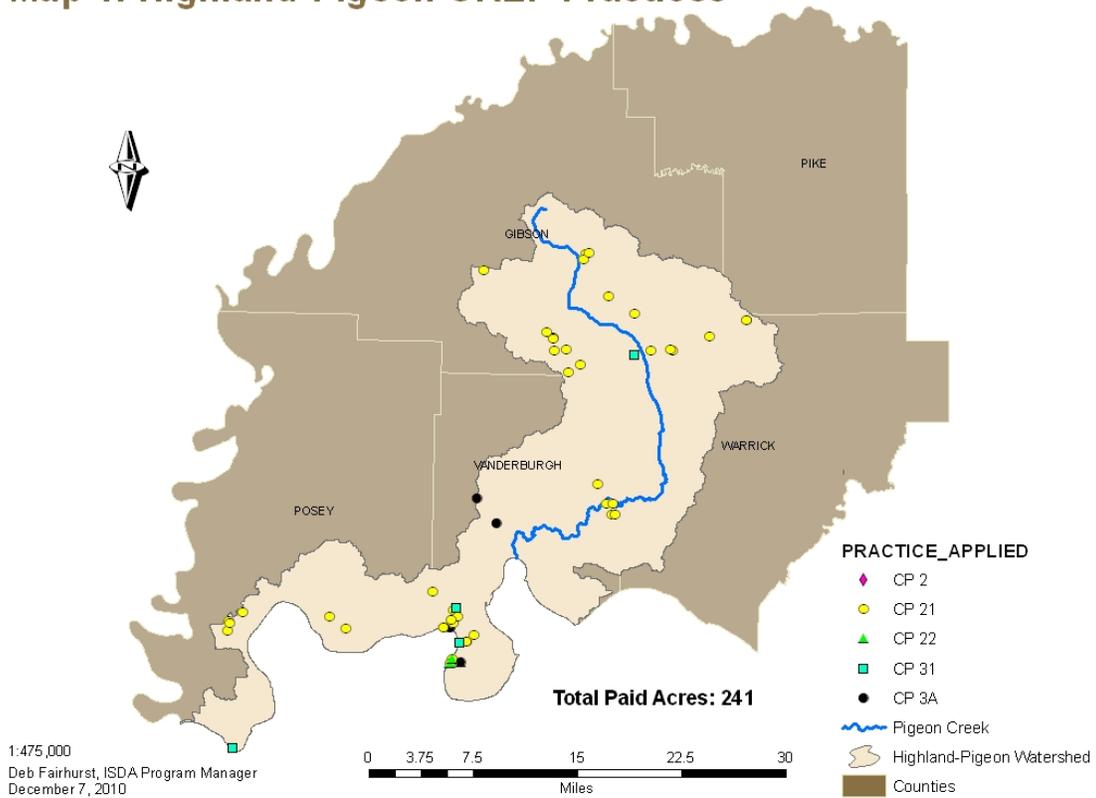
Table 6: Pigeon/Highland River Watershed –Percentage of Completed Acres by Conservation Practice

Conservation Practice	Total Completed 2005-2010
	Acres
CP2	1.0%
CP3A	3.1%
CP4D	0.0%
CP21	69.4%
CP22	1.0%
CP23	0.0%
CP23A	0.0%
CP31	25.4%

Chart 4: Pigeon-Highland River Watershed –Percentage of Completed Acres by Conservation Practice



Map 4: Highland-Pigeon CREP Practices



III. Financial Contributions

The Indiana Conservation Reserve Enhancement Program provides incentives to landowners through both state and federal contributions. Through the CREP, eligible Indiana participants who establish one of the prescribed conservation practices shall receive incentive, cost-share and rental payments as outlined below.

Federal Incentives

- **Signing Incentive Payment:** A one-time payment of \$100 per acre for land enrolled in CP21, CP22, CP23, CP23A and CP 31. This payment may be made after the contract has been signed and is approved for 14-15 year contracts.
- **Practice Incentive Payment:** A one-time payment equal to 40% of the eligible reimbursable cost to establish CP21, CP22, CP23, CP23A and CP31.
- **Cost-share Assistance:** Cost-share of up to 50% to install approved conservation practices.
- **Annual Rental Payment:** An annual payment for the life of the contract. The payment consists of the sum of three components:

Base Soil Rental Rate: Determined by calculating the normal CREP weighted average soil rental rate for the three predominant soil types using the current posted applicable local soil rental rates for cropland.

Incentive Payment of 40% of the base rental rate without regard to other incentive payments for all practices offered and eligible for CREP.

Annual Maintenance Payment according to regular continuous CREP enrollments.

State Incentives

- **Pay to participants a one-time** Clean Water Incentive Payment (CWIP) to participants of \$950 per acre for land enrolled in CP23 or CP23A.
- **Pay to participants a one-time** Clean Water Incentive Payment (CWIP) to participants of \$400 per acre for land enrolled in CP3A, CP22, or CP31.
- **Pay to participants a one-time** CWIP to participants of \$100 per acre for land enrolled in CP2, CP4D or CP21.
- **Make direct, one-time payments** of \$500 for CP3A, CP22 and CP31 acres voluntarily enrolled in permanent easements in a priority area within the Upper White River Watershed.
- **Make direct, one-time payments** of \$500 per acre for CP3A, CP22 and CP31 acres voluntarily enrolled in state permanent easements in a priority area within the Tippecanoe Watershed; or \$250 per acre for CP3A, CP4D, CP22, CP23, CP23a and CP31 acres voluntarily enrolled in 10-year contract extensions in a priority area within the Tippecanoe Watershed.

Match

The provisions within the Indiana CREP agreement states: “The State of Indiana will contribute at least 20% of the overall costs of implementing the CREP through a combination of annual in-kind services and direct program costs.” For the 2010 Fiscal Year, Indiana’s total contributions equaled 20 percent. For the length of the CREP program, Indiana’s contribution is 19.7 percent.

State Cash Match

For 2009, Indiana’s cash match contributed to 9.2 percent of the total cash. For the length of the CREP program, Indiana’s match is currently 8.5 percent.

Table 7: Indiana’s Cash Match

Cash Match	Total CREP Program	Total 2010
Federal Total	\$18,441,682	\$3,976,805
State Cash	\$1,063,347	\$231,150
CREP Coordinator (5 yrs)	\$375,000	\$75,000
PEA	\$53,102	\$0
TNC Easements	\$222,140	\$96,120
State Total	\$1,713,589	\$402,270
All Total	\$20,155,271	\$4,379,075
State Cash Match	8.5%	9.19%

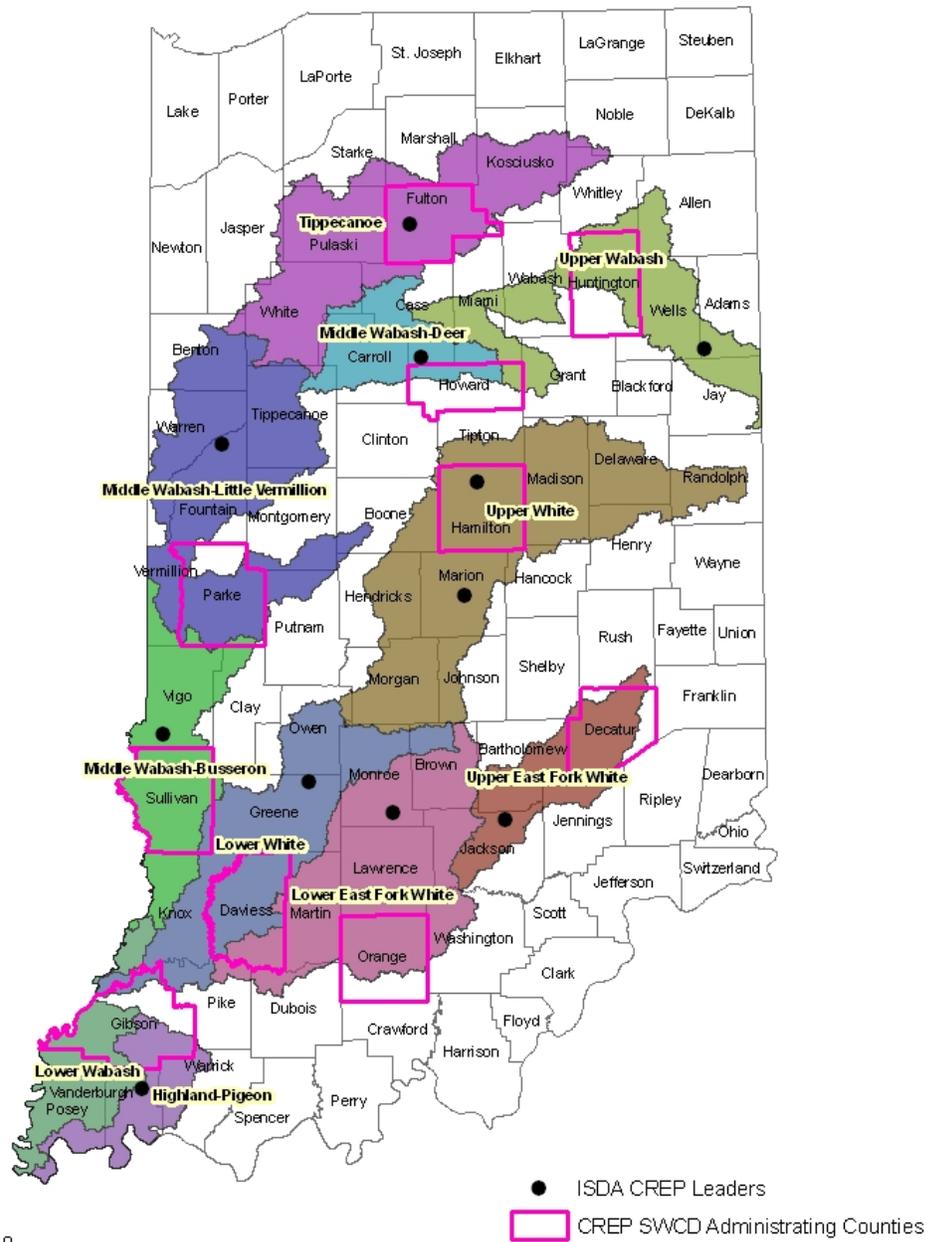
State In-kind Services

The ISDA-DSC implements the state’s portion of the CREP administration. The CREP responsibilities include working directly with interested landowners to develop conservation plans, as well as sign-up, tracking and marketing. Map 5 shows the location of ISDA employees whose major focus is the CREP program, as well as the location of employees who assist with CREP implementation. State partners also contribute to the in-kind responsibilities. In 2010, the in-kind contribution was 10.11 percent. So far, the overall in-kind contribution to CREP is 11.49 percent.

Table 8: Indiana's In-kind Match

	2010 Total	5 years
10 technical staff 1/2 time	\$375,000	\$1,875,000
1/2 person (admin)	\$37,500	\$187,500
SSCB	\$1,050	\$5,250
Directors	\$22,500	\$112,500
Steering Comm (does not include Federal Partners)	\$5,460	\$27,300
DNR easement time	\$1,154	\$5,770
Purdue University Wetland Study	\$0	\$25,000
Indiana University Wetland Study	\$0	\$38,000
Schneider Wetland Study	\$0	\$39,500
Total	\$442,664	\$2,213,820
	10.11%	11.53%

Map 5: ISDA CREP Leaders and SWCD Administrators



December 7, 2010
 Deb Fairhurst, ISDA Program Manager

IV. Monitoring and Evaluation

Baseline data was acquired in 2009 to determine nutrient loading rates. ISDA used Indiana Department of Environmental Management (IDEM) fixed station data along with the closest United State Geological Survey (USGS) stream flow gage data. There was no gage in Pigeon-Highland, so ISDA used Hoosier Riverwatch flow data. ISDA continues to discuss this data with partners to improve the data quality and reporting.

Additionally, The Indiana Water Monitoring Inventory through Purdue University serves as a portal for locating water monitoring information in the state of Indiana. This will be accessed to gain information on any additional monitoring that has occurred within the CREP watersheds. ISDA will continue to monitor this data. Ideally, water quality improvements will be evident after conservation practices are installed; however, many times these improvements do not appear in the water quality records for several years after installation.

IV. The Future of CREP in Indiana

ISDA and partners are now focused on the marketing and implementation of CREP, as well as ensuring the sign-up process is a smooth one for landowners. In early 2011, ISDA will implement contracts with 10 local SWCDs to have them administer CREP. ISDA will make payments to SWCDs, and they will, in turn, make direct payments to landowners. It is anticipated that this will speed up the paperwork process so that landowners can receive funds in a timelier manner. Additionally, having the SWCDs make CREP payments to landowners will encourage them to be more involved in the marketing and selling of the program. ISDA CREP leaders, as well as the administering SWCDs will be entering CREP data into SharePoint, a web-based program that utilizes forms and spreadsheets to organize data.

As reported in the 2009 CREP report, ISDA commissioned three studies to determine the best location for wetland placement on the landscape to achieve the most nitrogen removal. These studies have been completed in pilot watersheds. ISDA is currently searching for funding sources, so that the results of the models can be used statewide.

This is an exciting time to be involved in conservation in Indiana. ISDA is proud to have played a key role in expanding CREP, and expanding opportunities for landowners while improving the environment.

ISDA would like to give thanks to our many partners in conservation who supported CREP in Indiana during its inception and have continued to support this program through the expansion. We realize that without the support of FSA, and all of our conservation partners, the success of this program would not be possible.