

Conservation Commission

Notable Achievements

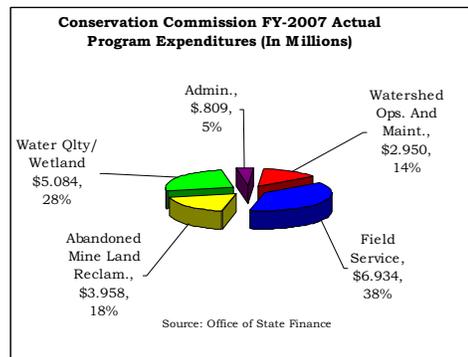
- During 2007 Oklahoma experienced significant natural disasters from ice storms to record precipitation that resulted in flooding that impacted many parts of the state. The federal government issued a record eight disaster declarations during the year. Because of Oklahoma's 2105 upstream flood control dams, many areas in the state were successfully protected from catastrophic damage during the spring and summer flood events. USDA economists determined that over \$300 million in flood damages to homes, cities, towns, roads, bridges and agricultural lands was prevented because of the state's flood control infrastructure.
- The first Conservation Reserve Enhancement Program (CREP) in the state was authorized in 2007 by Governor Henry and USDA Deputy Secretary Chuck Conner. Success in achieving phosphorus reductions of at least 31% in the Beaty Creek subwatershed of the Lake Eucha Watershed and 70% in the Peacheater Creek subwatershed of the Illinois River Watershed led to the award of a \$20.6 million (CREP) from the USDA Farm Services Agency (FSA).
- Work was completed on two lead and zinc reclamation projects in the Tar Creek area. The West Commerce project, at \$2.3 million, is the largest single construction project in the history of the Commission. To date the Commission has reclaimed nearly 300 acres of hazardous and unsafe land in the Tar Creek area at a cost of \$4.9 million.
- The Commission's Abandoned Mine Land (AML) Division completed reclamation work on four projects in the past year. The projects reclaimed 91.5 acres of abandoned coal mine land and eliminated dangerous high walls and hazardous water bodies. The Commission also addressed four

emergency projects involving the subsidence of underground mines.

Mission

The Conservation Commission provides technical assistance, financial incentives and educational information through Oklahoma's 88 conservation districts to promote and sustain private land conservation, prevent flooding and protect the state's water resources. The State Conservation Cost Share program, Flood Control Dam Operation, Maintenance and Rehabilitation program and Scarred Land Reclamation program are integral and valuable components of this unique service delivery system.

The Conservation Commission's largest funding source is federal funds, which totaled 55% of the Commission's FY-2007 funding. The chart below shows the total expenditures for FY-2007, totaling \$19,735,000.

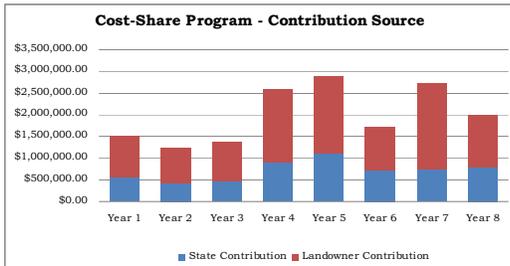


Cost-Share Program

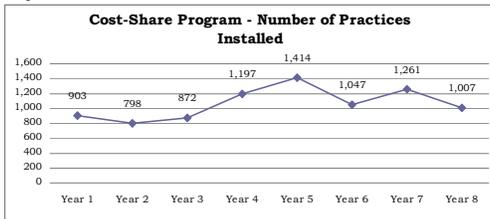
The Conservation Cost-Share Program is a public-private partnership between the State and private land users. The program encourages implementation of best management conservation practices on Oklahoma lands. This aids in the reduction of soil erosion and the improvement of water quality. Since the program's inception in FY-1999, it has received \$7.1 million in state appropriations. Of this amount, the Conservation Commission

allocated \$6.9 million to Oklahoma's 88 conservation districts for locally determined conservation priorities. The program has generated an additional \$9.1 million in private landowner investments, as well.

	Appropriation	Amount to Each District (88)
FY-1999	\$1,320,000	\$15,000
FY-2000	500,000	7,500
FY-2001	1,165,000	15,500
FY-2002	1,500,000	18,100
FY-2003	1,000,000	10,227
FY-2004	500,000	5,682
FY-2005	750,000	8,523
FY-2006	400,000	4,545
Total	\$7,135,000	\$85,077



Key Performance Measure



Conservation Reserve Enhancement Program

The Conservation Reserve Enhancement Program (CREP) is a joint buffer establishment conservation program between the state and federal government (20/80). This program targets state and nationally significant agriculture-related environmental effects. CREP is a voluntary program that provides financial incentives to farmers and ranchers in order to protect streams. Producers enter into contracts (10 to 15 years in length) to set aside portions

of their land to provide protective stream buffers.

Participants in the program receive incentive payments and cost-share assistance for installing specific conservation practices and establishing nutrient reducing stream buffers. The Conservation Commission, partnering with the city of Tulsa/Tulsa Metropolitan Utilities Authority, the Oklahoma Scenic Rivers Commission), local Conservation Districts, EPA, and USDA have begun a \$20.6 million program for the Eucha/Spavinaw and Illinois River Watersheds. This program will protect approximately 9,000 acres of riparian area with \$16.5 million federal funds matched by \$4.1 million state funds. In addition to protecting water quality in these important watersheds, the program will put at least \$17.6 million into the local economies in the form of payments to landowners.

Upstream Flood Control Program

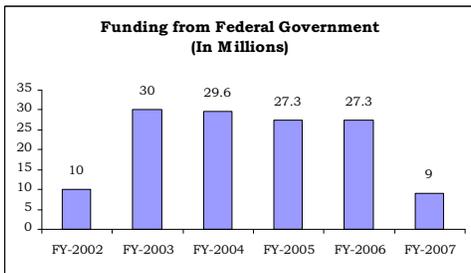
Since 1948, the federal government, through the USDA's Natural Resources Conservation Service (NRCS) has constructed 2,105 upstream flood control dams in the State of Oklahoma (20% of the nation's total). The dams were designed and built with federal funds. Local sponsors (68 of Oklahoma's 88 conservation districts) were responsible for obtaining the necessary land rights and have continuing responsibility for the operation and maintenance of these dams. The federal government's estimated public investment in these dams is \$2.1 billion in present value and \$71 million in annual flood protection benefits.

The primary purpose of the dams is to capture floodwater and release it in a controlled fashion to minimize damage to agricultural land, homes, towns and transportation infrastructure. The dams also provide water resources for drinking water, recreation, agriculture, fire protection and significant wildlife habitat.

The fitness of these structures has degraded as they have aged. For example, concrete and metal draw-down structures

deteriorate and must be replaced; earthen dams may need to be raised to restore flood storage capacity; and development downstream of the dam can occur which changes the safety classification of a structure.

Federal legislation in 2000 authorized the NRCS to rehabilitate the nation’s upstream flood control dams. The following chart reflects the history of funds appropriated by the Federal Government since FY-2002.



To be eligible for rehabilitation, the state and/or local sponsors must provide a 35% match to federal dollars. Since FY-2002, the Oklahoma Legislature has appropriated \$3 million to the Conservation Commission for use in matching federal rehabilitation dollars. Because of the state’s commitment to rehabilitation, the Oklahoma NRCS received an allocation of \$3.5 million for rehabilitation in the 2006 federal fiscal year, and that number doubled to \$7 million for the federal fiscal year 2007.

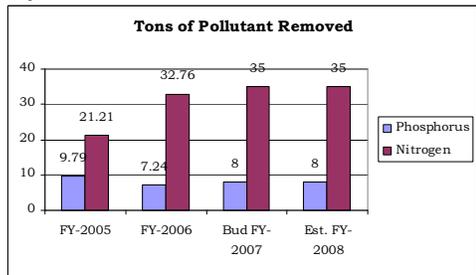
The NRCS, Conservation Commission and local district sponsors have completed nine rehabilitation projects. By the conclusion of the current fiscal year, an additional five projects will be under construction.

Federal 319 Grant for Non-Point Source Pollution

FY-2007 federal funding from the Clean Water Act Section 319 for Oklahoma’s Non-point Source management program has increased compared to FY-2006 funding in recognition of Oklahoma’s program successes. The funds are used to implement targeted programs to abate

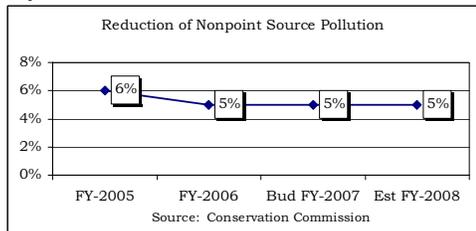
water quality impacts from non-point source pollution.

Key Performance Measure



Federal funds must be matched with 40% state and local funds, much of which comes from the Commission’s Conservation Cost-Share Program. Since 1999 the Conservation Commission received approximately \$3 million in appropriations, as a state match for federal “EPA 319 Funds” to reduce nutrient impacts in the Beaty Creek, Illinois River, Lake Wister, Ft. Cobb, Honey Creek (Grand Lake), and Stillwater Creek and Spavinaw Creek priority watersheds.

Key Performance Measure



The programs target sources of non-point source pollution include nutrients, agriculture, silviculture, rural unpaved roads, rural waste systems, non-regulated construction activities and stream bank destabilization. Ongoing and completed Priority Watershed Non-point Source Projects and the totals for best management practice implementation include:

- Beaty Creek Watershed (\$2.1 million) within the Lake Eucha Watershed completed in FY-2005;
- Illinois River Watershed (\$2.0 million) completed in FY-2005;

- Lake Wister Watershed (\$1.9 million);
- Fort Cobb Watershed (\$4.3 million);
- Stillwater Creek Watershed (\$1.1 million);
- Spavinaw Creek Watershed (\$2.8 million) except for Beaty Creek;
- Grand Lake Watershed – Phase I (\$2.1 million);
- Honey Creek (Grand Lake) Watershed (1.7 million);
- Illinois River Watershed Riparian Project (\$1.6 million); and
- North Canadian River Watershed Riparian Project (\$1.1 million).

These Priority Watershed Projects include implementation and demonstration of best management practices. The projects also include education programs to encourage watershed residents to help reduce non-point source pollution. Other grant tasks include:

- Technical support of the Non-point Source Management Program;
- Funding for a Rotating Basin Monitoring Program;
- Non-point Source Total Maximum Daily Load Development;
- Development of watershed-based plans for priority watersheds;
- Continuation of Statewide Blue Thumb Educational Programs; and
- Task coordination and management by the Office of the Secretary of Environment.

FY-2009 Recommendation

FY-2009 Appropriation	
<i>(amounts in thousands)</i>	
FY-2008 Appropriation	\$9,187
FY-2008 Bud. FTE Level	62.0
Actual Ave. YTD FTE	60.8
Funding Adjustments:	
State Employee Pay Raise	73
FY-2009 Recommendation	\$9,260
% Change from FY-2008	0.79%
<small>Source: Office of State Finance</small>	

State Employee Pay Raise

The Governor’s budget includes \$72,648 for a 5% state employee pay increase for the Conservation Commission effective January 1, 2009. This funding is based on October 2007 salary information.

Capital Spending Proposal

The Governor’s budget includes \$30 million in a capital bond issue. This amount will be used for flood control maintenance issues.