



**MINUTES**  
**Shenandoah RC&D Council**  
**Monday, January 11, 2010**  
**Rockingham County Government Center**  
**Harrisonburg, Virginia**  
**Parks and Recreation Conference Room D**  
**10:00 a.m.**

Council Members Present:	Jim Boland, HSWCD (Alt.) Otis Bilkins, HSWCD (Alt.) Linda Campbell, SVSWCD Maria Papadakis, At-Large	Vacant, FB Joan Comanor, LFSWCD David Frackelton, SVSWCD	Mary Gessner, LFSWCD (Alt.) Elizabeth McCarty, CSPDC John Eckman, VCC
Members Absent:	Jill Keihn, NSVRC	Jeff Rinker, SV Pure H2O	Esteban Nieto, At-Large
Associate Members Present:	Chris Anderson, Page Co.		
Associate Members Absent:	Eric Paulson, Va. State Dairyman's Assoc. Hobey Bauhan, Va. Poultry	Joe Lehnen, DOF	Kelly Watkinson, Potomac Conservancy
Staff Present:	Kathy Holm, NRCS/SRC&D Lorraine Cormier, NRCS/SRC&D		
Others Present:	Peter Thomas, Coal Tech Energy Cory Guilliams, NRCS	Dale Gardner, Water Stewardship Eric Bendfeldt, VCE	

The meeting was **called to order** by Chair, John Eckman. **A quorum was declared** with nine (9) voting members in attendance.

**APPROVAL OF MINUTES**

The **minutes** of the November 9, 2009 meeting were distributed. A motion was made by Jim Boland to approve and seconded by Joan Comanor. The minutes were unanimously approved. A change was noted by John Eckman. The "Farmland Trust" should be changed to reflect the correct project "Easements and Agriculture".

**TREASURER'S REPORT**

The treasurer's report was distributed to Council. It was noted that Roy Stephenson, Secretary/Treasurer reviewed the accounts and concurred that they were balanced and correct. John Eckman stated that the treasurer's report will be filed in the RC&D office and are awaiting review by the accountant.

The following reflects activity in the Shenandoah RC&D checking accounts:

**SunTrust Operating/Administrative Account:**

*October 2008*

Opening Balance:	\$ 20,271.64
Checks Cleared:	(\$ 4,661.44)
Deposits Cleared:	\$ 2,563.38
Balance in Checkbook:	\$ 18,173.58 (matches statement)
Checks Not Cleared:	(\$ 48.88)
Deposits Not Cleared:	\$ 0.00
New Checks:	\$ 0.00
New Deposits:	\$ 0.00

Ending Balance:	\$ 18,124.70
<i>November 2008</i>	
Opening Balance:	\$ 18,173.58
Checks Cleared:	(\$ 771.10)
Deposits Cleared:	\$ .59
Balance in Checkbook:	\$ 17,403.07 (matches statement)
Checks Not Cleared:	(\$ 1,000.00)
Deposits Not Cleared:	\$ 0.00
New Checks:	(\$ 1,850.00)
New Deposits:	\$ 0.00
Ending Balance:	\$ 14,553.07

**SunTrust Projects Account:**

<i>October 2008</i>	
Opening Balance:	\$ 70,310.64
Checks Cleared:	(\$ 36,084.84)
Deposits Cleared:	\$ 9,841.26
Balance in Checkbook:	\$ 44,067.06 (matches statement)
Checks Not Cleared:	(\$ 3,078.95)
Deposits Not Cleared:	\$ 0.00
New Checks:	\$ 0.00
New Deposits:	\$ 0.00
Ending Balance:	\$ 40,988.11
<i>November 2008</i>	
Opening Balance:	\$ 44,067.06
Checks Cleared:	(\$ 16,476.41)
Deposits Cleared:	\$ 14,088.74
Balance in Checkbook:	\$ 41,679.39 (matches statement)
Checks Not Cleared:	(\$ 2,733.69)
Deposits Not Cleared:	\$ 0.00
New Checks:	(\$ 9,900.00)
New Deposits:	\$ 93.13
Ending Balance:	\$ 29,138.83

**DCCU - Projects Account**

<i>October 2008</i>	
Opening Balance:	\$ 70,034.90
Checks Cleared:	\$ 0.00
Deposits Cleared:	\$ 0.00
Dividends	\$ 154.65
Balance in Checkbook:	\$ 70,189.55 (matches statement)
Checks Not Cleared:	\$ 0.00
Deposits Not Cleared:	\$ 0.00
New Checks:	\$ 0.00
New Deposits:	\$ 0.00
Ending Balance:	\$ 70,189.55
<i>November 2008</i>	
Opening Balance:	\$ 70,189.55
Checks Cleared:	\$ 0.00
Deposits Cleared:	\$ 149.99
Balance in Checkbook:	\$ 70,339.54 (matches statement)
Checks Not Cleared:	\$ 0.00
Deposits Not Cleared:	\$ 0.00
New Checks:	\$ 0.00
New Deposits:	\$ 0.00
Ending Balance:	\$ 70,339.54

**DCCU - Administrative Account***October 2008*

Opening Balance:	\$	25.00
Checks Cleared:	\$	0.00
Deposits Cleared:	\$	0.00
Balance in Checkbook:	\$	25.00 (matches statement)
Checks Not Cleared:	\$	0.00
Deposits Not Cleared:	\$	0.00
New Checks:	\$	0.00
New Deposits:	\$	0.00
Ending Balance:	\$	25.00

*November 2008*

Opening Balance:	\$	25.00
Checks Cleared:	\$	0.00
Deposits Cleared:	\$	0.00
Balance in Checkbook:	\$	25.00 (matches statement)
Checks Not Cleared:	\$	0.00
Deposits Not Cleared:	\$	0.00
New Checks:	\$	0.00
New Deposits:	\$	0.00
Ending Balance:	\$	25.00

**SunTrust Investments***32-month CD (2.4% - renew 5/13/12)*

Opening Balance:	\$	5,214.14
Earned Interest:	\$	10.51
Ending Balance:	\$	5,224.65

*25-month CD (3.92% - renew 9/13/10)*

Opening Balance:	\$	5,234.62
Earned Interest:	\$	17.45
Ending Balance:	\$	5,252.07

The bank statements for all accounts for the months of October and November were reconciled with the checkbook. Details of the above financial activities are on the reconciliations, which are being distributed. If there are specific questions concerning this activity, you may view statements, reconciliations, and original receipts which are kept in the RC&D office.

**GUEST SPEAKER****Chris Anderson****Environmental Coordinator, Page County**

Chris spoke to the group about her duties as the Environmental Coordinator of Page County. She stated that she really enjoys her job. She serves on many committees. She holds positions on the Page County Water Quality Advisory Committee, the Page County Tree Board, Page County Transit Committee, Shenandoah National Park Association Board, Regional Water Resources Policy Committee, Blue Ridge Committee for Shenandoah National Park Relations, the Shenandoah Valley Soil and Water Conservation District, the Shenandoah RC&D Council and the Virginia Association of Forest Health Professionals. Among other activities, she writes a regular column in the local newspaper called "Water Matters", investigates illegal dumps, answers questions from the public on landscape, forest health and general environmental issues and runs the litter control program to help those appointed court hours satisfy their requirements by picking up road and stream side litter in Page County. She runs the Abandoned Vehicle Program, conducts water testing, organizes the annual Take Pride in Page County litter cleanup, oversees the Indoor Plumbing Rehabilitation program, applies for grants for numerous projects and peer-reviews various reports. She focuses on public outreach and education and holds various workshops to increase awareness of environmental issues. She feels things are improving but much work is still needed.

John Eckman stated that Chris holds the only position like this in the seven county RC&D area. He stated that there are many benefits to a program like this. He also stated that Page County is the only county that has a green infrastructure component in their comprehensive land use plan.

**COUNCIL OPERATIONS****Project updates/status changes****Waste Solutions Forum - II**

Kathy reported on this. She stated that all of the reports for the three years are filed in the Shenandoah RC&D office. Becky Barlow-Busé was funded for three years and part of her job was to market organic resources including poultry litter. She operated the Poultry Litter Hotline. She provided a lot of education on using organic resources. The grant has been completed.

**Waynesboro Farmers Market - II**

A report was distributed. Jim Nichols provided the report. Lorraine Cormier reported that the Market was a success last season. The report showed that the net sales increased over the previous year. She stated that the Market should be self-sustaining with one more grant from the RC&D. There have been quite a few sponsors and much in-kind support. The community has been very supportive. The Market Committee thanked the Shenandoah RC&D for their support for the past two years.

**Easements and Agriculture**

John Eckman reported on this project. He distributed a report that described what happened with this project. Speakers for the workshops were from Lancaster Farm Trust, Lancaster County Agricultural Preserve Board, Virginia Outdoors Foundation, Farmland Preservation, and Farm Bureau. He feels that a new easement template for Virginia may come out of this. The Potomac Conservancy hosted the same type of workshop the next day on their county PDR program has been supported in Pennsylvania. It was very useful to hear a very positive success story. He stated that the project came in under budget; they spent about \$1,800 of the \$2,000 that was committed to the project.

A motion was made to complete these projects by Joan Comanor. It was seconded by Jim Boland and it was unanimously approved.

**New Projects****Gasification of Dairy Manure**

Peter Thomas, Coal Tech Energy, reported on this grant proposal. He stated that he is part of a group that is installing a gasification system at Fred Smith's dairy farm in Rockingham County. He currently milks about 1,400 cows. Subsequently he has a lot of manure. A gasifier would turn wet manure into bio-char. There is a gasifier similar to this in operation in Wardensville, West Virginia. He showed Council the 52-page grant application that they have into DMME for \$1 million for equipment. They expect to hear something this week. They will match with \$1.4 million. Shenandoah RC&D is seeking approval from Council to apply for a NFWF grant for the study. Peter stated that Coal Tech Energy would match the money and Shenandoah RC&D would write the grant. A co-applicant is Water Stewardship. This process would only produce bio-char. It will be nutrient rich. It will have a lot of phosphorus attached to it. The nitrogen will go up the stack. The nutrients will be attached to the bio-char. They will be very careful in applying it to the land. They will probably mix it and produce some customized bio-char. If you gasify sawdust, you have no phosphorus. So bio-char will be mixed with sawdust and make various levels of concentrations of nutrient rich bio-char. They hope not to ship it out of the watershed. They hope to apply it to Mr. Smith's land. They will work closely with Water Stewardship to analyze the bio-char itself to make sure that it does not add to the problem. This will be the largest bio-char operation in the U.S. They will probably process about 15 tons of dry solid manure per day, seven days a week. It will total about 12 million lbs. per year. It will produce one ton of bio-char for every three tons of dry manure processed. It reduces the volume by 20 fold; so it could be transported. They are hoping to apply it to Mr. Smith's land to improve crop growth and things like that. The bio-char is negatively charged and binds with the soil and helps take the nutrients up into the plants. It does not leach into the watershed like applying raw manure. He stated that we need more carbon in our soil and this is a wonderful way to do it and still bind up the nutrients. It for sure will not hurt the watershed.

Dale Gardner, Water Stewardship, reported on what is happening at Mr. Smith's farm and how they will monitor the progress of the project by verifying what the base load is. He stated that if anyone has any questions about bio-char, they should contact Eric Knight. Water Stewardship is working with farmers on Virginia's Improvement Plan; concentrating on nutrient issues, regulatory issues, and third-party verification. Mr. Smith's farm is a big farm and is situated on the Shenandoah River. The issues with liquid manure are not enough acreage for the amount of manure being produced and not enough storage; which causes it to be used on crops with run-off into the watershed. Waste Solutions Forum was started with this problem in mind and trying to find an alternative to land application. He feels that bio-char is a

good idea and has helped Mr. Smith address the serious issues he has. He stated that it will be a model for other farms—dairy and poultry.

Peter stated that there are letters of support in the back of the DMME grant from DEQ, Dairymen's Association, Poultry Federation, and Virginia Cooperative Extension. Senator Jim Webb's office also sent a letter of support. He also stated that they want to solve the problem and not make it worse.

Otis Bilkins asked about the nitrogen going up the stack. He asked about the air emissions issue. Peter stated that stack tests have been done and the air emissions are very low and well within the normal limits. Air permits will be required; however it should not be a problem.

Peter stated that the plan is for Coal Tech to write the grant, put up the matching money, and work with Water Stewardship and Shenandoah RC&D will work together monitor uptake. Coal Tech will make bi-monthly reports on the progress. Water Stewardship will verify what the base load is. The plan is to plant corn and soybeans and monitor nutrient uptake and increased growth. USDA will be consulted with. There is also a private consultant. Reports will be made to Shenandoah RC&D. NFWF is a reimbursable grant. This is just the pre-proposal stage. The details will be hammered out once the grant is accepted. An MOU will probably be drafted.

John Eckman stated that anyone who has questions, please ask Peter and Dale as they will be asked to leave the room while Council votes as to whether to go ahead with the pre-proposal or not. Peter stated that it has great value. They will be able to access nutrient credits in PA, WV, and VA. Every ton of nitrogen will offset the kilowatts used. Mr. Smith will use the bio-char and they will also sell bio-char. The bio-char will be granulated on site. There are different types of bio-char.

Maria asked about the electric service provider is for Mr. Smith's farm. Peter answered that it was SVEC. Maria told him that SVEC may be interested in amount of power produced. Peter said that SVEC said that they would have to be behind a single meter. He stated that he is working with legislature to get community net metering in place so that Mr. Smith will get credit for all electricity produced. Maria stated that ODAC would be interested. She stated that she would get him in contact with the person who has expressed interest.

Maria informed them that there are many good soil scientists at JMU and that they would be interested in working with this project. She suggested that since they are partnering with the RC&D that they entertain a regional approach and include JMU.

Kathy Holm stated that the Sustainable Ag Committee met on January 7 and recommended this project.

Mary Gessner asked about the expense as compared with the size of the farms in the valley. She has concerns about transportation and storage. She also is concerned about the liability issue. John stated that Shenandoah RC&D would only be dealing with the research part of this project. Otis Bilkins stated that we still have time because this is just the pre-proposal.

Dave Frackelton state that the cleanest and easiest way to move nutrients out of or around the valley is via granulated bio-char. However, it sounds like this farm will be using the majority of it so this shouldn't be a problem.

Joan Comanor stated that NFWF will make sure that all of the legal issues are addressed. Kathy Holm stated that a legal review of the MOU would be a good idea. Joan Comanor noted that LFSWCD has a few attorneys on their board. Maria Papadakis stated that if Coal Tech does not hold up their end of the bargain, Shenandoah RC&D would stop giving them money anyway. Joan agreed that they should work with JMU. Shenandoah RC&D would have to find another partner to finish the grant or stop the grant and give the money back. Dave Frackelton stated that Coal Tech should check different manufacturer's of gasifiers to see that they get the best manufacturer, in case there is a problem. There was a problem at one time with a gasifier at Pleasant Valley.

Maria Papadakis stated that this research grant have a broader environmental impact, not just for the valley. John Eckman noted that they do have a letter of support from DEQ.

A motion was made by Linda Campbell to approve the pre-proposal stage and to have Kathy Holm, coordinator, work with Coaltec and Energy Works to submit a preproposal to NFWF on behalf of the Council. It was seconded by Otis Bilkins and unanimously approved.

### **Extension Community and Container Gardens**

The Sustainable Ag Committee met, discussed, and recommended this project. The committee suggested that Eric Bendfeldt find out the applicant's connection to extension. They also recommended that a report be given by the end of September/October 2010. Chris Anderson suggested that they use recycled or recyclable containers. They are requesting \$400. This project will be put on the ground near the Winchester City (or county?) offices. Some of the products are going to local food banks and feed people in need. They have some volunteers to help plant and take care of the gardens. Chris Anderson suggested they try to take an organic approach. A motion was made by Joan Comanor to accept this project. It was seconded by Linda Campbell and unanimously approved.

### **Waynesboro Farmers Market III**

The Sustainable Ag Committee met, discussed, and recommended this project. This project has been funded by the RC&D for two seasons—2008 and 2009. This grant is needed to pay the Market Manager's salary for the 2010 season. The Market Manager actively recruits vendors, applies for permits, etc. and while at the Market, she collects the money and resolves any issues that come up during the Market. WFM has gone from 12 vendors in 2008 to over 20 in 2009; and more vendors have expressed interest for the upcoming year. The income from the 2009 Market increased over the 2008 Market. They are requesting \$4,500 and 12 hours per month of technical assistance from Lorraine Cormier, Administrative Assistant. The Council discussed the amount of money based on the weekly salary of the Manager and came up with \$100/week multiplied by 30 weeks, which would equal \$3,000. Otis stated that he was disappointed at the number of people that showed up at the Market the first year. He stated that last year was significantly better and he would expect it to be even better this year and maybe even self-sustaining. The Market has very much in-kind support. A motion was made by Joan Comanor to accept this project and grant \$3,000 and technical assistance from Lorraine Cormier. It was seconded by Linda Campbell and unanimously approved.

### **Technical Assistance to the SVPWF**

Kathy Holm reported on this. She stated that the SVPWF has dismissed its coordinator. There has been some serious financial difficulty. DCR does reimbursable grants. DCR thinks that Shenandoah RC&D would be a good fiscal agent. It will require some administrative assistance. There is \$2,000 that is budgeted for administrative assistance for the RC&D. The Executive Committee met and discussed the possibility of Shenandoah RC&D being the fiscal agent for this \$8,600 grant. The Plan of Work and a draft MOU was distributed. The RC&D would do things like coordinating meetings, purchasing food, write checks, and make sure reports are done on time. The Executive Committee stated that SVPWF is a good organization and they would like to see it continue. Joe Lehnen will continue to be the President of the Board. A motion was made by Joan Comanor to render technical assistance on this project and be the fiscal agent for the grant. It was seconded by Mary Gessner and unanimously approved.

### **Shenandoah Valley Economic Study by Ken Meter**

The Sustainable Ag Committee discussed and recommended this project. They requested \$6,000; the committee recommended granting \$5,000. Eric Bendfeldt reported on this project. Ken Meter is a consultant in Minnesota. He has performed about 45 local economic studies, looking specifically at local foods and local economies and what it could mean for economic development. Eric stated that the cost of the study would be approximately \$6,000 for an eight-county area, including Rockbridge County. He stated that this study would show how resources could be best utilized or optimized to build up a better local food economy. He feels that it will build on the work already done by the RC&D. Maria asked how it would strengthen farmers markets. Joan Comanor stated that it would be helpful. She also stated that this would be an ag profile and this will help in updating Council's area plan that is due next year. The project also is consistent with the goals of the area plan. Otis Bilkins expressed concern about another study. Maria Papadakis stated that this study measures the demand side of food rather than the supply side, which she feels is very much needed in this area. A motion was made by Linda Campbell to accept this project. It was seconded by Joan Comanor and unanimously approved.

**Chesapeake Bay Stewardship Fund: Innovative Nutrient and Sediment Reduction Grants Pre-proposal (due February 5, 2010)**

The Executive Committee discussed this grant opportunity and conceptually agreed that it should be pursued. Dave Frackelton made a motion to authorize Kathy Holm be approved to apply for “Creating a Culture of Conservation from Farm to Table for Water Quality and Agricultural Community Sustainability,” “Manure-derived Biochar for Nutrient Removal from the Bay Watershed,” and future grants, as approved by committees, on behalf of the Council. It was seconded by Linda Campbell and unanimously approved.

**Update to By-Laws**

Joan Comanor reported on this. The changes were made and brought before Council in November. Some more changes were made and the final changes have been made. Jim Boland made a motion that the changes to the by-laws be accepted. Linda Campbell seconded the motion; it was unanimously approved.

Chris Anderson pointed out that the word “North” be changed to “Northern” in Northern Shenandoah Valley Regional Commission. (Joan will change on page 5.) It was noted that Shenandoah Valley Pure Water Forum still has a vote on Council. Jeff Rinker will be the voting member. His alternate is Tom Benzing.

**Agua Fund/Other Grants Expenditures Charts**

Kathy reported on the grants. She reported that the three -year CBFN grant for the flexible fencing project has been extended because there is about \$11,000 left to commit. Council has requested a three-year commitment from CBFN for another grant; this grant will also include LFSWCD.

**Leadership Forum**

The Forum will be held March 1-3, 2010 in Washington, DC. Joan Comanor will attend for one day. Jim Lawrence may also attend for one day. Chris Anderson will attend for the full amount of time.

**Fundraising**

John Eckman stated that Council needs to raise \$10,000 - \$15,000 for administrative expenses per year for sending members to state and national meetings and miscellaneous office expenses. He requested that all members give. He also stated that if anyone knows of landowners who would like to see any of our projects, let him know. He would be glad to do tours for them to generate interest to give.

**COUNCIL INFORMATION****Performing Councils National Criteria**

The Federal Government gives approximately \$130,000 per year in Virginia to run an RC&D office. It is advisable for Councils to raise funds, in cash or in-kind, for at least that amount per year. The Shenandoah RC&D has already been approved for the National Circle of Diamonds. Joan Comanor did the Circle of Diamonds survey. She made some suggestions to revise the snapshot of the average.

**Poague’s Run Stimulus Funds**

Shenandoah RC&D received stimulus funds in the amount of \$40,000 from DOF. This is a reimbursable grant. This is for Poague’s Run. They are going to do riparian restoration, upkeep and maintenance, and trout restoration. Headwaters and NRCS will be doing the work; the money will run through the Shenandoah RC&D. An administrative fee will be received.

**Financial Procedure****Cost Allocation**

This Financial Procedure (Cost Allocation) will be used as a generic outline for justification of administrative expenses. It was sent to Amy Helsley for review. She returned comments and changes were made accordingly. A motion was made by Jim Boland to accept this cost allocation and seconded by Dave Frackelton. It was unanimously approved.

**Amy Helsley**

The three-year contract is up with Thorpe & Helsley. It was reported that Amy Helsley has done an excellent job over the past three years with the financial review and preparation of the IRS Form 990. The Executive Committee approved to pursue another three-year contract as long as the price stayed within 10%. Amy Helsey at Thorpe & Helsley was contacted and she stated that she would be glad to renew the

contract and the price would not go up. Linda Campbell made a motion to renew the contract. It was seconded by Joan Comanor and unanimously approved.

**VARC&DC Annual Meeting**

This meeting will be in Smithfield in April. Joan Comanor will attend. There is money in the budget for another Council member to attend.

**SEARC&DC Meeting**

This meeting will be in Biloxi, MS in September. There is money in the budget for one or two Council members to attend.

**OTHER BUSINESS**

The Coordinator’s Report was distributed.

**Announcements**

Joan Comanor requested that the legislators or their staff be invited to the March Council meeting.

John Eckman stated that Valley Conservation Council’s 20<sup>th</sup> Anniversary is February 20, 2010 at the Stonewall Jackson Hotel/

John also stated that he has copies of “Dirt” the Movie. It is all about soils. It will be on PBS in April. VCC is hosting a showing at “Clementine” Wednesday, January 20, 2010. JMU is hosting a showing on Friday, January 22, 2010 at War Memorial Auditorium in the old high school. He feels that it is a useful film on why soil is important. He will be glad to take it to other communities as well.

**Next Meeting Date**

March 8, 2010  
10:00 a.m.  
VCE Conference Room  
Woodstock, Virginia

The meeting was adjourned at 12:20 p.m.

Respectfully submitted,

Lorraine M. Cormier  
Administrative Assistant

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Approved: Chair

Date

**UPCOMING EVENTS**

***Virginia Association of RC&D  
2010 Annual Spring Meeting***  
April 28 – April 30, 2010  
Smithfield, Virginia

**SEARC&DC Meeting**  
September 2010  
Biloxi, Mississippi

***Shenandoah RC&D Council Meeting***  
March 8, 2010  
10:00 a.m.  
VCE Conference Room  
Woodstock, Virginia