

**Bulk Pesticide/Fertilizer
Containment Cost-Share
Program**

**Ohio Department of
Agriculture**

The Bulk Pesticide/Fertilizer Containment Program that was implemented by the Ohio Department of Agriculture involved 21 farmers that participated in a project that provided cost-share monies for construction of secondary containment structures for bulk fertilizer storage. Farmers agreed to construct their containment structures according to NRCS guidelines and once their systems were certified as being constructed properly, the farmer received a cost-share payment of up to \$2,500 per containment structure. The goal of this project was to reduce the risk of potential pollution in the Lake Erie watershed from liquid fertilizers due to storage tank failures.

Bulk Pesticide/Fertilizer Containment Program, LEPF 01-03

Project Director: Kevin Elder, Executive Director, Ohio Department of Agriculture
Project Administrator: William B. Goodman, Ag. Manager, Ohio Depart. of Agriculture
Amount of Lake Erie Protection Funds Requested for this Proposal: \$100,000
Amount of Lake Erie Protection Funds Actually Spent on this Proposal: \$50,374.73

The intent of this project was to provide a cost-share program to assist farmers in construction of secondary containment structures for bulk pesticide and fertilizer storage. The Ohio Department of Agriculture (ODA) worked closely with local Soil and Water Conservation Districts (SWCD), the Ohio Department of Natural Resources (ODNR), and local Natural Resources Conservation Service (NRCS) offices to identify farmers in the Lake Erie watershed so that assistance could be provided to those farmers who were required to construct secondary containment around their fertilizer and pesticide tanks. Changes in the Ohio Fertilizer Law in 2001 mandated that any farmer that had fertilizer storage of over 5,000 gallons and who stored fertilizer for more than 30 days would have to place their fertilizer in storage tanks that were located within a diked area by January 1, 2007. The goal of this project was to provide funding for a few farmers to show the different types of construction of secondary containments facilities that would be accepted by all government entities. Other farmers could view these demonstration projects and use many of the concepts that this program would provide to devise and construct facilities at their farms that would be acceptable for secondary containment for their particular situation. The ultimate goal for this project would be to reduce the risk of potential pollution in the Lake Erie watershed from liquid fertilizer or pesticide products due to storage tank failures.

The ODA, ODNR, and NRCS put together a brochure entitled 'On-Farm Fertilizer & Pesticide Containment Cost-Share Program' that was handed out to farmers explaining the project and the procedures they had follow to qualify for cost-share monies. The brochure explained that SWCD and NRCS would provide technical assistance to the farmers to draw the secondary containments that would be needed on each individual farm according to the needs of the farmer. The brochure explained how the cost-share monies would be calculated (70% of the cost up to \$2,500), and advised all that other cost-share monies for similar projects would disqualify them from consideration. The back side of the brochure provided a rough-draft worksheet so that both the farmer and the local SWCD or NRCS would be able to make an initial determination of what the farmer was considering in regards to construction material and costs.

Once a brochure was completed and submitted to a local SWCD or NRCS office, the local SWCD or NRCS scored each individual project by factoring in how close the proposed facility was to the nearest water of the state and compared the size of the proposed facility with the operation. NRCS guideline - Agriculture Handling Facility Code Number 702 - was used as the criteria to judge how and where a secondary containment facility was to be built. The scoring sheet and any comments that the local SWCD or NRCS personnel made were submitted to the ODA for review.

The ODA accepted all applications that were submitted by the SWCD or NRCS (28 total) and set up procedures for handling, reviewing, and eventually working on an accounting system that would pay for the cost-share of the applicants. ODA required the farmers to complete an application that described the size of the storage tanks, number of tanks in the secondary containment, type of containment being used (cement, poly liner, etc.), and estimated cost of the total project. An agreement was signed between the farmer and the ODA stating the legal terms of the agreed contract. A federal W-9 form was submitted by the farmer showing his or her federal identification number. Finally, the NRCS technical information (showing length, width, and height of the secondary containment as well as the size of the storage tanks themselves) was submitted on all projects. Some farmers balked at submitting the additional paperwork such as a W-9 form, while others decided not to abide by the NRCS guidelines in building secondary containment, regarding them too excessive in costs, thus the total number of participants in the project dropped to 21.

This is how the process worked for participants who chose to use this project. The farmer made his initial contact with SWCD or NRCS by completing the brochure. NRCS would then put together a diagram of the secondary containment to be built with specific detailed plans for cement thickness, rebar requirements, and so forth. The farmer would coordinate with NRCS and submit the containment plan and NRCS score sheet and comments to ODA. ODA had the farmer submit an application, sign an agreement, and submit a W-9 form. ODA would issue the farmer a letter stating that their project has been approved for construction using NRCS guidelines. Once the farmer completed construction on the secondary containment, NRCS would certify that the facility was built according the NRCS guidelines, and the farmer submitted copies of his or her expenses incurred as a result of the construction of the secondary containment. When ODA received the NRCS certification and the copies of the expenses, an ODA inspector would check the secondary containment to verify that all ODA requirements were met. Once the ODA inspector's report was received verifying that the secondary containment was built per NRCS specification and met ODA requirements, a cost-share check of between \$1,006.95 up to \$2,500 was issued directly to the farmer.

In summary, 21 farmers took advantage of the cost-share opportunity to build required secondary containment around their fertilizer tanks. This prevents a possible unintended spill event from happening at these farms due to tank failure. However, the project did not have the number of participants as what was expected. This may have been due to the low cost-share amount that was offered. Taking into account the higher standards that are needed to meet NRCS guidelines, the original pre-proposal recommended a \$10,000 maximum cost-share amount per farm with one farm location being chosen per county. Subsequent meetings of the Lake Erie Grants Committee scaled that down to \$2,500 per farm as committee members felt that more farmers would take advantage of the available monies. The fact is only 21 farmers participated in the program, thus much less of the grant monies were used.

This project showed that three agencies, ODA, SWCD, and NRCS, could work together and provide technical assistance to farmers. This sharing of information has carried through and continues to be a positive factor to this day as NRCS staff members still provide technical answers to farmers and to a depleted knowledgeable ODA personnel staff.

The costs for implementing the program are as follows:

Actual Monies Provided		
- Lake Erie Protection Funds	\$	50,374.73
- Construction Costs for Farmers (Not including cost-share monies)	\$	85,700.81
Total Monies		\$136,075.54
- In-Kind Amounts		
SWCD and NRCS (\$2,242.35 per site)	\$	47,089.35
ODA (\$185.60 per site)	\$	3,897.60
Total In-Kind Match		\$ 50,986.95
Total Cost of Project		\$187,062.49

Appendixes

Appendix A – Farmers that Participated in this Project and Their Costs

Appendix B – Brochure for On-Farm Fertilizer & Pesticide Containment Cost-Share Program

Appendix C – ODA Score Sheet Form

Appendix D – ODA Cost-Share Application Form

Appendix E – ODA Cost-Share Agreement Form

Appendix F – ODA Certification Form

Appendix A

Farmer Name, City	Cost-Share Amount	Construction Costs Paid by Farmers	Total Costs
Jim Batterson, Bryan	\$ 2,500.00	\$ 6,815.46	\$ 9,315.46
Mike Bidlack, Continental	2,500.00	17,885.13	20,385.13
Lester Dicke, St. Marys	2,500.00	7,120.30	9,620.30
Ray Eickholt, Van Wert	2,500.00	3,438.17	5,938.17
James Grubaugh, Haviland	2,500.00	1,071.92	3,571.92
John Heitkamp, New Bremen	2,500.00	2,962.13	5,462.13
Charles Karacson, Hicksville	2,500.00	1,394.82	3,894.82
Jerry Klopfenstein, Paulding	2,500.00	3,792.63	6,292.63
Luckey Homestead Farm, Elmore	2,500.00	2,541.80	5,041.80
Craig Myers, Wauseon	2,500.00	1,769.63	4,269.63
Nickel Plate Farms, Paulding	2,500.00	2,045.84	4,545.84
Tim Obermyer, Grand Rapids	2,500.00	7,880.65	10,380.65
Kevin O'Reilly, Middlefield	2,500.00	1,900.44	4,400.44
Jay Schmidt, Payne	1,867.78	800.47	2,668.25
Vincent Schroeder, Leipsic	2,500.00	4,117.19	6,617.19
Phil Shaffer, Cygnet	2,500.00	1,100.00	3,600.00
Robert Steinberger, Fremont	1,006.95	2,418.25	3,425.20
Ivan Ulmer, Galion	2,500.00	5,175.95	7,675.95
Tom Vonsegern, Delta	2,500.00	6,790.03	9,290.03
Rodney Worden, Bucyrus	2,500.00	3,043.65	5,543.65
Wayne Ziegman, Fostoria	2,500.00	1,636.35	4,136.35
Totals	\$ 50,374.73	\$ 85,700.81	\$136,075.54

Appendix B

1. Is the applicant the landowner?
 Yes No
 (If you answered "No", you are *not* eligible to apply at this time)

2. Is this secondary containment for the use of:
 FERTILIZER and/or PESTICIDE

3. Structure material used in constructing the secondary containment:

3(a) _____ Concrete floors & walls/curbing

3(b) Post & plank, walls faced with one of the following:

_____ synthetic liner (liner weight is _____ mils)

_____ concrete floor

_____ earthen floor with synthetic liner (liner weight is _____ mils)

3(c) _____ Compacted earthen

impoundment with synthetic liner (liner weight is _____ mils)

3(d) _____ Compacted earthen impoundment (not exceeding 1×10^{-5} cm/sec)

3(e) _____ Custom engineered system pre-approved by NRCS.

4. Design of secondary containment

Dimensions _____ length x _____ width

Wall height _____

Distance of tanks from wall _____

5. How close is the proposed secondary containment facility to a water of the state? _____ ft.

6. How close is the nearest well? _____ ft.

-worksheet continued on back-

7. Specification of storage tanks located within secondary containment (number of tanks, diameter of tanks, height of tanks & estimated capacity in gallons, of tanks within the secondary containment)

# of tanks	diameter	height	est. capacity (gallons)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Are you receiving other cost-share monies for constructing secondary containment of a fertilizer or pesticide facility? (ie: EQIP monies)
 Yes No

9. Total estimated cost to construct this secondary containment facility \$ _____

(proof of actual costs will be required to be submitted when the project is completed)

Please note:

A. The location and design of the secondary containment meets the requirements set forth by Ohio Administrative Code 901:5-2-01 to 901:5-2-10, the Bulk Fertilizer Regulations, and will meet the requirements set forth in NRCS Standard 702i, Agrichemical Handling Facility.

B. All construction for secondary containment involving the cost-share monies of this grant will be finalized by September 1, 2004.

C. The local NRCS office will be notified for certification prior to September 1, 2004 once the secondary containment facility is constructed.

If interested in participating in the cost-share program, applications are available at your local Soil and Water Conservation District

On-Farm Fertilizer & Pesticide Containment

Cost-Share Program

Funded by:



In coordination with:



Ohio Department of Agriculture



Soil and Water Conservation Districts



Natural Resources Conservation Service

Fertilizer and Pesticide Containment Cost-Share Program Through ODA

Objective

This program will assist farmers in the Lake Erie Watershed to construct new secondary containment of their storage of bulk fertilizers and pesticides. The Ohio Department of Agriculture (ODA) will work with Soil and Water Conservation Districts (SWCD) and the Natural Resources Conservation Service (NRCS) to provide technical assistance to participating farms. The goal is to construct one demonstration farm containment facility per county.

Cost-Share Information

The total amount of monies available from the Lake Erie Commission for this project is \$100,000. The maximum amount available per participating farm is \$2,500. ODA will pay up to 70% of the cost (up to a maximum of \$2,500.00) of construction to farmers which apply and are approved for cost-share monies. Cost-share monies will be awarded for diking materials and construction, but will not be awarded for purchases of storage tanks for fertilizers or pesticides. **The cost-share for this program is intended for farmers who have not received other cost-share monies for similar projects (eg: EQIP program).**

Counties Included in the Lake Erie Watershed

The eligible counties within the Lake Erie Watershed include the following: Allen, Ashtabula, Auglaize, Crawford, Cuyahoga, Defiance, Erie, Fulton, Geauga, Hancock, Hardin, Henry, Huron, Lake, Lorain, Lucas,

Medina, Mercer, Ottawa, Paulding, Portage, Putnam, Sandusky, Seneca, Summit, Trumbull, Van Wert, Williams, Wood, Wyandot, and parts of Ashland, Marion, Richland, Shelby and Stark.

Choosing Participating Demonstration Farms

Farmers choosing to apply for participation in this program must submit an application to their local Soil and Water Conservation District. The initial applications will be reviewed by a local work group consisting of local SWCD personnel and USDA personnel. Three applications will be chosen by the local committee per county for further consideration. Recommendations from the local committee will then be sent to the ODA, along with an inventory and evaluation, layout sketch, & cost estimate of their containment project. The ODA will make the final determination of who is awarded the cost-share monies based on factors such as distance to the waters of the state and total amount of fertilizer and pesticide to be stored within the containment facility. For demonstration purposes, participants may be asked to allow others to see their secondary containment facility.

Time Frame

The application period for farmers who wish to participate in this program will be between November 1, 2003 through December 31, 2003. The local committee made up of USDA and SWCD personnel will review the applications during the month of January and will submit their recommendations to ODA by February 1, 2004. The ODA will review the recommendations of the local committee during the month of February and make a final

determination of who receives cost-share monies by March 1, 2004.

Requirements

Those participants receiving cost-share monies will be required to sign an IRS form W-9 and return the original form with an original signature to the ODA. All construction for secondary containment, upon completion, must be finalized and certified by NRCS by September 1, 2004 before payment will be made to the participant. Applicants must own the land where the containment is to be constructed. All practices must be completed in accordance with the required NRCS technical specifications.

Reminder

All "existing" on-farm fertilizer storage over 5,000 gallons must be diked by January 1 2007.

All "newly constructed" on-farm fertilizer storage over 5,000 gallons must be diked IMMEDIATELY.

Note: Pesticides include any of the following: Insecticides, Herbicides, Fungicides & Rodenticides.

Please complete the questions/checklist on the reverse side of this brochure.

Please direct any questions to the Ohio Department of Agriculture at 614-728-6397.

Appendix C

On-Farm Fertilizer & Pesticide Containment Cost Share Program Score Sheet

OHIO DEPARTMENT OF AGRICULTURE

1. County (SWCD) _____

2. Agreement Number _____ Date of Application _____
(County-fiscal year-applicants last name) (Mo/day/yr)

3. Owner or Operator Information *(Please circle appropriate title.)*

Name _____

Street Address _____

City, State, Zip _____ Township _____

Telephone _____ Fax _____

E-mail Address _____

4. Is the applicant receiving other cost-share monies for constructing secondary containment of a fertilizer or pesticide facility? _____ Yes _____ No

5. Does the applicant own the land that the containment is to be constructed on? _____ Yes _____ No

6. Has there been an I & E or comparable pre-approved plan, layout sketch, and cost estimate developed for the applicant? _____ Yes _____ No

7. Total estimated cost to construct this secondary containment facility \$ _____

8. Point Factoring in Distance to Waters of the State:

0 - 100 feet	10 points
100 - 200 feet	9 points
200 - 300 feet	8 points
300 - 400 feet	7 points
400 - 500 feet	6 points
500 - 600 feet	5 points
600 - 700 feet	4 points
700 - 800 feet	3 points
800 - 900 feet	2 points
900 - 1000 feet	1 point
over 1000 feet	0 points

Total Points in Distance to Waters of the State _____

9. Point Factoring in Gallons of Capacity:

Less than 5,000 gallons	1 point
5,000 – 10,000 gallons	2 points
10,001 – 15,000 gallons	3 points
15,001 – 20,000 gallons	4 points
20,001 – 25,000 gallons	5 points
25,001 – 30,000 gallons	6 points
30,001 – 35,000 gallons	7 points
35,001 – 40,000 gallons	8 points
40,001 – 45,000 gallons	9 points
More than 45,000 gallons	10 points

Total Points in Gallons of Capacity _____

10. DRASTIC Index Greater than 160 _____ Yes (10 points) _____ No (-0- points)

Total DRASTIC Index Score _____

11. Total Points Combining Distance to Waters of the State, Gallons of Capacity, and DRASTIC index score

_____ (Maximum score is 30 points)

12. Remarks

(Signature of Scorer)

(Date)

(Title of Scorer)

(Telephone Number)

Appendix D

8. What is the Status of Technical Assistance Provided to Date? (Please check all that apply.)

Initial Investigation _____, I & E _____, Survey _____, Design _____,

9. Practice(s) to be Installed

Funding Level *		
Practice	Type of Storage (Please Indicate)	Estimated Cost of Practice
Concrete floor & walls/curbing		
Post & plank walls faced with synthetic liner with a concrete floor		
Post & plank walls faced with synthetic liner with a earthen floor faced with a synthetic liner		
Compacted earthen impoundment faced with a synthetic liner		
Compacted earthen impoundment not exceeding 1×10^{-5} cm/sec		
Custom engineered system pre-approved by NRCS		

* Cost share rate will be 70% of actual costs of installation, up to a maximum of \$2,500 per person.

10. Cost Estimate/Cost Share Information:

- Total estimated cost of practice(s): \$ _____
- Estimated cost share amount: \$ _____

11. By signing this agreement, I hereby declare that I understand that the practices to be installed for secondary containment must meet NRCS technical specifications and Ohio Department of Agriculture requirements.

_____ (Signature of Applicant) _____ (Date)

12. Submitted by: _____
(SWCD Administrator or NRCS staff member)

Appendix E

On-Farm Fertilizer & Pesticide Containment Cost Share Program Agreement

OHIO DEPARTMENT OF AGRICULTURE

Agreement # (found on the Application form)

Name of Owner or Operator _____

Street Address _____ City, State, Zip _____

Telephone No. () _____ County _____ Township _____

E-mail Address _____

I (we), the undersigned owner(s)/operator(s), request cost sharing to help pay the cost of installing eligible conservation practice(s) through the **Ohio Department of Agriculture (ODA), On-Farm Fertilizer and Pesticide Containment Cost Share Program**. I (we) understand and agree that:

1. A representative of the local Soil and Water Conservation District (SWCD) or Natural Resources Conservation Service (NRCS) office must determine the practice(s) is (are) eligible for cost sharing through this program.
2. The cost share rate for eligible practices installed meeting NRCS Practice Standard (702i) will be 70% of total installation cost, up to a maximum of \$2,500. Total cost share shall not exceed \$2,500 per person.
3. Cost share funds are available only to owners/operators who have a SWCD approved operation and management plan for the operation of the facility.
4. Cost share practices must be planned and approved by a person with appropriate job approval authority in accordance with the technical specifications listed in the Natural Resources Conservation Service (NRCS) *Ohio Field Office Technical Guide*.
5. The ODA-Division of Plant Industry (614-728-6397) must be notified if any substantial change is proposed for the practice to be installed, the starting and completion dates, and/or the cost thereof.
6. A person with appropriate job approval authority must verify that the installed practice(s) is/are complete and meets the required NRCS technical specifications prior to any cost sharing payment by the ODA.
7. All items of cost upon which reimbursement will be based must be supported by receipts for payments made to vendors and/or a list of owner/operator time, equipment, and cost. An individual with appropriate job approval authority shall verify all such supporting information as proper and reasonable.
8. Any representative of the ODA, SWCD, NRCS and/or other participating agencies, shall have the right of ingress and egress to the areas of my property where practice installation will occur.
9. Installation of the practice(s) indicated shall be started and completed by **9/1/04**. Failure to meet these time frames will result in automatic termination unless this agreement is amended by mutual consent to reschedule the work.
10. All conservation practices installed with cost share funds through this program will be properly operated and maintained in accordance with a Soil and Water Conservation District approved operation and management plan by the owner/operator for the useful life of the installed practice(s).

I (we) understand that if I (we) terminate this agreement before its expiration, or if I (we) fail to operate and maintain the practice(s) cost shared by the ODA-Division of Plant Industry, then I (we) agree to reimburse the ODA-Division of Plant Industry prior to final termination for the prorated costs of all conservation practices placed on the land through this agreement. For these purposes, the total costs of the conservation practices to the State of Ohio are agreed to be _____ (Total \$\$ amount of cost share to be provided)

The Ohio Department of Agriculture, Division of Plant Industry, shall monitor the maintenance of practices established with these cost share funds. Failure to maintain such practices or sale of such land thereby shall subject the owner and/or operator to recovery of cost share funds.

I hereby agree to the aforementioned terms and conditions.

Signed: _____
(Owner/Operator) (Date) (Federal Tax I.D. No. or Social Security No)

(SWCD/NRCS Office Use Only)

Approved practice(s): _____

Estimated cost of practice(s): _____ (attach itemized list)

Cost share not to exceed: \$ _____

Useful life of practice(s) to be installed: _____ (years)

(ODA Office Use Only)

I hereby certify that I am in agreement with the aforementioned terms and conditions of this Agreement. This agreement has been reviewed by the ODA-Division of Plant Industry and certified as eligible for cost sharing under the terms and conditions of the OHIO DEPARTMENT OF AGRICULTURE, On-Farm Fertilizer & Pesticide Containment Cost Share Program.

Signed: _____
(ODA-Division of Plant Industry) (Date)

Appendix F

