LOWER FOX RIVER

WATERSHED RECOVERY PLAN

FUNDING STRATEGY
FOR WATERSHED RECOVERY

TECHNICAL REPORT

Draft Version March 31, 2023

KEEPERS OF THE FOX — FROM THE VALLEY TO THE BAY

FOX-WOLF WATERSHED ALLIANCE

WISCONSIN DEPT. OF NATURAL RESOURCES

ALLIANCE for the GREAT LAKES

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INVESTING IN A RESTORED FOX RIVER

An investment to restore the Fox River and the Bay of Green Bay is an investment in the health and the viability of the communities that rely on them. While progress towards recovery is being made, it is not advancing at the scale and speed necessary to reach recovery targets by 2040. To accelerate the conservation momentum that currently exists in the watershed, this funding strategy outlines a potential framework of how the Implementation Action Plan could be financially supported over time. To develop this funding plan, we assessed annual funding provided by partners and the financial and technical support costs needed to achieve the TMDL water quality goals while the Implementation subgroup estimated the cost to meet water quality targets by 2040 through a select set of conservation practice types. A Funding Strategy subgroup was then formed to brainstorm options to increase funding levels to close that gap, either through new funding mechanisms, changes to existing funding streams to increase efficiency, or new policies and programs to support the LFR effort.

This funding strategy attempts to balance finding new, creative avenues for financial support at all levels, while also including possible use of current funding pools in new or expanded ways. Additionally, this funding strategy identifies a number of important policy considerations that could improve the efficacy or efficiency of current state programs or create new pathways to motivate conservation implementation in the watershed.

This funding strategy is derived from an assessment of investments made toward recovery efforts since 2014, assigned costs for BMP installations, technical and coordination support needs for the Keepers of the Fox (KOF) Implementation Action Plan, and conceptual descriptions of potential funding and policy resources that could be leveraged or created to offset the gap between current investments and total project financial need. Ongoing, strong communication among partners, shared responsibility for identifying and pursuing future funding sources, and prioritization of funding uses is imperative to a successful, collaborative, approach to the long-term recovery of the Lower Fox River (LFR). The Keepers of the Fox Council and its subcommittees will provide much of the ongoing oversight and direction setting to secure the funding support and policy revisions needed to advance the recovery effort.

CURRENT INVESTMENT

Over a decade of effort and funding have focused on reducing phosphorus contributions from agricultural operations to the LFR and its tributaries. Understanding the current amount of funding provided by each participating entity is important to understanding the extent of the gap between current financial

support levels and the total funding needed to accomplish the goals of the Lower Fox River Watershed Recovery Plan. Partners across all levels of government including county land conservation departments, the Oneida Nation, NRCS, Wisconsin DNR, DATCP, and local municipalities have contributed millions, while support from non-profit organizations and farmers themselves have amounted to hundreds of thousands of dollars each year toward increased conservation practice implementation in the LFR since 2010. To better assess the support provided by partners, in 2019, the KOF conducted an assessment to estimate the amount of funding provided to KOF partners. The assessment included in-depth discussions and data reviews with county land conservation departments, the Oneida Nation, federal support programs, state conservation funders and utility investments. The assessment found that investments to date mainly provided technical and staff support and the costs for conservation practices and equipment purchases to the LFR effort. On average $7.0 million was provided annually between 2014-2018, with NRCS support directly to agricultural producers and technical service providers generating the most funding which ranged from $2.1 to $5.5 million per year. Figure 1 depicts annual investments to the LFR efforts by funding entity.

While challenges presented by the COVID-19 pandemic and staff shortages inhibited our ability to quantify financial contributions made since 2019, however we acknowledge that the rate of annual investments have only grown since 2018. Future efforts by the Keepers of the Fox will include additional assessment of funding contributions made since 2019 and ongoing through the life of the KOF recovery effort. For more detailed recent funding directed toward LFR recovery efforts, please see the Current and Projected Need for Agricultural TMDL Nutrient Reductions in the Lower Fox Basin, March 2021[1].

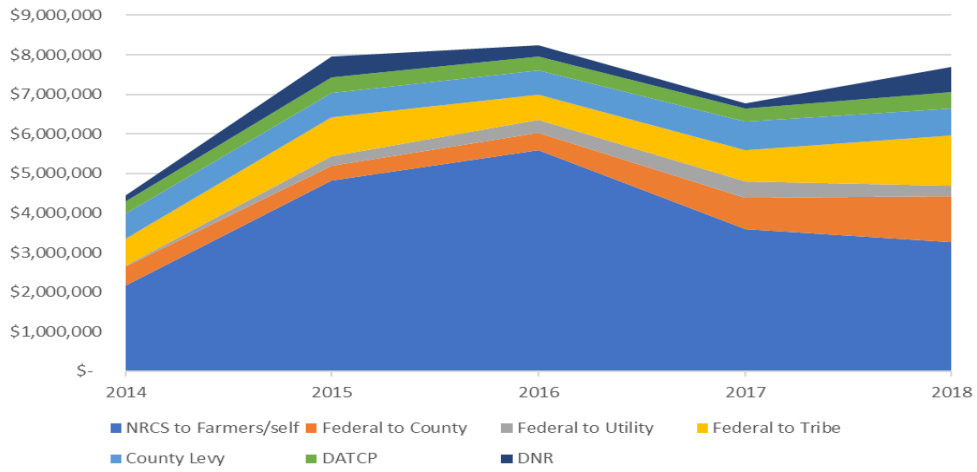

Figure 1. Estimated Funding Contributions to Lower Fox River Efforts 2014 - 2018

[1] "Current Funding & Project Need for Agricultural TMDL Nutrient Reductions in the Lower Fox Basin," March 2021. Alliance for the Great Lakes & Fox-Wolf Watershed Alliance. Link to report.

ESTIMATING COSTS

Estimating current funding levels, the costs to achieve project goals, and resulting funding gaps for restoring water quality is challenging. Each component of the implementation action plan was examined to determine associated funding needs for practice installation and the technical staff support needed for implementation and ongoing project support. The implementation plan estimated funding that:

- Considers cost effectiveness as a driving force when developing restoration strategies and the specific practices needed to get there
- Funds conservation practice implementation as identified in the implementation section of this plan to meet reduction goals assigned to agriculture in the Lower Fox River TMDL. The type and extent of conservation practice implementation described in the plan are spread across the watershed of each tributary to the LFR, not just along the mainstem of the Lower Fox and the Bay of Green Bay.
- Provides a flexible framework to identify and track funding secured by all partners, and the remaining funding need which may change over time as new technology, practices, and funding sources are created. The plan's estimated funding need could also change due to increases in urban/economic development, land use changes, future regulations that motivate compliance without cost-sharing, construction cost variability, and landowner willingness to engage in conservation activities on their farms, just to name a few.
- Prioritizes practices with the potential to provide water quality improvements as well as other environmental or societal co-benefits to the region were considered including those that have a high pollution reduction potential, build climate resilience, provide benefits to wildlife and habitat, and/or are likely to accelerate public engagement in restoration efforts.

FINANCIAL INVESTMENTS BY MUNICIPALITIES AND WASTEWATER TREATMENT FACILITIES

Point source dischargers in the basin have been working to achieve their TMDL wasteload allocations through their wastewater and stormwater discharge permits for several years. The cost to implement wastewater and urban stormwater infrastructure upgrades or management changes at those facilities to meet permit requirements comes at a significant cost. While many local governments will face challenges meeting the upgrade costs, the Lower Fox River Recovery effort will not be successful without both permitted entities and agricultural sources accomplishing their load reduction requirements. Examples of effective partnerships between permitted facilities and agricultural landowners to collaborate on nutrient reduction projects is gaining traction in the region and will continue to play a strong role in LFR Recovery efforts over the coming decades. As regional coordination advances, the *Keepers of the Fox program will work with communities and Wisconsin DNR to document*

municipal wastewater and stormwater needs and track implementation toward urban stormwater and wastewater load reduction efforts that contribute to recovery.

FUNDING STRATEGY FOR AGRICULTURAL LOAD REDUCTIONS: A BOLD RECOMMENDATION TO SOLVE A WICKED PROBLEM

Reducing sediment and nutrient delivery to the Fox River and the Bay of the Green Bay to the extent needed to meet water quality goals will require a bold new approach, trusted partnerships and unyielding commitment. Costs to meet the load reduction assigned to agriculture near $600 million over an approximately 20-year period. Conventional funding options that have supported conservation work to date are not adequate to meet the wicked problem facing the Lower Fox River Watershed. While piecing together small programs and funding options will continue to play a role in restoration, *Lower Fox River Recovery will require a new approach supported by federal, state and local governments and by non-governmental partners including individuals, foundations and businesses.*

A strategic approach utilizing available funds and creative new funding options combined with tracking and reporting to ensure accountability are all critical to success. This watershed-wide funding strategy provides direction for how funds received should be directed across the basin.

THE FUNDING NEED THROUGH 2040

To meet load reduction targets by 2040, the Basin Leadership Council's Implementation Subgroup developed the Implementation Action Plan which recommends focused funding to:

- Expand continuous cover practice implementation to increase soil health and retain nutrients in the soil,
- Structural storage practices to increase water storage capacity and reduce downstream flooding,
- Streambank restoration projects to reduce streambank erosion and increase fish and wildlife habitat, and
- Technical and regional coordination staffing to support Recovery Plan implementation, tracking and reporting of conservation efforts and progress over time.

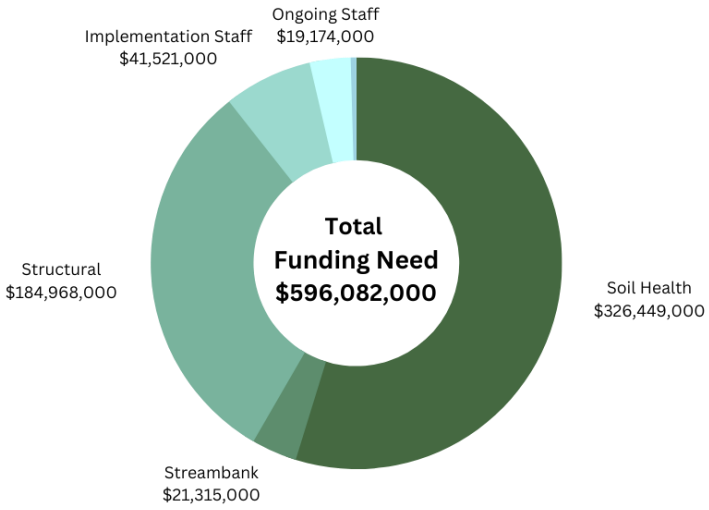

Figure 2. Estimated Total Funding Need for Lower Fox River Watershed Recovery Through 2040

Funding needs for each practice category and technical support staffing are depicted in Figure 3 and described in more detail on the following pages.

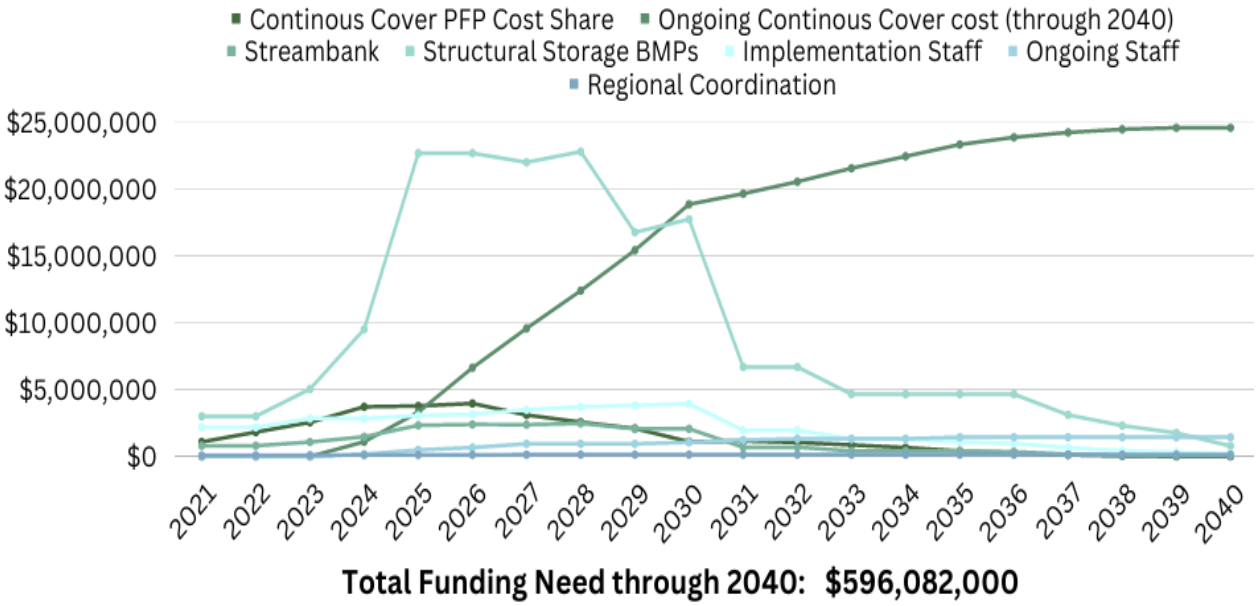

Figure 3. Annual Funding Needed for Individual Components of the Implementation Action Plan Over Time

CONSERVATION PRACTICE IMPLEMENTATION

CONTINUOUS SOIL COVER PRACTICES

Year-round ground cover helps protect local waterways by reducing soil erosion and nutrient runoff delivery from fields, building soil health, recycling nutrients, sequestering carbon and increasing resiliency to more frequent and intense rainfall events and drought events. Continuous cover practices include planting a cover crop during or after crop harvest combined with no-till, perennial plant establishment, grazing and pasture systems, tree and shrub plantings, and more.

While all practices that will result in a field meeting the Keepers of the Fox target phosphorus runoff of 1 pound per acre (see Implementation Action Plan for details) will be considered for funding, this funding strategy was developed by estimating costs for implementation of cover crops and no-till and use of low disturbance manure management for nutrient application. The funding needed to support the vast expansion of continuous cover across the basin is divided into two categories: Pay for Performance Costs and Ongoing Continuous Cover Costs, which are discussed below.

PAY FOR PERFORMANCE COSTS

As the Implementation Action Plan highlights, how a landowner chooses to meet the goal of 1 lb of phosphorus loss per acre per year will be up to each individual landowner. Conservation staff are ready to assist landowners in making the best choices for their individual operation and management goals. However, to meet water quality targets, the KOF Implementation Action Plan estimated that if 80% of farmland in the basin was under continuous cover, agricultural sources could meet their runoff target of 1 lb of phosphorus runoff per acre per year by 2040.

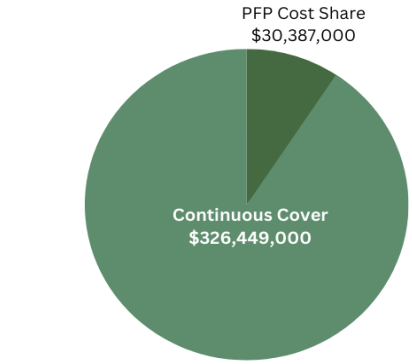

Figure 4. Anticipated Division of Funding for Continuous Soil Cover Practices Through 2040

To assist farmers in overcoming hurdles to adoption of continuous cover practices, the Keepers of the Fox program recommends offering a Pay for Performance funding option built on NRCS rates. Current NRCS payment rates for cover crops, no-till and enhanced nutrient management through low disturbance manure management used in an example scenario are shown in Figure 5. NRCS payments are intended to cover 70% of practice installation cost, typically requiring landowners to pay the remaining 30%. Instead of following the 70% conventional cost-share formula, *the Keepers of the Fox program intends to fund a flexible cost share program that will cover 100% of practice costs on 10% of a producer's land. In addition to the cost share, KOF program and its partners will offer an incentive payment for private agronomist technical support and development of whole-farm conservation planning to identify ways the farm can utilize other conservation programs and activities to meet the phosphorus runoff target across their operation (Figure 6).*

Annual Implementation of Practices

Practice Cost Share	NRCS Rates (70% of Total Cost)	
Cover Crop (rate between single and multi-species)	$ 61	Acre
No-Till	$ 17	Acre
Optional Low Disturbance Manure Management (LDMA)/Enhanced Nutrient Management	$ 28	Acre
	$ 106	

Figure 5. Example Cost Calculation for Stacked Practices

Ongoing technical support can help producers overcome annual challenges in conservation practice implementation and ensure the long-term success of crop management changes to achieve nutrient reduction goals. Through whole-farm planning, additional management changes could be considered outside of crop and nutrient management, such as feed ration adjustments to reduce manure P levels, or manure composting to

reduce volumes to reduce transportation costs. Traditional cost share does not require continuous implementation beyond the cost-share period. Because soil health and its benefits are built fastest on undisturbed soil, this cost share effort will require continuous implementation of cover crop and no-till practices on contracted acres for 6 years.

County agronomy staff will work closely with farmers in the watershed to increase likelihood of positive outcomes for the farm and the watershed. As farmers increase their comfort level with practices, agronomy staff will work with the farmers to encourage expansion of practices across the farm.

Overcoming Hurdles to Adoption -
Pay for Performance Cost share for adoption

Practice Cost Share			
Cover Crop (rate between single and multi-species)	$	87	Acre
No-Till	$	24	Acre
Optional Low Disturbance Manure Management (LMDA) /Enhanced Nutrient Management	$	40	Acre
	$	151	
Incentive Payments			
Hire a private agronimist to update/revise SNAP+	$	5	Acre
Farmer engagement in planning/soil health education	$	5	Acre
Farmer commitment to ongoing continous cover implementation and expansion to minimum of 80% of fields	$	89	Acre
	$	99	
Total Continous Cover Cost Share	$	250	Acre
		6	Years
	$	1,500	Acre

actual payment range to individual farmer will be $180-$295 based on performance & manure management

Figure 6. Example Pay for Performance Based Cost-Share Scenario

ONGOING CONTINUOUS COVER COSTS

The Ongoing Continuous Cover costs were estimated using the same NRCS practices and rates that the Pay for Performance costs were calculated from. The cost estimate reflects 100% of the cost coverage for cover crop, no-till and low-disturbance manure injection. The actual cost may be less than estimated when accounting for savings from reduced inputs anticipated when implemented.

Because soil health practices can provide economic benefits to the farm and often work to build resiliency against a changing climate, the remaining 70% of cropland acres that need to be in continuous cover are anticipated to be funded through voluntary action taken by the farmer, the costs of which can be covered through a variety of pathways including:

- Market drivers – farmers may enter an environmental market to sell the environmental credits (carbon, phosphorus, TSS, etc.) and can take on the cost of additional cover crop acres using a portion of their market payments.
- Supply chain drivers – as food and dairy processors undertake their open environmental sustainability goals, farmers may receive payment through their supply chain to incorporate greater environmentally friendly practices in their operations.

- Federal Farm Bill program funds – farmers who pursue and receive federal funding through NRCS Farm Bill programs to expand continuous cover practices.

Internalizing costs for more cover crop acres – farmers are anticipated to recognize and realize that it is economically advantageous for their operation to have cropland in continuous cover and pays for the additional acres. The Keepers of the Fox will continue to support research on farm economics, a local study has recently been commissioned by the NRCS is being conducted by the Fox Valley Technical College.

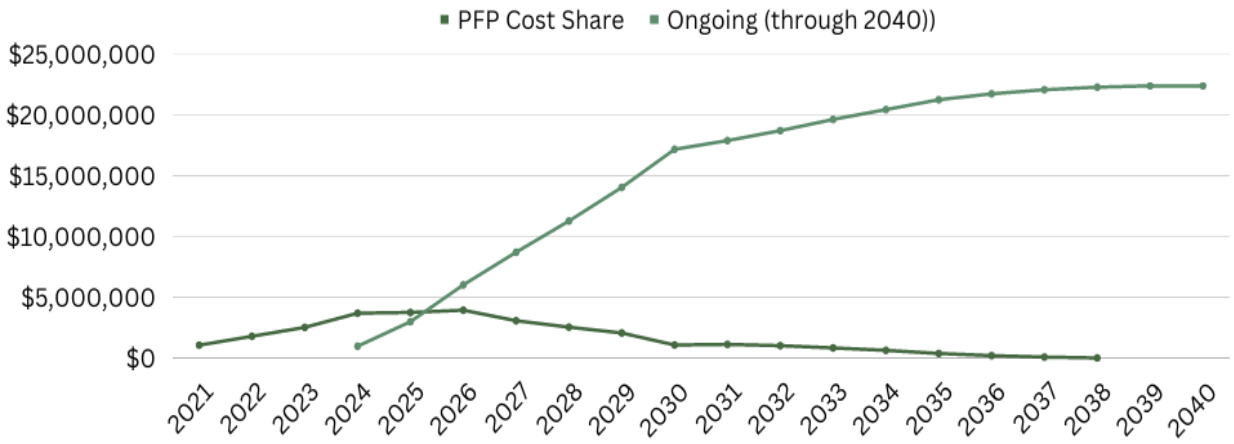

Figure 7. Estimated Costs for Continuous Cover on 10% of Agricultural Land in the LFR. Total Cost Through 2040: $326,449,000

STRUCTURAL STORAGE PRACTICES

In 2020, Outagamie County Land Conservation Department conducted a Lower Fox River Watershed Study[2] which explored historical and current land use to determine the amount of water storage lost on the landscape over time through land use changes and calculated the extent of water storage needed to be recreated to return to pre-settlement runoff conditions. Increasing current water storage capacity in the basin would not only reduce downstream flood

The Keepers of the Fox will work to install permanent structural storage to hold the 2-year rainfall event within sub-watersheds. Structural storage is not only beneficial for improving water quality but also provides flood mitigation benefits to downstream communities and landowners! This effort will be especially important as we continue to see increased intensity of rainfall events.

[2] "Non-Point Source Runoff Storage Capacity Opportunities for Sediment & Nutrient Reduction in the Lower Fox River Basin," Mar 2020 *Outagamie County Land Conservation Department* https://drive.google.com/file/d/1zixbvVLA77srhcd-kqd7df1xmrrvr5f2/view?usp=sharing

events but would improve water quality by reducing streambank erosion.

Structural storage can include but is not limited to: Agricultural Runoff Treatment Systems (ARTS), wetland creation or restoration, 2-Stage Ditch. The Storage Capacity Study[3] estimated the cost for structural storage implementation in the Lower Fox River Watershed to capture the 2-year rainfall event to be $184,968,637 (Table 1). Structural storage practices are planned to be implemented evenly over the 10-year implementation period within each watershed. Watersheds needing most of the structural storage implementation are scheduled to be implemented in the first 10 years of the project, so the greatest need for structural storage funding is expected through 2030. See the Implementation Action Plan for additional detail.

Watershed (HUC12)	Cost
Apple Creek	$22,295,474.23
Upper Duck Creek	$18,606,803.49
Plum Creek	$18,137,341.51
Oneida Creek	$11,738,490.03
Bower Creek	$15,458,663.09
Little Lake Butte des Mortes	$9,720,592.67
Kankapot Creek	$11,953,905.64
Ashwaubenon Creek	$11,625,209.21
Dutchman Creek	$8,683,831.46
Upper East River	$11,234,795.29
Lower East River	$11,155,962.27
Middle Duck Creek	$8,342,442.99
Baird Creek	$7,986,083.25
Point du Sable-Frontal Green Bay	$5,482,676.68
Trout Creek	$5,116,331.67
Lower Duck Creek	$4,631,217.22
Mud Creek	$2,798,816.63
Total	$184,968,637.32

Table 1. Structural Storage Costs by HUC12 Watershed

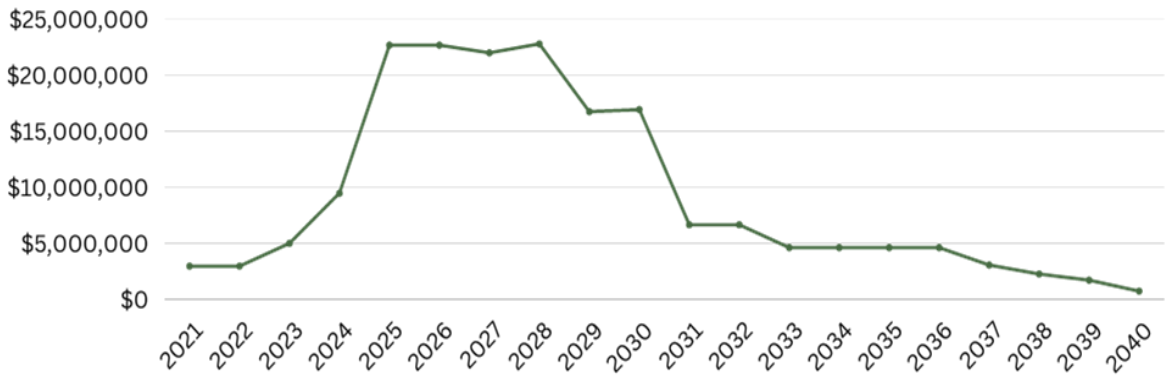

Figure 8. Structural Storage Practice Funding Need Through 2040: $184,968,000

[3] "Non-Point Source Runoff Storage Capacity Opportunities for Sediment & Nutrient Reduction in the Lower Fox River Basin," Mar 2020 *Outagamie County Land Conservation Department,* https://drive.google.com/file/d/1zixbvVLA77srhcd-kqd7df1xmrrvr5f2/view?usp=sharing

STREAMBANK RESTORATION

Streambank erosion has been exacerbated by increased peak flows due to land use changes. As water storage is restored on the landscape, through improved soil health and structural storage, streambanks in need of active restoration will be addressed. The Keepers of the Fox Program will work to restore streambanks for benefits to both water quality and habitat.

Watershed	Stream length to be restored (ft)	Cost
Plum	66,200	$ 4,965,008
Kankapot	41,673	$ 3,125,502
Upper East	30,535	$ 2,290,110
Lower East	15,429	$ 1,157,138
Apple Creek	26,327	$ 1,974,527
Garners Creek	8,452	$ 633,863
Bower Creek	24,108	$ 1,808,100
Lower Duck	10,968	$ 822,587
Dutchman	13,642	$ 1,023,183
Ashwaubenon	23,047	$ 1,728,525
Baird Creek	12,589	$ 944,140
Pt Du Sable	3,256	$ 244,186
Trout Creek	7,964	$ 597,327
Total	**284,189**	$ 21,314,196

Table 2. Lower Fox River Streambank Restoration Estimates Calculated by Outagamie County and WDNR in 2019

In 2019, the WDNRs Office of Great Waters convened a stakeholder group to estimate the amount of streambank erosion and the amount of restorable streambanks throughout the Lower Fox River Watershed. With support of this group, Outagamie County Land Conservation Department utilized streambank inventories conducted for Nine Key Element Planning and developed estimates for the linear feet of eroding streambank, phosphorus loss and the impact of restoration throughout the Lower Fox River Watershed.

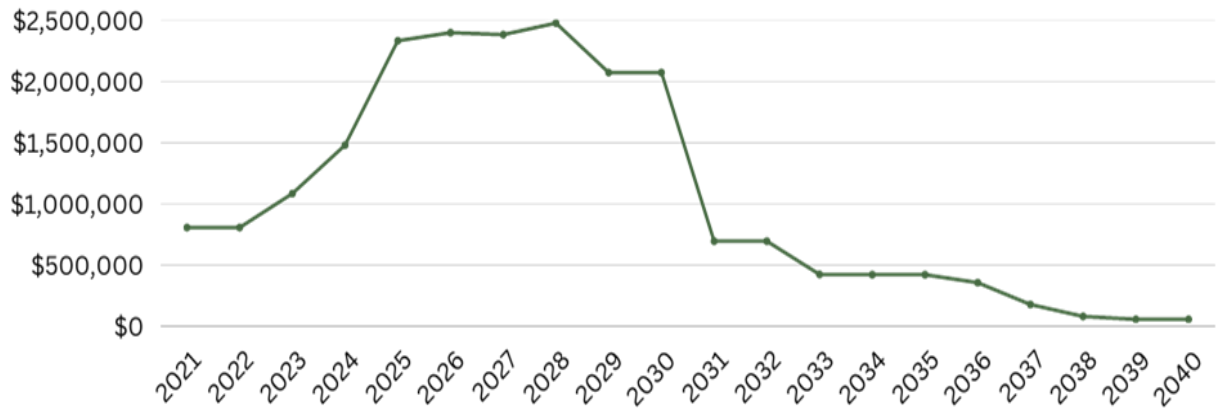

Figure 9. Streambank Restoration Practice Funding Needed Through 2040

Realizing the cost for streambank restoration varies depending on site accessibility and severity of erosion, the average cost for streambank restoration was estimated at $75 per linear foot based on past county project costs. Implementers must ensure projects are designed in the most cost-effective manner so structural funding can be stretched or reduced as implementation progresses. The watersheds in most need of streambank restoration are scheduled for implementation within the first

ten years of the project. Additional information regarding the implementation schedule can be found in the Implementation Action Plan.

NECESSARY STAFFING SUPPORT

Technical support staff for initial project implementation and ongoing conservation support staffing at County Land Conservation Departments and the Oneida Nation are imperative to successful conservation practice integration into the basin's crop and farm management systems. A regional coordination position within the Keepers of the Fox program at the Fox-Wolf Watershed Alliance is also essential for ensuring ongoing communication, partner commitments and public outreach and education are maintained and strengthened.

IMPLEMENTATION STAFF

Intensive staff support (Implementation Staff) will be needed during the 10-year implementation period for each watershed. Based on experience of local conservation partners, implementation staff is proposed at the following levels:

- 1 Agronomist per 15,000 acres
- 1 Technician per 15,000 acres
- 1 Contract/Grant Manager per 60,000 acres

This level of conservation staff for implementation will allow for conservation staff to be available to build relationships with farmers in the watershed, assist overcoming hurdles to implementation, and track and verify practice implementation.

Watershed	Total # Ag Acres	Implementation Staff Needs (Implementation period 2020-2040)	Staff for Implementation: 1 Agronomist & 1 Technician x 15,000 ag acres & 1 Contract/Grant Manager x 60,000 ag acres. Estimated Staff Salary $60,000/yr, Estimated Benefits $24,000/yr (40%)				Additional Expenses: Vehicle Gas & Operation, Meetings & Materials, Cell Service + Licenses	Total Implementation Staffing Expenses (Total Funding need through 2040) Rounded
			# Agronomist rounded to nearest .5 FTE	# Technicians rounded to nearest .5 FTE	# Contract Mgnr rounded to nearest .25 FTE	Total Staff Support Cost over 10 years	Total Expense Cost over 10 years	
Plum Creek	17,382.0		1.5	1.5	0.75	$ 3,150,000	$ 121,000	$ 3,271,000
Kankapot Creek	11,367.0		1.0	1.0	0.50	$ 2,100,000	$ 83,000	$ 2,183,000
East River	26,520.0		2.0	2.0	1.00	$ 4,200,000	$ 160,000	$ 4,360,000
Duck Creek - State Land	30,098.0		2.5	2.5	1.25	$ 5,250,000	$ 209,000	$ 5,459,000
Duck Creek - Oneida Nation	18,760.0		1.5	1.5	0.75	$ 3,150,000	$ 126,000	$ 3,276,000
Apple Creek	20,613.0		1.5	1.5	0.75	$ 3,150,000	$ 126,000	$ 3,276,000
Lower Fox Main Stem	9,157.0		1.0	1.0	0.50	$ 2,100,000	$ 83,000	$ 2,183,000
Garners Creek	2,256.0		0.5	0.5	0.25	$ 1,050,000	$ 49,000	$ 1,099,000
Bower Creek	17,142.0		1.5	1.5	0.75	$ 3,150,000	$ 121,000	$ 3,271,000
Ashwaubenon Creek - Brown Coun	8,220.0		1.0	1.0	0.50	$ 2,100,000	$ 88,000	$ 2,188,000
Ashwaubenon Creek - Oneida Nati	3,244.0		0.5	0.5	0.25	$ 1,050,000	$ 44,000	$ 1,094,000
Dutchmen Creek - Brown County	1,809.0		0.5	0.5	0.25	$ 1,050,000	$ 44,000	$ 1,094,000
Dutchmen Creek - Oneida Nation	7,888.0		1.0	1.0	0.50	$ 2,100,000	$ 83,000	$ 2,183,000
Baird Creek	8,633.0		1.0	1.0	0.50	$ 2,100,000	$ 88,000	$ 2,188,000
Lower Green Bay	7,135.0		0.5	0.5	0.25	$ 1,050,000	$ 49,000	$ 1,099,000
Neenah Slough	6,302.0		0.5	0.5	0.25	$ 1,050,000	$ 49,000	$ 1,099,000
Mud Creek	1,474.0		0.5	0.5	0.25	$ 1,050,000	$ 49,000	$ 1,099,000
Trout Creek	4,580.0		0.5	0.5	0.25	$ 1,050,000	$ 49,000	$ 1,099,000
	173,831.0		**19**	**19**	**9.5**	**$ 39,900,000**	**$ 1,621,000**	**$ 41,521,000**

Table 3. Summary of Breakdown of Funding Needed for Staff to Execute Implementation Action Plan. Detailed Spreadsheet With Calculations Linked Here

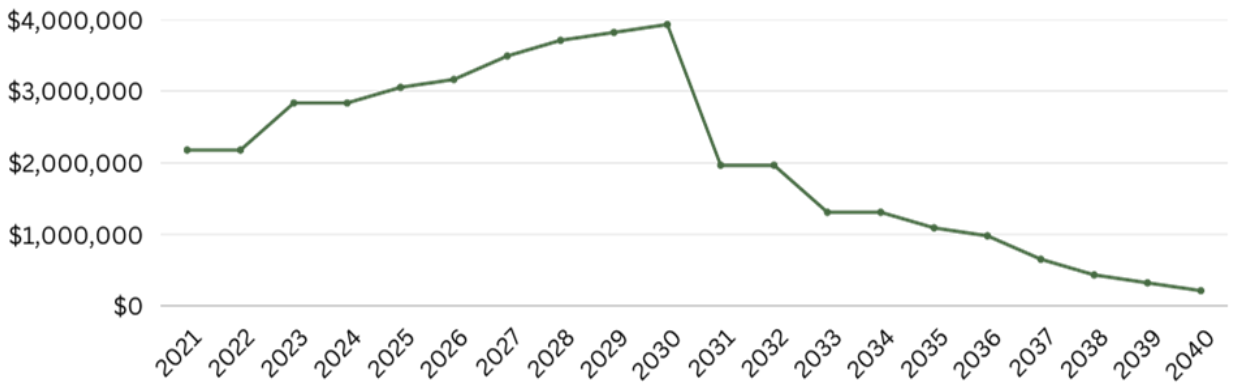

Figure 10. Funding Need for Implementation Staff Through 2040

Practice implementation will be staggered across the HUC 12 watersheds in the basin over the initial 10 year time period specifically. Implementation staff will focus efforts on one watershed at a time as much as possible to achieve the highest level of participation and therefore the highest impact on water quality before moving on to the next watershed in the basin. Additional information on watershed prioritization can be found in the Implementation Action Plan.

Implementation staff should be spread across individual County Land Conservation Departments, the Oneida Nation Eco-Services & Forestry Department and partner non-profit organizations or other state or local agencies partnering to implement the plan. Hiring and retaining conservation staff who have relationships in the basin and an inherent ability to work with landowners to achieve shared conservation goals will be extremely important for project success.

Costs for implementation staff include salary, benefits and overhead costs including vehicles

The Importance of Education and Outreach

To meet water quality goals, a wide range of stakeholders need to be engaged and in support of conservation. Many residents (urban, rural and agricultural) will be asked to implement conservation on their private properties.

The best way to obtain cooperation and participation of private property owners is through education and technical support. Conservation staff are essential to building relationships and providing farmers and landowners with the crucial technical assistance necessary for initial practice implementation and ongoing practice maintenance to ensure long-term implementation success.

The Keepers of the Fox will be charged with developing the outreach and education strategy needed to provide the public, landowners, business owners and elected officials with the information they need to understand how the project is progressing and how funding is being prioritized and utilized.

(purchase or lease, maintenance, and mileage), cellular phones and services, computers and needed software licenses, meeting facilitation expenses, and outreach material development for farmers and landowners. Costs were estimated utilizing current Outagamie and Brown County staffing and project estimates.

ONGOING STAFF

Ongoing Staff describes permanent, dedicated KOF project staff who work in the watershed during implementation and after implementation is complete to provide the ongoing support needed to ensure conservation practice installations are maintained and any challenges to continued use are overcome. Permanent staff should be maintained in the Outagamie County Land Conservation Department, Brown County Land and Water Conservation Department and Oneida Nation Eco-Services & Forestry Department. The funding need for staff through 2040 for full plan implementation is $19,174,000. Permanent staff needed after 2040 to maintain oversight of the watershed effort is estimated at approximately $1,446,000 per year.

Permanent staff who will remain after the 10-year implementation period is proposed at the following levels:

- 1 Agronomist per 30,000 acres
- 1 Technician per 60,000 acres

Based on the current active agricultural landscape in the Lower Fox River the total permanent staff recommended to be housed between Outagamie County, Brown County and Oneida and focused on the Lower Fox River Watershed is 9.5 Agronomists or staff serving in an agronomy support role and 6.25 Technicians.

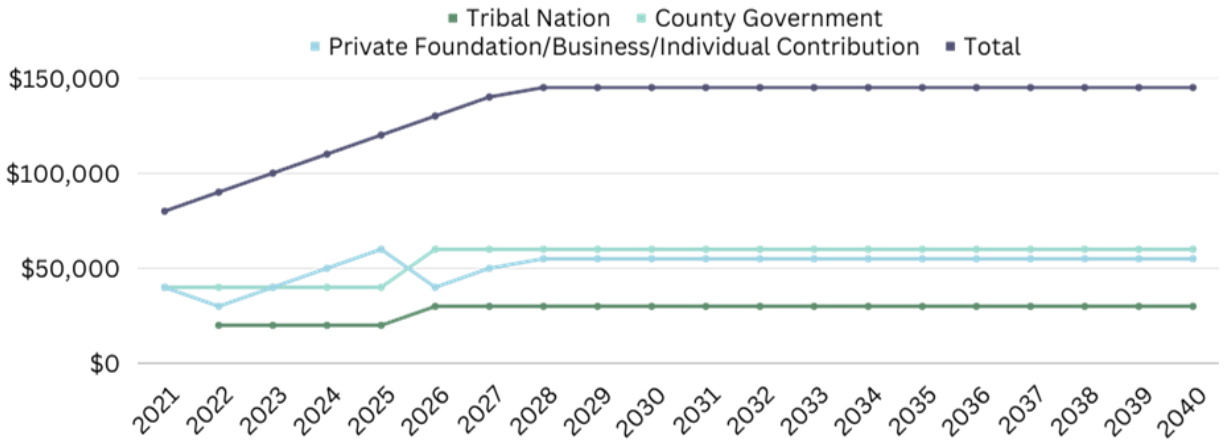

Figure 11. Funding for Ongoing Staffing Support Needed for Plan Implementation and Maintenance Through 2040

Watershed	Total # Ag Acres	Ongoing Staff Needs (after implementation)	Ongoing Staff Support after Implementation: # Agronomist rounded to nearest .25 FTE	# Technicians rounded to nearest .25 FTE	Total Annual Staff Support Cost	Additional Expenses: Total Annual Expense Cost	Total Annual Ongoing Expenses (Annual expense needed per watershed after 10 year implementation period) Rounded	Total Expense for permanent staff during implementation (through 2040) Rounded	Proposed home for Watershed Staff based on majority of ag land.	Target start year
			1 Agronomist for every 30,000 ag acres & 1 Technician for every 60,000 ag acres Estimated Staff Salary $60,000/yr, Estimated Benefits $24,000/yr (40%)			Gas & Operation, Meetings & Materials Cell Service + Licenses				
Plum Creek	17,382.0		0.75	0.50	$ 105,000	$ 6,000	$ 111,000	$ 1,887,000	Brown	2024
Kankapot Creek	11,367.0		0.50	0.25	$ 63,000	$ 5,000	$ 68,000	$ 1,156,000	Outagamie (OC)	2024
East River	26,520.0		1.00	0.50	$ 126,000	$ 7,000	$ 133,000	$ 2,128,000	Brown	2025
Duck Creek - State Land	30,098.0		1.25	0.75	$ 168,000	$ 14,000	$ 182,000	$ 2,730,000	Brown/OC	2026
Duck Creek - Oneida Nation	18,760.0		0.75	0.50	$ 105,000	$ 9,000	$ 114,000	$ 1,596,000	Oneida	2027
Apple Creek	20,613.0		0.75	0.50	$ 105,000	$ 9,000	$ 114,000	$ 1,824,000	OC	2025
Lower Fox Main Stem	9,157.0		0.50	0.25	$ 63,000	$ 5,000	$ 68,000	$ 1,088,000	Brown/OC	2025
Garners Creek	2,256.0		0.25	0.25	$ 42,000	$ 7,000	$ 49,000	$ 686,000	OC	2027
Bower Creek	17,142.0		0.75	0.50	$ 105,000	$ 6,000	$ 111,000	$ 1,554,000	Brown	2027
Ashwaubenon Creek - Brown Coun	8,220.0		0.50	0.25	$ 63,000	$ 7,000	$ 70,000	$ 700,000	NW (Brown 2040)	2031
Ashwaubenon Creek - Oneida Nati	3,244.0		0.25	0.25	$ 42,000	$ 4,000	$ 46,000	$ 276,000	NW (Oneida 2040	2035
Dutchmen Creek - Brown County	1,809.0		0.25	0.25	$ 42,000	$ 4,000	$ 46,000	$ 460,000	NW (OC 2040)	2031
Dutchmen Creek - Oneida Nation	7,888.0		0.50	0.25	$ 63,000	$ 5,000	$ 68,000	$ 408,000	NW (Oneida 2040	2035
Baird Creek	8,633.0		0.50	0.25	$ 63,000	$ 7,000	$ 70,000	$ 770,000	Brown	2030
Lower Green Bay	7,135.0		0.25	0.25	$ 42,000	$ 7,000	$ 49,000	$ 441,000	Brown	2032
Neenah Slough	6,302.0		0.25	0.25	$ 42,000	$ 7,000	$ 49,000	$ 539,000	OC	2030
Mud Creek	1,474.0		0.25	0.25	$ 42,000	$ 7,000	$ 49,000	$ 441,000	OC	2032
Trout Creek	4,580.0		0.25	0.25	$ 42,000	$ 7,000	$ 49,000	$ 490,000	Brown/OC	2031
	173,831.0		**9.5**	**6.25**	**$ 1,323,000**	**$ 121,000**	**$ 1,446,000**	**$ 19,174,000**	**NW = NEW Water**	

Table 4. Summary of Breakdown of Funding Needed for Ongoing Staff for Implementation Action Plan. Detailed Spreadsheet Linked Here

REGIONAL COORDINATION

The recovery effort will be guided by the Keepers of the Fox Council, a diverse group of basin-wide stakeholders charged with actively guiding and promoting recovery efforts long-term. A full-time regional coordination staff position will provide daily, ongoing, basin-wide program support and coordination activities to the KOF program and Council. The regional coordination position will be housed within the Fox-Wolf Watershed Alliance and will be responsible for supporting the KOF program by:

- Seeking funding to advance implementation
- Working with the KOF Implementation team and partners to track conservation practice installation
- Working with the KOF monitoring team to track and communicate water quality monitoring data trends with current and potential funders, partners, and the public
- Providing ongoing outreach and education about the KOF Recovery Plan to elected officials, project funders, community groups, local businesses, and the public to build and sustain support for recovery efforts
- Developing and distributing progress reports and project updates to funders, elected official, partners and the public

- Evaluating financial support received, its uses and continuing funding needs as plan implementation progresses

Support for the regional coordination role has graciously been provided to date by county and tribal contributions and private sources. Regional coordination through 2040 and beyond will also be needed at a currently estimated annual cost of $145,000 for salary, fringe and administrative overhead. More information about the Keepers of the Fox Council, staffing roles and the subcomponents of the program can be found in the Shared Decision Making technical document.

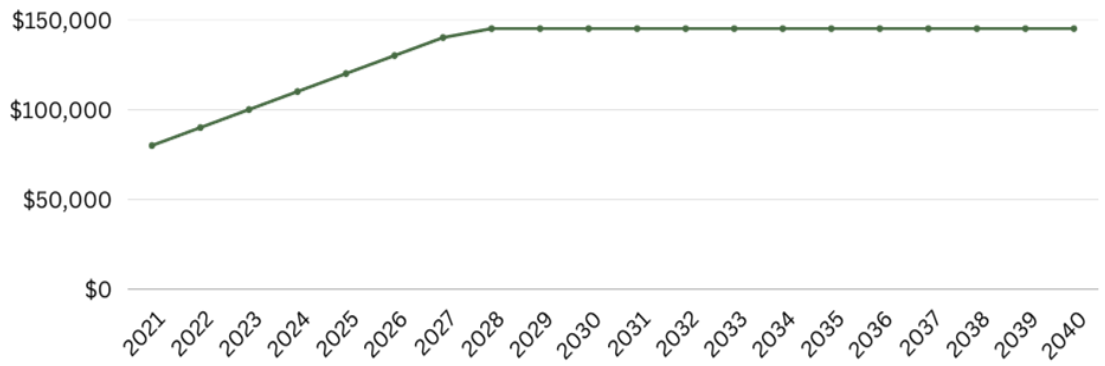

Figure 12. Funding Need for Regional Coordination Through 2040

CLOSING THE GAP BETWEEN CURRENT AND PROJECTED FUNDING NEEDS[4]

While considerable financial support has been provided to date for Lower Fox River Basin recovery efforts, the remaining need is significant. A funding strategy for the Keepers of the Fox Lower Fox River Recovery Plan must encourage local ownership of protecting our resources, while recognizing the role that state, federal and non-traditional funding partners must have to realize the water quality goals for the Lower Fox River Watershed. Meeting the LFR recovery targets by 2040 will rely on contributions from public funding sources at the local, state, and federal levels as well as private investment by corporations, foundations, and business interests who will benefit from the improved surface water quality this plan will achieve. Local financial commitment by basin municipalities, businesses, citizens and community groups is also extremely important to project success as it demonstrates the value recovery efforts have on residents and businesses that rely on the water.

[4] Funding strategy recommendations described in this document do not implicate, require, or commit any entity to financial support of this work.

GENERATING ADDITIONAL FUNDING STREAMS FOR CONSERVATION

To achieve the water quality targets in the Lower Fox River Total Maximum Daily Load, significant influxes of new funding and technical support are required. Future funding sources can and should be derived from a diverse set of entities just as the needed actions and practices to address the basin's water quality issues are diverse. New revenue generation at the local, state, federal and private levels will be needed to close the gap between current and projected funding needs to successfully implement the Lower Fox River Recovery Plan and achieve its water quality goals.

State and local level funding can be a necessary and powerful leveraging tool to access additional federal dollars and contributions by non-governmental organizations and private foundations.

A large component of implementation needs to come from farmers voluntarily adopting additional conservation practices or through other incentive mechanisms or market drivers. For example, food processing and production companies working to achieve their environmental, social and governance goals is creating expectations for sustainable food production practices across the supply chain. Corporations can incentivize and influence farmers' crop management decisions to realize their corporate sustainability goals through incentives, higher payments for sustainably produced farm commodities, or mandates. Wisconsin is already experiencing this supply-chain focused sustainability effort through federal projects that are supporting Climate Smart Agricultural Commodities.

POTENTIAL FUNDING SOURCES

Watershed recovery is a complex and resource-intensive process that requires significant financial resources. Assigning funding targets to stakeholder groups in watershed recovery is a challenging task. Stakeholders involved in the recovery process have different priorities, perspectives and abilities to generate resources, which can make it difficult to allocate funding in a way that is equitable and effective. While it is a difficult task, to ensure no one stakeholder group bears an undue burden from the costs of recovery, assigning financial responsibility to stakeholder groups is essential to the success of watershed recovery efforts. The KOF planning effort proposes the distribution of financial responsibility outlined below.

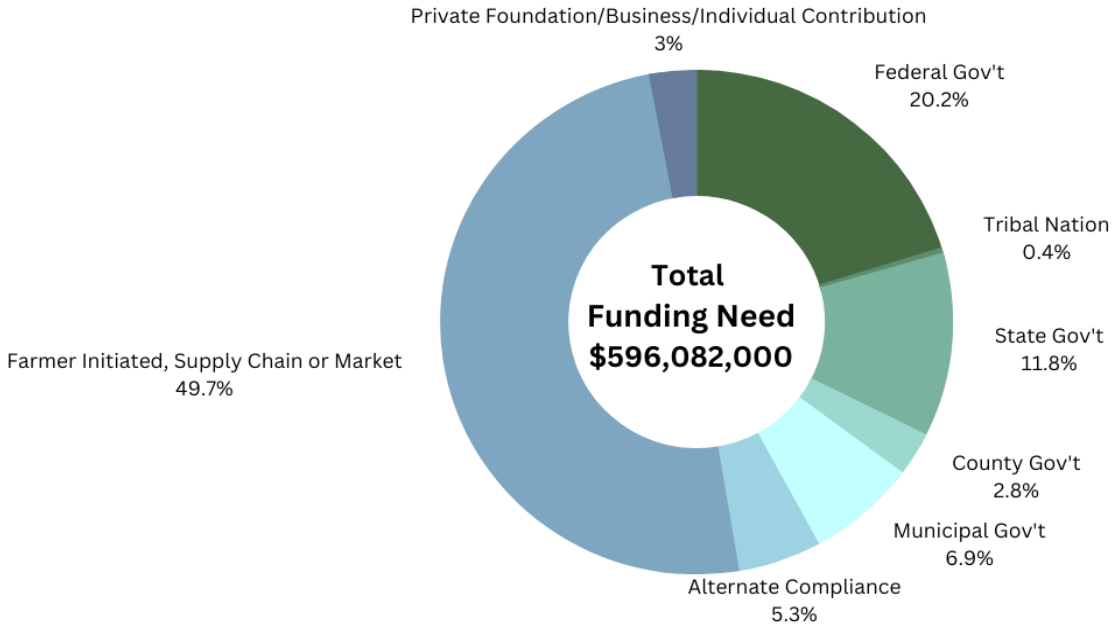

Figure 13. Total KOF Recovery Plan Funding Need Distributed Across Funding Sectors

The largest portion of the funding need is being requested to be provided by the Agricultural Sector. Just like wastewater treatment facilities and communities with urban stormwater permits that bear a financial burden to account for reducing their portion of the contribution of sediment and phosphorus (not accounted for in this plan focused on meeting the targets of non-point/non-permitted loading contributions,) agriculture is requested to be a key partner in reducing the portion of loading coming from ag land funding nearly 50% of the plan costs. The funding request represents the amount of funding needed to expand the ongoing continuous cover system from the 10% of the cost shared acres proposed to be funded through the Pay for Performance program to 80% of the agriculture acres in the watershed. Since there will never be enough government assistance to support cost share of annual practices in perpetuity, investment from the agricultural community including the supply chain is important to build ownership and accountability. In the Farmer Initiated, Supply Chain or Market Driven Conservation Contribution section below, options for covering these costs are outlined.

The Federal Government is requested to cover 20% of the cost of implementing the recovery plan. To calculate the federal contribution the current contribution to the Lower Fox, amount of funding historically and currently designated to the Great Lakes Restoration Initiative as well as contributions to watershed protection and restoration in the Chesapeake Bay were considered. While the size of the watershed is drastically different the challenges facing the Bay of Green Bay and the Chesapeake Bay are similar. The federal government invests and average of $536 million annually towards restoration of the Chesapeake Bay. In 2022, the investment

increased to $779 million[5]. The federal government is investing between $8-$12 million annually per square mile across the 64,000 square mile in the Chesapeake Bay. The Lower Fox River Watershed is 638 square miles, applying the same contribution to the Lower Fox would result in $5-$7.5 million dollars annually. As a priority watershed within the Great Lakes, a non-competitive annual investment to implement the Lower Fox River Watershed Restoration Plan could be prioritized within the GLRI allocation. This investment would not only show the federal interest in protecting local Wisconsin waterways and the Great Lakes but could serve as a pilot project for showcasing success in a smaller watershed more likely to respond quicker to investment than the larger Chesapeake Bay. Additional details about this can be found in the Federal Government section on the following pages.

The State or Wisconsin is requested to fund approximately 12% of the recovery efforts. Dedicated investment from the State shows it values its natural resources for the benefits they provide to residents. State investment is important to leveraging additional funding from other sources, such as federal agencies, local municipal resources and private donations. Additional details about this allocation including ideas for revenue generation, can be found in the State Government section on the following pages.

The Counties and the Oneida Nation are requested to fund the cost of the ongoing staff needed to ensure the plan is implemented which is approximately 3% of the total costs. While the investment request for Outagamie County, Brown County and Oneida Nation during the implementation period through 2040 appears low compared to other stakeholder groups, to ensure water quality benefits realized during implementation are sustained, these sources are requested to maintain their 2040 investment level in perpetuity. Additional details about this allocation can be found in the Tribal Nation and County Government sections on the following pages.

Municipal Governments are requested to contribute approximately 7% of the total implementation costs. This estimate was developed by determining the amount of streambank and structural storage practices needed throughout the watershed to meet water quality targets, dividing that amount by the total number of acres in the watershed and allocating the amount assigned to urban land use to municipalities. While we are aware many municipalities are currently investing in streambank restoration efforts, current levels of investment in these solutions by municipalities is not tracked at a watershed scale. Additional details about this allocation can be found in the Municipal Government section on the following pages.

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[5] Chesapeake Progress: Funding https://www.chesapeakeprogress.com/funding#:~:text=Infrastructure%20Investment%20and%20Jobs%20Act&text=When%20combined%20with%20the%20%24536,Chesapeake%20Bay%20and%20its%20watershed

Point Source Alternate Compliance options are anticipated to fund approximately 5% of the recovery effort. Due to the fluctuation of funding available through alternate compliance options, the KOF funding strategy only accounted for funding from NEW Water's Adaptive Management Option. If additional funding becomes available from other point sources, through alternate compliance options, how the resources will be applied to the implementation strategy will be evaluated on a case-by-case basis. Additional details about the allocation for NEW Water's Adaptive Management Option can be found in the Alternate Compliance section on the following pages.

Finally, 3% of the needed resources are anticipated to come from Private Foundations, Businesses and Individual Contributions. Private investment is critical to building ownership and accountability. It is anticipated to lead to greater community engagement and support which will be essential for sustaining long-term restoration efforts. Private funding allows for more tailored solutions and flexibility in implementation.

The KOF Council will be charged with expanding the coalition of supporters of the plan to gain support from each stakeholder group for implementation. Like the implementation component of this plan, the funding strategy will be a living document, flexible as more is learned about the potential funding ability of stakeholder groups. The figure below shows the current annual average funding contribution by funding source compared to the funding request for that source.

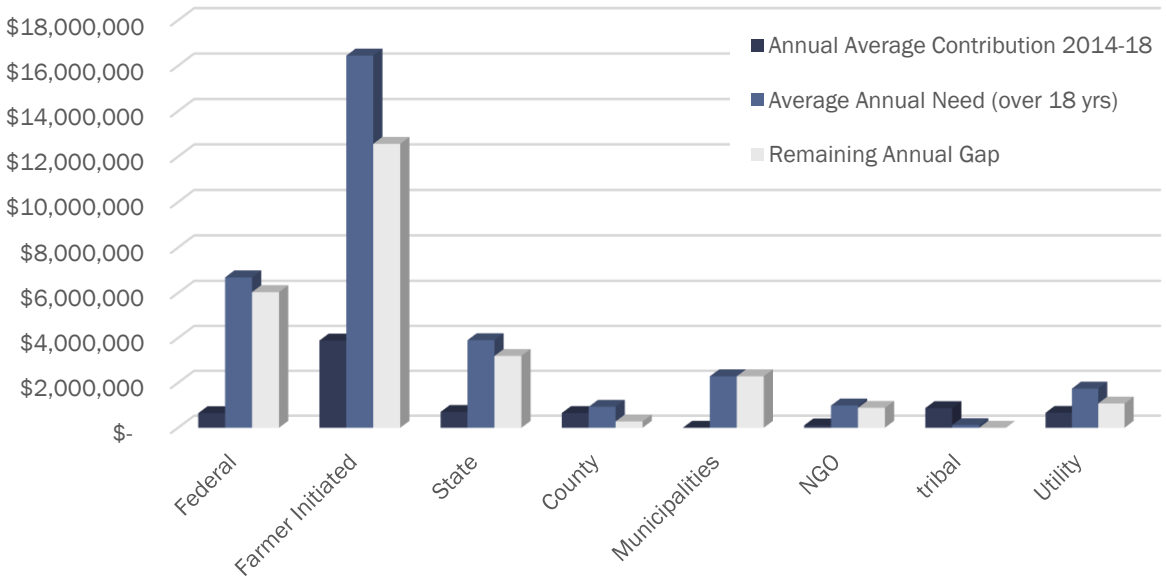

Figure 14. Current Annual Average Funding vs. KOF Plan Need
*NRCS Federal investment that supported traditional farm bill programs is represented as Farmer Initiated. The Federal investment categorized as Federal Investment are fund offered through innovative grant programs.
**Municipal investment in non-point runoff (including streambank restoration) was not evaluated as part of the effort to determine current investment level.

While significant investments have been made, there is a large gap between current investment and funding need. The sections that follow discuss the request from each funding source in greater detail and provide ideas for additional revenue generation that may be required to meet funding goals.

FARMER INITIATED, SUPPLY CHAIN, OR MARKET DRIVEN CONSERVATION CONTRIBUTIONS

Farmer-initiated voluntary conservation and supply chain or market driven conservation contributions will be used to reach the targeted 80% of agricultural land under continuous cover in the watershed.

Figure 15. Farmer-Initiated Contribution to Funding Strategy

Awareness of soil health and water quality impacts from agricultural operations has increased in the last decade and that attention continues to grow. Consumers are increasingly interested in understanding where their food comes from and how it was grown or produced. The demand for sustainably grown farm products has motivated food processing companies to look to their supply chains to demonstrate high levels of environmental stewardship attention to climate change includes agriculture as a strong path toward carbon neutral economies and products. As a result of these and other motivators, voluntary or market based, incentivized adoption of practices such as cover crops, no-till and low-disturbance manure injection has risen substantially in the past several years[6].

Conservation cropping systems can generate real on-farm cost savings and revenue increases. Numerous studies have shown that use of cover crops increases yield, enables earlier planting dates in wet years, and reduced use of expensive pesticides and herbicides[7]. These co-benefits generate cost savings at the farm gate that can be used expand conservation investments on the farm. Through the Lower Fox Demonstration Farm Network's on-farm research led by county land conservation staff and local farmer champions, data is being collected showing that improved soil health through continuous cover does not negatively impact farm economics and can increase overall farm profits. An NRCS supported study launching in 2023 will further identify and quantify real, on-farm savings and value from implementing conservation practices to further highlight the near and long term increases in farm

[6] Cover Crop Trends, Programs, and Practices in the United States, EIB 222 USDA, Economic Research Service. https://www.ers.usda.gov/webdocs/publications/100551/eib-222.pdf

[7] National Association of Conservation Districts Soil Health Research, www.nacdnet.org/%20soil-health-research

profit margins through increased conservation practice implementation. It is anticipated that with this information and economic justification farmers will be willing to internalize a significant portion of the cost to implement soil health and conservation practices on their farms.

Additionally, as the focus on climate-smart and sustainably produced food products has grown in recent years, farmers can secure funding through non-traditional sources to support their continuous cover conservation efforts. As such, Farmer Initiative, Supply Chain or Market Driven Conservation Contributions include supply chain incentive payments, ecosystem services or carbon mitigation practice payments, or internalized or farm-bill program incentives for implementing soil health and conservation practices.

- Funding sources may include:
    - Payments from dairy and food processors or others for sustainability initiatives
    - Payments to reduce carbon emissions
    - Payments to increase carbon sequestration
    - Payments for ecosystem service delivery
    - Payments for climate smart commodity production
    - Renewable energy generation payments (ex. solar, wind, renewable natural gas)
    - Farm-bill program payments provided directly to landowners through NRCS including EQIP, CSP, CRP
    - Voluntary internalized implementation costs (ex. seeding and planting)

DIRECT PAYMENTS TO PRODUCERS FOR ECOSYSTEM SERVICES AND CLIMATE MITIGATION

Private sector entities and non-governmental organizations are coordinating third-party markets for a variety of ecosystem services. Companies within and outside the food and agriculture supply chains are committing to significant environmental protection and conservation goals and look to their supply chains to fulfill them. Agricultural producers receive payments to establish and maintain annual practices and/or structural improvements that produce ecosystem services, including carbon sequestration, soil health, watershed conservation, and biodiversity, among others. Although there is currently a strong focus on carbon mitigation, ecosystems services market (ESM) programs are developing rapidly to encompass a broader range of services, including water quality. Due to their carbon focus, most programs do not currently operate in WI, but many are expanding to new states, and new programs are rapidly coming online. For example, the Ecosystem Services Market Consortium (ESMC) plans to begin service in MI, MN, WI in 2022-2023 with payments to farmers for water quantity and biodiversity ecosystem services as well as carbon, net GHGs, and water quality. (Direct payments for ecosystem services is related to, and partially

overlaps, Incentive-based Conservation, especially where supply chain companies are involved).

Market entities, including Nori, Indigo Ag, Soil & Water Outcomes, and ESMC, run programs that connect buyers with ecosystem services providers, like farmers. They develop the program parameters and oversee verification of practices. Input providers, such as Bayer, Corteva, and Nutrien are examples of agricultural supply chain companies that fund the programs. Like market entities, input providers may set program parameters and perform verifications. They may also supply technical assistance and offer discounts on agricultural inputs to farmers in their programs. Lastly, data platforms, such as CIBO, FBN/Gradable, and Truterra may be affiliated with agricultural supply chain companies, but are separate ecosystem services market initiatives that provide estimates of payments for landowners. Each program has specific requirements regarding practices and verification, and all programs employ one or more verification methods, including site visits, modeling, and soil sampling, among others. Farmers must demonstrate compliance with program requirements to receive payments.

- *Potential funding goal for LFR Basin:* Funding levels vary widely by program and practices among the programs listed above, ranging from $3.50/acre for cover crop seeds to $35/acre for the Soil and Water Outcomes Fund. Contract periods also vary, from as little as one year up to 20 years, with many programs offering 3-, 5-, and 10-year options. Some programs also provide technical and planning support in addition to direct payments to farmers and landowners.
- *Steps to Secure Funding:* Assess capacity and goals of recently expanded programs in Wisconsin; Build connections with food production companies in the LFB to assess interest in environmental sustainability goals for their companies and supply chains; Advocate for expansion of current programs or the development of new programs tailored to the region that encompass ecosystem services markets; Publicize market options to producers in the LFB to match producers with programs.

FEDERAL GOVERNMENT CONTRIBUTIONS AND POTENTIAL FUTURE FUNDING SOURCES

To date federal funds have supported the Keepers of the Fox effort directly through contracts and partnership agreements or awarded to individual farmers for conservation practice implementation through traditional USDA-NRCS cost-share programs. For the purposes of this report, federal government contributions include funding provided *directly from a federal agency or program to implement the Keepers of the Fox* Implementation Action Plan. Funding provided to farmers through individual cost-share contracts are currently the largest source of funding to implement best management practices in the basin. Funding provided to farmers through direct cost-sharing, those dollars are categorized as and intended to be used toward the Farmer Initiated, Supply Chain or Market Driven Conservation Contributions in this report because those direct cost-share dollars are sought by farmers directly.

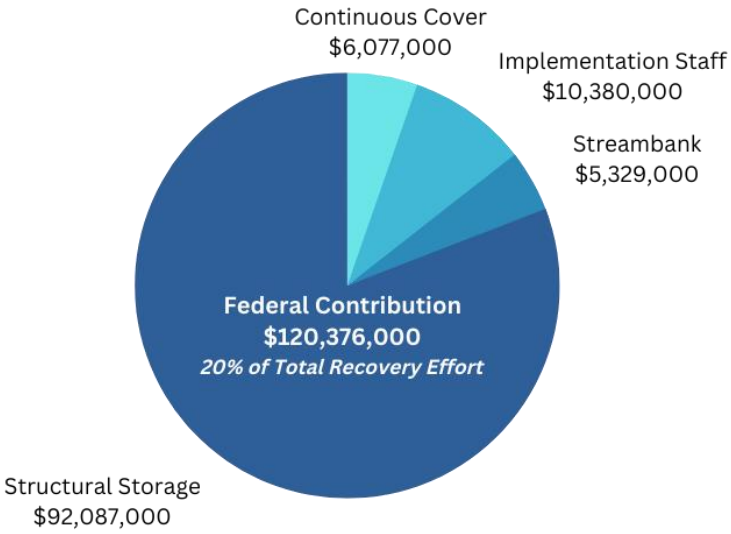

Figure 16. Federal Government Contribution to Funding Strategy

The Keepers of the Fox effort will seek to increase federal funding support directly to KOF by nearly 10-fold over the duration of the recovery effort. USDA-NRCS is currently providing just under 10% of the direct federal funding to KOF and its partners that is needed for Recovery Plan implementation. Federal funding will be pivotal to providing the needed technical staff and structural practice funding for streambank and wetland restoration projects, and installation of two-stage ditches, for example. Historic investments in conservation funding have been made in 2022 and 2023 by the federal government. Keepers of the Fox has already been able to access some of those pools through project partnerships for the Climate-Smart Commodities Program. Public-private partnerships will continue to be the focus for KOF funding requests to federal sources.

While USDA-NRCS is likely to remain the largest federal funding source, the KOF will seek opportunities for additional support from non-traditional federal partners where possible. Potential federal funding sources and uses include:

- US Department of Agriculture –NRCS
    - Technical support and practice cost share

    - Great Lakes Restoration Initiative
    - Conservation Innovation Grants
    - Regional Conservation Partnership Program
    - Climate Smart Agricultural Commodities Program
    - Inflation Reduction Act
- US Environmental Protection Agency
    - Project planning and implementation
    - Great Lakes Restoration Initiative
- US Fish and Wildlife Service
    - Habitat and hydrological restoration activities
    - Sustain Our Great Lakes Program
- Federal Emergency Management Agency
    - Flood mitigation, hydrologic restoration activities
    - Building Resilient Infrastructure and Communities Program
- US Geological Survey – in-stream water quality monitoring

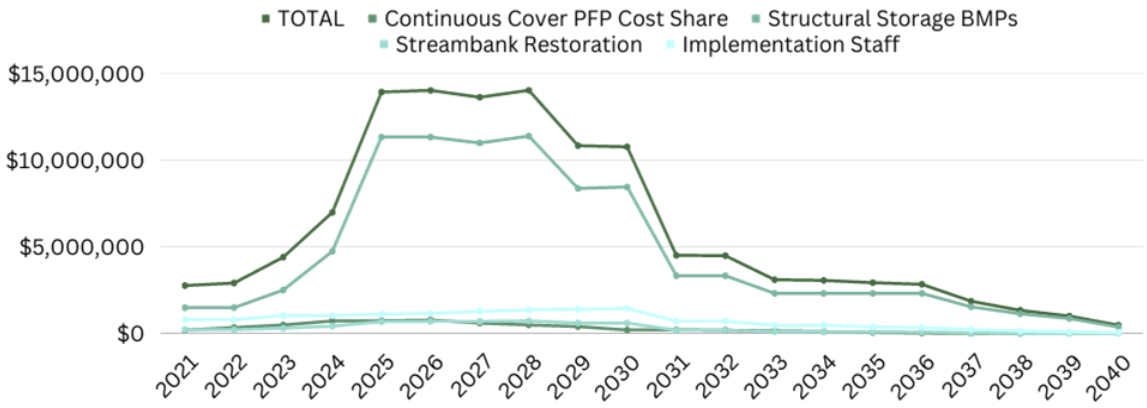

Figure 17. Total Federal Funding Requested Through 2040: $120,376,000

GREAT LAKES RESTORATION INITIATIVE FUNDING

The Great Lakes Restoration Initiative (GLRI) has provided considerable financial support to may partners in the Lower Fox River Basin since its inception in 2009. Current funding supports local efforts to implement conservation practices on farms via existing USDA-NRCS programs including the Environmental Quality Incentive Program. GLRI funding to the Lower Fox River Basin through 2018 has ranged from approximately $2.3 - $4.5 million per year. The influx of additional GLRI funding through the Bipartisan Infrastructure Law and the Inflation Reduction act may positively impact the amount of funding available to Wisconsin and LFR efforts.

The collaboration and additional structures created through the Keepers of the Fox program will be invaluable to facilitate use of the funds to increase grazing management on dairy farms, support reduced tillage and cover crop use, and other agricultural conservation efforts in the watershed. Additional support for LFR

Recovery Plan efforts is possible through the GLRI and needs to be a significant focus to close the gap in federal funding necessary to achieve the LFR water quality goals set forth in the LFR TMDL.

- *Potential Funding Goal for LFR Basin*: up to an additional $5,000,000/year
- *Use of Funds*: Structural projects and upstream cropland practices; demonstration farm development or expansion, outreach and on-farm learning.
- *Steps to Secure Funding*: Review past projects; Identify and develop potential projects, sites, and sources of matching contributions (including in-kind) in collaboration with state NRCS staff.

REGIONAL CONSERVATION PARTNERSHIP PROGRAM

Through the Regional Conservation Partnership Program (RCPP), NRCS and its partners help agricultural producers install and maintain conservation activities in selected project areas. Partners leverage RCPP and matching funding in project areas. RCPP federal assistance is provided through the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Conservation Easement Program (ACEP), Healthy Forests Reserve Program (HFRP), and in certain geographic areas, the Watershed Protection and Flood Prevention program. In Wisconsin, RCPP provided $7.5 million in funding to the Milwaukee River Watershed Conservation Partnership (2020) for Land Management, Land Rental, and Entity Held Easements for long-term land protection. With the influx of $20 billion of Inflation Reduction Act funding to NRCS for these programs, it is anticipated that increases in annual or per project funding may increase from its current award cap of $10 million over 5 years. Project types that use innovative approaches to leverage the federal investment in conservation, deploy a pay-for-performance conservation approach, or seek large-scale infrastructure investments that generate conservation and climate benefits for agricultural producers and nonindustrial private forest owners are often successful.

Local and state governments, tribes, municipal water and wastewater utilities, agricultural associations or cooperatives, and rural water districts, among others, are eligible to apply for the Classic and AFA programs. RCPP is a contractual agreement, not a grant. Eligible projects include land management, land improvement, and restoration practices; land rentals; entity-held easements; United States-held easements; and public works/watershed projects.

- *Potential funding goal for LFR Basin:* up to $2,000,000/year for 5 years
- *Use of Funds:* Additional technical assistance, monitoring and evaluation, outreach, and project management.
- *Steps to Secure Funding:* Review past awarded projects; Identify and develop potential projects, sites, and sources of matching contributions (including in-kind) in collaboration with state NRCS staff; RCPP opportunity announcements

are typically posted in October of each year at grants.gov, with a 60-90 day application window. Generally applications are due in January of the following year.

AREAS OF CONCERN (AOCS)

The Lower Green Bay and Fox River was designated an Area of Concern (AOC) under the 1987 Great Lakes Water Quality Agreement, and the designation originally included eleven Beneficial Use Impairments (BUIs). AOC funding has historically been focused on projects within the geographic boundaries of the AOC. The Green Bay AOC boundaries do not include most of the upstream area of the LFB, but agricultural uses in upstream areas are the primary cause of the "Eutrophication or Undesirable Algae" impairment in the Green Bay AOC.

Once AOC management actions are complete for the Eutrophication or Undesirable Algae BUI, the subsequent BUI removal recommendation, Remedial Action Plans (RAPs), and AOC delisting recommendation will describe the Eutrophication or Undesirable Algae BUI as "impaired – not due to local sources" per the 2001 U.S. Policy Committee "Restoring United States Areas of Concern: Delisting Principles and Guidelines" policy. Longer term TMDL goals will continue to be prioritized as actions under the TMDL program and the Lake Michigan Lakewide Action and Management Plan (LAMP).

- *Potential funding goal for LFR Basin:* ~$1,500,000 to $4,000,000 annually; $25 million for 2022-2030 to address the Eutrophication or Undesirable Algae BUI.
- *Use of Funds:* Structural projects and upstream cropland practices; Structural projects will require maintenance agreements to be established with both public and private landowners; Support project delivery and implementation, staffing for County LCDs, and water monitoring.
    - *Steps to Secure Funding:* The WDNR's most recent Remedial Action Plan[8] was open for comment through June 6, 2022. As comments on the plan are reviewed and adjustments made to address concerns, the AOC program will continue to evaluate how AOC funding can be utilized in the LFR to address Eutrophication or Undesirable Algae BUI. Keepers of the Fox will remain in contact with local and regional AOC project managers for funding and project updates, and assist as needed to identify appropriate sites and projects and advocate to the EPA for funding to address Wisconsin's AOC BUIs.

[8] WDNR Office of Great Water Lower Green Bay and Fox River Area of Concern 2020-2021 Remedial Action Plan Update, https://widnr.widen.net/s/cxq9ddw7qr/gw_lgb_rap2020-2021

BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES (BRIC) PROGRAM

BRIC is a program of the Federal Emergency Management Agency (FEMA) focused on pre-disaster mitigation through increased resilience of the natural and built environment. Mitigation project examples include nature-based solutions (e.g., aquifer storage and recovery, floodplain and stream restoration, and flood diversion and storage), and constructing retention or detention basins. BRIC funding is available to local governments, tribes, and states with approved hazard mitigation plans. States are the applicants, awarding grant dollars to eligible entities through sub-awards. Project may be multi-year. Application period usually runs September to late January each year.

- *Potential funding goal for LFR Basin:* $1,000,000/project
- *Use of Funds:* Agricultural runoff treatment systems (ARTS), including structural practices in the LFR *Management* Plan to mitigate flooding, surface runoff, hydrologic improvements, etc.
- *Steps to Secure Funding:* Identify project overlap between the LFR Plan and the county and tribal hazard mitigation plans, if any; Coordinate with Wisconsin Emergency Management to better understand application process and evaluation criteria, identify potential sites *and* develop projects in the LFB, and determine complementary sources of funding available through WEM.

INFLATION REDUCTION ACT

The Inflation Reduction Act presents a historic opportunity to fund state level conservation initiatives over the coming five years. Funding will be spread across four main NRCS program areas (Figure 18) and the annual funding available increases each year. Projects are multi-year and can support both technical and financial assistance needs. Amounts allocated to each state for these programs have not been determined, making it difficult to assess the potential for these funds to support KOF plan implementation.

- *Potential funding goal for LFR Basin:* $5,000,000 over 5 years
- *Use of Funds:* Technical assistance and conservation practice cost-share
- *Steps to Secure Funding:* Coordinate with NRCS to better understand application process, project prioritization and evaluation criteria; Identify and develop potential projects, sites, and sources

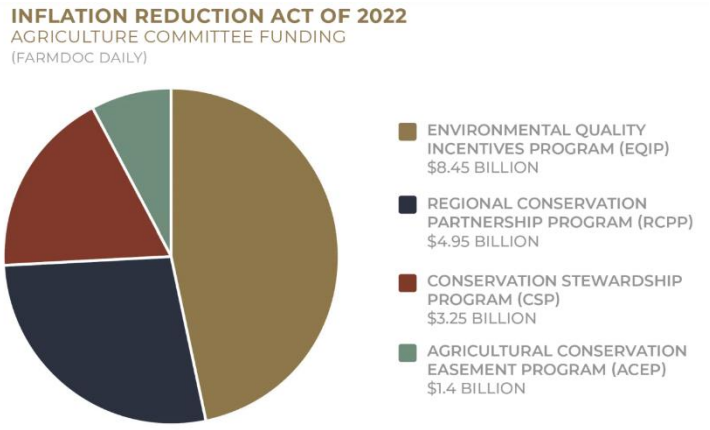

Figure 18. Inflation Reduction Act Allocations by USDA NRCS

of matching contributions (including in-kind) in collaboration with state NRCS staff. Funding cycles have yet to be established for this five year program, however requests for applications is likely to coincide with the federal fiscal year.

SUSTAIN OUR GREAT LAKES PROGRAM

Administered by the U.S. Fish and Wildlife Service, the Sustain Our Great Lakes Program is a public-private partnership designed to sustain, restore and protect the ecosystems of the Great Lakes basin through increasing conservation capacity, on-the-ground restoration and enhancement activities, and leveraging partnerships and funding to achieve this mission. In 2023, this program aims to award $18.7 million for these efforts.

- *Potential funding goal for LFR Basin:* $500,000/project
- *Use of Funds:* Streambank and wetland restoration projects
- *Steps to Secure Funding:* Requests for proposals occur annually in January. KOF should connect with program coordination staff to discuss project needs and applicability for the program ahead of the 2024 award cycle.

TRIBAL NATION CONTRIBUTION REQUEST

The Oneida Nation has been a strong partner in LFR recovery efforts to date and will remain a key partner in supporting this ongoing effort. Tribal Nation contributions include funding provided directly from the Oneida Nation for implementation activities identified in the Keepers of the Fox Implementation Action Plan. Funding provided by sources that are only available for tribal nations will be considered as tribal nation contributions to the KOF effort.

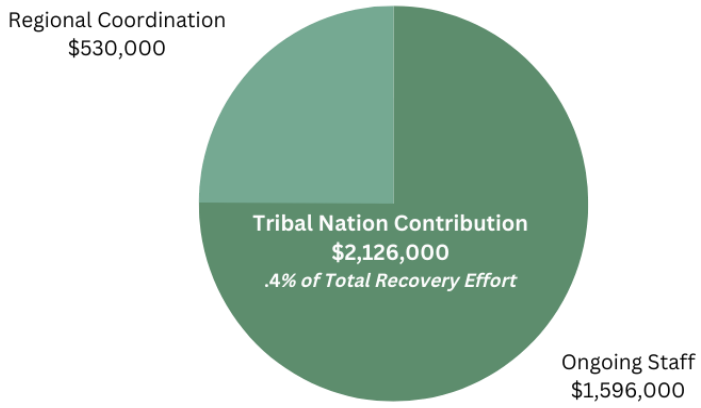

Figure 19. Tribal Nation Contribution to Funding Strategy

As a sovereign government the Oneida Nation, may be eligible for conservation funds not available to other entities. Annual funding levels provided to the Oneida Nation have ranged from approximately $675,000 to over $1.2 million, with average annual NRCS contributions to the Oneida Nation of approximately $870,000 for costs associated with technical staff, project administration, and BMP implementation.

As a partner in the LFR Recovery Plan effort, the Oneida Nation is asked to provide ongoing support to the KOF regional coordination and maintain the level of ongoing technical and administrative staff support through 2040. The annual estimated cost to the tribe for regional coordination and ongoing staff support is $118,000/year, based on the current number of active agricultural acres within the Lower Fox River Watershed within tribal territory. Unlike the Counties, Oneida Nation owns the agricultural land within their jurisdiction. If the Nation were to require the needed level of conservation on their lease land, reduced staffing may be needed. As funding opportunities for tribal nations become available, tribal leaders should coordinate with the Keepers of the Fox and its regional coordinator to explore use of those funds for LFR Recovery Plan Implementation.

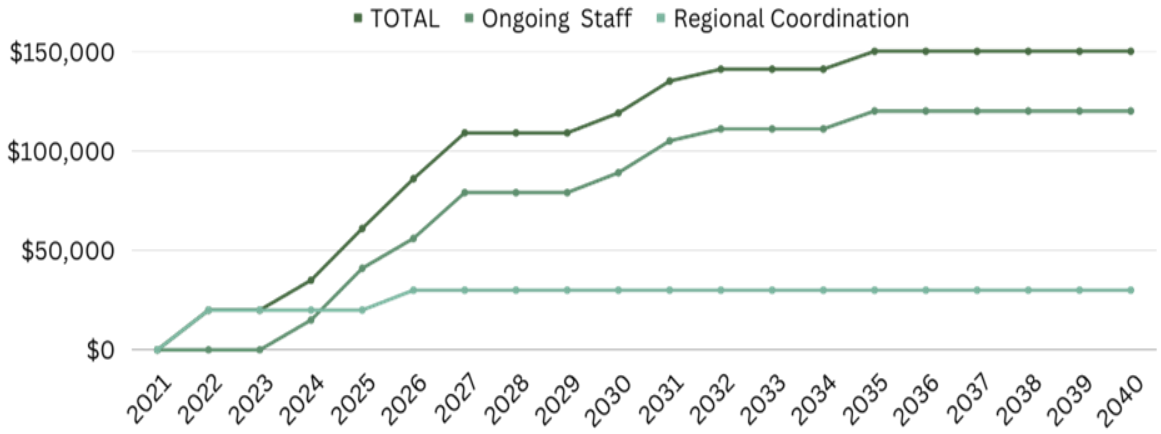

Figure 20. Total Tribal Nation Funding Requested Through 2040: $2,126,000

STATE GOVERNMENT CONTRIBUTION REQUEST

To be successful, Lower Fox River recovery must be a high priority for the state. Significant investments to support the ongoing conservation efforts must be pursued at the state level through natural resource agencies and the legislature. State government contributions include funding provided directly from the State of Wisconsin to implement activities identified in the Lower Fox River

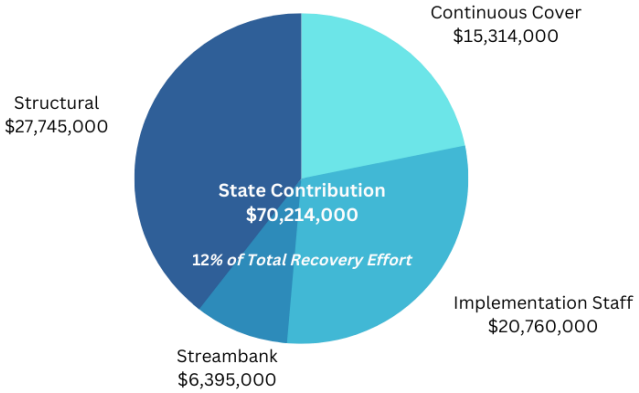

Figure 21. State Government Contribution to Funding Strategy

Implementation Action Plan[9]. Funding may be provided by Wisconsin state agencies either directly through designated funding streams to the Lower Fox River, or via state administered cost-share and other programs that are used directly in the Basin. In Wisconsin two state agencies provide the majority of funding for water quality and agricultural conservation efforts which has fluctuated over time (Figure 22).

State funding sources may include but are not limited to[10]:

- Soil and Water Resource Management grants for county staff or cost-share for practices (DATCP)
- SEG Innovation Grants (DATCP)
- Producer-led Watershed Protection grants (DATCP)
- Targeted Runoff Management grants (WDNR)
- Coastal Management grants (DOA)
- Notice of Discharge or Notice of Intent funding (DACP/WDNR)

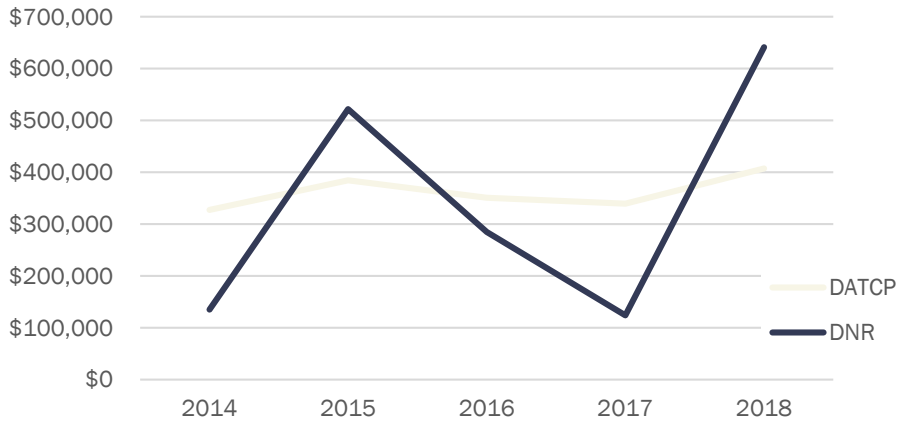

Figure 22. DATCP and WDNR Funding Contributions for LFR 2014 - 2018

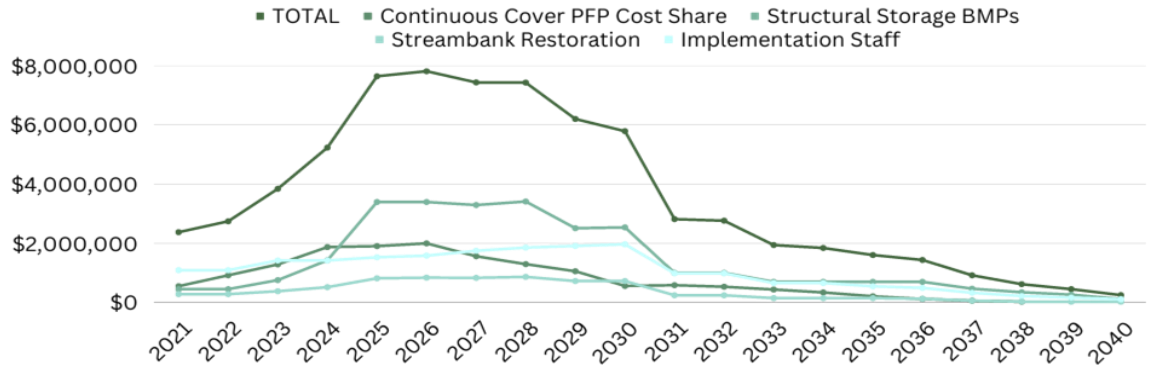

Figure 23. Total State Funding Requested Through 2040: $70,214,000

[9] Funding provided by another source (federal or other) funneled through the state will be counted as contribution from the original source.

[10] Funding source entities and examples of specific funding sources listed do not imply that funding is or will be directed to the efforts of the Keepers of the Fox efforts, nor does it commit any entity to supporting this work.

POTENTIAL SOURCES OF FUTURE STATE FUNDING

INCREASE EXISTING STATE COST-SHARE FUNDING TO BOOST ENVIRONMENTAL OUTCOMES

Through the state biennial budget process, the state should significantly increase its financial investment in agricultural conservation by doubling the funding through the Segregated Fund (SEG) within DATCP's Soil and Water Resource Management Program (SWRM[11]) that supports county land conservation staffing, cost-share for nutrient management (NM) planning and other conservation practices, cooperative grants to partners, and the SEG Innovation fund that supports pilot projects to develop unique ways to address agricultural non-point issues. Through the annual SWRM allocation process, KOF can apply for additional financial assistance dollars for specific projects through the SEG innovation pool.

CHART 1: GRANT REQUESTS AND ALLOCATIONS

Funding Category	Total Requests	Unmet Requests	Allocation Amounts
DATCP			
County Staff/Support	$18,775,068	$7,495,068	$11,280,000
LWRM Cost-Share (B)	$7,039,500	$3,493,759	$3,545,741
Bond Reserve (B)	$250,000	$0	$250,000
LWRM Cost-Share (SEG)	$2,769,100	$644,000	$2,125,100
Project Contracts (SEG)	$1,030,859	$80,000	$950,859
Innovation Grants (SEG)	$362,415	$38,356	$324,059
NMFE Grants (SEG)	$174,982	$0	$174,982
SUBTOTAL	$30,401,924	$11,751,183	$18,650,741

Doubling the funding level will provide the financial support needed to allow Outagamie and Brown counties with high nutrient management plan adoption coverage to pay farmers for practices like cover crops to reduce their PI levels. A significant increase SWRM funding could also support an outcomes-based pilot program for the LFR basin that could support practices to reduce phosphorus losses well below current state standards and increase the ability to meet the basin's water quality goals.

- *Potential funding goal for LFR Basin:* Up to $500,000/yr, depending on per project maximums established by DATCP each funding cycle
- *Use of Funds:* Support for innovative, stacked practice projects on agricultural operations
- *Steps to Secure Funding:* SWRM application materials are released each January with applications due April 15 each calendar year. Funding is then made available for the subsequent calendar year.

CREATE A LONG TERM, CONSISTENT STATE LEVEL FINANCING MECHANISM TO SUPPORT WATER QUALITY EFFORTS

Funding to support state agricultural nonpoint pollution abatement efforts has fluctuated greatly since the state began supporting cost-share and other incentive-based programming in the early 2000's. While funding levels have slightly increased in recent years, funding lapses, competing needs and shifting political winds have created a situation where state agencies, conservation departments and agricultural and environmental NGOs must advocate for funding each budget cycle.

[11] DATCP SWRM Grant Resources, https://datcp.wi.gov/Pages/Programs_Services/SWRMGrantResources.aspx

Additionally, funding is not provided at the levels necessary to move the needle to address the water quality issues we are collectively trying to solve in our communities. Wisconsin citizens value their natural resources and water quality. Other midwestern states have successfully created statewide financial support mechanisms for natural resource programs and priorities through small sales tax increases that spread the financial burden for conservation costs across the entire population of the state. For example, in 2008, 56% of Minnesota voters approved the Clean Water, Land and Legacy Amendment to the state constitution which increases the sales and use tax rate by three-eighths of one percent, starting July 1, 2009 and continuing through 2034. Amendment dollars are dedicated to four separate funds: the Outdoor Heritage Fund, Parks and Trails Fund, Arts and Cultural Heritage Fund, and Clean Water Fund, with the Clean Water Fund bringing in approximately $20 million annually statewide. Similarly, in 2016 Missouri passed the Missouri Sales Tax for Parks and Conservation Measure which renewed the existing sales and use tax of 0.1 percent for another 10 years. Missouri's sales tax increase supports state parks and soil and water conservation efforts and was designed to "continue to generate approximately $90 million annually for soil and water conservation and operation of the state park system."

Wisconsin should evaluate the attempts and successes made by these midwestern agricultural states to establish long-term, consistent funding mechanisms to support nonpoint reduction programs.

- *Potential funding goal for LFR Basin:* ~$2,500,000+/yr (beginning in 2029)
- *Use of Funds:* Support practice installations through cost-share and incentive payment and support for both implementation and ongoing technical staff needs.
- *Steps to Secure Funding:* Considerable effort will be required to successfully create a similar tax amendment measure for Wisconsin. Generating public and political support for an effort in Wisconsin is essential and will require establishing a diverse and financially supported citizen advocacy campaign to conduct the education and outreach necessary to ensure state voters understand the reason for the proposed amendment, the use and allocation of fund dollars, and mechanisms for accountability so taxpayers can see that their money is being spent wisely. Experiences from other states indicates as many as five years are needed to generate the amount of public and private support needed, develop the amendment, identify directions for fund distribution and get it across the proverbial finish line. Champions for this funding option must be identified, coordinated, and empowered to initiate the outreach campaign needed. Discussions with successful states, potential partners, legislative and administrative leaders, must take place upfront to

learn about other states' experiences, build a process that makes sense in Wisconsin and fits the needs and priorities for our state.

BEVERAGE CONTAINER DEPOSIT PROGRAM

Impose a $0.05 beverage container deposit on beer, wine, malt beverages, and carbonated beverages including hard seltzers, sodas and ciders distributed in airtight metal, glass, paper or plastic containers under 1 gallon in volume. Deposits are paid by the retailer when making purchases from distributors and are passed on to the purchaser at the time of purchase. When the container is returned to a redemption center, the deposit is refunded to the purchaser. Unredeemed deposits would be assessed each year from distribution facilities and placed into a separate state fund to be distributed as state legislation dictates.

- *Potential funding goal for LFR Basin:* ~$1,000,000 per year
- *Use of Funds:* Support ongoing staffing and monitoring costs, cost-share or pay for performance programs, education, outreach on the deposit program or recycling programming in general.
- *Steps to Secure Funding:* Legislation is necessary and a public support campaign will need to be initiated. Begin by convening a stakeholder group from relevant state and local agencies and business leaders (WDNR, Food and Beverage Wisconsin, etc.) to identify program opportunities and challenges; Develop educational and outreach materials to build statewide coalition of support; Identify legislative champion(s) to sponsor legislation drafting and related legislative council assessments needed

COUNTY GOVERNMENT CONTRIBUTION REQUEST

County government contributions include funding provided directly from county governments to implement activities identified in the Keepers of the Fox Implementation Action Plan[12] and may include county investment in land conservation departments for staffing and practice implementation used directly to support agriculture conservation implementation needs identified in the LFR Implementation Action Plan, TMDL Implementation Plan or Nine key element watershed plans (note: this does not include funding awarded to a county for conservation from private or other public entities).

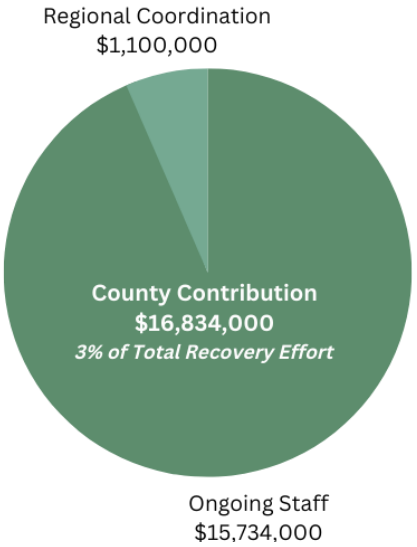

Figure 24. County Government Contribution to Funding Strategy

[12] Funding provided by another source (ex. Federal, state, or private) passed through a county will be county as contribution from the original source

Traditional conservation partners include land conservation departments, planning and zoning departments and highway departments. New partners in county government could include parks departments, sustainability offices, health departments, tourism and economic development offices[13].

Beyond the contribution of ongoing staff and regional coordination funding during the implementation period (through 2040), Outagamie and Brown Counties are requested to maintain a level of ongoing staff and regional coordination support beyond 2040. The annual staffing costs for Brown County is estimated at $727,000, while Outagamie County is estimated at $555,000, based on the current number of active agricultural acres within the Lower Fox River Watershed within each county. The estimates may be modified if land use changes significantly over time.

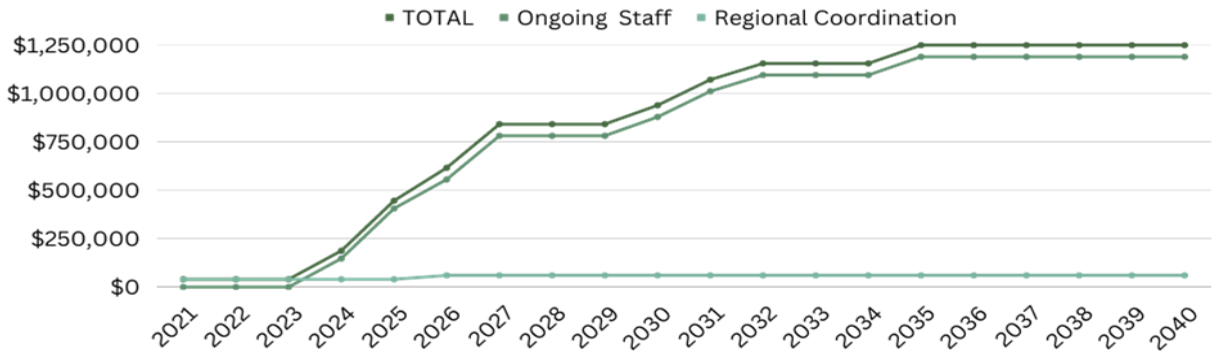

Figure 25. Total County Funding Requested Through 2040: $16,834,000

POTENTIAL SOURCES OF FUTURE COUNTY FUNDING

LOCAL PROPERTY TAX LEVY FOR CONSERVATION

Town and county governments can increase local property tax levels to generate revenue to support their conservation programs, however annual property tax levies are subject to state restraints. Property tax levies that exceed state-mandated limits must be approved by the jurisdiction's voters via referendum, except for small municipalities (under 3,000 population), which require a special resolution and approval at a special town meeting instead. Property tax levies may be for a single fiscal year, multiple years, or ongoing (unless/until repealed). Willingness to pay studies performed in Wisconsin indicate households in the NE region may be willing to pay between $30-60 annually to achieve local water quality goals. With approximately 300,000 households in the Lower Fox River Basin, a modest property tax increase of $30 per household for conservation programming could generate as much as $9 million per year.

- *Potential funding goal for LFR Basin:* up to $9,000,000/yr

[13] Funding source entities and examples of specific funding sources listed do not imply that funding is or will be directed to the efforts of the Keepers of the Fox efforts, nor does it commit any entity to supporting this work.

- *Use of Funds:* Highly visible and impactful practices and projects that residents, local businesses and elected officials can view and tour; on the ground conservation practice implementation (continuous green cover, structural and riparian practices and projects such as constructed treatment wetlands, in-stream phosphorus removal devices, etc.)
- *Steps to Secure Funding:* Reassess residential population willingness to support a levy increase for conservation; Identify influential supporters and establish a broad coalition to advance the initiative; Develop realistic ranges for potential levy increases ranges, duration (i.e. one-time, multi-year with sunset, or ongoing), and use(s) of revenues; Create a public education and outreach campaign to build support among general population; Identify supporters to disseminate and/or fund campaigns; Follow state procedures and timelines to draft proposals and submit for review; Secure placement of the proposal on a primary or general election ballot, or a town ballot for small municipalities.

DRAINAGE DISTRICTS

Drainage districts are government entities that exist to ensure proper hydrologic drainage of lands for agricultural uses. Organized under drainage district boards, districts have the power to assess landowners within district boundaries for drainage management activities including the costs of constructing, maintaining and repairing district drainage structures. Districts may also require certain best management practices be used to ensure adequate drainage is occurring in the district. Instream practices identified in the LFR Recovery Plan such as phosphorus removal devices or two-stage ditch structures complement the goals of drainage districts while simultaneously providing water quality improvement benefits. Eight drainage districts in the LFR Basin located within Brown (Drainage District #4 and #5) and Outagamie Counties (Freedom, Oneida-Hobart, Vandenbroek, Grand Chute, Duck Creek, Center Valley).

Increased collaboration with the LFB drainage districts could prove successful in improving stormwater services and mitigating water quality impacts. Changing precipitation patterns that will likely result in more extreme rainfall events and overall greater precipitation in the Great Lakes region could provide opportunities for an enhanced focus on water quality and flow control measures, especially since much of the phosphorus loading to the LFR is driven by high-flow events. Costs for installing phosphorus removal devices, two-stage ditches, or similar infrastructure would be too large for drainage districts to support, so those costs would need to be covered by other federal (ex. Area of Concern funding) or non-federal funding, however the cost of ongoing operations and maintenance would be low enough to be supported through small district assessments.

- *Potential funding goal for LFR Basin:* Up to $20,000/yr/district
- *Use of Funds:* Support the operation and maintenance of in-stream structural practices to mitigate flooding, surface runoff, flow-modification, hydrologic improvements, etc.
- *Steps to Secure Funding:* Assess Outagamie County's Freedom Drainage District pilot project to determine costs for ongoing operation and maintenance of instream practice installations; Use existing hydrologic data and models to identify and prioritize drainage districts for most effective potential locations for phosphorus reduction systems and two stage ditch structure to reduce risks; Determine extent of potential Area of Concern funding available to support practice installations; Convene drainage district board members to share successes and options related to the current pilot project in Outagamie's Freedom Drainage District Assess interest of other drainage district boards to provide funding for operations and maintenance of practice installations; Develop an outreach campaign to describe project benefits to district landowners.

MUNICIPAL GOVERNMENT CONTRIBUTION REQUEST

For this report, municipalities within the Lower Fox River Basin with regulated Municipal Separate Storm Sewer Systems (MS4s) and those not large enough to warrant MS4 regulation are included in this plan. Municipal government contributions includes funding provided directly from municipal governments (City/Village/Township) to implement nonpoint pollution reduction activities identified in the Keepers of the Fox Implementation Action Plan[14].

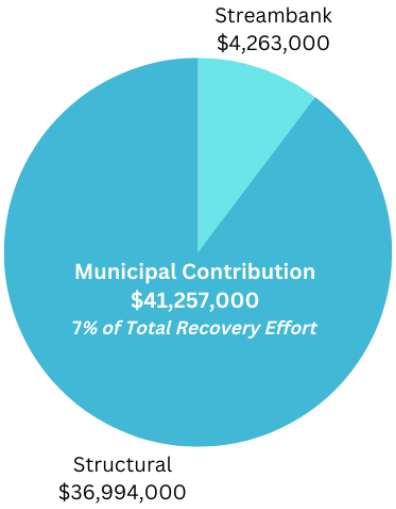

Figure 26. Municipal Government Contribution to Funding Strategy

For Permitted Communities, phosphorus and sediment reductions achieved by an MS4 through permit, construction or redevelopment compliance as required by WDNR will be tracked and reported, however will not be regarded as municipal contributions to the KOF effort. Streambank erosion is happening throughout the watershed and contributing both phosphorus and sediment to local waterways. The loading from streambanks was not attributed to the MS4 in the TMDL so streambank restoration efforts cannot be counted toward MS4 permit requirements. Municipalities are conducting streambank restoration and green infrastructure projects across the basin; however, these efforts are not

[14] Funding provided by another source (Federal, state, or private) passed through a municipality to KOF will be counted as contribution from the original source

currently being tracked and reported on a regular basis. The Keepers of the Fox will work with the NEWSC to establish and streamline a process for municipal structural or green infrastructure projects to be tracked and their phosphorus reductions accounted for.

Beyond structural and green infrastructure projects, municipalities may be able to provide support to the recovery effort through specific, local programs offered to landowners, businesses and others through parks departments, sustainability offices, health departments, tourism/economic development offices, and drainage districts, as applicable. Keepers of the Fox will continue to partner with municipalities to identify streambank and other structural practice implementation projects and funding opportunities to support that work.

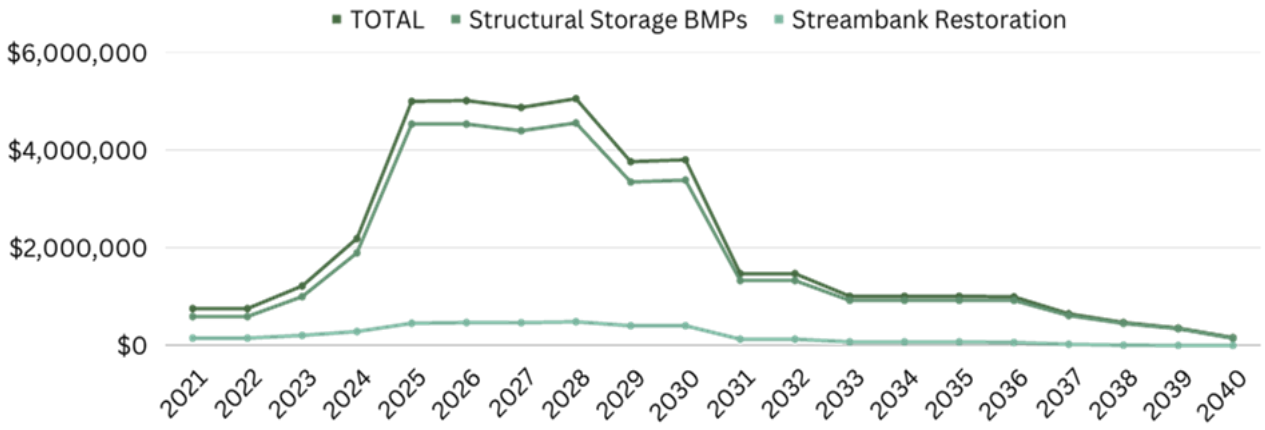

Figure 27. Total Municipal Funding Contribution Requested Through 2040: $41,257,000

Town and county governments can increase local property tax levels to generate revenue to support their conservation programs, however annual property tax levies are subject to state restraints. Property tax levies that exceed state-mandated limits must be approved by the jurisdiction's voters via referendum, except for small municipalities (under 3,000 population), which require a special resolution and approval at a special town meeting instead. Property tax levies may be for a single fiscal year, multiple years, or ongoing (unless/until repealed). Willingness to pay studies performed in Wisconsin indicate households in the NE region may be willing to pay between $30-60 annually to achieve local water quality goals. With approximately 300,000 households in the Lower Fox River Basin, a modest property tax increase of $30 per household for conservation programming could generate as much as $9 million per year.

- *Potential funding goal for LFR Basin:* up to $9,000,000/yr
- *Use of Funds:* Highly visible and impactful practices and projects that residents, local businesses and elected officials can view and tour; on the ground conservation practice implementation (continuous green cover, structural and riparian practices and projects such as constructed treatment wetlands, in-stream phosphorus removal devices, etc.)

- *Steps to Secure Funding:* Reassess residential population willingness to support a levy increase for conservation; Identify influential supporters and establish a broad coalition to advance the initiative; Develop realistic ranges for potential levy increases ranges, duration (i.e. one-time, multi-year with sunset, or ongoing), and use(s) of revenues; Create a public education and outreach campaign to build support among general population; Identify supporters to disseminate and/or fund campaigns; Follow state procedures and timelines to draft proposals and submit for review; Secure placement of the proposal on a primary or general election ballot, or a town ballot for small municipalities.

PRIVATE FOUNDATION, BUSINESS, AND INDIVIDUAL CONTRIBUTIONS

Increasingly private foundations, local businesses and individuals have prioritized environmental improvement effort in their giving portfolios. Private foundations, businesses and individual contributions include funding provided directly from private stakeholders to implement activities identified in the Keepers of the Fox Implementation Action Plan. Conservation oriented non-governmental organizations, non-profit groups, private donors, private foundations, area and regional businesses, and community-based or citizen-based groups are all possible funding sources to pursue. Examples of conservation partners[15] include:

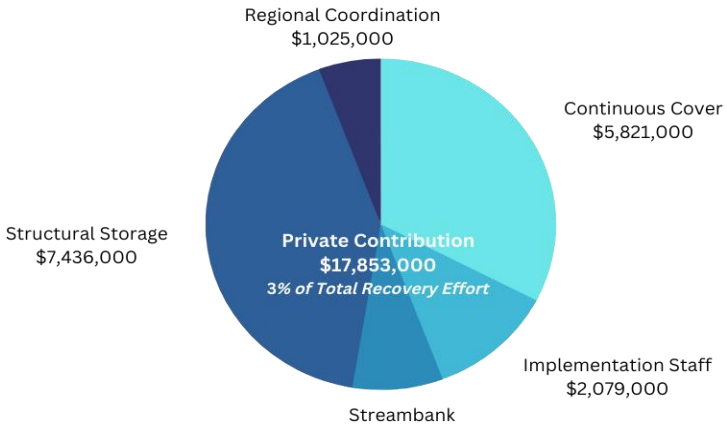

Figure 28. Private Contribution to Funding Strategy

- Ducks Unlimited
- The Nature Conservancy
- Wisconsin Wetlands Association
- Fund for Lake Michigan
- Sportsman's clubs
- National Fish and Wildlife Foundation

[15] Funding source entities and examples of specific funding sources listed do not imply that funding is or will be directed to the efforts of the Keepers of the Fox efforts, nor does it commit any entity to supporting this work.

Private business and individual contributions may include:

- Local chambers of commerce
- Independent business sponsors/donations
- Individual giving

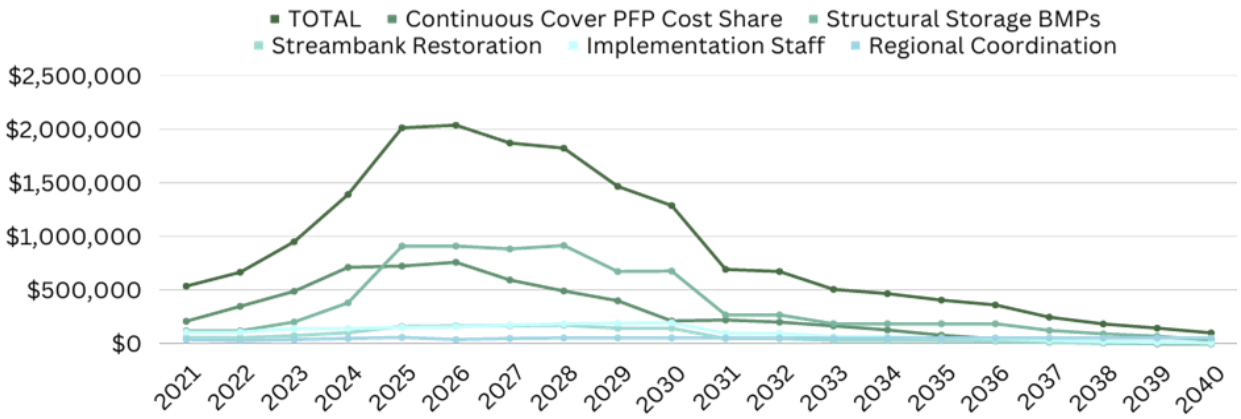

Figure 29. Total Private Source Funding Need Through 2040: $17,853,000

ALTERNATE COMPLIANCE CONTRIBUTIONS

Alternate Compliance Contributions include point source (WWTPs) funding for agricultural conservation practices to meet permit compliance targets through Adaptive Management, Water Quality Trading or Multi-Discharger Variance options.

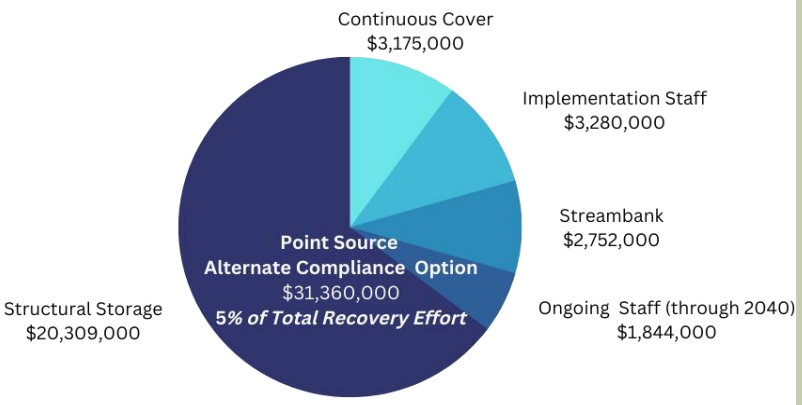

Figure 30. Alternate Compliance Contribution to Funding Strategy

Currently NEW Water is implementing an Adaptive Management compliance project in Ashwaubenon and Dutchman Creeks. As the compliance option requires permittees to meet reduction targets and water quality goals in the project area, NEW Water's Adaptive Management program has been assigned the full cost of implementation in Ashwaubenon and Dutchmen Creek.

While NEW Water works closely with the Keepers of the Fox program and all Lower Fox River agricultural conservation implementation partners, NEW Water's total cost to implement in Ashwaubenon and Dutchman Creek watershed as well the way their funds are utilized may differ from the breakdown shown.

Funding from other sources secured by NEW Water to implement projects within the Ashwaubenon and Dutchman Creek watersheds will not be counted towards the source funders contribution to the Keepers of the Fox Lower Fox River Recovery Effort as the costs for implementing in Ashwaubenon and Dutchman Creek are fully assigned to the Adaptive Management Compliance Option being implemented through NEW Water's waste water permit.

Additional alternate compliance funding in the future may include resources provided to the county land conservation departments through water quality trading and/or Multi-discharger Variance compliance mechanisms. These funds will be used to offset some of the need for Implementation staff funding and practice funding and will be used to reduce the State's expected contribution as funding is dedicated.

POLICY RECOMMENDATIONS TO ADVANCE OUR WORK

Many factors influence landowner decisions to adoption of conservation practices to reduce their farm's nonpoint source pollution contributions to surface and groundwater. While access to funding for practice implementation is often considered the most significant barrier, other factors also inhibit or promote progress toward on-farm water quality goals. A strategy to attract additional funding to should be married with a suite of policy revisions to increase the efficacy and accessibility of programs that incentivize greater conservation implementation and generate ideas for systemic change to facilitate wide-spread adoption of a conservation mindset on farms not just in the Lower Fox River Basin, but state- and potentially nation-wide scales. Additionally, policy revisions to existing programs, administrative rules, and statutes can increase the efficiency and efficacy of water quality based programs and systems within state agencies to prioritize water quality outcomes, and provide additional incentives to achieve those goals. As implementation of the plan moves forward, partners will work together to advance viable policy options. Policy recommendations identified below are intended to describe policy changes and advocacy pathways to advance progress at the federal, state and local levels to achieve this broad goal.

IMPLEMENT THE LOWER FOX RIVER TMDL THROUGH NR151.005 TARGETED PERFORMANCE STANDARD DEVELOPMENT

Point sources within a TMDL watershed are required to work toward meeting their wasteload allocation through requirements identified in Wisconsin Administrative Code NR 217 Effluent Standards and Limitations for Phosphorus. Agricultural nonpoint sources are not subject to the same immediate requirements and instead are governed by NR 151.31(2) which states that "if compliance … is required for crop producers or livestock producers to meet a load allocation in a US EPA and state approved TMDL, the department [WDNR] shall use the procedure in s. NR 151.004 to

promulgate the more stringent or additional performance standard before compliance is required." The TMDL established allowable P loading limits for each source type to ensure long term health of the water body for recreational and ecological uses. Equitable implementation of TMDL load limitations is needed to achieve the Lower Fox River and the Bay or Green Bay's water quality goals. To allow attainment of nonpoint load allocations, NR 151.005 should be utilized to adopt targeted performance standards reflecting the edge of field targets specified in the TMDL analysis. Adoption of the targeted performance standards does not negate the requirement for cost share for non-permitted livestock facilities or cropland. For permitted livestock facilities, NR 243 may also need to be updated to reflect the targeted performances for the cropland utilized by the permitted livestock facility. Since in a TMDL the permitted livestock areas already have a WLA set to zero for production areas, only the cropland requires adoption of targeted performance standards.

STREAMLINE THE TARGETED RUNOFF MANAGEMENT (TRM) GRANT PROGRAM TO REDUCE APPLICATION AND REPORTING BURDENS

TRM applications must identify the specific conservation or crop management practices and locations when applying for program dollars. County land conservation departments are the main applicant for TRM funds and have exhausted hundreds of hours of staff time, data collection and analysis to develop land resource management plans, 9-key element plans and TMDL implementation plans which also identify the type and extent of conservation practices needed in a given watershed to improve water quality. The TRM grant application process should be reviewed and adjusted to allow submission of existing, approved TMDL and/or 9-key element plans that describe the practice(s) intended for installation to increase project flexibility when confronted by extenuating circumstances that require slight changes in project direction or extent. County conservationists should work with the DNR to identify ways to streamline the TRM grant application process and reporting requirements to reduce administrative burden for applicants.

DEVELOP A COMPREHENSIVE, EDUCATIONAL CONSERVATION TRAINING PROGRAM FOR FARM ADVISORS AND SUPPORT ENTITIES

Wisconsin began regulating nonpoint source pollution on Wisconsin farms in 2002 with the introduction of water quality performance standards. The need exists to develop a larger base of technical service providers who can assist producers with on-farm conservation goal setting, resource concern identification and conservation practice design and implementation action. The state should create a two-pronged approach by 1) establishing a program that encourages agricultural retailers, service providers and other certified professionals to adopt proven best practices through the 4Rs (Right Source of Nutrients at the Right Rate and Right Time in the Right

Place) and provides a science-based framework for plant nutrition management and sustained crop production, while considering specific individual farms' needs, and 2) establishing a training program to increase the ongoing proficiency of agricultural professionals, crop advisors, agronomists, and conservation professionals.

EVALUATE THE EFFICACY OF VOLUNTARY APPROACHES

After five years of Lower Fox River Recovery Plan implementation, an evaluation of water quality improvement and program efficacy should be conducted by the KOF and project partners to assess the impacts of the LFR Recovery Plan on long-term farm management changes and nutrient loss reductions. If the Recovery Plan and other watershed efforts to reduce nonpoint nutrient runoff do not result in significant landowner participation or water quality impact reductions, consideration should be given to regulatory structures that can assure compliance with TMDL allocations across the Lower Fox River basin.

ADVOCATE FOR FARM BILL REVISIONS THAT SUPPORT OUTCOMES-BASED CONSERVATION PROGRAMS

The Farm Bill has considerable influence over how conservation is incentivized and financially supported across the country and the LFR Basin is no exception. Drafters of the next Farm Bill should prioritize water quality outcomes when making funding recommendations for conservation incentive programs such as the Environmental Quality Incentive Program (EQIP). Nutrient reduction assessments of practices and develop a payment structure that rewards practices and producers who can achieve the highest levels of nonpoint pollution reduction from their operations. Additionally, the Federal Crop Insurance Program should be modernized to protect water quality and promote more diverse cropping systems, including a good stewardship discount for farmers who use good soil health practices, expansion of Sodsaver to protect grasslands, robust support for the Whole-Farm Revenue Protection program, and increased technical assistance for and stronger enforcement of conservation compliance.

QUANTIFY THE WATER QUALITY AND RESOURCE PROTECTION OUTCOMES OF FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Federal cost-share programs should prioritize practices that will generate water quality outcomes, move away from pay for practice program models and toward payments for farm environmental performance. USDA's Natural Resource Conservation Service provides significant financial and technical support to Wisconsin agricultural producers to install conservation practices on their farms. Most federal agricultural conservation cost-share programs provide a flat payment rate to install a conservation practice, regardless of the anticipated nutrient loss reduction and do not prioritize projects based on the degree of water quality improvement the practice can generate. For example, the Environmental Quality Incentive Program (EQIP) pays for practice implementation but does not quantify the

environmental benefit provided by that practice. In contrast, the Conservation Stewardship Program (CSP) helps identify the natural resource concerns on a farm and provides technical and financial assistance to solve those problems and attain higher stewardship levels in an environmentally beneficial and cost-effective manner. CSP then provides annual payments to landowners for achieving those goals. Similar concepts should be incorporated into all federal cost-share programs by using the pollutant reduction potential of a specific practice on an applicant's farm to determine the payment rate so that practices more likely to reduce P contributions to surface and groundwater are paid at higher rates than practices that will have less of an impact on water quality.

PRIORITIZE PROGRAM IMPLEMENTATION DATA TRANSPARENCY AMONG PARTNERS

Sharing program and practice implementation data among federal, state and local partners in the Basin is necessary for successful, wide-spread implementation of the Lower Fox River Management Plan. The shared decision-making structure of the Keepers of the Fox within the Lower Fox River Management Plan provides the mechanism to prioritize available dollars and ensure the most impact is generated from every practice dollar spent. Unfortunately, federal privacy laws established in the Freedom of Information Act create barriers to sharing information about participation in federal cost-share programs with state and local conservation partners. This lack of transparency makes it extremely difficult to account for water quality improvement practices implemented with federal dollars and creates the opportunity for overlapping efforts and at times competing funding pools. To optimize limited cost-share dollars, a system to track federal, state and local practice installations is needed, and can be achieved through limiting personally identifiable information while sharing data on practice locations and water quality impacts.