



CAIP Investment Area Guidelines: FENCING & ON-FARM WATER (2017)

The **County Agricultural Investment Program (CAIP)** offers 10 investment areas that give Kentucky agricultural producers the ability to increase net farm income, add value to their products, and diversify their operation.

Questions concerning these guidelines should be directed to the Governor's Office of Agricultural Policy at (502) 564-4627. Applications to administer CAIP must be directed through the local County Agricultural Development Council(s).

Funded participants shall adhere to all local, state, and federal rules and regulations.

A. Fencing

Prerequisites:

- Producers applying for boundary/perimeter fencing shall conform to the state fencing law, as set out in KRS Chapter 256.
- Producers shall provide a FSA Farm Map or a PVA Farm Map with the total distance of the fence being built drawn on the map.
- Administrators shall require agricultural justification for reimbursement of fence.

Note: There is no livestock requirement for this investment area.

Eligible Cost-Share Items:

For exterior and interior fencing, including perimeter fence, rotational grazing, predator fencing, water source protection, forest management, etc.

1. Posts, fences, including woven and wire fencing
2. Interior fencing, temporary fencing and plank fencing is eligible
3. Gates
4. No mechanized equipment will be eligible, except as provided by rental or contract
5. Fence chargers and supplies
6. Documented, hired labor
7. Contracted site preparation and equipment rental

B. On-Farm Water

Eligible Cost Share Items:

1. **Water Source Enhancement/Development**

Includes materials, parts, equipment, contracted labor, drilling and equipment rental for the development and/or establishment of the following on-farm water systems:

- a. On-farm ponds
- b. Subsurface aquifers and wells
- c. On-farm springs
- d. Construction of small stream water basins
- e. Cisterns for farm usage
- f. Water hook-up to city/county water lines for farm usage, including water meters

2. **Water Movement** – permanent or portable

- a. Waterers, automatic waterers
- b. Piping, water lines
- c. Irrigation equipment
- d. Pumps, regulators
- e. Other water delivery system equipment

3. **Environmental Stewardship** - Costs necessary for the installation of drainage systems for improved soil drainage (excludes motorized vehicles)

- a. Subsurface Drainage – Tiling (including tile gates)
- b. Surface Drainage – Grassed Waterways, including fescue, for prevention of erosion/run-off
- c. Documented, hired labor
- d. Contracted site preparation and equipment rental

Exclusions:

- Eligible equipment does not include purchase of construction or drilling equipment.