Mr. Fleming began the meeting by stating the purpose of this liaison committee, and that the group is charged with assisting the USDA by continuing to increase the working relationship with the USDA and the industry.

Mr. Bethel provided an overview of USDA programs, results of the programs, and funding issues. The USDA has increased their outsourcing contracts over the years. In 1994 they contract out 3 million and last year 2003 they contracted out 28 million.

The 28 Million was spent in 4 areas NAIP 34% $9.6 MDOQ / CLU 41% $11.6 NRI 20% $5.5 USFS 5% $1.3

Under the NRCS program, there were 69578 PSU sites in 2003 worth $5,472,198. As of October 8, 2003, 97% of the sites were flown, and 91% was accepted. Currently only 10 sites were not flown, not accepted

Resources Photography (USFS, BLM, BIA) spent 1.3 Million last year.

MDOQ / CLU contract out $ 11,588,200

The NAIP replaced 35 mm photography. This is the first year for this program and it was successful. The deliverables are compressed imagery in county format however, the USDA is looking at delivering the data via firewire. The contractor is paid for what they capture, there is no second season. The contractor warranties the quality and the county office can reject it after they receive it. Payment to contractors is as follows: 60% paid upon acquisition of photography, remaining 40% is paid upon final acceptance of metadata, county mosaic, DOQQ and Film. The USDA tested the new digital cameras and the USDA was very happy with the Digital camera results. However, they feel the industry is not capable of doing much more than they did last year. He feels that if it was not for having 3 teams to work those areas designated for digital camera capture, it would not have been completed.

There were a few problems with the NAIP county mosaics: Blue Ghost (Digital Camera) Titling showing in mosaic Edge matching not good Gaps or no coverage

A lot of samples were displayed, the quality of the counties varied greatly. Some
counties look very good and others had two or three tone differences. Glenn mentioned that tone balancing was not a requirement of this contract. However it might be required in the next.

For 2003, NAIP program contracted out $9,489,878 1 meter $6,704,588 2 meter $2,785,290

For the proposed 2004 coverage. 1.4 million square miles 2005 whole counties 407 partial counties (may grow with cost share) This is about double of last year. However, the budget is not set and is uncertain.

2003 was very successful do to a great amount of state cost sharing. Over 3 million went into the program from outside sources.

They were very happy with the CIR results. They are considering using CIR in the southern states where haze is a factor.

For the 2004 Budget, the President asked for 13.3 Million for MDOQ / CLU and 14 Million for NAIP. However the House returned 1/5th of the budget and senate ½ of what the President request.

**Questions from the group:**

Q. If budget materializes to be 1/5th, what will be the priority? A. Not sure but most likely NAIP is lower on the priority because it is not an operational program

Q. With NAIP, is there a priority on Film or Digital Capture? A. They like the Digital, but do not think the industry can handle it, so majority will be film. If digital is done it will be about the same as last year.

Q. There were 6 contractors last year, with the size doubling, will there be more contractors? A. Maybe but not much more. AFPO wants to keep it to fewer than 10 contractors for ease of management.

Q. Is there any mandate for archiving? A. APFO gets the aerial film and the National Map gets the digital data.

Q. Do contractors have right to resale products? A. Yes, as long as it does not restrict FSA use or delay them in getting their products.

Q. Since the USDA, and in particular the NAIP and PSU programs, might have some funding issues, MAPPS could make a harder push to solidify funding for these programs. Given this, would the USDA be willing to use QBS with the NAIP program? A. The USDA and APFO will discuss this.