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**BOARD OF TRUSTEES**

**CLEAN WATER MANAGEMENT TRUST FUND**

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**MINUTES OF MEETING**

**TUESDAY, SEPTEMBER 16, 2014**

**9:36 A.M.**

**NATURE RESEARCH CENTER  
121 WEST JONES STREET  
WILLIAM G. ROSS CONFERENCE CENTER, 4TH FLOOR  
RALEIGH, NORTH CAROLINA**



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A P P E A R A N C E S

CLEAN WATER MANAGEMENT TRUST FUND BOARD OF TRUSTEES:

TROY KICKLER, PH.D., CHAIRMAN

FRANK BRAGG

E. GREER CAWOOD

FREDERICK BEAUJEU-DUFOUR

S. ROBIN HACKNEY

JOHNNY D. MARTIN

WILLIAM TOOLE

NORTH CAROLINA DEPARTMENT OF JUSTICE:

MARY L. LUCASSE, SPECIAL DEPUTY ATTORNEY GENERAL

CLEAN WATER MANAGEMENT TRUST FUND STAFF:

BRYAN GOSSAGE, EXECUTIVE DIRECTOR

BILL CROWELL, DEPUTY DIRECTOR

NANCY GUTHRIE, ACQUISITIONS PROJECT MANAGER

PENNY ADAMS, EXECUTIVE/ACQUISITION ADMINISTRATIVE ASSISTANT

LARRY HORTON, P.E., INFRASTRUCTURE PROJECT MANAGER

TERRI MURRAY, INFRASTRUCTURE ADMINISTRATIVE ASSISTANT

CLEAN WATER MANAGEMENT TRUST FUND FIELD REPRESENTATIVES:

TOM MASSIE, WESTERN FIELD REPRESENTATIVE

WILL SUMMER, STEWARDSHIP AND COMMUNITY OUTREACH MANAGER,  
OFFICE OF LAND AND WATER STEWARDSHIP

JIMMY JOHNSON, NORTH EASTERN FIELD REPRESENTATIVE, NORTH  
CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL  
RESOURCES/APNEP

JUDY FRANCIS, FIELD OFFICER, NORTH CAROLINA DEPARTMENT  
OF ENVIRONMENT AND NATURAL RESOURCES, OFFICE OF  
CONSERVATION AND COMMUNITY AFFAIRS

ALSO PRESENT:

REID WILSON, EXECUTIVE DIRECTOR, CONSERVATION TRUST FOR  
NORTH CAROLINA (SPOKE TO CWMTF BOARD DURING "PUBLIC  
COMMENTS")

**A G E N D A****COMMENCEMENT**

- 1) **Call to Order** - Chairman Kickler
  - a) Welcome
  - b) Roll Call
  - c) Compliance with General Statute §138A-15
  - d) Please put cell phones on vibrate or off
  - e) Revisions, Additions, and Adoption of the Agenda
- 2) **Consent Agenda** - Chairman Kickler
  - a) Minutes of the June 2014 Board Meeting
  - b) 2015 CWMTF Board meeting schedule
  - c) Request to extend the date to enter into a construction contract for existing grant
  - d) Natural Heritage Program funding
  - e) NCDOT partial easement release
- 3) **Legal Update** - Mary Lucasse
- 4) **Executive Director's Remarks** - Bryan Gossage

**OLD BUSINESS**

- 1) **Consideration of Acquisition Committee funding recommendations** - Chairman Kickler
- 2) **Consideration of Stormwater/Restoration Committee funding recommendations** - Chairman Kickler
- 3) **Consideration of Grant Programs Committee recommendations** - Chairman Kickler
  - a) Proposed criteria, Innovative Stormwater - Larry Horton
  - b) Proposed criteria, Planning - Larry Horton
  - c) Proposed/requested revisions, Restoration - Larry Horton
  - d) Proposed revisions, Acquisitions - Nancy Guthrie
  - e) Proposed guidelines, Donated Easements - Nancy Guthrie
- 4) **Consideration of Administrative Committee recommendations** - Greer Cawood
  - a) Easement Revision policy changes - Will Summer

b) Proposed Stewardship Endowment policy revisions -  
Will Summer

- 5) **Emerald Isle scope reduction (CWMTF# 2008-703)** - Larry Horton
- 6) **Lake James dedication amendment (CWMTF# 2004B-038)** - Will Summer
- 7) **Justice Tract dedication/easement amendment (CWMTF# 2002A-030)** - Will Summer
- 8) **Lukens Island IV scope reduction (CWMTF#2012-062)** - Will Summer
- 9) **Knapp of Reeds easement clarification (CWMTF# 2007-053)** - Will Summer

**NEW BUSINESS**

- 1) **Jordan/Falls Lake allocation** - Larry Horton
- 2) **Trust Fund name consideration** - Bryan Gossage

**PUBLIC COMMENTS**

The Public is invited to make comments to the Board -  
Chairman Kicker

**ADJOURNMENT**

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M I N U T E S O F M E E T I N G

CHAIRMAN KICKLER: Welcome, everybody, to the Clean Water Management Trust Fund Board of Trustees Meeting on September 16th, 2014. We are meeting at the Nature Research Center, 4th Floor Conference Room, 121 West Jones Street, Raleigh, North Carolina.

I would like to take the time to take the roll call, right now. The chair, myself, Troy Kickler, is obviously present.

Frank Bragg?

MR. BRAGG: Present.

CHAIRMAN KICKLER: Greer Cawood?

MS. CAWOOD: Present.

CHAIRMAN KICKLER: Fred Dufour?

MR. DUFOUR: Present.

CHAIRMAN KICKLER: Robin Hackney?

MS. HACKNEY: Present.

CHAIRMAN KICKLER: Johnny Martin?

MR. MARTIN: Here.

CHAIRMAN KICKLER: William Toole?

MR. TOOLE: Here.

CHAIRMAN KICKLER: And Charles Vines could not be with us today because of a family emergency, and our thoughts are with him at this time. If he

1           could have been able to be here, I know that he would  
2           have been able to be here, and to participate, and to  
3           contribute to our deliberations today.

4                       Before we continue any further, it is my  
5           responsibility as Chair to read General Statute §138-  
6           15. General Statute §138A-15 mandates that the Chair  
7           inquire as to whether any Trustee knows of any  
8           conflict of interest or the appearance of a conflict  
9           of interest with respect to matters on the agenda. If  
10          any Trustee knows of a conflict of interest or the  
11          appearance of a conflict of interest, please so state  
12          at this time.

13                      I have conflict with a few projects, and  
14          those are Acquisition Project 2014-040, the  
15          Bentonville Battlefield, and Innovative Stormwater  
16          Committee [*sic*] -- the Innovative Stormwater, excuse  
17          me, Project 2014-1007, and Project 2014-1010.

18                      Does anyone else have a conflict of  
19          interest?

20                      MS. CAWOOD:                    Mr. Chairman?

21                      CHAIRMAN KICKLER:            Yes, ma'am.

22                      MS. CAWOOD:                    On the Acquisition  
23          Committee's I've got a conflict with 2014-001, that  
24          project.

25                      CHAIRMAN KICKLER:            Okay. Thank you. Does



1 anyone else have a conflict of interest, or appearance  
2 of a conflict of interest?

3 MR. MARTIN: (Raises hand.)

4 CHAIRMAN KICKLER: Yes?

5 MR. MARTIN: Mr. Chairman, I've --  
6 even though it wasn't one of the recommended projects,  
7 I have a potential conflict of interest for Innovative  
8 Stormwater Project 2014-1009, Town of Oak Island.  
9 They're a current client of our firm. As well as, on  
10 today's agenda under Old Business, Item 5, Town of  
11 Emerald Isle is also a client. So if any discussion  
12 comes up about those two items, I will recuse myself.

13 CHAIRMAN KICKLER: Okay. Thank you.

14 Anyone else have a conflict or appearance of  
15 a conflict?

16 TRUSTEES: (No response.)

17 CHAIRMAN KICKLER: Okay. If, as we go  
18 along, and your memory is jarred by looking at the  
19 list, feel free to recuse yourself before  
20 presentations are made. You can also do that at that  
21 time. If there is no other reporting of conflict of  
22 interest or appearance of conflict of interest, we'll  
23 move on.

24 Just as a friendly reminder, put your cell  
25 phones on vibrate or on "off." Okay. And move on to

1 the next item on the agenda, which is "Revisions,  
2 Additions, and Adoption of the Agenda."

3 In the June 2014 Board meeting, the Board  
4 had some concerns, and raised some questions regarding  
5 the Administrative Committee's Easement Revision  
6 Policy, also known as Easement Revision Protocol. The  
7 Board referred it to committee for further review. It  
8 has been resubmitted, as on the agenda, as "Old  
9 Business 4(a)." After learning new information  
10 regarding the Land Swap Proposal Passage under "Other  
11 Circumstances, 3(b)" of the Easement Revision  
12 Protocol, Old Business 4(a) -- after learning this new  
13 information regarding Land Swap Proposal Passage under  
14 Section "Other Circumstances, 3(b)," there are  
15 provisions that need further review. Section 3(b) of  
16 the Easement Revision Protocol, "Old Business 4(a)"  
17 should be pulled from the Easement Revision Protocol  
18 for this cycle, and referred to the Administrative  
19 Committee for further review.

20 Meanwhile, until the next full Board  
21 meeting, which we will decide today, there should be a  
22 temporary revocation on existing land swap easement  
23 revisions.

24 Are there any other revisions, additions to  
25 the agenda?

1 MS. CAWOOD: Mr. Chairman, as  
2 Administrative Committee Chair, I ask that our  
3 Committee continue -- be allowed to continue to review  
4 and propose details to policies and gain additional  
5 information which will have possible impact on Agenda  
6 Item 4 -- 4(8), which is the Lukens project.  
7 Therefore, we ask that this item be pulled from the  
8 agenda until the next Board meeting so we can have  
9 further review.

10 CHAIRMAN KICKLER: Okay. Thank you. Is  
11 there a motion to pull Section "Other Circumstances  
12 3(b)" under "Old Business 4(a)" of the Easement  
13 Revision Protocol from the agenda, refer it to the  
14 Administrative Committee for further review, and place  
15 a temporary revocation from this meeting on the  
16 existing policy until the next full Board meeting?  
17 And is there a motion that the Administrative  
18 Committee continue to review and gain additional  
19 information regarding policy that might impact the  
20 Lukens project until the next Board meeting?

21 MS. CAWOOD: So moved.

22 CHAIRMAN KICKLER: Is there a second?

23 MR. TOOLE: Second.

24 CHAIRMAN KICKLER: Thank you. Any  
25 discussion?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: All those in favor, say

3 "Aye."

4 TRUSTEES: Aye.

5 CHAIRMAN KICKLER: All those opposed?

6 TRUSTEES: (No response.)

7 CHAIRMAN KICKLER: Is there a motion to

8 accept the agenda as amended?

9 MR. MARTIN: So moved.

10 MR. BRAGG: Second.

11 CHAIRMAN KICKLER: Second? Thank you. All

12 those in favor of accepting the agenda as amended,

13 please say "Aye."

14 TRUSTEES: Aye.

15 CHAIRMAN KICKLER: All those opposed?

16 TRUSTEES: (No response.)

17 CHAIRMAN KICKLER: The motion has carried.

18 The next item is Item 2 on "Consent Agenda."

19 Consent agenda items are non-controversial items

20 unanimous [sic] -- unanimously recommended for

21 approval by all involved parties. A single vote may

22 be taken for the approval of all consent agenda items.

23 Any individual Trustee may pull items off the consent

24 agenda to discuss them.

25 Having said that, within the minutes, if

1           there are typos and not a correction that needs to be  
2           made -- if there's something that changes the intent  
3           of a comment, it's one thing. But if there are typos,  
4           the court reporter, Amy Mount, said that you could  
5           just hand her a list of those typos, and she would  
6           correct them. Having said that, at this time would  
7           anyone like to remove an item from the consent agenda

8                        TRUSTEES:                        (No response.)

9                        CHAIRMAN KICKLER:    Is there a motion to  
10           accept the consent agenda?

11                      MR. BRAGG:                        So moved.

12                      CHAIRMAN KICKLER:    Thank you. A second?

13                      MS. HACKNEY:                      Second.

14                      CHAIRMAN KICKLER:    Thanks. Any discussion?

15                      TRUSTEES:                        (No response.)

16                      CHAIRMAN KICKLER:    All those in favor, say  
17           "Aye."

18                      TRUSTEES:                        Aye.

19                      CHAIRMAN KICKLER:    All those opposed?

20                      TRUSTEES:                        (No response.)

21                      CHAIRMAN KICKLER:    The consent agenda has  
22           been approved.

23                                Agenda Item Commencement 3 is a "Legal  
24           Update" from Mary Lucasse. Do you have anything for  
25           us?

1 MS. LUCASSE: I have a few things.

2 CHAIRMAN KICKLER: Okay.

3 MS. LUCASSE: I just wanted to  
4 introduce Shawn Maier, who's with me today. He's been  
5 working with me on some of the legal projects that the  
6 Clean Water Management Trust Fund has given us to do.

7 The first one -- and all the things that I'm  
8 going to tell you are matters of public record, so  
9 there's no need to go into a closed session, as we've  
10 done before, when we've talked about legal issues.

11 The first one is a report on the motion to  
12 dismiss that we filed in *Coffey versus the Clean Water*  
13 *Management Trust Fund, Edgemont and Foothills*  
14 *Conservancy*. Since the last time we met and discussed  
15 that case, Shawn and I wrote and filed a motion to  
16 dismiss, making two arguments, one of which was that  
17 the plat that had been filed in 1926 for the  
18 development was not clear as to what park areas had  
19 been set aside. And so because it was -- did not have  
20 a clear description of the park areas, the court  
21 should dismiss it under a particular rule of civil  
22 procedure for fail [sic] -- for failure to state a  
23 claim upon which relief could be granted. And in  
24 addition, we had also made an argument that not all  
25 the necessary parties were part of the complaint.

1                   Our co-defendant, Edgemont, also brought a  
2 similar motion on the request to dismiss for failure  
3 to state a claim.

4                   The judge heard argument on that up in  
5 Caldwell County. Shawn and I went and presented and  
6 discussed the matter with the judge and the other  
7 attorneys. After taking the matter under advisement,  
8 the judge denied the motion to dismiss, so we're going  
9 to continue on with the case.

10                  As to Edgemont and Clean Water Management  
11 Trust Fund, the judge did dismiss Foothills  
12 Conservancy, who does the monitoring of the  
13 conservation easement. And that certainly made sense  
14 to us as well.

15                  So we're in the middle. We're ongoing with  
16 that litigation. We're now going to move into  
17 discovery. And I'm sure that the legal issues will  
18 come up again, and the petitioners' claims will be  
19 tested with motions for summary judgment. And we'll  
20 continue to report further as to that motion as that  
21 case moves forward.

22                  In addition, Shawn and I have worked on  
23 rather -- problems that have arisen with conservation  
24 easements. As you may recall, we had a Winston-Salem  
25 Conservation Easement that hadn't been signed. And

1           that's now been signed by Winston-Salem, and will be  
2           coming to our office for signature and filing in  
3           the -- in the title, so that one has been almost  
4           resolved. It's very close to being finished.

5                       And the final issue that we're working on  
6           with Will Summers -- and you'll hear more about that  
7           later on in the agenda -- is the Knapp of Reeds  
8           conservation issue. So I'll just leave that for the  
9           more-detailed discussion that Will is going to present  
10          later.

11                       Thank you.

12                       CHAIRMAN KICKLER:    Okay. Thank you, Mary.  
13          Item Commencement 4 is "Executive Director's Remarks."

14                       Bryan, do you have any?

15                       MR. GOSSAGE:            I do. Thank you very  
16          much, Mr. Chairman.

17                       Good morning. The first thing I wanted to  
18          do is just thank the Trustees who have worked so hard  
19          and so diligently and thoroughly on -- on policies and  
20          criteria. The -- for -- for a group of volunteers,  
21          I've seen a tremendous amount of dedication and  
22          thoughtfulness put into the suggested changes that  
23          you'll see today. And so I just really wanted to  
24          extend my appreciation on behalf of the state for all  
25          of the hard work.



1                   And I also wanted to thank staff. Going  
2                   into these meetings is a tremendous amount of work,  
3                   and staff worked very, very hard not only with the  
4                   Trustees on those changes, but also just in  
5                   preparation for this meeting.

6                   I also wanted to let you know that Trustee  
7                   Markham has been replaced with Renee Kumor, who is a  
8                   previous Board member. She's not with us today.  
9                   She's on vacation with her family. But she will be  
10                  joining the Board at the next meeting.

11                  I also wanted to introduce Judy Francis, who  
12                  has stepped in to help fill the temporary, we hope,  
13                  vacancy left by Bern Schumak, who is -- remains on  
14                  extended leave.

15                  We have a vacant position that we are  
16                  working on filling. We spent many hours last week  
17                  doing interviews for that position. We have not made  
18                  a decision yet, so I don't have -- I'd hoped to have a  
19                  new person here today to introduce to you, but, at the  
20                  next meeting, we'll have that person in place as well.

21                  Any other announcements?

22                  BOARD STAFF:                   (No response.)

23                  MR. GOSSAGE:                   And --

24                  MS. ADAMS:                   Speaking up for the  
25                  court reporter.

1 MR. GOSSAGE: No. Any other personnel  
2 announcements?

3 BOARD STAFF: (No response.)

4 MR. GOSSAGE: Okay. And just a  
5 reminder to speak up for the court reporter so that  
6 she can hear you.

7 That's all I have, Mr. Chairman.

8 CHAIRMAN KICKLER: Okay. Thank you. We'll  
9 move on to the next item of business, which is "Old  
10 Business, (1), Consideration of Acquisition Committee  
11 Funding Recommendations."

12 First, let me thank the Committee for all  
13 their hard work. As -- as was just previously  
14 mentioned, the Trustees have put in a lot of time and  
15 effort not only in the Committee recommendations that  
16 follow, but in -- have been taking place for a while,  
17 but in the Committee recommendations that took place  
18 yesterday. The Acquisitions Committee worked for  
19 approximately six hours; the Stormwater/Restoration  
20 Committee worked for approximately four hours, and put  
21 a lot of time and effort and thought into making their  
22 recommendations. So I want to thank the Trustees for  
23 that right now. And then I want to thank those who  
24 are not on the -- Trustees who are not on the  
25 Acquisition Committee who stayed to hear -- hear the

1 presentations so they could be informed for today's  
2 meeting. And vice versa, those who are not on the  
3 Stormwater and Restoration Committee, those Trustees  
4 who arrived early and listened to the presentation not  
5 only to learn more, but to make informed decisions for  
6 today as well.

7 And then I also -- before we get going, I  
8 mentioned Trustees put in six hours for Acquisition  
9 Committee, four hours for the Stormwater/Restoration  
10 Committee, but staff was here the entire time for ten  
11 hours, and then a little bit after that as well, and a  
12 little bit before that as well. So I want to thank  
13 staff for all their hard work, and for their support.

14 So having said that, let me -- let me  
15 proceed with the Acquisition Committee Funding  
16 Recommendations. The Funding Committee -- the Funding  
17 Committee recommended that Clean Water set aside  
18 \$200,000 from the amount currently available for  
19 acquisitions to fund the donated easement program.  
20 The Committee recommended that Clean Water cap each  
21 acquisition funding at \$1 million. The Committee  
22 further recommended that the \$1 million cap applied to  
23 the provisional funding list as well as to the  
24 projects awarded funding at this meeting. And you can  
25 see the list of projects that follows below.

1                   The Committee also recommended that the  
2                   Project 2014-029 be awarded the remaining amount  
3                   currently available for acquisition funding, and that  
4                   when additional funds are available, to fund  
5                   acquisition it received, additional funding up to the  
6                   requested amount of \$187,000. The Committee also  
7                   recommends that after Project 2014-029 is fully  
8                   funded, Project 2014-011, Catawba Lands Conservancy,  
9                   Carolina Thread Trail-Rocky River/Mallard Creek Trail,  
10                  and Project 2014-015, the Conservation Fund, Jarrett  
11                  Bay be funded up to \$1 million per project as the  
12                  first and second priority, respectively, when  
13                  additional funds become available to fund  
14                  acquisitions.

15                  Finally, the Committee recommended that  
16                  Clean Water Management Trust Fund provisionally  
17                  approve each of the remaining projects set forth on  
18                  the acquisition spreadsheet for funding up to  
19                  \$1 million if additional money becomes available.  
20                  These provisionally approved projects shall be funded  
21                  in the order of the scoring priorities as money for  
22                  acquisitions becomes available during this fiscal  
23                  year. And you should have the master spreadsheet in  
24                  front of you to refer to those projects.

25                  All right. Jarrett -- I've been reminded that

1 Jarrett Bay -- Jarrett Bay is funded up to a \$130,518,  
2 and it would be fully funded.

3 You have heard the Committee's recommendation,  
4 and that is a first and a second. If the Committee  
5 recommends something, that is a first and a second.  
6 You've heard the Committee's recommendation that Clean  
7 Water Management Trust Fund set aside 200,000 to fund  
8 the mini-grant program.

9 Is there any discussion?

10 TRUSTEES: (No response.)

11 CHAIRMAN KICKLER: All those in favor of  
12 the Committee's recommendation, say "Aye."

13 TRUSTEES: Aye.

14 CHAIRMAN KICKLER: All those opposed?

15 TRUSTEES: (No response.)

16 CHAIRMAN KICKLER: Thank you. The  
17 Committee's recommendation that Clean Water to set  
18 aside \$200,000 to fund the mini-program [sic] has  
19 carried, has passed.

20 You've heard the Committee's recommendation  
21 that all acquisition awards for this fiscal year be  
22 limited to \$1 million, essentially a \$1 million cap.  
23 The Committee has recommended it. It's a first and  
24 second.

25 Is there any discussion?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: All those in favor, say

3 "Aye."

4 TRUSTEES: Aye.

5 CHAIRMAN KICKLER: All those opposed?

6 TRUSTEES: (No response.)

7 CHAIRMAN KICKLER: Thank you. The

8 motion -- the motion -- recommendation has carried.

9 You have heard the Committee's

10 recommendation that Projects 1 through 22 be funded in

11 the amount requested, except that any requests for

12 greater than \$1 million will only be awarded funding

13 of \$1 million. Now, this is where I have to break the

14 projects up into categories. And we'll take several

15 votes to accomplish this -- is there -- because of

16 conflicts of interest. Is there -- or perceived

17 conflicts of interest -- is there any discussion -- is

18 there any discussion regarding Projects 2014-016,

19 2014-007?

20 TRUSTEES: (No response.)

21 CHAIRMAN KICKLER: All those in favor of

22 funding those two projects up to the \$1 million cap,

23 please say "Aye."

24 TRUSTEES: Aye.

25 CHAIRMAN KICKLER: All those opposed?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: Thank you. The  
3 recommendation has carried.

4 I will now turn the time over to Trustee  
5 Martin.

6 MR. MARTIN: Is there any discussion  
7 on Project Number 2014-040, North Carolina Department  
8 of Cultural Resource, Bentonville Battlefield?

9 TRUSTEES: (No response.)

10 MR. MARTIN: All in favor, say "Aye."

11 TRUSTEES: Aye.

12 MR. MARTIN: Opposed?

13 TRUSTEES: (No response.)

14 MR. MARTIN: Motion carries. Thank  
15 you.

16 CHAIRMAN KICKLER: Okay. Is there any  
17 discussion for -- the Committee recommends funding up  
18 to the \$1 million cap for Projects 2014-069, 2014-057,  
19 and 2014-046.

20 Is there any discussion?

21 TRUSTEES: (No response.)

22 CHAIRMAN KICKLER: All those in favor, say  
23 "Aye."

24 TRUSTEES: Aye.

25 CHAIRMAN KICKLER: All those opposed?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: The motion has carried.

3 Let the record show that Trustee Cawood has

4 recused herself for discussion of Project Number 2014-

5 001. Is there any discussion regarding this

6 particular project?

7 TRUSTEES: (No response.)

8 CHAIRMAN KICKLER: All those in favor, say

9 "Aye."

10 TRUSTEES: Aye.

11 CHAIRMAN KICKLER: All those opposed?

12 TRUSTEES: (No response.)

13 CHAIRMAN KICKLER: The motion has carried.

14 The Committee has recommended funding up to

15 the \$1 million cap for projects. And I will list them

16 by project number for the record for Projects 2014-

17 049, 2014-023, 2014-044, 2014-041, 2014-013,

18 2014-006 --

19 MS. LUCASSE: I think you forgot 2014-

20 042.

21 CHAIRMAN KICKLER: -- 2014-042 [*sic*].

22 MS. LUCASSE: Oh, that one was --

23 CHAIRMAN KICKLER: Is that wrong?

24 MS. LUCASSE: I'm sorry.

25 CHAIRMAN KICKLER: All right.



1 MS. LUCASSE: That's right.

2 CHAIRMAN KICKLER: That one was withdrawn.

3 Please ignore that. Where did I -- can I ask the

4 court reporter where I left off?

5 MS. LUCASSE: Okay.

6 CHAIRMAN KICKLER: Where did I leave off?

7 MS. HACKNEY: Zero-one-three (013), I

8 believe.

9 MS. CAWOOD: You did 006.

10 CHAIRMAN KICKLER: All right. 2014-006,

11 2014-020, 2014-008, 2014-063, 2014-051, 2014-068,

12 2014-017, 2014-025, 2014-067, and 2014-048.

13 Is there any discussion?

14 TRUSTEES: (No response.)

15 CHAIRMAN KICKLER: All those in favor, say

16 "Aye."

17 TRUSTEES: Aye.

18 CHAIRMAN KICKLER: All those opposed?

19 TRUSTEES: (No response.)

20 CHAIRMAN KICKLER: The motion has carried.

21 Thank you.

22 You have heard the Committee's

23 recommendation that Project 2014-029, submitted by the

24 Land Trust for Central North Carolina, be awarded the

25 remaining amount available for acquisition funding,

1 and that when additional monies are available, the  
2 license fees, this project will receive additional  
3 funding up to the requested amount of \$187,000.

4 Is there any discussion?

5 TRUSTEES: (No response.)

6 CHAIRMAN KICKLER: All those in favor, say  
7 "Aye."

8 TRUSTEES: Aye.

9 CHAIRMAN KICKLER: All those opposed?

10 TRUSTEES: (No response.)

11 CHAIRMAN KICKLER: The motion has carried.

12 You have heard the Committee recommendation  
13 that Clean Water Management Trust Fund provisionally  
14 approve each of the remaining projects set forth on  
15 the acquisition spreadsheet for funding up to  
16 \$1 million if additional money becomes available.  
17 Furthermore, the Committee recommended that these  
18 provisionally-approved projects be funded in the order  
19 of the scoring priorities as money for acquisition  
20 becomes available during this fiscal year.

21 Is there any discussion?

22 TRUSTEES: (No response.)

23 CHAIRMAN KICKLER: All those in favor, say  
24 "Aye."

25 TRUSTEES: Aye.

1 CHAIRMAN KICKLER: All those opposed?  
2 TRUSTEES: (No response.)  
3 CHAIRMAN KICKLER: The motion has carried.  
4 And the first and second -- just to confirm,  
5 just to make sure that the first and second priorities  
6 on the provisional list are Project 2014-011 and 2014-  
7 015. Is there a motion to ensure the Committee's  
8 recommendation that these are the first two priorities  
9 on the provisional list?  
10 MR. BRAGG: So moved.  
11 CHAIRMAN KICKLER: Is there a second?  
12 MR. MARTIN: Second.  
13 CHAIRMAN KICKLER: Any discussion?  
14 TRUSTEES: (No response.)  
15 CHAIRMAN KICKLER: All those in favor, say  
16 "Aye."  
17 TRUSTEES: Aye.  
18 CHAIRMAN KICKLER: All those opposed, say  
19 "No."  
20 TRUSTEES: (No response.)  
21 CHAIRMAN KICKLER: That motion has carried.  
22 And we are finished with acquisitions. Okay. Thank  
23 you very much. Your hard work paid off.  
24 All right. Moving on to "Consideration of  
25 Stormwater/Restoration Committee and Funding

1 Recommendations."

2 MS. CAWOOD: Mr. Chairman?

3 CHAIRMAN KICKLER: Yes?

4 MS. CAWOOD: May I add one thing that  
5 actually came up during the consideration of the  
6 Stormwater/Restoration Funding Committee that we  
7 didn't as much with acquisitions. And I think Robin  
8 was the one who brought up the point numerous times of  
9 making sure that the lands were under contract were  
10 very firm. It was a very firm sense that the projects  
11 would be completed when we funded them. We have so  
12 many amazing projects that we just aren't able to get  
13 down to. And I'd hate to think that we're funding  
14 projects that don't go through, and they're just  
15 languishing without funding when you have great  
16 projects that are under contracts, that we could go  
17 ahead and get moving and take care of immediately.

18 So I would just ask that for the next round,  
19 for the Acquisition Committee, that it very obviously  
20 be stated to us, "Is it under contract? Where is it  
21 in the process? How firm is the deal?" so that we  
22 know that going forward. I think it would help with  
23 our deliberations.

24 CHAIRMAN KICKLER: Okay. Thank you.

25 Yesterday, September 15th, 2014, the

1 Restoration Committee met for four hours and made the  
2 following recommendations. And the Committee's  
3 recommendations count as a first [sic] -- as a motion  
4 and a second. The Committee recommended that the  
5 Clean Water Management Trust Fund cap each restoration  
6 funding award at \$400,000. The Committee further  
7 recommended that the \$400,000 cap apply to the  
8 provisional funding list as well as to the projects  
9 awarded funding at this Board meeting.

10 Project 2014-417 would be funded with the  
11 amount remaining from the amount available at this  
12 time, and would be eligible for additional funding up  
13 to a total cap amount of \$400,000 as funds become  
14 available for restoration projects. The Committee  
15 recommends that the following projects -- and you can  
16 see the table below -- those twelve projects, be  
17 funded in the amounts set forth below.

18 Finally, the Committee recommended that Clean  
19 Water Management Trust Fund provisionally approve each  
20 of the remaining projects set forth on the restoration  
21 spreadsheet for funding up to \$400,000 if additional  
22 money becomes available. These provisionally-approved  
23 projects shall be funded in the order of scoring  
24 priorities as monies for restorations becomes  
25 available during the fiscal year.

1                   You have heard the Committee's  
2                   recommendation that all restoration awards for this  
3                   fiscal year -- a cap essentially -- be limited to  
4                   \$400,000.

5                   Is there any discussion?

6                   MR. TOOLE:                No.

7                   CHAIRMAN KICKLER:    Is there -- is there  
8                   a -- all those in favor, say "Aye."

9                   TRUSTEES:                Aye.

10                  CHAIRMAN KICKLER:    All those opposed?

11                  TRUSTEES:                (No response.)

12                  CHAIRMAN KICKLER:    The motion has carried.

13                  You have heard the Committee's  
14                  recommendation that Projects 1 through 12 be funded in  
15                  the amount requested, except that any requests for  
16                  greater than \$400,000 will only be awarded funding of  
17                  \$400,000. Project 2014-417 would be funded with the  
18                  amount remaining from the amount available at this  
19                  time, and would be eligible for additional funding up  
20                  to a total of the cap amount of \$400,000 as funds  
21                  become available for restoration projects.

22                  At this time, I wanted Trustee Toole to make  
23                  a comment on why the Hookertown [sic] -- the Hookerton  
24                  Project, 2014-405, is at our -- or is our top  
25                  priority.

1 MR. TOOLE: Thank you, Mr. Chairman. The  
2 Town of Hookerton, which is the number one project on  
3 our list, 2014-405, in fact scored Number 52. But the  
4 top project, which is Number 2 on our list, the Wilson  
5 City, scored Number 3.

6 Hookerton was an unusual case, and we felt  
7 strongly we needed to bump the funding on this. And  
8 this photograph explains the story. If you will see,  
9 there is a screen. That's that oxbow right there.  
10 And it's -- it's -- and right -- that green thing,  
11 that pool is a wastewater pond, untreated wastewater.  
12 And what is happening is that oxbow is -- is eating  
13 into the bank, and it is one big storm away from  
14 eroding away the dyke and causing a collapse of the  
15 wastewater treatment system into a tributary of the  
16 Neuse River, which would be a disaster.

17 Since it's a visible emergency that really  
18 is just one storm away, we thought this needed  
19 funding. The reason it did not fund [sic] -- score  
20 well is because the proposal was to put a hard  
21 revetment up on that oxbow. We, as a fund, have not  
22 been comfortable with hard revetments as a general  
23 matter of policy. This is an unusual situation. The  
24 state legislature has funded 50 percent of the cost of  
25 the project. We've been approached for the other 50

1           percent. In view of this unusual situation that is  
2           not a common situation that we see, we at the  
3           Restoration -- Stormwater/Restoration Committee  
4           thought that we needed to be sure this project would  
5           be funded, not because we like revetments, but because  
6           we want to prevent collapses of wastewater treatment  
7           ponds into streams.

8                           Any questions?

9                           TRUSTEES:                   (No response.)

10                          MR. TOOLE:                   Thank you.

11                          CHAIRMAN KICKLER:       Thank you, Trustee  
12           Toole.

13                          Is -- are there any questions, any  
14           discussion regarding Projects 1 through 12 that have  
15           been recommended to be funded?

16                          TRUSTEES:                   (No response.)

17                          CHAIRMAN KICKLER:       If there's no  
18           discussion, all those in favor, say "Aye."

19                          TRUSTEES:                   Aye.

20                          CHAIRMAN KICKLER:       All those opposed?

21                          TRUSTEES:                   (No response.)

22                          CHAIRMAN KICKLER:       The motion has carried.

23                          You've heard the Committee's recommendation  
24           that Clean Water Management Trust Fund provisionally  
25           approve each of the remaining projects set forth on



1 the restoration spreadsheet for funding up to \$400,000  
2 if additional money becomes available. Furthermore,  
3 the Committee recommended that these provisionally-  
4 approved projects be funded in the order of the  
5 scoring priorities as money for restorations becomes  
6 available during this fiscal year.

7 Is there any discussion?

8 TRUSTEES: (No response.)

9 CHAIRMAN KICKLER: All those in favor, say  
10 "Aye."

11 TRUSTEES: Aye.

12 CHAIRMAN KICKLER: All those opposed?

13 TRUSTEES: (No response.)

14 CHAIRMAN KICKLER: The motion has carried.

15 We are now finished with the restoration  
16 aspect of the Committee's work. And for the  
17 innovative stormwater component of the Committee's  
18 work, I will -- for that part of the agenda, I will  
19 turn the time over to Trustee Martin.

20 And I am -- for the record, I am recusing  
21 myself from the -- the Board right now.

22 MR. MARTIN: Thank you, Mr. Chairman.

23 So the Restoration/Stormwater Committee met again  
24 yesterday, and makes the following project  
25 recommendations: First, is that the Committee

1 recommends that the -- that the Clean Water Management  
2 Trust Fund Innovative Stormwater projects have no cap.  
3 As you know, the funding for these projects, or the  
4 overall funding for the projects was around \$600,000.  
5 These projects really don't tend themselves as well  
6 to, sort of, being scalable, as far as installing  
7 stormwater BMPs, either you install them or you don't.  
8 So it's difficult to make them scalable.

9 So the recommendation of the Committee was  
10 that Projects 2014 -- we were able to fund three of  
11 the projects that you can see listed in your table  
12 here: 2014-1004 for the City of Fayetteville; 2014-  
13 1007, North Carolina State University, retrofitting  
14 wet pond shelves; and also 2014-1010, UNC-Chapel Hill,  
15 investigating blue and green roofs. So we're really  
16 happy that we can both, you know, help fund N.C. State  
17 and north [sic] -- UNC at the same time. So maybe we  
18 can kept [sic] -- help bring things together. And  
19 that came from an N.C. State alumnus, so anyway, take  
20 that for what it is.

21 So we recommend that these projects be done  
22 as set forth. Of course, the Project 10010 [sic]  
23 would be funded with the amount remaining available at  
24 the time, and would be eligible for the additional  
25 funding up to the requested amount of \$201,633 as

1 funding becomes available. So that one is only being  
2 partially funded at this time, but our hope is with  
3 the license fees coming in, that it will be able to be  
4 fully funded.

5 Finally, the Committee recommends that the  
6 Clean Water Management Trust Fund provisionally  
7 approve each of the remaining projects set forth on  
8 the Innovative Stormwater Spreadsheet for funding up  
9 to the amount requested if additional money becomes  
10 available. And these provisionally-approved projects  
11 should be funded in the order of the scoring  
12 priorities as money for innovative stormwater becomes  
13 available during the history [sic] -- fiscal year.

14 So, you've heard the Committee's  
15 recommendation that Clean Water Management Trust Fund  
16 innovative stormwater projects have no cap. Project  
17 2014-1010 would be funded with the amount remaining  
18 from the amount available at this time, and would be  
19 eligible for funding up to the federally requested  
20 amount of \$201,633 as funds become available for  
21 innovative stormwater projects.

22 Is there any discussion?

23 TRUSTEES: (No response.)

24 MR. MARTIN: All those in favor, say  
25 "Aye."

1 TRUSTEES: Aye.

2 MR. MARTIN: Any opposed?

3 TRUSTEES: (No response.)

4 MR. MARTIN: The motion passes.

5 You have heard the Committee's

6 recommendation that the Clean Water Management Trust

7 Fund provisionally approve each of the remaining

8 projects set forth on the Innovative Stormwater

9 Spreadsheet for funding up to the amount requested if

10 additional money becomes available. These

11 provisionally-approved projects shall be funded in the

12 order of the scoring priorities as money for

13 innovative stormwater becomes available during the

14 fiscal year.

15 Is there any discussion?

16 TRUSTEES: (No response.)

17 MR. MARTIN: Hearing none, I'll call for

18 the vote. All in favor, say "Aye."

19 TRUSTEES: Aye.

20 MR. MARTIN: Those opposed?

21 TRUSTEES: (No response.)

22 MR. MARTIN: That completes the

23 recommendations from the Innovative Stormwater

24 Committee.

25 MS. LUCASSE: And just so the record is

1 clear, the motion carried.

2 MR. MARTIN: The motion carried.

3 Yes.

4 CHAIRMAN KICKLER: Okay.

5 MR. MARTIN: Mr. Chairman?

6 CHAIRMAN KICKLER: Okay. Moving on

7 to our next item on the agenda, which is "Old Business  
8 3," and, in particular, "Old Business 3(a), Proposed  
9 criteria, Innovative Stormwater." Let me preface our  
10 discussion by saying the committees [sic] -- or the  
11 Committee put in a lot of -- a lot of hours. I don't  
12 know exactly how many. I wasn't keeping track. But  
13 the Committee spent a good amount of time and thought  
14 in proposing new -- new criteria. And then at the  
15 Board's request at the last meeting, revising certain  
16 criteria so that the criteria would better reflect  
17 outcomes. And then, also, that we were still  
18 continuing to try to eliminate any redundancies,  
19 trying to be as efficient and as clear and as  
20 effective as possible. So much work was done in these  
21 Committee meetings, and they will be -- the work  
22 there, will be submitted to you this -- this morning.

23 The first one is a "Proposed criteria,  
24 Innovative Stormwater." And for that I'll turn it  
25 over to Fred Dufour at this time, who is a member of

1 the Grant Programs Committee.

2 MR. DUFOUR: The Grant Programs  
3 Committee and staff were to consider the revisions to  
4 the criteria for evaluating the applications for CWMTF  
5 funding for innovative stormwater project. And the  
6 Committee recommended revised criteria follow in the  
7 cover sheet we'll see later on. The Committee's main  
8 goals for the revised criteria were to clarify,  
9 simplify, and eliminate redundancies. Consistency  
10 with the revised criteria for evaluating an  
11 acquisition project was a factor in determining the  
12 proposed innovative stormwater criteria. The number  
13 of possible points remains 100, and Larry will, I  
14 think, later on tell us more about it.

15 MR. HORTON: Yes.

16 CHAIRMAN KICKLER: And you can tell us  
17 about it now, if you would like.

18 MR. HORTON: I will --

19 CHAIRMAN KICKLER: So let me ask this.

20 MR. HORTON: -- attempt to do  
21 that.

22 CHAIRMAN KICKLER: What is -- what is the  
23 Grant Programs Committee's recommend [sic] --  
24 recommendation?

25 MR. DUFOUR: Well, we recommend

1           that the Board approve the -- the Grant Programs  
2           Committee's proposed criteria.

3                   CHAIRMAN KICKLER:     Okay.  I'll turn the  
4           time over to Larry.

5                   MR. HORTON:             Okay.  Thank you.  So  
6           this is about the innovative stormwater evaluation  
7           criteria for applications for funding.  And you've got  
8           some information in your Board packet, the criteria  
9           and so forth.  And this will be a PowerPoint  
10          presentation, and next slide.

11                   MS. MURRAY:             (Complies.)

12                   MR. HORTON:             So this is a preview of  
13          what we're going to talk about just for a few moments.  
14          First of all, the "Legislative Purposes and Criteria"  
15          and the goals of the Committee, and then a brief  
16          explanation of the criteria and the scoring system.

17                   So the legislation establishes nine  
18          purposes.  The purpose that most nearly applies to  
19          this part of the program is Purpose 6, "To finance  
20          innovative efforts, including pilot projects, to  
21          improve stormwater management, to reduce pollutants  
22          entering the state's waterways, to improve water  
23          quality, and to research alternative solutions to the  
24          State's water quality problem."  So we just saw the  
25          nine purposes, and we have three broad project types.

1           And this is a slide that shows how those purposes  
2           apply to each one of the three broad project types.  
3           Innovative stormwater is in the "Design and  
4           Construction" row, and you see Purpose 6 is with that  
5           one.

6                        Next slide.

7                        MS. MURRAY:       (Complies.)

8                        MR. HORTON:        Thank you.

9                        The legislation also establishes 11  
10           criteria. The criteria that most nearly applied to  
11           this part of the program is C1, "The significant  
12           enhancement and conservation of water quality in the  
13           State." So the major goals of the Committee, in this  
14           work, was to ensure the letter and intent of the  
15           legislation is followed, and is evident in the  
16           criteria, and to ensure that the scoring system is  
17           objective and transparent.

18                        Specific goals to meet those major goals  
19           were to remove redundancies, to simplify organization,  
20           to make evaluation more objective and quantifiable,  
21           and to maintain some consistency with the revised  
22           criteria that were adopted for restoration and  
23           acquisition projects.

24                        So this is an overview. It -- and I'll just  
25           talk, mainly, about the sections. We can get into



1 more detail a little bit further down the  
2 presentation.

3 So Section I is about the "Merit of the  
4 project's objectives"; that's 35 percent. Oh, and the  
5 score -- the total points is a 100 points, so that  
6 would be 35 points. And Section II is "Completeness  
7 and clarity of the project description and the  
8 project's output"; that's 15 percent. Let's go  
9 back -- go back one slide.

10 MS. MURRAY: (Complies.)

11 MR. HORTON: And in the column that says  
12 relate to the register [sic] -- "Legislation," you can  
13 see that's where P6 applies to "A" under Section I.

14 Okay. Next slide.

15 MS. MURRAY: (Complies.)

16 MR. HORTON: And then C1 applies to "A"  
17 under Section III. And Section III is a "Potential  
18 for the project's results to be applied broadly." And  
19 that's 20 percent. Section IV is the "Applicant's  
20 commitment to the project"; that's ten percent. And  
21 then Section V, the "Value," is 20 percent. And that  
22 is -- we will -- you'll see, as we go through, Section  
23 V is, basically, the same as all the other criteria.  
24 We're shooting for some more consistency between the  
25 various programs.

1 Next slide.

2 MS. MURRAY: (Complies.)

3 MR. HORTON: So this is really an overall  
4 comparison to try to say, "Okay, we had a current  
5 criteria, or what we're using as current criteria, and  
6 now we're moving to something new." So how -- how do  
7 those compare? What -- what's the shift? And this --  
8 this is really about that.

9 And so you can see that in Section I, "Merit  
10 of the project's objectives," it shifted from 25  
11 percent to 35 percent. Section II, "Completeness and  
12 clarity of the project's output," shifted from 10  
13 percent to 15 percent. Section III, "Potential for  
14 the project's results to be applied broadly," shifted  
15 from 15 percent to 20 percent. The "Applicant's  
16 qualification" section was deleted, and that's  
17 consistent with what we've done with the other  
18 criteria. Section IV, "Applicant -- Applicant's  
19 commitment to the project," went from 20 percent to 10  
20 percent. And "Value" went from 15 percent to 20  
21 percent. The past criteria for this part of the  
22 program was 100 points, and it is still 100 points.

23 Next slide.

24 MS. MURRAY: (Complies.)

25 MR. HORTON: This is really getting down

1 into the details now. This is Section I, "Merit of  
2 the project's objectives." So we can see how that 35  
3 points is split up. Part A is the "Proposal addresses  
4 the aspects of the stormwater management that would be  
5 advanced by successful completion of the project."  
6 It's a max of 25 points. And you can see how those  
7 are split up. And it -- we really tried to do as much  
8 as we could to go from the subjective to the  
9 objective. It's not 100 percent effective, but we've  
10 tried to move that way as much as we could.

11 "B," "Proposal discusses how current  
12 practices are inadequate or need improvement." "C,"  
13 "Proposal provides related experiences or research  
14 that indicates the proposed project is a worthwhile  
15 undertaking, and the proposal should include  
16 references to technical papers, articles, et cetera  
17 that describe the context of the proposed project."

18 Are there any -- are there any questions  
19 about any of the sub-details in here? I won't read  
20 them all. If you all have questions, we could -- I'll  
21 be glad to do the best I can to answer them.

22 MR. TOOLE: I do have one question.

23 MR. HORTON: Yes, sir.

24 MR. TOOLE: You know, these are  
25 innovative projects. These are do projects as opposed

1 to buy projects. And so I was looking for something  
2 that says the person who's going to do this project is  
3 pretty -- pretty knowledgeable about what they're  
4 doing, and they know how to make these kinds of things  
5 happen.

6 MR. HORTON: Right.

7 MR. TOOLE: And I don't know, is there --  
8 is that -- and the other item I'm looking for is the  
9 likelihood that this is going to be a really effective  
10 project. And I don't think I found those two  
11 criteria, but maybe up in here (indicating), maybe  
12 not --

13 MR. HORTON: We've taken the  
14 applications -- the applicant's qualifications out.  
15 They -- there is a part where they tell us what  
16 they've done in the past, and why they should be  
17 qualified, and so on and so forth. They do talk a lot  
18 about that. As we go through, there's quite a bit of  
19 work, as far as the application goes, to talk about:  
20 is the project needed, is this thing needed, and how  
21 they think it's going to address this problem. I  
22 mean, that's basically the intent of it.

23 And then, at the end, there's a lot of --  
24 there's, "How are you going to check to see that what  
25 you did -- what you did, did what you thought it was

1 going to do, or didn't do what you thought?" Because  
2 these are innovative projects. If it fails, that's  
3 the result. But you don't know until you try. So  
4 that -- you know, it's like an experiment. They  
5 should -- I'm sure they have a pretty good notion, and  
6 a pretty good hope that it will work.

7 Does that help any?

8 MR. TOOLE: Yeah.

9 MR. HORTON: Okay.

10 MS. CAWOOD: And Larry, I might bring up  
11 that when we down to Section IV (B) where it says,  
12 "The project budget/cost proposal and status of  
13 resources," they aren't an entity that really can --  
14 can get it done. They aren't going to have the  
15 resources, normally, behind it to do the work.

16 MR. HORTON: Yes. They're --

17 MS. CAWOOD: Is that a fair point?

18 MR. HORTON: Yes. As we get to -- I think  
19 it's in the commitment to the project. Is that -- is  
20 that it?

21 MS. CAWOOD: Uh-huh (yes).

22 MR. HORTON: Yeah. So that shows what --  
23 what have they --

24 MS. CAWOOD: It might give a little  
25 bit.

1 MR. HORTON: -- what have they done to get  
2 the resources together and to be able to carry this  
3 project through? If we -- if -- if we fund them, will  
4 they move forward, and will they get it -- get it  
5 accomplished?

6 MR. MARTIN: Yeah. I'll just add to this  
7 since I said -- I work a lot in this field, is that  
8 really when you get down to it, they're -- you think  
9 there's a ton of people that do innovative stormwater.  
10 There's really not. So, you know, as part of -- as  
11 part of this process, we kind of know who the experts  
12 are within the state. And, you know, they're going to  
13 know how to tailor their projects to -- to -- to get  
14 these maximum points. So I don't think there's as big  
15 a risk maybe as what you think there is of someone  
16 being able to come in and say -- and, I mean, and part  
17 of that's, too, just -- I know Larry and other staff  
18 go to these conferences to, kind of, stay up on what  
19 is really coming through the pipe and whatnot. So I  
20 think that -- I think that some of those safeguards  
21 are, kind of, built into being the -- the measureable  
22 outcomes and the -- and what truly will be advancing  
23 versus someone who's just trying to take something  
24 that's, maybe, more conventional, and trying to make  
25 it sound innovative. That will, kind of, be taken

1 care of, I think, in some of this initial grading  
2 portion of it.

3 MR. TOOLE: Thank you.

4 MR. MARTIN: Yeah.

5 MR. HORTON: Thank you. So Section II,  
6 "Completeness and clarity of the plot [sic] -- of the  
7 project description and the project's outputs." The  
8 "Purpose and Goals," "Points," the "Approach" that  
9 they're proposing, and then the "Output of the  
10 Project" as far as "measures success and the basis for  
11 evaluating success." That -- does that speak to some  
12 of what you were --

13 MR. TOOLE: (Negatively nods.)

14 MR. HORTON: No, it doesn't?

15 MR. TOOLE: No. That's -- that's --  
16 that's on the back end.

17 MS. CAWOOD: Uh-huh (yes).

18 MR. TOOLE: It -- and I -- and we needed  
19 that. I'm glad we've got it.

20 MR. HORTON: Okay. Next.

21 MS. MURRAY: (Complies with change of  
22 slide in PowerPoint presentation.)

23 MR. HORTON: So some of these projects,  
24 once you put them in place, they -- they require a  
25 long-term care and operation. And we just want to be

1           sure that they have some plan in place for that.  If  
2           the project does -- it's only -- it's two points if  
3           they don't -- if this project -- if the project  
4           proposed does not require long-term care in an  
5           operation, then we'll give them two points anyway,  
6           just so they don't get penalized for that.

7                       Next.

8                       MS. MURRAY:           (Complies with change of  
9           slide in PowerPoint presentation.)

10                      MR. HORTON:           Section III is "Potential for  
11           the project's results to be applied broadly."  It's a  
12           max of 20 points.  "A," "Project proposal indicates  
13           how the results and corresponding advanced or improved  
14           stormwater-management practices could and should be  
15           approx. [sic] -- applied broadly."  "B," "Activities  
16           that would be conducted as part of the project scope,  
17           to encourage broad application of the project  
18           results."  Four (IV) -- and this is what Trustee  
19           Cawood was referring to a moment ago, I believe --  
20           Section IV, "Applicant -- Applicant's commitment to  
21           the project."  "A" is a "Project timeline and their  
22           readiness to begin work."  "B" is the "Project  
23           budget/cost proposal and status of resources."  And  
24           then Section V is "Matching resources."  It's,  
25           basically, the same as for all the other criteria that



1 we've had.

2 Next.

3 MS. MURRAY: (Complies with change of  
4 slide in PowerPoint presentation.)

5 MR. HORTON: "Final comments. Any  
6 questions?" "Final comments: The criteria is an  
7 evaluation tool, and does not reflect every possible  
8 consideration. It is expected that Trustees can make  
9 the case for funding or not funding projects based on  
10 the evaluation criteria, plus any other considerations  
11 that are not accounted for by the criteria."

12 The only legislative criteria not directly  
13 affected by our criteria, in the broad sense for all  
14 of our programs, is Number 5, "A geographic  
15 distribution of funds." And, historically, this has  
16 been something that Trustees, at least, think of --  
17 think of and talk about at -- at each of their  
18 meetings. "Over the Fund's history, funding has been  
19 approximately evenly distributed across the State."

20 Questions, comments? I'll do what I can.

21 CHAIRMAN KICKLER: Are there any other  
22 questions for Larry? Any other discussion?

23 TRUSTEES: (No response.)

24 CHAIRMAN KICKLER: All those in favor of  
25 accepting the proposed innovative stormwater criteria,

1 say "Aye."

2 TRUSTEES: Aye.

3 CHAIRMAN KICKLER: All those opposed?

4 TRUSTEES: (No response.)

5 CHAIRMAN KICKLER: The motion has carried.

6 Innovative stormwater proposed criteria has been  
7 adopted.

8 Another proposed criteria of -- from the  
9 Grant Program's Committee pertain to planning  
10 projects. And I'll turn the time over to Fred for  
11 this as well.

12 MR. DUFOUR: The Grant Programs  
13 Committee and staff met to consider the revisions to  
14 the criteria for evaluating applications for Clean  
15 Water Management Trust Fund funding for planning  
16 project. We recommend the revised criteria that will  
17 be presented to you later on.

18 The -- the Committee's main goal for the  
19 revised criteria were to clarify, simplify, and  
20 eliminate redundancies. Consistency with the revised  
21 criteria for evaluating acquisition projects -- let's  
22 see -- were -- which were approved by the Board in  
23 February, and revised criteria for stream restoration  
24 projects, which were approved by the Board in June,  
25 was a factor in determining the proposed planning

1 project criteria. The number of points would be  
2 reduced from 170 to 100. And, I think, Larry will  
3 also have a presentation for us later on.

4 MR. HORTON: I do. Thank you.  
5 Ready?

6 MR. DUFOUR: And the recommission  
7 [sic] -- the recommendation from the Committee to the  
8 Board is to approve the changes.

9 MR. HORTON: Thank you.

10 CHAIRMAN KICKLER: So just for  
11 clarification, so what does the Grant Programs  
12 Committee recommend?

13 MR. DUFOUR: That the Board approve  
14 the -- the recommended change in criteria.

15 CHAIRMAN KICKLER: Okay. Thank you. And  
16 do you have a short --

17 MR. HORTON: Yes.

18 CHAIRMAN KICKLER: -- presentation for  
19 that? Okay.

20 MR. HORTON: Okay. So another  
21 PowerPoint. The format of this one is very similar to  
22 the one you just saw, so we'll try to get through it  
23 quickly.

24 Next slide.

25 MS. MURRAY: (Complies.)

1 MR. HORTON: This is the same preview.  
2 We're going to do the same things we did before.  
3 Next slide.  
4 MS. MURRAY: (Complies.)  
5 MR. HORTON: Again with the "Legislation,"  
6 the two purposes that apply most closely to the  
7 planning are P3 and P5.  
8 Next slide.  
9 MS. MURRAY: (Complies.)  
10 MR. HORTON: So the nine purposes is the  
11 same nine purposes we saw before. And the bottom one  
12 is for planning. And you can see we have P3 and P5  
13 designated to that.  
14 Next slide.  
15 MS. MURRAY: (Complies.)  
16 MR. HORTON: Criteria that most closely  
17 apply to this one are C1, C2, C4, C6, C7, and C8.  
18 Next slide.  
19 MS. MURRAY: (Complies.)  
20 MR. HORTON: So the major goals for  
21 this were the same as the major goals for the  
22 innovative stormwater criteria. The specific goals  
23 were the same almost, except in this case was to  
24 reduce the total available points from 100 [sic] --  
25 170 to 100.

1                   And I'll mention, at this point, planning  
2                   really hasn't had its very own special criteria in the  
3                   past. It -- so that made it a little bit more  
4                   challenging, and a little bit more -- a little bit  
5                   more of a major change for this one. It's really just  
6                   been, sort of, part of the other criteria. In other  
7                   words, everything in the acquisitions criteria, and  
8                   the stormwater, and the stream restoration applied  
9                   except for the very first part of it, of those  
10                  criteria. So anyway, those other criteria had 170  
11                  points to start off with, and we went back to 100.  
12                  So, it's the same thing for these.

13                  So this is a slide that's similar to the one  
14                  that we saw before. This is an overview of the  
15                  proposed criteria and the register [sic] -- the  
16                  relation to legislation. Section I is 30 percent.  
17                  It's the "Clear need for the planning project with a  
18                  clear outline and a vision of the plan." You can see  
19                  where the purpose and criteria fit in Section I.  
20                  Section II, "Resource significance, links to other  
21                  projects and plans," is 25 percent. And you can see  
22                  where the criteria and purposes fit there. We did not  
23                  have -- I don't know if you all noticed, but we did  
24                  not have resource significance in the innovative  
25                  stormwaters'. That's because those -- that -- they're

1 really more about advancing the science than they are  
2 about water quality as, per se, in that particular one  
3 project.

4 So, next slide.

5 MS. MURRAY: (Complies.)

6 MR. HORTON: Section III, "Other public  
7 benefits," is 10 percent. You can see where the  
8 points in criteria fit in that one. Section IV is  
9 "The degree of indication that the Applicant would  
10 implement, in a timely manner, the project that would  
11 follow the planning project." And in Section IV,  
12 again, is "Value." And it's -- basically, it is the  
13 same as what we had for all the other criteria.

14 Again, the overall comparison of what we  
15 moved from and where we moved to as far as the current  
16 criteria compared to the proposed revised criteria,  
17 you can see for Section I, it changed from about nine  
18 percent to about 30 percent. Section II changed from  
19 about 41 percent to 25 percent. Section III from six  
20 percent to 10 percent. Section IV from nine percent  
21 to 15 percent. Value went from 12 percent to 20  
22 percent.

23 And then we deleted, or either factored in,  
24 moved into some of these other sections, "Applicant's  
25 qualifications" -- we just did away with that

1 completely -- "Measureable and enduring outcomes,"  
2 "Innovative technology," and "Greenways."

3 So Section I -- we'll just go through these  
4 and give you an opportunity to see if there's anything  
5 you wanted to ask a question about. Section I is, "A  
6 clear need for the planning project with a clear  
7 outline and vision of the plan." For "A,"  
8 "Application clearly defines the need for the project,  
9 the purpose and goals for the planning project, and  
10 the purpose and goals for any work that would be  
11 implemented following the planning project." "B,"  
12 "The planning project addresses how surface water  
13 pollution would be reduced." "C," "The planning  
14 project work tasks that will be included in the  
15 project scope to achieve the purpose and goals are  
16 clearly outlined and described." Section II, this is  
17 a "Resource significance, and links to other projects  
18 and plans." The primary resource benefits are the  
19 same ones that we have for acquisitions and for stream  
20 restoration. We -- the points shifted around a bit,  
21 just because of the allotment of points. Not much,  
22 but a little bit. Because the allotment of points was  
23 different, a different spread.

24 Next slide.

25 MS. MURRAY: (Complies.)

1 MR. HORTON: So this is the rest of the  
2 resource significance part. And then "B," "Links to  
3 other conservation projects and plans -- for instance,  
4 the DWR Basinwide Plan, the Ecosystem Enhancement  
5 Program Planning, Comprehensive Conservation and  
6 Management Plan -- that are in the same region and  
7 watershed."

8 MR. MARTIN: Larry, I had one quick  
9 question there --

10 MR. HORTON: Yes, sir.

11 MR. MARTIN: -- if we could go back to  
12 that. So since a lot of these plans are for every  
13 watershed in the state -- I know it's not -- I was  
14 just wondering, is -- is this really going to be  
15 looking like more -- not so much it's a plan has been  
16 done for the area, but maybe how many projects have  
17 been done in the area for setting these one mile and  
18 three mile? Because when I was -- I was just  
19 wondering -- because like I know the Basinwide Plans  
20 for DWR, they've done a number of them throughout the  
21 state. So, I mean, you know, how you relate that to a  
22 distance, I guess, is what I was, kind of, wondering  
23 where that was?

24 MR. HORTON: It -- they would need to be  
25 with -- it's within these distance -- distances. Are



1           you saying that that would, pretty much, blanket --

2                   MR. MARTIN:        What I'm saying is that, you  
3           know, so there's a -- there's a basinwide plan, say,  
4           for the Wide Oak River --

5                   MR. HORTON:        Right.

6                   MR. MARTIN:                -- that includes the  
7           whole watershed.  So if there's anything that comes  
8           up, a planning document within that, how do you assign  
9           a distance for a plan that, you know, encompasses the  
10          whole watershed, I guess, is what I was -- I could  
11          understand -- you know, I could understand it if you  
12          were saying, "Okay.  There's been, maybe, more  
13          planning projects done in -- in this area," and, kind  
14          of, weighing in by distance that way.  But I was  
15          just -- I was trying to think how you would actually  
16          assign one of these, assign these points?

17                   MR. HORTON:        Well, maybe the basinwide  
18          plan is not a good one --

19                   MR. MARTIN:        Right.

20                   MR. HORTON:        -- because it is broad.

21                   MR. MARTIN:        Right.

22                   MR. HORTON:        I'll agree with that.

23                   MR. MARTIN:        That's the only --

24                   MR. HORTON:        I think the other ones are  
25          more space limited.  But that's --

1 MR. MARTIN: Right.

2 MR. HORTON: -- that's a good point.

3 MR. MARTIN: Yeah.

4 MR. HORTON: That's a carry-over, I  
5 think, from -- from another criteria that we had on  
6 a -- in a different area.

7 MR. TOOLE: And it came from the  
8 restoration grant criteria?

9 MR. HORTON: Yes, it is. And --  
10 yeah. So we'll take that one out.

11 MR. MARTIN: Yeah. I mean, I just --  
12 I was just trying to think how would you actually --

13 MR. HORTON: I -- I agree. That does  
14 not -- is not space limited enough, and it's not  
15 specific. It would just be too -- too much of a  
16 blanket.

17 Does the -- does the Committee agree with  
18 that?

19 MS. CAWOOD: With Johnny's expertise,  
20 I'd definitely defer to that.

21 CHAIRMAN KICKLER: So is there a motion?

22 MR. TOOLE: Well, let's talk about  
23 this a little bit further before we start motioning.

24 I had one question. So I just want to get  
25 this straight in my head. There's a criteria that

1           says that, you know, "Tell us that you're ready to  
2           implement the plan once you adopt the plan, or once  
3           you go through it." So that suggests to me that our  
4           view is that this plan is not a feasibility study.  
5           Because there's many feasibility studies that say,  
6           "That's a bad idea. You thought you had a good idea,  
7           but, by golly, you get into the weeds, and don't do  
8           it." We're -- that's not what this is for. This is  
9           for after the feasibility study is done, and now we're  
10          looking at how to implement something that's already  
11          been determined to be feasible. Is that our thinking?

12                   MR. HORTON:        Yes.

13                   MR. TOOLE:        Yes? Okay. Okay. I just  
14           want to be sure that I understood it. Because I -- I  
15           got to tell you, I think there's some good plans out  
16           there that say, "You thought you had a good idea.  
17           Don't do it."

18                   MR. HORTON:        Well, as -- as an idea, we  
19           could -- you -- the Committee could reconsider that  
20           and say -- and rephrase that and say, "If the project  
21           appears feasible, would you be -- do you have funding  
22           in place?" and, "Would the -- would you be able to  
23           proceed with it?"

24                   MR. TOOLE:        I -- I'd be very comfortable  
25           with that.

1                   MR. HORTON:        You'd feel better about that?  
2                   How does the Committee feel about that?  
3                   MR. MARTIN:            I'm not on that  
4                   Committee.  
5                   MS. CAWOOD:            That would be Fred  
6                   Dufour.  
7                   MR. MARTIN:            But I would agree with  
8                   that, you know, yeah, from a technical aspect.  
9                   CHAIRMAN KICKLER:     So are you suggesting a  
10                  change to refine some of the wording in this --  
11                  MR. HORTON:            It was the section  
12                  before.  
13                  MR. TOOLE:             It was the section  
14                  before. Ms. Murray, if you could go --  
15                  MS. MURRAY:            Up?  
16                  MR. TOOLE:             -- up one?  
17                  MS. MURRAY:            (Complies.)  
18                  MR. TOOLE:             Yes.  
19                  MR. HORTON:            One more.  
20                  CHAIRMAN KICKLER:     Which --  
21                  MS. MURRAY:            There's --  
22                  MR. TOOLE:             Planning -- let's see.  
23                  MR. MARTIN:            Actually, I think down  
24                  one.  
25                  MR. TOOLE:            Maybe it's down.

1 MR. HORTON: It's down further.  
2 We -- we -- we touched on that as a section, but we  
3 haven't got into it in this --  
4 MR. TOOLE: You haven't got into the  
5 weeds?  
6 MR. HORTON: -- in this detail.  
7 MR. TOOLE: Yeah. Okay.  
8 MR. HORTON: So we'll get there.  
9 MR. MARTIN: Well, okay. So I jumped the  
10 gun. I apologize.  
11 MR. HORTON: That's okay. We'll get  
12 there. Go forward one more.  
13 MS. MURRAY: (Complies.)  
14 MR. HORTON: Okay. So would -- well,  
15 something to keep on the radar is, maybe, deleting the  
16 DWR Basinwide Plan from that group. Okay.  
17 MR. MARTIN: Yeah. I think that -- I  
18 think that would cover that.  
19 MR. HORTON: Okay. So that's --  
20 MR. MARTIN: So that's an easy thing.  
21 MR. HORTON: Okay. So "Other public  
22 benefits," this, again, is very similar to what we  
23 have in the acquisitions, I think, and, in the stream  
24 restoration, "Recreational uses and public access to  
25 the project area, public or scientific education that

1 would be provided by the project, local [sic] --  
2 location relative to existing and future public  
3 drinking water supply." Ah --

4 MS. CAWOOD: There it is.

5 MR. HORTON: -- here we go. Section IV,  
6 "The degree of indication that the Applicant would  
7 implement, in a timely manner, the project that would  
8 follow the planning project." "A," "Project timeline  
9 including readiness to begin work and time for  
10 completion; status of the match funds required to  
11 implement the project that would follow the planning  
12 project."

13 Next slide.

14 MS. MURRAY: (Complies.)

15 MR. HORTON: No, back. Go back.

16 MS. MURRAY: (Complies.)

17 MS. MURRAY: Okay. So here's --

18 MR. TOOLE: This is -- this is --

19 MR. HORTON: There is where you were --

20 MR. TOOLE: -- where I'm wondering --

21 that's a lot of points. And I want to be sure that  
22 we're not urging people to do things that are -- turn  
23 out to be not a good idea. And, I guess, as I think  
24 further about it, you know, part of the planning  
25 project becomes a -- a tool for them going out and

1 shopping funding that you don't already have.

2 MR. HORTON: Right.

3 MR. MARTIN: Yeah. I think -- I think in  
4 some ways, you know --

5 MR. TOOLE: This is jumping the gun --

6 MR. MARTIN: Right.

7 MR. TOOLE: -- a little bit.

8 MR. MARTIN: Because if -- if -- if it  
9 comes out, and the planning project says, "Probably  
10 don't do it," then, one, the local entity is not going  
11 to want to put any of their funds toward it, and  
12 they're going to have a hard time getting follow-up  
13 funding for it, so it may --

14 MR. TOOLE: But a good planning document  
15 helps you go find funding that before you had the  
16 planning document --

17 MR. MARTIN: Right.

18 MR. TOOLE: -- people are uneasy about  
19 it.

20 MR. HORTON: Well, maybe this is --  
21 maybe this would be a way of winnowing out the  
22 projects. We don't do -- we don't fund many projects.  
23 So maybe this is a way to only get people to come  
24 forward with projects which they know are -- they are  
25 pretty doggone sure they're feasible in the first

1 place.

2 MR. TOOLE: Uh-huh (yes).

3 CHAIRMAN KICKLER: I was going to ask -- I  
4 forget the approximate percentage, but planning  
5 projects, percentage-wise, consist of what of the  
6 overall Clean Water? Is it, like, a little over one  
7 percent or --

8 MR. HORTON: Dollar-wise, it's  
9 probably one percent, or it's a very small percentage.  
10 And even by number of projects, it would be -- it  
11 would be a relatively small percentage also. Yeah,  
12 so --

13 MR. MARTIN: I think some of the  
14 other things too, in reading through this, Bill, is  
15 like Item 1 there, "Applicant has already done  
16 significant preliminary planning work, and has  
17 necessary approval from the appropriate officials, and  
18 has provided a feasible strategy." So in some ways  
19 we're, kind of, making them, sort of, at least think  
20 through this a little bit. And maybe if -- if a  
21 project is going to have a bad outcome already --

22 MR. HORTON: Okay.

23 MR. MARTIN: -- I mean, we're, kind  
24 of, showing that they would have to have already kind  
25 of gone through this.



1 MR. TOOLE: So this is really an  
2 implementation plan. If that's what we want to fund,  
3 I'm fine with that.

4 MR. MARTIN: Well, I think you're funding  
5 planning projects that the applicant is probably 80 to  
6 90 percent sure that it will turn into a good project,  
7 is probably what, I think, we're funding.

8 MR. TOOLE: And --

9 MR. MARTIN: And encouraged that -- we're  
10 encouraging to fund with some of these points, where  
11 they are.

12 MR. HORTON: And many times people come in  
13 at -- with the -- at the application point, and  
14 they've already done a lot of pre-work, and we want --  
15 we just wanted to be sure that those folks got credit  
16 for the pre-work that they had done; the homework that  
17 they have done to get their funds lined up and so  
18 forth. So that was -- that was a big part of what  
19 this was about, to be sure that they got some sort of  
20 credit for that.

21 MR. TOOLE: Okay.

22 MR. HORTON: Does that help?

23 MR. TOOLE: (Nods affirmatively.)

24 MR. HORTON: Next.

25 MS. MURRAY: (Complies with change of

1 slide in PowerPoint presentation.)

2 MR. HORTON: And this is the same old  
3 value criteria that we've seen before. And that's  
4 really it.

5 Next slide.

6 MS. MURRAY: (Complies.)

7 MR. HORTON: Just the same as before  
8 in the previous presentation. And that's it. I'll be  
9 glad to take any more questions.

10 CHAIRMAN KICKLER: Are there any other  
11 questions for Larry?

12 TRUSTEES: (No response.)

13 CHAIRMAN KICKLER: Any discussion? Any  
14 more discussion about the proposed criteria for the --  
15 for the planning criteria?

16 MR. MARTIN: Yeah. I think if you  
17 just delete that one little -- those three words that  
18 say "DWR Basinwide Plan," just so that then he doesn't  
19 have to give everybody a five, and he can actually  
20 distribute those, I think that that'll --

21 MR. HORTON: Okay.

22 MR. MARTIN: -- make your life  
23 easier.

24 MR. HORTON: Okay.

25 MR. TOOLE: I'm sorry, Johnny. Do

1           those other ideas -- I mean, is an EEPP plan, is that  
2           basin -- those -- they're pretty broad-based, too.

3                   MR. HORTON:                   They're not -- they --  
4           they cover an area, but they're not nearly as broad-  
5           based as a complete river basinwide plan.

6                   CHAIRMAN:                   So --

7                   MR. HORTON:                   And those are ones we've used  
8           before --

9                   MR. TOOLE:                   Uh-huh (yes).

10                  MR. HORTON:                   -- for sure.

11                  CHAIRMAN KICKLER:           So is there a motion,  
12           Johnny, to --

13                  MR. MARTIN:                   Yeah. I make a motion  
14           to --

15                  CHAIRMAN KICKLER:           -- change that --

16                  MR. MARTIN:                   -- to amend the proposed  
17           criteria, Section II(B) to read, "Links to other  
18           conservation projects and plans, (e.g." -- deleting  
19           "DWR Basinwide Plan," and the remainder staying the  
20           same.

21                  MR. TOOLE:                   Second.

22                  CHAIRMAN KICKLER:           Deleting -- I'm sorry --  
23           "Basinwide" --

24                  MR. MARTIN:                   "DW" [sic] -- deleting  
25           the three words "DWR Basinwide Plan."

1 CHAIRMAN KICKLER: Okay. We have an  
2 amendment to change the language in Section II(B), and  
3 that -- that motion is to delete "DWR Basinwide Plan"  
4 from Section II(B). Is there any discussion about  
5 that?

6 TRUSTEES: (No response.)

7 CHAIRMAN KICKLER: All those in favor, say  
8 "Aye."

9 TRUSTEES: Aye.

10 CHAIRMAN KICKLER: All right. All those  
11 opposed?

12 TRUSTEES: (No response.)

13 CHAIRMAN KICKLER: The motion has carried.  
14 So from here on out we are discussing the  
15 Committee's recommendation [*sic*] -- we are disgusting  
16 [*sic*] -- discussing the -- an amendment, the amended  
17 Committee recommendation. Excuse me.

18 Is there any more questions for Larry, or  
19 any more discussion?

20 TRUSTEES: (No response.)

21 CHAIRMAN KICKLER: If not, all those in  
22 favor of the amended Committee recommendation, please  
23 say "Aye."

24 TRUSTEES: Aye.

25 CHAIRMAN KICKLER: All right. All those

1           opposed?

2                           TRUSTEES:                           (No response.)

3                           CHAIRMAN KICKLER:       The motion has passed.

4                           Okay. Next item on the agenda is something  
5           that you are already familiar with. There were a few  
6           tweaks that needed to be made to the restoration  
7           criteria. And, at this time, I'll turn it over to  
8           Fred. Thank you.

9                           MR. DUFOUR:                           At the June 2014  
10           meeting, the Grant Program Committee recommended  
11           criteria for restoration projects. After the staff  
12           presentation and during the discussion of the motion  
13           for the vote for the Board to adopt the criteria,  
14           Trustee Markham asked staff to revise tables for  
15           determining the score for Cost per Unit, and Sediment  
16           Reduction per Linear Foot to limit overlap. The  
17           motion was amended to include Trustee Markham's  
18           request.

19                           Also, during the review and draft of  
20           evaluation criteria for Innovative Stormwater  
21           applications and Planning applications for  
22           presentation to the Board at the September meeting,  
23           the Criteria Committee has determined two additional  
24           revisions for the Board's consideration. The draft  
25           revised criteria are attached and -- and the revisions

1 are highlighted in yellow -- in yellow. The three  
2 revisions are also summarized below: Section II(A),  
3 Item 5 and 6; Section II(A), Item 2; and Section IV,  
4 Item B. And I think Larry will talk to us about that.

5 And the Committee's recommendation is for  
6 the Board to approve the revisions to criteria.

7 CHAIRMAN KICKLER: We've had time to look  
8 at these revisions, and they were minor tweaks. Is  
9 there -- are there any questions for -- for Larry, or  
10 any discussion regarding these three amendments that  
11 are listed in Agenda Item "Old Business 3C"?

12 TRUSTEES: (No response.)

13 CHAIRMAN KICKLER: If there are no  
14 questions, no discussion, all those in -- in favor of  
15 accepting the revised restoration criteria, please say  
16 "Aye."

17 TRUSTEES: Aye.

18 CHAIRMAN KICKLER: All those opposed?

19 TRUSTEES: (No response.)

20 CHAIRMAN KICKLER: The motion has carried.

21 Moving on to item 3D, which is "Proposed  
22 revisions regarding Acquisition Product [sic] --  
23 Projects." And this is -- comes also out of the Grant  
24 Programs Committee. And, once again, I'll turn the  
25 time over to Fred. Thank you.

1 MR. DUFOUR: But we need to make some  
2 change to the -- let's see. Well, the staff applied  
3 the acquisition criteria to the 2014 applications, and  
4 presented suggested changes to the criteria for 2015  
5 grant cycle to the Grant Programs Committee. And, I  
6 think, Nancy has there changes --

7 MS. GUTHRIE: Yes.

8 MR. DUFOUR: -- for that? And the  
9 Committee recommends that the Board adopt the -- the  
10 proposed revision to the acquisition grant evaluation  
11 criteria for 2015.

12 CHAIRMAN KICKLER: Okay. Thank you. This  
13 is also something that we are generally familiar with,  
14 with the acquisitions criteria that we adopted a  
15 couple Board meetings ago. Do we have any  
16 questions -- any questions for Nancy?

17 MR. MARTIN: Mr. Chairman, I have  
18 one. And it's probably just my ignorance because of  
19 not being involved with the Natural Heritage  
20 classification points. But I was -- and I just might  
21 have missed something -- but I was just trying to --  
22 it seemed like at some place there was 50 points, some  
23 place there was 55. So we if we could just take a  
24 minute just so that I could understand, sort of, the  
25 Natural Heritage classification points, just so I had

1           that clear in my mind? And I promise -- I hope that  
2           won't be too long. But --

3                   MS. GUTHRIE: I'm trying to see where  
4           the --

5                   MS. CAWOOD: Is that on 3A?

6                   MS. GUTHRIE: -- points that you're --

7                   MR. MARTIN: Right. Yeah.

8                   MS. GUTHRIE: So the -- three --

9                   MS. MURRAY: (Finds specific slide in  
10          PowerPoint presentation.)

11                   MS. GUTHRIE: Okay. The revisions to  
12          this section really were to have a little more  
13          separation in the categories of, like for example,  
14          "Exceptional" and "Very high" rating. So if you  
15          could -- Terri, scroll on down to the -- one more.

16                   MS. MURRAY: (Complies.) Here?

17                   MS. GUTHRIE: Keep going.

18                   MS. MURRAY: Keep going?

19                   MS. GUTHRIE: Keep going. This is at  
20          the -- beyond all the criteria.

21                   MS. MURRAY: (Complies.)

22                   MS. GUTHRIE: You're ahead of it. Yeah.

23                   MS. MURRAY: (Continues to search for  
24          PowerPoint slide.)

25                   MS. GUTHRIE: Okay. Right there. So this



1 first section where we now have 30 points down to five  
2 points, that's where, previously, we did have 40  
3 points to 15. And what happened with those points  
4 then -- there are two changes that are going on here.  
5 One is to separate the categories a little bit  
6 further. The other is there's now, in A.1.b. -- this  
7 was not in the criteria before. This idea is to look  
8 at the tract, and where there are known to be more  
9 species -- more element occurrences -- to bump that  
10 tract up above a tract with the same community, but  
11 with a sparse population.

12 MR. MARTIN: Okay.

13 MS. GUTHRIE: So then -- scroll down a  
14 little further, Terri, please.

15 MS. MURRAY: (Complies.)

16 MS. GUTHRIE: The Integrated Ecological  
17 Networks, which previously were ten points, now went  
18 to five really to account for the 15 points going to  
19 the supporting the density of elements on a tract.

20 Does that get all of the points for you?

21 MR. MARTIN: Yeah. It's helpful. I guess  
22 the other thing I was trying to figure out, too, is I  
23 know we, kind of, have these four separate things that  
24 a project can be weighed on. And so the "Resource  
25 Significance" total was 55 points.

1 MS. GUTHRIE: Okay.

2 MR. MARTIN: So this subsection is

3 50. So where does the other --

4 MS. GUTHRIE: Each section is 50. And

5 by "each section," I mean riparian buffers, Natural

6 Heritage, greenways, or historic and cultural.

7 MR. MARTIN: Okay.

8 MS. GUTHRIE: Okay. Each of those can

9 have 50 points. And then a project gets an additional

10 five points if there are -- if there is value in the

11 other additional categories.

12 MR. MARTIN: Okay.

13 MS. GUTHRIE: So that -- then that

14 extra five points is trying to bring up a little bit

15 the tracts that have riparian buffers and Natural

16 Heritage and historic sites.

17 MR. MARTIN: Okay. That's where I --

18 MS. GUTHRIE: Okay.

19 MR. MARTIN: -- that's were -- that's

20 where the disconnect was, so sorry about that.

21 MS. GUTHRIE: Okay.

22 MR. MARTIN: Thank you.

23 CHAIRMAN KICKLER: That additive section,

24 those five points was to ask applicants to think more

25 comprehensively about their projects, and not be so

1 compartmentalized with them, because some conservation  
2 sites are also very important historic sites, and some  
3 riparian greenways actually might be -- might also be  
4 old trails from long ago. It's just an effort to make  
5 people think more comprehensively about the work  
6 that -- the work that they do.

7 Are there any other questions for Nancy?

8 TRUSTEES: (No response.)

9 CHAIRMAN KICKLER: Any discussion?

10 TRUSTEES: (No response.)

11 CHAIRMAN KICKLER: All those in favor of  
12 accepting the revised acquisition criteria, please say  
13 "Aye."

14 TRUSTEES: Aye.

15 CHAIRMAN KICKLER: All those opposed?

16 TRUSTEES: (No response.)

17 CHAIRMAN KICKLER: The motion has carried.

18 The revised acquisition criteria has been passed and  
19 accepted.

20 Moving on to agenda item "Old Business 3E,"  
21 which is "Proposed guidelines, Donated Easements."  
22 And one last time I'll turn it over -- I'll turn it  
23 over to Fred.

24 MR. DUFOUR: Thank you. The Grant  
25 Programs Committee reviewed the current guidelines for

1 the Donated Easement Program. The purpose of the  
2 program is to facilitate the donation of conservation  
3 easements to land trusts and local governments. The  
4 program focuses on the donation of conservation  
5 easements on riparian buffers. The Grant Programs  
6 Committee recognizes the mission of Clean Water  
7 Management Trust Fund has expanded, but does not  
8 recommend revising the Donated Easement Program at  
9 this time to include conservation of ecological  
10 communities, historical or cultural sites, or military  
11 buffer. The Committee may consider additional changes  
12 in the future but currently recommends only changes  
13 that are necessary due to the change in Board  
14 structure.

15 CHAIRMAN KICKLER: Okay. We have the -- we  
16 have the Committee's recommendation. And Nancy,  
17 yesterday or last night, gave a brief overview of the  
18 donated easement, the mini-grant program. Are there  
19 any other questions for her about that, any  
20 discussion?

21 TRUSTEES: (No response.)

22 CHAIRMAN KICKLER: If there's -- there are  
23 no questions; there's no discussion, all those in  
24 favor of accepting the proposed guidelines for the  
25 donated easements for 2015, please say "Aye."

1 TRUSTEES: Aye.

2 CHAIRMAN KICKLER: All those opposed?

3 TRUSTEES: (No response.)

4 CHAIRMAN KICKLER: The motion has carried.

5 The Committee recommendations have been adopted.

6 Moving on to "Old Business 4(a), Easement  
7 Revision policy changes." And keep in mind that we --  
8 we were talking about -- let me see that for a second.  
9 Okay. We are talking about the protocol request for  
10 Clean Water Management Trust Fund easement revision,  
11 which is "Old Business 4(a)." And keep in mind that  
12 we are discussing this without Section C, "Other  
13 circumstances 3 -- 3(b)," which was pulled from the  
14 agenda early on. So keep that in mind. And with that  
15 in mind, I'll turn the time over to Will.

16 MR. SUMMER: Certainly. So, in June  
17 of 2013, our previous Board adopted some policy to  
18 guide staff as to when and how to bring certain  
19 conservation easements, adjustments, amendments, and  
20 revisions to the -- to the Board. In June of this  
21 year, we brought the very similar version of that  
22 policy to this Board to readopt, and there were some  
23 concerns raised with one of the particular points. So  
24 we went back and worked with the Committee and other  
25 Trustees to mollify that one point, and that's

1           actually excerpted here in italics.

2                       And the gist of what this was was to set it  
3           back on the overall size of it, in terms of absolute  
4           acreage and borders of the percentage of the overall  
5           project, at which staff may go forward and make the  
6           judgment on release for public works product --  
7           projects. So if the road were to be widened and it  
8           takes less than an acre, and it'd have to be also less  
9           than five percent, and it's -- staff has viewed it to  
10          be minimized to the impacts, then we'd go ahead and  
11          move that forward. Anything larger than that, we'd  
12          bring it back before the Board, for the Board to  
13          discuss.

14                      So what's underlined there is the -- the  
15          only thing we've added since the Board saw this in  
16          June. And it's my understanding that that was the  
17          only hang-up at that time. So with that being said,  
18          the next page -- the next two pages in the agenda are  
19          that policy. Of course, ignoring exception of 3(b),  
20          but everything else is -- was actually saw in June but  
21          that line.

22                      CHAIRMAN KICKLER:    Are there any questions  
23          for Will?

24                      TRUSTEES:                (No response.)

25                      CHAIRMAN KICKLER:    Any discussion?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: If there are no

3 questions, no discussion, is there -- well, we have --

4 is there a motion to adopt the attached Clean Water

5 Management Trust Fund Easement Revision Protocol?

6 MR. MARTIN: So moved.

7 CHAIRMAN KICKLER: Is there a second?

8 MR. BRAGG: Second.

9 CHAIRMAN KICKLER: Thank you. All

10 those in favor, say "Aye."

11 TRUSTEES: Aye.

12 CHAIRMAN KICKLER: All those opposed?

13 TRUSTEES: (No response.)

14 CHAIRMAN KICKLER: The motion has carried.

15 COURT REPORTER: Mr. Kickler, who made

16 the second? I didn't -- I had my head down and didn't

17 hear -- see --

18 CHAIRMAN KICKLER: Trustee Bragg.

19 COURT REPORTER: Thank you.

20 CHAIRMAN KICKLER: Okay. Now, moving on to

21 "Old Business 4(b)," it is my understanding -- and

22 correct me if I'm wrong -- but if "Old Business 4(b)"

23 passes, then "Old Business 9" is moot.

24 MR. SUMMER: That is true.

25 CHAIRMAN KICKLER: Okay. So I wanted to

1 make everybody aware of that. If "Old Business 4(b)"  
2 passes, then "Old Business B9 [sic]" is a moot point.

3 MR. GOSSAGE: Just nine (9). Not  
4 "B9."

5 CHAIRMAN KICKLER: Oh. "Old Business 9."  
6 Sorry. "Old Business 9." Okay. I'll turn the time  
7 over.

8 MR. SUMMER: Thank you. So,  
9 currently, the -- the Clean Water Management Trust  
10 Fund's Stewardship Program uses the endowment funds  
11 for two purposes: stewardship management activities  
12 to protect and enhance conservation values of  
13 easements, and stewardship monitoring contracts that  
14 we issue annually. The former is done through a  
15 former Board policy that was adopted in June. The  
16 latter is done through the understanding with the  
17 Board each time we make a stewardship endowment  
18 withdraw, that that's what we're going to use the  
19 funds for.

20 On occasion there are additional easement  
21 stewardship activities that don't fall into either of  
22 these previous two cases but are within the purview of  
23 the statute. Two examples would be activities that  
24 would normally fall under a stewardship management  
25 grant, but where waiting for the award cycle would



1 cost additional damage to the resource, or in the case  
2 of OB9, in case of where some proactive legal matter,  
3 i.e. recording an updated or amended easement of the  
4 plat, is -- may prevent future easement violations.

5 So the purpose of this proposed policy is  
6 to, kind of, put the first two items, which are  
7 already policy, into one place, and then have the  
8 Board consider adding a third item as a use for  
9 stewardship funding. So up on the screen is the  
10 entire policy the staff is proposing.

11 CHAIRMAN KICKLER: Is there a motion to --  
12 to adopt the attached Clean Water Management Trust  
13 Fund Stewardship Fund's use policy?

14 MS. CAWOOD: So moved.

15 CHAIRMAN KICKLER: Is there a second?

16 MR. MARTIN: Second.

17 CHAIRMAN KICKLER: Thank you. Is -- are  
18 there -- is there any discussion?

19 TRUSTEES: (No response.)

20 CHAIRMAN KICKLER: If there are no further  
21 questions, no more discussion, all those in favor of  
22 accepting proposed Stewardship Endowment Policy  
23 revisions, please say "Aye."

24 TRUSTEES: Aye.

25 CHAIRMAN KICKLER: All those opposed?

1 TRUSTEES: (No response.)

2 CHAIRMAN KICKLER: The motion has carried.

3 And remember now "Old Business 4" [sic] -- excuse me.

4 Let me correct myself. "Old Business 9" is now moot.

5 Okay. Let the -- we are moving on to "Old  
6 Business 5," which is "Emerald Isle scope reduction,  
7 2008-703." Let the record show that Trustee Martin  
8 has recused himself from this matter. I will turn the  
9 time over to Larry Horton.

10 MR. HORTON: Okay. Thank you, Mr.  
11 Chairman. So "Old Business 5" is about the Town of  
12 Emerald Isle and their stormwater BMPs. There was  
13 quite a bit of information in your Board information,  
14 the information that we sent out to you prior to the  
15 meeting. I'm just going to try to boil that down a  
16 little bit. I've got, I hope, a short PowerPoint  
17 presentation.

18 The background is that in 2008 the Trust  
19 Fund approved a grant for 97,000. The town's match is  
20 36,000. The town's goal is to reduce pollution where  
21 existing streets dead end at or near the sound. The  
22 project scope was to provide some form of  
23 stabilization and infiltration at 17 locations.  
24 Eleven (11) of the 17 locations have been completed.  
25 Eight of the nine on the town [sic] -- on the streets

1           have been completed. One of those was at 7th Street,  
2           and it was -- once they looked -- took a look at -- a  
3           closer look at that, they decided that it would be  
4           more harm than good to do that work, so they decided  
5           not to do that. Three of the eight projects that were  
6           on DOT-owned easements and culverts have also been  
7           completed.

8                       The Town of Emerald Isle's request is to  
9           reduce the project scope. And that's why we're here.  
10          It didn't fit within the decision matrix process that  
11          we have. So the scope reduction based on the number  
12          of projects taken out and the number that they were  
13          going to -- had proposed to do in the first place, it  
14          exceeded what we could cover with the decision matrix.  
15          So the town is requesting to reduce the project scope  
16          to delete the remaining five locations -- the ones  
17          they haven't done yet -- on the NCDOT right-of-way,  
18          because the cost is more than the town can afford at  
19          this time.

20                      And they would also -- they're also  
21          requesting to get the rest of the grant funds that  
22          they haven't been reimbursed yet, that's been held out  
23          as retainage until we can get this issue resolved and  
24          finish all the close-out that goes along with the  
25          project.

1 Next slide.

2 MS. MURRAY: (Complies.)

3 MR. HORTON: So the reasons for the cost  
4 increase are summarized as follows. This was one of  
5 the 2008s that got delayed, because we lost all our  
6 funds due to circumstances beyond our control, and the  
7 Town of Emerald Isle's control. So that really  
8 delayed them getting funded in the first place. And  
9 during that time construction costs went up, and  
10 the -- also a bigger reason is that eight of the 17  
11 locations are on NCDOT right-of-way. And DOT's  
12 requirements for the drainage system were -- exceeded  
13 what they had anticipated. The town did three of  
14 these DOT locations anyway, even though they were far  
15 in excess of what they thought it was going to cost  
16 them to do the work.

17 The map -- project map is at the bottom  
18 there. As you can see -- it's hard to see a little  
19 bit. But anyway, the -- the water body at the upper  
20 end is Bogue Sound; the water body at the bottom is  
21 the Atlantic Ocean. And the island runs from east to  
22 west. So -- and these are all the locations that they  
23 were going to do. You can see they're dead-end into  
24 the sound end, the sound side.

25 Next slide.

1 MS. MURRAY: (Complies.)

2 MR. HORTON: This is a worksheet with  
3 entirely too many numbers on it. It's one that was in  
4 your Board packet. I just basically put it up here in  
5 case you had questions about what was in your Board  
6 packet, we could talk about it. The light -- light  
7 tan part is all the work that they did. The green  
8 part that -- or light green part that's inside of that  
9 is the DOT projects that they finished anyway, even  
10 though they were in excess of the cost. The blue ones  
11 are the ones that they did not do. And the one on the  
12 very bottom is the one -- the blue ones are the ones  
13 they didn't do because of cost. The one on the bottom  
14 is the one they didn't do, because it would have done  
15 more harm than good.

16 Next slide.

17 MS. MURRAY: (Complies.)

18 MR. HORTON: This is a summary table.  
19 This is probably more useful. It shows, in the second  
20 column, the preliminary estimate cost. That's what  
21 was in their Exhibit B, the budget for the grant. And  
22 then the next column over, the "Actual Project Costs,"  
23 you can see that the total project cost went up from  
24 133,000 to 157,000. And that's based on the final  
25 invoice. That's money spent. So they -- and they

1           made up the difference. The next part you can see  
2           down -- the match amount -- went from 36,000 up to  
3           60,000 and change. So they made up the difference of  
4           24,000 and change. And the match percent went from 27  
5           percent up to 38 percent for a delta of 11 percent.

6                       Next slide.

7                       MS. MURRAY:                       (Complies.)

8                       MR. HORTON:                       As part of their request  
9           to make this scope reduction, they indicated that they  
10          do intend to complete the work as they can get  
11          resources to do it. It's just going to -- it would  
12          just take -- it will take a very long time to do that,  
13          and they wanted to go ahead and close this project  
14          out.

15                      So, that's -- that's the end of my  
16          presentation. If there's any questions, I'll be glad  
17          to attempt to answer those.

18                      CHAIRMAN KICKLER:       Yes. Any questions?

19                      MR. TOOLE:                       What does staff  
20          recommend?

21                      MR. HORTON:                       Staff recommends that  
22          you approve -- that the Board would approve the scope  
23          reduction, and -- and allow reimbursement of the  
24          remaining grant funds.

25                      MR. TOOLE:                       Thank you.

1 MR. HORTON: I'm sorry.

2 CHAIRMAN KICKLER: The town has done its  
3 due diligence.

4 MR. HORTON: They have done their due  
5 diligence. I think they've done the best that they  
6 could. They've upped their ante, as far as the match  
7 goes, and -- and they intend to finish the project. I  
8 believe that they will finish the project as the  
9 resources become available.

10 CHAIRMAN KICKLER: Is there a motion to  
11 approve the town's request to reduce the project  
12 scope, the completion of 17 stormwater BMPs to  
13 completion of 11 BMPs, and to approve the town's  
14 request to be reimbursed the remaining funds in Grant  
15 2008-703?

16 MR. TOOLE: So moved.

17 MR. BRAGG: Second.

18 MR. HORTON: Thank you.

19 CHAIRMAN KICKLER: Is there any discussion,  
20 any further discussion?

21 TRUSTEES: (No response.)

22 CHAIRMAN KICKLER: All those in favor, say  
23 "Aye."

24 TRUSTEES: Aye.

25 CHAIRMAN KICKLER: Opposed?

1 TRUSTEES: (No response.)  
2 CHAIRMAN KICKLER: The motion has carried.  
3 Moving on to the next item on the agenda,  
4 which is the "Lake James dedication amendment,"  
5 "Old -- Old Business 6." And I'll turn the time over  
6 to Will Summer.

7 MR. SUMMER: Well, in 2004 the Clean  
8 Water Management Trust Fund awarded funding to the  
9 Division of Parks and Recreation to purchase land  
10 along the shore of Lake James. Per the standard  
11 agreement with a state agency, the land along the  
12 streams which -- was protected with a dedication under  
13 the Nature Preserves Act. That's outlined in red here  
14 (indicating). And all the waterways -- there were a  
15 few areas left out, so the park could develop their  
16 amenities and -- or a crossing.

17 What the Division of Parks and Rec would  
18 like to do is extinguish a dedication along 656 linear  
19 feet -- right here on this little parcel  
20 (indicating) -- in exchange for protection of 2000  
21 linear feet in another section of the park. And the  
22 reason they want to do this, because of this  
23 inholding, right here (indicating). So this is a  
24 little over three acres that a private landowner holds  
25 right in the middle of the park area, which is all



1           this green stuff here (indicating). And the  
2           Department would very much like to have that land so  
3           this gentleman is not there in the park. And one of  
4           the previous owners had talked about putting in a  
5           convenience store and a lot of things that, perhaps,  
6           the park would not like to have within -- right in the  
7           middle of their park.

8                     He happens to live right up here  
9           (indicating), and he's interested in swapping this  
10          piece of land (indicating) for this piece of land,  
11          right here (indicating).

12                    Next slide, please.

13                    MS. MURRAY:       (Complies.)

14                    MR. SUMMER:       This is a close-up of his  
15          property, an easement, access easement that would be  
16          granted along the edge of the state park, and this is  
17          the land that he would like to have in exchange for  
18          getting rid of that outparcel.

19                    Next slide.

20                    MS. MURRAY:       (Complies.)

21                    MR. SUMMER:       And this is the land that the  
22          park's would proposed to change (indicating). It's  
23          currently owned by the park, but unprotected. And  
24          they would put this 2000 feet in new protection under  
25          the state Nature Preserves Act in exchange for

1 extinguishing that 660 [sic] -- 656 feet.

2 And then the last slide shows everything in  
3 context.

4 MS. MURRAY: (Complies.)

5 MR. SUMMER: So swapping this  
6 (indicating) for this (indicating).

7 And the next slide.

8 MS. MURRAY: (Complies.)

9 MR. SUMMER: With that, I'll take any  
10 questions.

11 CHAIRMAN KICKLER: Any questions for Will?

12 MR. MARTIN: Are -- are there any --  
13 is this the only in-holding property that's out there?  
14 It seemed like from the matter there may be a couple  
15 more?

16 MR. SUMMER: There -- there are two  
17 more -- or three more small in-holdings. But this is  
18 the one that most concerns them.

19 MR. TOOLE: And what is staff's  
20 recommendation on this one?

21 MR. SUMMER: To allow the park, their  
22 board -- the park to manage as they see the best fit.

23 MR. TOOLE: Thank you.

24 CHAIRMAN KICKLER: Any other questions?

25 TRUSTEES: (No response.)

1                   CHAIRMAN KICKLER:     Okay.  Is there a motion  
2                   to adopt the proposal to extinguish the dedication on  
3                   656 linear feet of buffer on Paddy Creek at Lake James  
4                   State Park in exchange for protection of an additional  
5                   2000 linear feet of buffer protection on another part  
6                   of Lake James State Park?  Is there a motion?

7                   MR. BRAGG:                    So moved.

8                   CHAIRMAN KICKLER:     Thank you, sir.  Is  
9                   there a second?

10                  MR. TOOLE:                    Second.

11                  CHAIRMAN KICKLER:     Thank you.  Any more  
12                  discussion regarding this project?

13                  TRUSTEES:                    (No response.)

14                  CHAIRMAN KICKLER:     If not, all those in  
15                  favor, say "Aye."

16                  TRUSTEES:                    Aye.

17                  CHAIRMAN KICKLER:     All those opposed?

18                  TRUSTEES:                    (No response.)

19                  CHAIRMAN KICKLER:     The motion has carried.

20                  Moving on to our -- to today's last item of  
21                  "Old Business," and that's "Old Business 7," the  
22                  "Justice Tract dedication/easement amendment, 2002A-  
23                  030."  And, once again, I'll turn the time over to  
24                  Will.

25                  MR. SUMMER:                    Thank you.  So in 2002

1           Clean Water Management Trust Fund awarded funding to  
2           Triangle Land Conservancy to purchase 760 acres of  
3           land along the Deep River. As is standard practice  
4           when we -- when we're working with a non-profit, the  
5           state put a state-held easement on these acres. In  
6           fact, on all of these acres, both riparian and  
7           (unintelligible), so the entire 760 acres is covered  
8           with our easement. A few years later Parks was given  
9           fee-simple ownership of this property, and now owns  
10          this property, and would like to develop it for  
11          recreation amenities, both as day-use area and a take-  
12          out for this section (indicating) of the Deep River,  
13          as well as potentially primitive camping in the  
14          future.

15                   The problem is with the restricted easement on  
16          not just the riparian buffer, but the entire tract,  
17          they don't have the right to do any of this. And  
18          it's, pretty much, a no-touch. There wouldn't be a  
19          place to park; there wouldn't be a place to access --  
20          to get a canoe. No place for camping. So what they  
21          would like to do is extinguish the Clean Water  
22          easement and replace it with a dedication on the  
23          riparian buffers and the Natural Heritage areas on  
24          this tract. It should be mentioned, had this been  
25          Parks property to begin with, that would have been the

1 standard operating procedure, and Clean Water was to  
2 just put the dedication on the land as a protection  
3 method. So what they're proposing is, essentially, a  
4 swap, a like-to-like, a protection mechanism gives  
5 them a little more leeway to do their planning and to  
6 make it a useful recreation resource for boats.

7 And that would be the Board motion. I'll  
8 take any questions.

9 CHAIRMAN KICKLER: Are there any questions  
10 for Will?

11 MR. TOOLE: What's the staff  
12 recommendation?

13 MR. SUMMER: To approve the -- to  
14 approve motion.

15 MR. TOOLE: Thank you.

16 MS. CAWOOD: Mr. Chairman, I think  
17 that this is one that we talk about in ways for the  
18 citizens of North Carolina to be able to enjoy the  
19 areas that we protect where -- where it's possible.  
20 And this looks like a clear indication of that.

21 CHAIRMAN KICKLER: Thank you. Any more  
22 questions or comments, discussion?

23 MR. MARTIN: And I'm sure when  
24 they're doing their planning, they're going to do as  
25 much to conserve and minimize impacts and everything

1           else in moving forward with the installation of these  
2           facilities that they want to install.

3                   MR. SUMMER:                   And Parks already works  
4           very closely with the Natural Heritage staff and our  
5           shop. And the way we appraise this is that we give  
6           the dedication on to the liking of the Natural  
7           Heritage staff, and then we remove the easement. But  
8           we'll work very closely with the Parks' staff to  
9           ensure the Nature Heritage areas.

10                   CHAIRMAN KICKLER:    Is there a --

11                   MR. BRAGG:                   Mr. Chairman? I --

12                   CHAIRMAN KICKLER:    Yes, sir.

13                   MR. BRAGG:                   It makes me nervous when  
14           I hear the word "removing an easement." Is there a  
15           precedent for this with Parks and Rec before?

16                   MR. SUMMER:                   I believe we've done  
17           this last year with Wildlife Resources by the Bear  
18           Gardens tract. Again, to allow -- that saves the  
19           management flexibility to do their wildlife  
20           restoration in that particular case. But we were  
21           getting -- exchanging our easement in exchange for the  
22           dedication as a nature preserved area.

23                   MR. BRAGG:                   I think it's a good  
24           thing to use these lands for the public, so I don't  
25           have a problem with that. But at the same time, you

1 know, we've always been so protective of a permanent  
2 easement was a permanent easement. So, I will -- I'm  
3 going to vote for this, but I'm a little bit  
4 reluctant, and I want that in the record.

5 MR. TOOLE: And if I just might add, my  
6 understanding is on this particular project, it's not  
7 that we're giving up an easement, but we're -- there's  
8 actually a swap going on to a riparian buffer. Is  
9 that -- is my understanding correct?

10 MR. SUMMER: Yeah. We're trading one  
11 protection mechanism for another. And another thing  
12 that was peculiar about this one, as were some of  
13 these older projects, in recent years we would have  
14 just put our restricted easement on a riparian buffer,  
15 and then the left the other ones in a less restricted  
16 easement. This is one that gets our no-touch  
17 easement. It essentially went on all 760 acres, which  
18 makes it very difficult to manage the land for, pretty  
19 well, anything.

20 MR. TOOLE: So this -- to be sure I've  
21 got it straight in my head, it's not that we're giving  
22 up something, but we're still -- but we're shifting  
23 around our protections? We still -- it's not like we  
24 spent money, and we're not getting something back for  
25 it.

1 MR. SUMMER: Both -- the land will be  
2 protected before and after, and both protections  
3 actually require our counsel with the state to -- to  
4 remove. So this recommendation to the Board, if it  
5 goes forward, will go to the State Property Office to  
6 go to counsel for the state. And they will have to  
7 actually approve it to move forward with that  
8 mechanism.

9 CHAIRMAN KICKLER: Would it be --

10 MR. TOOLE: The swapping of the  
11 mechanism?

12 MS. CAWOOD: Exchange.

13 MR. SUMMER: Well, recording it  
14 subsequent.

15 MR. TOOLE: Thank you.

16 CHAIRMAN KICKLER: Would it be better -- or  
17 would it assuage your fears if we changed -- if the  
18 wording -- if the word "extinguish" was replaced with  
19 the word "exchange"?

20 MR. TOOLE: I'd feel -- I think that  
21 that retains our sense that we're still retaining  
22 control, and we're not giving away anything for  
23 nothing, but we're actually --

24 CHAIRMAN KICKLER: Is --

25 MR. TOOLE: -- maintaining our



1 duties of protecting the property.

2 CHAIRMAN KICKLER: -- is there a -- okay.

3 Is there a motion to amend the proposed motion by

4 deleting the word "extinguish" and replacing it with

5 the word "exchange"? Is there --

6 MR. TOOLE: What do you need from

7 me?

8 MS. LUCASSE: A motion.

9 MR. TOOLE: A motion to do what?

10 MS. HACKNEY: To change --

11 MR. GOSSAGE: To approve this with the

12 word "exchange" in place of the word "extinguish"?

13 MR. TOOLE: Yes. I just made that

14 motion.

15 CHAIRMAN KICKLER: Okay. Is there a

16 second?

17 MS. HACKNEY: Second.

18 CHAIRMAN KICKLER: Thank you. Is there any

19 more discussion about the motion?

20 TRUSTEES: (No response.)

21 CHAIRMAN KICKLER: All those in favor, say

22 "Aye."

23 TRUSTEES: Aye.

24 CHAIRMAN KICKLER: All those opposed?

25 TRUSTEES: (No response.)

1 CHAIRMAN KICKLER: The motion has carried.  
2 And that's it, right?

3 MR. TOOLE: And I thank everyone for  
4 your help in this.

5 CHAIRMAN KICKLER: All right. Moving on  
6 to agenda item "New Business, 1," "Jordan Lake and  
7 Lake Falls allocation", an allocation of funds of  
8 \$500,000 to the Clean Water Management Trust Fund for  
9 a specific purpose or purposes. And I will turn the  
10 time over to Larry Horton.

11 MR. HORTON: Thank you. Terry is  
12 working on getting that agenda item up on the -- it's  
13 in "New" -- it's "New Business"?

14 MR. GOSSAGE: Yeah. And I'll just  
15 introduce this item a little bit, too. This is a one-  
16 time -- it's non-recurring funds that the legislature  
17 added to the Clean Water budget for this -- well,  
18 actually it doesn't have to be for this cycle, but  
19 the -- I think the hope would be that it is -- it is  
20 spent in this cycle. And so it's a half a million  
21 dollars. And the legislation, which is on there -- is  
22 on your agenda, specifies that it "shall be used for  
23 remediation and mitigation of stormwater impacts to  
24 lakes subject to a Nutrient Management Strategy." As  
25 your notes say, there are only two lakes, Jordan Lake

1 and Falls Lake, in North Carolina that are subject to  
2 an NMS.

3 Larry, did you have anything to add?

4 MR. HORTON: Only that if you keep  
5 reading, that what we need, staff needs guidance from  
6 the Board concerning how to implement this -- this  
7 task that we've -- that's in part of the legislation  
8 concerning implementation of the process for utilizing  
9 the 500,000. Jordan and Falls Lake are currently the  
10 only two lakes in North Carolina that are subject to  
11 the Nutrient Management Strategy.

12 And so as you can see, these are the Board  
13 actions that we need, is to determine how to divide  
14 that 500,000 up between those two lakes. And then  
15 some guidance with the mechanism of how to -- nuts and  
16 bolts, if you will, of how to move that forward,  
17 either to delegate the authority -- to delegate  
18 authority to the staff or Board committee to either,  
19 "a) Develop a recommendation and implementation plan  
20 for approval of the Board at their next meeting," or,  
21 "b)" just the staff and the Board committee would  
22 select -- go ahead and "Select the grant recipients,  
23 award the funding, and make the grant contracts." So,  
24 that's the gist of it.

25 CHAIRMAN KICKLER: All righty. So today we

1           have to decide how we will divide up that half a  
2           million dollars between Jordan Lake and Falls Lake.  
3           And then if we -- you know, how are we going to  
4           delegate authority to do that. Is there any  
5           discussion regarding the -- dividing the amount  
6           between Jordan Lake and Falls Lake?

7                       MR. MARTIN:                I will -- I'll take a  
8           stab. I mean, the first thing is to say, "Okay.  
9           Well, we'll just divide it in half." But as engineers  
10          we like to have some basis for our decisions, so I  
11          went through and was looking at the water supply pool  
12          and the water quality pools for both lakes, just to  
13          see how large they were. And the water supply pool,  
14          oddly enough, for Falls Lake is around 45,000 acre  
15          feet; for Jordan Lake, it's 45,800 acre feet. So  
16          that's a pretty even split.

17                     The water quality pool -- and so, you know,  
18          the way they manage the lakes, of course, is that  
19          they -- sort of, between the sedimentation pool and  
20          sort of, the normal operating -- what we call the -- I  
21          want to say the conservation pool, which is then, sort  
22          of, split up between water supply needs and water  
23          quality. The water quality, of course, is what they  
24          use to maintain the downstream flow targets it to keep  
25          the water levels up for water quality considerations.

1                   For water quality, Falls Lake is around  
2                   61,322 acre feet. The Jordan Lake water quality pool  
3                   is 94,600 acre feet. So, roughly, Jordan Lake's water  
4                   quality pool is, roughly, one and a half times. So I  
5                   was just, with the engineer's calculator, adding up  
6                   both to see -- you know, if you look at just from the  
7                   water supply perspective, it's roughly half and half.  
8                   If you add both pools together -- just give me a  
9                   second -- you're -- you know, the addition for Falls  
10                  Lake is 106,322 acre feet, water supply/water quality  
11                  together. Jordan Lake is 140,400. So, you know,  
12                  maybe it's 60-40 split, or two-thirds, one-third.

13                         But, you know, maybe -- just trying to come  
14                         up with some logical explanation for how you would do  
15                         the money. You know, I could see either half, just  
16                         splitting -- splitting it down the middle, or if you  
17                         want to look at the total conservation pool, you could  
18                         put a little bit more toward Jordan Lake versus Falls  
19                         Lake.

20                                 MR. TOOLE:                   Mr. Chairman?

21                                 CHAIRMAN KICKLER:        Yes.

22                                 MR. TOOLE:                   I -- I'm a -- I fear

23                                 it's premature to start divvying up the money.

24                                 There's just so many different factors to even think

25                                 about. Johnny has introduced a couple. Another one

1 I'd be interested in knowing about, and don't know  
2 anything about, is what's the water shed -- what's the  
3 stormwater inputs in terms of volume each of them are  
4 trying to deal with? Are they roughly equal, or are  
5 they very different? What's the nutrient loading; is  
6 it roughly equal or very different? There's a lot of  
7 ways to think about the problem.

8 And I think this is crying -- the  
9 legislature gave it to us, because they didn't know  
10 how to deal with it, and they wanted someone to dig  
11 into the details. I think we need to give it to a  
12 committee, which would be very helped by staff, to dig  
13 into the details and come back and give us some  
14 direction. And I just am not ready to wrap my mind  
15 around it today.

16 CHAIRMAN KICKLER: Okay.

17 MR. TOOLE: So my recommendation is  
18 that we punt this one down to a committee, and come  
19 back with a report.

20 CHAIRMAN KICKLER: A report at the next  
21 full Board -- Board meeting?

22 MR. TOOLE: I would like that. I  
23 would hope it would be done in that period of time.  
24 Yes.

25 CHAIRMAN KICKLER: Okay. Okay. My

1 capacity as chair, I'll form an ad-hoc committee to  
2 investigate the needs at Jordan Lake and Falls Lake,  
3 and to determine -- to investigate how we should  
4 divide the \$500,000 amount between the two lakes so we  
5 can divide it appropriately to the lakes that -- the  
6 lake that has more need. Or if we divide it just  
7 equally, we would have a more informed decision.

8 MR. TOOLE: Yeah.

9 CHAIRMAN KICKLER: So in my capacity as  
10 chair, I'll form an ad-hoc committee to investigate  
11 into this matter, and to give a report back to -- of  
12 the Board, the full Board at the next Board meet  
13 [sic] -- meeting. And I'll appoint three people to  
14 that Board. Trustee Toole, would you --

15 MR. TOOLE: I'd be happy to.

16 CHAIRMAN KICKLER: -- would you be amenable  
17 to be on that?

18 MR. TOOLE: Yes, sir.

19 CHAIRMAN KICKLER: Okay. Thank you. I  
20 also appoint Trustee Hackney, and Trustee Bragg.  
21 Would you be amenable to be on that board [sic]?

22 MS. HACKNEY: Uh-huh (yes).

23 MR. BRAGG: Sure.

24 CHAIRMAN KICKLER: Okay. Thank you. So on  
25 this ad-hoc committee, for the record, we have Trustee

1 Toole, Trustee Hackney, Trustee Bragg. And they will  
2 investigate the matter further and have, you know,  
3 some information for us --

4 MR. TOOLE: Thank you.

5 CHAIRMAN KICKLER: -- at the next Board  
6 meeting.

7 MR. BRAGG: Mr. Chairman, just one  
8 question. Is Falls Lake a Corps lake? Isn't it  
9 operated by the Corps? And Jordan is by Wake County  
10 or --

11 MR. MARTIN: They're both operated by  
12 the Corps.

13 MR. BRAGG: They're both Corps?

14 MR. MARTIN: Yes, sir.

15 MR. BRAGG: I don't know if that  
16 affects anything or not, but I think it's of interest.

17 MR. GOSSAGE: All right. Mr.  
18 Chairman, just for clarification for staff, we're --  
19 we're on 2A. Is that the direction we're going to --  
20 for the Board? Can the new ad-hoc Board committee  
21 develop and recommend an implementation plan for  
22 approval by the Board at the February meeting, and  
23 that includes the determination of the division of the  
24 funds? Is that a direction we're heading?

25 CHAIRMAN KICKLER: Yes.



1 MR. GOSSAGE: Okay.

2 CHAIRMAN KICKLER: And so, hopefully, at  
3 the next Board meeting we can --

4 MR. GOSSAGE: So we'll know -- the  
5 Committee will have a recommendation as to -- to  
6 splitting the money, and also an implementation plan  
7 for approval to --

8 CHAIRMAN KICKLER: Right. And then the  
9 full Board can make an informed decision --

10 MR. GOSSAGE: Okay.

11 CHAIRMAN KICKLER: -- regarding that.

12 MR. GOSSAGE: Okay. Great. Thank  
13 you.

14 CHAIRMAN KICKLER: The next full Board  
15 meeting, which is February.

16 MR. GOSSAGE: Okay. Thank you.

17 CHAIRMAN KICKLER: Any other questions  
18 about this?

19 MR. MARTIN: I'll just offer one  
20 comment, too. You know, over a lot of work that's  
21 been done to innovative stormwater I think that you  
22 can pull a lot of information from that. And,  
23 actually, one of the things you might consider is  
24 just -- you know, you could put this out as part of a  
25 funding cycle, and it might just be a subset of the

1 Innovative Stormwater if you guys, after your  
2 research, considered it, if criteria as applicable.  
3 That would just make it easy.

4 MR. TOOLE: That would make life  
5 simple. Yes.

6 MR. MARTIN: Okay.

7 MR. TOOLE: Thank you.

8 CHAIRMAN KICKLER: Okay. The one thing I  
9 would like for the record -- for the ad-hoc committee  
10 that consists of Trustee Toole, Trustee Hackney,  
11 Trustee Bragg, and that Committee needs a chair. And  
12 Trustee Toole, I would like for you to be the chair of  
13 that committee.

14 MR. TOOLE: Thank you.

15 CHAIRMAN KICKLER: Any other comments or  
16 questions about this agenda item?

17 TRUSTEES: (No response.)

18 CHAIRMAN KICKLER: Okay. Moving on --

19 MR. TOOLE: One last thing.

20 CHAIRMAN KICKLER: What's that?

21 MR. TOOLE: Are we going to have a  
22 staff contact that we can lean heavily on? Who would  
23 that be?

24 MR. GOSSAGE: You -- I can be your  
25 primary contact on this.

1 MR. TOOLE: Okay. Thanks.

2 MR. GOSSAGE: Yes.

3 CHAIRMAN KICKLER: Okay. Moving on to  
4 agenda item "New Business 2," and that's the "Trust  
5 name consideration." And I know Executive Director  
6 Gossage has a few thoughts about that.

7 MR. GOSSAGE: Thank you, Mr. Chairman.  
8 As the Board is aware, the roles and responsibilities,  
9 and the mission of the Trust Fund had expanded by the  
10 legislation to include Natural Heritage, Cultural  
11 Heritage, as well as Military Installations and  
12 Buffering. And the -- I've heard from DENR staff,  
13 legislature [sic] -- legislators, the chairman, non-  
14 profits that we work with questioning whether or not  
15 the name of the Clean Water Management Trust Fund  
16 adequately and accurately incorporates the mission of  
17 the Trust Fund.

18 And so I wanted to bring that before the  
19 full Board to see whether or not there was any  
20 interest in having staff generate some suggestions and  
21 come back to the Board in February with suggestions to  
22 select from, or continue on with the current name.  
23 Yeah -- I'm sorry. And we will take the suggestion  
24 forward if -- if the Board approves a change at the  
25 February meeting, that will be during the long session

1 of the legislature. We'll then take it to the  
2 legislature to get them to approve the name -- the  
3 name change. So it's multi-step. Or we can -- I'll  
4 just keep it as-is if the Board wants to continue on  
5 as-is.

6 CHAIRMAN KICKLER: Are there any thoughts  
7 about keeping the Clean Water Management Trust Fund  
8 name the same, or having recommendations for the  
9 legislature to consider that might --

10 MS. CAWOOD: I think it's very  
11 prudent to look at the question --

12 CHAIRMAN KICKLER: -- that might accurately  
13 reflect what --

14 MS. CAWOOD: -- and, at least, get  
15 staff recommendation.

16 MR. GOSSAGE: Okay. And we can come  
17 up with name changes -- you know, half a dozen, 10,  
18 12, whatever -- and the Board can review those, like  
19 one of them, not like any of them, come up with their  
20 own, or, again, just choose to stay -- stay the course  
21 at that time again. So you won't upset -- setting  
22 yourself on a -- on a permanent path here, but  
23 definitely giving us direction.

24 CHAIRMAN KICKLER: And, again, we would  
25 submit the name --

1 MR. GOSSAGE: To the legislature.

2 CHAIRMAN KICKLER: -- to the legislature

3 for approval?

4 MR. GOSSAGE: That's correct.

5 CHAIRMAN KICKLER: So, ultimately, it's up

6 to --

7 MR. GOSSAGE: That's correct.

8 CHAIRMAN KICKLER: It's up --

9 MR. BRAGG: So, Bryan, we would send

10 you suggestions?

11 MR. GOSSAGE: You certainly can, if

12 you want to.

13 MR. BRAGG: Okay.

14 MR. GOSSAGE: That's fine. You know,

15 it was --

16 MS. CAWOOD: That creative side

17 coming out.

18 MR. GOSSAGE: Yeah. You know, I think

19 that we'll kick it around at the staff level, and come

20 up with some ideas as well. And then we'll bring all

21 of those to the -- to the Board in February.

22 MR. MARTIN: Greer said she'd pay for

23 new t-shirts.

24 CHAIRMAN KICKLER: Any other comments?

25 TRUSTEES: (No response.)

1                   CHAIRMAN KICKLER:    Is there a motion for  
2                   the staff to investigate and consider a new name for  
3                   the fund, and have the staff present options at the  
4                   next Board meeting so we can discuss, and then they  
5                   can be -- we can decide then if we like -- and then we  
6                   can decide then and have it submitted to the  
7                   legislature.  But is there a motion for staff to  
8                   consider a name change for the Trust Fund, and present  
9                   various options at the next Board meeting?

10                  MS. CAWOOD:                So moved.

11                  CHAIRMAN KICKLER:    Thank you.  Is there a  
12                  second?

13                  MR. BRAGG:                 Second.

14                  CHAIRMAN KICKLER:    Thank you.  Any more  
15                  discussion about this?

16                  TRUSTEES:                (No response.)

17                  CHAIRMAN KICKLER:    All those in favor, say  
18                  "Aye."

19                  TRUSTEES:                Aye.

20                  CHAIRMAN KICKLER:    All those opposed?

21                  TRUSTEES:                (No response.)

22                  CHAIRMAN KICKLER:    The motion has carried.

23                  MR. GOSSAGE:             Thank you very much.

24                  CHAIRMAN KICKLER:    And I look forward to  
25                  hearing the suggestions.  And I'll be thinking about

1 two or three myself.

2 Okay. Moving on to the next agenda item,  
3 and that is "Public Comments." The public is invited  
4 to comment on the new business, or is invited to --  
5 the public is invited to make comments to the Board.  
6 Keep in mind that the time limit is three minutes per  
7 person. You can talk up to -- comments is three  
8 minutes per person. And I'll be keeping time. And  
9 when the three minutes is up -- I'm sorry if it may  
10 seem rude, but I will tell you that your three minutes  
11 is -- is up. So, at this time, I will ask if there is  
12 anybody who wants to make a public comment?

13 MR. WILSON: (Raises hand.)

14 CHAIRMAN KICKLER: Yes, sir?

15 MR. WILSON: Do you want me to go up?

16 CHAIRMAN KICKLER: That would be fine.

17 Yes. And please state your name and your affiliation.

18 MR. WILSON: Good morning. Reid  
19 Wilson with the Conservation Trust of North Carolina.  
20 I'm still getting over this cold. I wasn't going to  
21 say anything, but this last topic got me thinking.

22 But, first, I just want to thank all of you  
23 Board members and staff for working so hard and doing  
24 such a great job of looking at all these projects.  
25 It's totally impressive, the amount of effort and

1 thought, and your good sound prospective on the  
2 business. It's really encouraging to sit over there  
3 and watch this discussion on these projects, and see  
4 how this Board is coming together.

5 In terms of the name, this is a wonderful --  
6 and I used to be, kind of, a communications  
7 consultant. I'm the kind of person who likes to read  
8 focus groups about what words and phrases the public  
9 responds to on environmental and conservation issues.  
10 This is a great opportunity to get rid of the word  
11 "management." People do not respond to that. If you  
12 want people to go to the legislature and say, "Put my  
13 money in this," they don't get excited about  
14 management.

15 You could call it Clean Water and Natural  
16 Heritage Trust Fund. There's probably 20 other  
17 options. But I would just say this is a time to get  
18 of the word "management" from your title.

19 Thank you.

20 CHAIRMAN KICKLER: Okay. Are there any  
21 other public comments?

22 (No response.)

23 CHAIRMAN KICKLER: All righty. Having seen  
24 no other public comments, I'll ask the Board if they  
25 have any other -- anybody have any comments they would



1 like to make.

2 MR. GOSSAGE: All right. I'm getting  
3 a nod that I can make one other comment. I earlier  
4 danced around this a little bit. I needed to get the  
5 official approval to announce that Penny is -- after  
6 30 years working in government, has decided to retire.  
7 And we'll miss her tremendously.

8 TRUSTEES & STAFF: (Applause.)

9 MR. GOSSAGE: Thank you, Penny.

10 MS. ADAMS: May I say something --

11 MR. GOSSAGE: Absolutely.

12 MS. ADAMS: -- since you opened the  
13 door?

14 MR. GOSSAGE: (Nods affirmatively.)

15 MS. ADAMS: Yeah, I have been with  
16 government for 30 years, part of it as a teacher  
17 assistant and bus driver. Hallelujah, I don't do that  
18 anymore. Been with DENR for 14 years. And it has  
19 been an amazing experience. I wouldn't trade it for  
20 anything. I really, really wouldn't.

21 I am jumping off a cliff of faith. I don't  
22 know what I'm going to do, but I am very excited about  
23 what I'm going to continue to do. Because I'm not  
24 going to quit working; I'm just going to do something  
25 different. We'll see what that means. And I just am

1 excited. This has been a long process, trying to  
2 figure it out.

3 And so, again, I just -- the six years I've  
4 been with Clean Water Management -- and Bryan, I'll  
5 say it again -- there's not a better group in state  
6 government of people of integrity. And it -- it  
7 totally defies the reputation that state government  
8 employees have. These folks are amazing. And I stand  
9 with them proudly. And this is why I didn't want you  
10 to say anything.

11 MR. GOSSAGE: Well, that's all right.  
12 I got a little choked up, too. Penny works extremely  
13 hard. And my biggest challenge is going to be able to  
14 find someone who is as organized as she is, and who is  
15 as hard-working as she is. So, Penny, thank you for  
16 all of your work for me, and for this Board.

17 TRUSTEES & STAFF: (Applause.)

18 CHAIRMAN KICKLER: Any other comments?

19 TRUSTEES: (No response.)

20 CHAIRMAN KICKLER: Well, again, I want to  
21 thank the staff for all their hard work, especially  
22 during the past week, the past two -- two days. I  
23 want to thank the Trustees for their time and their  
24 thoughts the last couple days. And, you know, since  
25 they were appointed 'til -- 'til now, and I look

1 forward to working with everyone in the future and in  
2 the next upcoming meetings.

3 If there are no other comments or questions,  
4 is there a motion to adjourn?

5 MR. MARTIN: So moved.

6 CHAIRMAN KICKLER: Thank you. Is there a  
7 second?

8 MR. BRAGG: Second.

9 MS. CAWOOD: Second.

10 CHAIRMAN KICKLER: All those in favor, say  
11 "Aye."

12 TRUSTEES: Aye.

13 CHAIRMAN KICKLER: All those opposed?

14 TRUSTEES: (No response.)

15 CHAIRMAN KICKLER: The meeting is  
16 adjourned.

17 *(The meeting was adjourned at 11:48 a.m.)*

18 \*\*\*\*\*

19

20 *Quoted material in this transcript*

21 *is verbatim and may/may not*

22 *reflect a direct quote.*

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**CERTIFICATE OF NOTARY - COURT REPORTER**

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF WAKE )

I, Amelia W. Mount, Court Reporter, Notary Public in and for the above county and state, do hereby certify that foregoing **CLEAN WATER MANAGEMENT TRUST FUND BOARD OF TRUSTEES MEETING** was taken before me at the time and place hereinbefore and was duly recorded by me by means of stenomask and speech recognition; which is reduced to written form under my direction and supervision, and that this is, to the best of my knowledge and belief, a true and correct transcript of the meeting of the Board of Trustees of the Clean Water Management Trust Fund held at 121 West Jones Street, Raleigh, North Carolina, on the 16th day of September, 2014.

I further certify that I am neither of counsel to this agency or interested in the event of this agency on this 29th day of September, 2014.

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Amelia W. Mount, Court Reporter  
Notary Public, Wake County,  
North Carolina  
Notary Number: 20021680310