

**BOARD OF TRUSTEES**

**CLEAN WATER MANAGEMENT TRUST FUND**

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**MINUTES OF MEETING**

**MONDAY, AUGUST 15, 2011**

**8:30 A.M.**

**2728 CAPITAL BOULEVARD, ROOM 1A224  
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:

JOHN MCMILLAN, CHAIRMAN

HONORABLE HAROLD A. BASS, SR.

HONORABLE RONALD R. BEANE

FRANK BRAGG

DR. YEVONNE BRANNON

KAREN CRAGNOLIN

JOHN GARROU

C.L. "RANCE" HENDERSON

JOSEPH M. HESTER, JR.

WILLIAM HOLLAN

GEORGE HOWARD

CHARLES JOHNSON

RENEE KUMOR

KEVIN MARKHAM

CHRISTINE MELE

EVERETTE MOORE

PRESTON PATE

BETTY CHAFIN RASH

AARON THOMAS

STAN VAUGHAN

JERRY WRIGHT

ATTORNEY GENERAL'S OFFICE:

FRANK CRAWLEY, ASSISTANT ATTORNEY GENERAL

CLEAN WATER MANAGEMENT TRUST FUND STAFF:

RICHARD ROGERS, EXECUTIVE DIRECTOR

BETH MCGEE, DEPUTY DIRECTOR - PROGRAM IMPLEMENTATION

NANCY GUTHRIE, WATER QUALITY ADVISOR

CHRISTOPHER FIPPS, ADMINISTRATIVE OFFICER

PENNY ADAMS, EXECUTIVE ASSISTANT

CHERRI SMITH, STEWARDSHIP COORDINATOR

KEVIN BOYER, RESTORATION/STORMWATER PROJECT MANAGER

LARRY HORTON, P.E., WASTEWATER INFRASTRUCTURE PROJECT  
MANAGER

CLEAN WATER MANAGEMENT TRUST FUND FIELD REPRESENTATIVES:

TOM MASSIE

WILL SUMMER

DAMON TATEM

BERN SCHUMAK

ALSO PRESENT:

JUSTICE BARBARA JACKSON

JEFF WARREN

A G E N D A

- 8:30 am A. Call to Order - Chairman McMillan
- 1) Welcome
  - 2) Oath of Office for New Trustees - Chairman McMillan
  - 3) Roll Call - Penny Adams
  - 4) Compliance with General Statute § 138A-15
  - 5) Revisions, additions, and adoption of the Agenda (Action Item)
  - 6) Please put cell phones on vibrate or off
  - 7) Review and approval of the transcripts of the 2011 meeting of the Board of Trustees (Action Item)
  - 8) Recognize CWMTF Advisory Committee Members
- 8:45 am B. Public Comments (Three minutes per person) - Chairman McMillan
- 8:55 am C. Executive Director's Report - Richard Rogers
- 9:35 am D. Attorney General's Report - Frank Crawley
- 9:45 am E. Chairman and Co-Chair Meeting, 2011 Allocation and Committee Funding Recommendations - Chairman McMillan (Action Items)
- 10:05 am F. Administrative Committee Report - Committee Co-Chair Vaughan (Action Items)
- 10:15 am G. Program Committee Report - Committee Co-Chair Hollan (Action Items)
- 10:25 am H. Break
- 10:40 am I. Restoration/Stormwater/Greenways Committee Report - Committee Co-Chairs Brannon and Henderson (Action Items)
- 10:50 am J. Acquisition Committee Report - Committee Co-Chairs Hester and Wright (Action Item)
- 11:10 am K. Infrastructure/Wastewater Committee Report - Committee Co-Chairs Markham and Thomas (Action Items)

12:35 pm E-B. Allocation of 2011-2012 Grant Funds - Chairman McMillan (Action Items)

Based on supplemental information to be provided to the Administration Committee, funds currently available for grant awards during FY 2011-2012 are \$9,081,495 (line 16 on supplemental materials for Agenda Item F-B-4). Session Law 2011-145 specifies that \$1,500,000 of CWMTF's FY 2011-2012 appropriation shall be used for State matching funds for military buffer projects, leaving \$7,581,495 available to allocate to all other project types including:

- Wastewater
- Restoration
- Stormwater
- Greenway
- Acquisition 2011 and 2008 (conservation easements only)
- Donated Easement Minigrants

The Funding Committee Co-Chairs will be asked to develop a recommendation to the Board on how to allocate 2011 grant funds and any funds that become available from unencumbered projects after the August meeting.

12:55 pm E-C. Discussion

1:05 pm E-D. Adjourn

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P R O C E E D I N G S

CHAIRMAN MCMILLAN: Good morning everyone. We'll get started. Welcome, everyone, to the August meeting of the Clean Water Management Trust Fund Board of Trustees. We have three new trustees to swear in, and we have two who were appointed by different parties that need to be sworn in.

We are privileged to have Justice Barbara Jackson with us this morning. Justice Jackson is on the North Carolina Supreme Court. She served six on the North Carolina Court of Appeals, and has a done a lot of different things. She started out clerking for Burley Mitchell. She worked in Governor Martin's office. She's been in private practice in Wake County before she went on the Court of Appeals. And we greatly appreciate your being here to administer the oath to these trustees.

So, Christine, do you want to step up and take the oath of office? We're going to do this one at a time.

(Whereupon, Christine Mele was administered the oath of office by Justice Jackson.)

CHAIRMAN MCMILLAN: Frank, you're up.

(Whereupon, Frank Bragg was administered the oath of office by Justice Jackson.)

1 (Whereupon, George Howard was administered  
2 the oath of office by Justice Jackson.)

3 (Whereupon, Betty Chafin Rash was  
4 administered the oath of office by Justice Jackson.)

5 (Discussion off the record.)

6 CHAIRMAN MCMILLAN: Justice Jackson, thank  
7 you very, very much for being here. You're welcome to  
8 stay. We've got a fascinating Board meeting ahead of  
9 us, but you're free to go.

10 JUSTICE JACKSON: Thank you very much.  
11 It's an honor to be here, but the Court --

12 CHAIRMAN MCMILLAN: I understand. Thank you  
13 very much.

14 Please be aware of the fact that we are in  
15 an office building and there are offices directly  
16 across the hall and down the hall. So if you need to  
17 make a phone call, go out to the reception area or out  
18 the front door. We're going to try to keep this door  
19 closed and be mindful of those trying to work around  
20 us.

21 Penny, if you will please call the roll.

22 MS. ADAMS: Chairman McMillan?

23 MR. MCMILLAN: Here.

24 MS. ADAMS: Mr. Bass?

25 MR. BASS: Here.

1 MS. ADAMS: Mr. Beane?  
2 MR. BEANE: Here.  
3 MS. ADAMS: Mr. Bragg?  
4 MR. BRAGG: Here.  
5 MS. ADAMS: Ms. Brannon?  
6 MS. BRANNON: Here.  
7 MS. ADAMS: Ms. Cragolin?  
8 MS. CRAGOLIN: Here.  
9 MS. ADAMS: Mr. Garrou?  
10 MR. GARROU: Here.  
11 MS. ADAMS: Mr. Henderson?  
12 MR. HENDERSON: Here.  
13 MS. ADAMS: Mr. Hester?  
14 MR. HESTER: Here.  
15 MS. ADAMS: Mr. Hollan?  
16 MR. HOLLAN: Here.  
17 MS. ADAMS: Mr. Howard?  
18 MR. HOWARD: Here.  
19 MS. ADAMS: Mr. Johnson?  
20 MR. JOHNSON: Here.  
21 MS. ADAMS: Ms. Kumor?  
22 MS. KUMOR: Here.  
23 MS. ADAMS: Mr. Markham?  
24 MR. MARKHAM: Here.  
25 MS. ADAMS: Ms. Mele?



1 MS. MELE: Here.

2 MS. ADAMS: Mr. Pate?

3 MR. PATE: Here.

4 MS. ADAMS: Ms. Rash?

5 MS. RASH: Here.

6 MS. ADAMS: Mr. Thomas?

7 MR. THOMAS: Here.

8 MS. ADAMS: Mr. Vaughan?

9 MR. VAUGHAN: Here.

10 MS. ADAMS: Ms. Weston?

11 (No response.)

12 MS. ADAMS: Mr. Wright?

13 MR. WRIGHT: Here.

14 CHAIRMAN MCMILLAN: Claudette is the only  
15 trustee not with us. Claudette had a fall this week  
16 and is recovering in Winston-Salem. I think she's  
17 doing well. She had no broken bones. She was scraped  
18 up a bit. And Christine's dog survived the night and  
19 is doing well, so we're ready to move forward.

20 I'll remind everyone of General Statute  
21 138A-15. Be mindful of any conflicts or any potential  
22 conflicts and alert us to that fact if it occurs.

23 We are happy to have with us Jeff Warren  
24 from Senator Phil Berger's office. Jeff is the  
25 environmental policy adviser to Senator Berger and is

1 spending the morning with us.

2 Jeff, is there anything you would like to  
3 say to the assembled group?

4 MR. WARREN: Thank you for your service.  
5 Thank you very much, especially during these  
6 challenging times.

7 CHAIRMAN MCMILLAN: Are there any revisions,  
8 additions to the agenda? If not, by common consent,  
9 the agenda will be approved. I'll remind everyone to  
10 please silence your phones and other electronic  
11 devices.

12 The transcript of the June 2011 meeting of  
13 the Board of Trustees has been sent to you with your  
14 Board packet. Are there any corrections to the  
15 minutes? Kevin?

16 MR. MARKHAM: Thank you, Chairman. We do  
17 need to correct the spelling of Tyrell County  
18 throughout the minutes.

19 CHAIRMAN MCMILLAN: Thank you. Any other  
20 corrections?

21 (No response.)

22 CHAIRMAN MCMILLAN: With those corrections,  
23 is there a motion to approve the minutes?

24 MS. CRAGNOLIN: So moved.

25 MR. WRIGHT: Second.

1                   CHAIRMAN MCMILLAN: Motion seconded to  
2                   approve the June 2011 minutes of the Board of  
3                   Trustees' meeting. All in favor say "Aye."

4                   TRUSTEES:           Aye.

5                   CHAIRMAN MCMILLAN: All opposed "No."  
6                   (No response.)

7                   CHAIRMAN MCMILLAN: The ayes have it.  
8                   There are no Advisory Committee members  
9                   present, and there are no other persons who wish to  
10                  make public comments, so we'll proceed to the  
11                  Executive Director's report.

12                  MR. ROGERS:        Thank you, Mr. Chairman.  
13                  I'll just take a few minutes. Typically, in the  
14                  Executive Director's report I report on some  
15                  administration matters, and I will do that. Some of  
16                  this will be a partial review of some of the activity  
17                  and things that we went over yesterday.

18                  In general, we talked a little bit about our  
19                  contract status. And, again, I want to report that we  
20                  do have all of our funds under contract with the  
21                  exception of those funds I mentioned yesterday, the  
22                  few minigrants and the one outstanding acquisition  
23                  project from 2008, the conservation easement that we  
24                  are working to get under contract as well.

25                  So just to let you know, that is the first

1           time, I think, since I've been here that we're in this  
2           situation in August. And I think it may contribute to  
3           staff, the work they're doing and the efficiencies  
4           that they've put into the processes that we have in  
5           getting contracts out, and then, also, getting it  
6           signed and underway. So I do want applaud the staff  
7           for their efforts there.

8                       Also, we talked a little bit about the  
9           acquisition program yesterday. Again, a major change  
10          in the acquisition program, mainly because of staff  
11          reductions, but, again, I think, as we talked  
12          yesterday, we'll realizing some deficiencies in the  
13          program. And as we downsize and have less staff to do  
14          the work, we're going to have to do this in order to  
15          keep our flow of work up and also to keep moving these  
16          projects forward.

17                      As we talked in June when we talked about  
18          the administrative budget, one of the major changes  
19          that we'll have -- and this will be coming in October  
20          -- we will be moving offices. We are going to be  
21          moving to the Archdale Building on the 12th floor. We  
22          have office space there. It's been negotiated, and we  
23          look forward to the move. And we'll be giving up our  
24          lease space, which is going to be savings of about  
25          \$70,000, maybe \$80,000, Christopher?

1                   MR. FIPPS:       That's correct. This year  
2                   we'll see about between \$40,000 and \$50,000, based on  
3                   the move, partially -- partial through the year. But,  
4                   yeah, in total about \$70,000 to \$80,000 for a full  
5                   year.

6                   MR. ROGERS:       So, again, trying to become  
7                   more efficient and take advantage of the State --  
8                   State building where we don't to pay -- pay a lease.

9                   The last thing I really want to talk about  
10                  is just the staff. Again, I just want to --  
11                  personally, this is me to staff, is to thank you for  
12                  your efforts over the past few months in getting these  
13                  projects reviewed, scoped, and the field reps going  
14                  back out in the field doing their due diligence with  
15                  regards to these wastewater projects because it was a  
16                  great effort. They did a great job. I appreciate  
17                  that, and to all the other staff who have been  
18                  working.

19                  As you know, the reduction is -- we don't  
20                  lose a lot of the workload, but people are taking up  
21                  extra tasks in their workload, and I do appreciate it.  
22                  And I just wanted to express that to the Trustees.  
23                  You all are supportive of the staff; you know how good  
24                  they are. But you -- they are just fantastic, and  
25                  they need to be appreciated, and I do so much on a

1           daily basis.

2                     Mr. Chairman, that's my report.

3                     CHAIRMAN MCMILLAN: Thank you. Any questions  
4           for Richard?

5                     (No response.)

6                     CHAIRMAN MCMILLAN: All right. Frank,  
7           Attorney General's report?

8                     MR. CRAWLEY: Thank you, Mr. Chairman.

9                     Several weeks ago I received a phone call  
10           from a citizen in Rutherford County, and he had some  
11           disparaging remarks with respect to a neighbor who had  
12           used some money that originated in a grant from this  
13           organization with respect to fencing animals out of a  
14           stream in order to enhance water quality.

15                    So I, in turn, contacted the field  
16           representative, Tom Massie, and asked Tom to go down  
17           and investigate. And he did go down and investigate  
18           and reported back to me and found that the -- there  
19           weren't any cows present to be getting into the  
20           stream. Limbs that had fallen during a storm onto the  
21           fence were in the process of being removed, but the  
22           buffer was intact and in pretty good shape. And so  
23           that was the report from Tom Massie. I thought that  
24           would be of interest to you.

25                    Also, with respect to members of the Board

1 of Trustees, there's an ongoing duel in federal court  
2 between the owner of a golf club in Alamance County,  
3 that there was a grant to extend the sewer line out to  
4 the residents around this golf club, and a man named  
5 Mr. Dale Swiggett. And during the duel and filing the  
6 motions and responses in federal court, Mr. Swiggett  
7 has added names as defendants, including the former  
8 chairman of this board, one of the field  
9 representatives, and the governor.

10 But the status is that there has been  
11 no amended complaint filed and has been no service on  
12 any of the members named by Mr. Swiggett as  
13 defendants. So we're monitoring it, but they have not  
14 been brought in. So that's my report.

15 CHAIRMAN MCMILLAN: Thank you. Any questions  
16 of Frank?

17 (No response.)

18 CHAIRMAN MCMILLAN: We'll proceed with  
19 committee reports. Committees met yesterday. For the  
20 record, we started 12:30 and went until almost 6:00  
21 with 20 out of 21 trustees present for most of the  
22 discussions of those meetings. So if our discussion  
23 today is not elaborate on some items, it's because we  
24 already debated a lot of things yesterday and will  
25 make today go more quickly.

1           The first meeting was the committee of the  
2           chair and the co-chairs. We met to recommend to the  
3           Board the allocation of the 2011, 2012 grant funds  
4           based upon the funds available, which total  
5           \$9,081,495. After discussion and recommendation from  
6           staff and in compliance with the budget provisions  
7           that directed how we should allocate our funds, the  
8           committee recommends that wastewater be allocated 53  
9           percent or \$4,831,000; restoration/stormwater,  
10          \$2,000,000 or 22 percent -- that includes greenways;  
11          acquisitions, \$2,250,000 or 25 thousand [sic], which  
12          represents conservation, easements and donated  
13          easement minigrants only.

14           The recommendation of the committee is  
15          before you, and I move its adoption. It does not need  
16          a second. Is there discussion of that motion?

17           MR. HESTER:     Mr. Chairman, the only  
18          correction is that that figure 2,250,000 includes 1.5  
19          million on military bases.

20           CHAIRMAN MCMILLAN:   Correct.

21           Any other discussion? Bill?

22           MR. HOLLAN:     In looking last night at the  
23          results of the Wastewater Committee, it occurred to me  
24          that there may be some unintended consequences that  
25          will come out of this, in that, we've always tried to



1 keep a balance around the state in funding the east,  
2 west and the Piedmont. And it turns out that most of  
3 the wastewater applications come from the east and the  
4 Piedmont. If we look at the recommendations we've  
5 made, should not there be any revisions, we'll have no  
6 wastewater projects at all coming from the west. And,  
7 typically, a lot of the acquisitions were in the west.  
8 I think the military will all end up in the east.

9 And so just -- we ought to think, going  
10 forward, about attempting to provide some balance  
11 around the state. That's been one of the objectives  
12 that we've had, and it looks to me like an untended  
13 consequence of dividing the funds the way we have to.  
14 I don't think we have any choice, and I support this.  
15 But I just raise that question for the staff to look  
16 at in the future.

17 CHAIRMAN MCMILLAN: Thank you very much.  
18 That's a very good point.

19 Any other discussion?

20 (No response.)

21 CHAIRMAN MCMILLAN: If not, so many as in  
22 favor of the motion say "Aye."

23 TRUSTEES: Aye.

24 CHAIRMAN MCMILLAN: Opposed "No."

25 (No response.)

1                   CHAIRMAN MCMILLAN: The ayes have it.

2                   The committee then discussed the action to  
3 take if funds become available for unencumbered  
4 projects during the August meeting. There was a  
5 motion that passed, and the committee recommends that  
6 wastewater projects -- money coming from wastewater  
7 projects that have reversions, that they remain within  
8 the Wastewater Committee and be applied to projects,  
9 and that stormwater -- restoration/stormwater projects  
10 within -- coming from that committee remain within  
11 that committee.

12                   The committee voted to recommend that action  
13 to the Board on behalf of the committee as so moved.  
14 Is there discussion?

15                   (No response.)

16                   CHAIRMAN MCMILLAN: If not, so many as in  
17 favor of the motion say "Aye."

18                   TRUSTEES: Aye.

19                   CHAIRMAN MCMILLAN: Those opposed say "No."

20                   (No response.)

21                   CHAIRMAN MCMILLAN: The ayes have it. And  
22 that completes the work of the committee of the  
23 chairs.

24                   We then had the Administration Committee,  
25 and call on Stan Vaughan.

1                   MR. VAUGHAN:    Thank you, Mr. Chairman.  We  
2                   met yesterday afternoon briefly.  There's no action  
3                   required on our discussion, but we did review the  
4                   2011/12 appropriation and the current status of the  
5                   overall budget for clean water.  Richard and  
6                   Christopher gave us a good presentation.  And if  
7                   anybody wants to refer the -- the documents under "F"  
8                   that were included in the package that we received  
9                   before the meeting.  But there was no action required  
10                  and we had a very good update on the status of our  
11                  budget.

12                  CHAIRMAN MCMILLAN: Thank you, Stan.  
13                  The next committee is the Program Committee,  
14                  and Bill Hollan chaired that committee.

15                  MR. HOLLAN:     Mr. Chairman, the Program  
16                  Committee met yesterday.  We had quite a bit of  
17                  discussion about a number of items, and I think action  
18                  on many of them will be deferred until October.  We  
19                  talked a little bit about the impact of the 2011  
20                  budget provision on review.  Much of this will  
21                  actually be handled in the individual committees.

22                  We talked a little bit about capping our --  
23                  capping of any award for the stormwater projects.  
24                  After a lot of discussions on the pros and cons, it  
25                  was decided that that would probably be better handled

1 in the individual committees.

2 We did agree -- we discussed the need to be  
3 careful about funding projects that are not ready to  
4 go and asked the staff to continue to focus on  
5 projects that are ready to go.

6 With respect to -- we've got so little money  
7 this year and so many backed up applications, there  
8 was a question about whether we wanted to amend our  
9 recent policy of not allowing applications to carry  
10 over from one year to the next. I think after, again,  
11 a good deal of discussion, it was decided that we'd  
12 ask the staff to come up with a procedure by which  
13 applicants could re-apply or re-certify their existing  
14 applications through some kind of expedited process to  
15 avoid the expense of doing a new application.

16 With respect to -- we talked a little bit  
17 about the way we ought to amend our applications to  
18 reflect the likely reduced level of funding for the  
19 next cycle. We don't have a recommendation to make on  
20 that. We'd like the staff to continue to work on that  
21 and maybe give us a recommendation at the October  
22 meeting.

23 We talked about the provision -- we reviewed  
24 the provision in the budget and the language, and I  
25 think we pretty much agreed or learned that the

1 directive with respect to military spending was a  
2 directive that we fund a million and a half dollars  
3 worth. It may be that we don't have enough projects  
4 in the pipeline right now to fulfill that, so the  
5 committee suggested -- and there was action taken on  
6 this in the Acquisition Committee, but we thought that  
7 we ought to -- there was some discussion about how we  
8 ought solicit additional applications. There was a  
9 concern that it not be a closed process where we just  
10 go to one or two land trusts who are in the vicinity  
11 of these military bases, but that this proposal be put  
12 out statewide to all the land trusts and all the  
13 municipalities who might be interested in these  
14 military projects.

15 We next turned to a discussion of another  
16 new law which had to do with developing criteria for  
17 water supply and reservoir applications. We had a  
18 good deal of conversation about that. It's a fairly  
19 complicated project, that the federal government is  
20 involved in permitting these. But there are issues as  
21 between the environmental, EPA part of the federal  
22 government, the Corps of Engineers, and that this can  
23 be a very lengthy and time-consuming process. And we  
24 want to be certain that we don't get involved in  
25 putting money into projects that either are not going

1 to be done or can't be done for 25 years or so.

2 So we've asked the staff to attempt to  
3 develop some criteria building on some previous awards  
4 that we've made that related to water supply  
5 reservoirs. In the past, we have been involved in  
6 projects that protected -- repairing buffers around  
7 water supply reservoirs or proposed water supply  
8 reservoirs. We've never seen it as part of our  
9 mission to buy the land underwater that become a part  
10 of the water reservoir. But we did ask the staff to  
11 look at how we could extend the efforts that we've  
12 made in the past to protect water supply reservoirs to  
13 come up with criteria that would address this -- the  
14 provisions in this House bill.

15 Finally, we talked a little bit about our  
16 stewardship endowment. We had a report from  
17 Christopher having to do with some additional  
18 information he had gathered from the State Treasurer's  
19 office about how endowment funds might be invested,  
20 and a portion of the endowment funds might be invested  
21 in equities or other alternative investments to -- in  
22 hope that we would get a higher return over a long  
23 period of time, since these stewardship endowment  
24 funds are to support activities that go on forever, or  
25 are proposed to go on forever. And we will consider

1 additional information on that at the October meeting.

2 Mr. Chairman, that concludes the report of  
3 the Program Committee.

4 CHAIRMAN MCMILLAN: Thank you, Mr. Hollan.  
5 Restoration/Stormwater/Greenways Committee,  
6 Yevonne?

7 MS. BRANNON: Mr. Chairman, we had two  
8 items yesterday discussed at our committee. The first  
9 is a recommendation to the Board to modify the  
10 projects both for work and extend the construction  
11 contract date for project number 2010-710, which is  
12 the City of Conover, the Conover Station Stormwater  
13 BMP's Design and Construction project.

14 The committee recommends to the Board  
15 modifying the scope of work, provide grass walls and  
16 two smaller constructed wetlands between the  
17 stormwater. The committee also recommends to extend  
18 the date from which the City can enter into the  
19 construction contract from April 11, 2012, to, I  
20 believe, from October currently -- this October to  
21 next April 11, 2012. That's the recommendation of the  
22 committee.

23 CHAIRMAN MCMILLAN: You've heard the  
24 recommendation of the committee. Is there discussion?

25 (No response.)

1                   CHAIRMAN MCMILLAN: Hearing none, those in  
2 favor of the motion say "Aye."

3                   TRUSTEES:           Aye.

4                   CHAIRMAN MCMILLAN: Oppose "No."

5                   (No response.)

6                   CHAIRMAN MCMILLAN: The ayes have it.

7                   MS. BRANNON: And then last, Mr. Chairman,  
8 there was a request to release the grant contract  
9 requirement for a conservation easement, which is the  
10 2008-423 contract number with the Southwestern NC  
11 RC&D. And the committee requested -- or committee's  
12 recommending that we pull this from the agenda and we  
13 discuss this in October when we have more information.  
14 So that was the recommendation of the committee, to  
15 not take up this item today but to defer until  
16 October.

17                   CHAIRMAN MCMILLAN: You've heard the  
18 recommendation of the committee. Is there discussion?

19                   (No response.)

20                   CHAIRMAN MCMILLAN: If not, so many as in  
21 favor of the motion say "Aye."

22                   TRUSTEES:           Aye.

23                   CHAIRMAN MCMILLAN: Those opposed "No."

24                   (No response.)

25                   CHAIRMAN MCMILLAN: The ayes have it.



1 MS. BRANNON: That concludes our report.

2 CHAIRMAN MCMILLAN: Thank you very much.

3 Acquisition Committee, Jerry Wright and Joe  
4 Hester?

5 MR. HESTER: Thank you, Mr. Chairman.

6 I'd first like to mention that we discussed  
7 some new legislation regarding acquisitions, which  
8 eliminated acquisition. It also directed us to fund  
9 \$1.5 million for buffers around military installations  
10 here in the state, and it specifically provided that  
11 funding for minigrants. And, therefore, the \$2.25  
12 million that was allotted to acquisitions is for those  
13 very things that are directed by the statute. So I  
14 wanted to mention that first.

15 The second thing is that we reviewed the  
16 procedure that the Trust Fund uses for closings which  
17 streamlines and makes more efficient our closing  
18 process. The new timetable presented to everybody in  
19 the committee and the Board, and there is an action  
20 item regarding that. The committee recommended  
21 approval of the revised documentation and provide the  
22 new acquisition closing process that was presented to  
23 the Board yesterday. That is committee's  
24 recommendation.

25 CHAIRMAN MCMILLAN: You've heard the

1 recommendation of the committee. Is there discussion  
2 of that recommendation?

3 (No response.)

4 CHAIRMAN MCMILLAN: Hearing not, so many as  
5 in favor of the motion please say "Aye."

6 TRUSTEES: Aye.

7 CHAIRMAN MCMILLAN: Those opposed "No."

8 (No response.)

9 CHAIRMAN MCMILLAN: The ayes have it.

10 MR. HESTER: We also considered trying to  
11 abide by the statute regarding military bases. We  
12 know that there is already an application for the same  
13 in our application pool. However, it left  
14 approximately half a million dollars that the  
15 legislature said we shall spend with no applications.  
16 So the committee considered requesting proposals to be  
17 submitted for all applicants.

18 We also understood that there were a number  
19 of projects that were ready to go around military  
20 bases where funds had already been set aside and  
21 otherwise available to match any funds that we were to  
22 spend.

23 So the committee recommended that we accept  
24 the RFP and that we submit that to our applicants to  
25 obtain applications for projects to spend the balance

1 of \$1.5 million as directed by the legislature.  
2 That's the committee recommendation.

3 CHAIRMAN MCMILLAN: You've heard the  
4 recommendation of the committee. One thing that I  
5 noted was the short turnaround time of September 9th  
6 that's in the application. But I talked to some of  
7 the folks that who were here yesterday representing  
8 the land trust community, and that they indicated that  
9 they didn't think that would be a problem, that they  
10 thought they could comply with that time frame. So  
11 that is a part of the current application. It's not  
12 cast in stone, but the recommendation of the committee  
13 is to solicit applications to comply with this portion  
14 of the statute.

15 Is there discussion on the motion of the  
16 committee?

17 MR. WRIGHT: Mr. Chairman, I would like  
18 say a few words.

19 About three or four years ago we went down  
20 to the Camp Lejeune area and visited one of the sites  
21 that, over the years, we have tried to protect. The  
22 Clean Water Board, over the last ten years, has had a  
23 mission of trying to protect natural and water-related  
24 properties around our military establishments to help  
25 protect those jobs in military establishments from

1 encroachment from other places.

2 I live up in the northeast part of the state  
3 just below Norfolk and Oceana and Virginia Beach.  
4 There's not many days that I don't look in the paper  
5 and there's conflicts between aircraft and military  
6 operations up in Virginia that long term could  
7 jeopardize those bases continuing to be an established  
8 area.

9 So North Carolina has always had the  
10 reputation of either being number one or number two in  
11 the nation in terms of supporting our military  
12 establishment, and it is one of the areas in North  
13 Carolina where we actually have had job growth to our  
14 economy in the last two years.

15 And so we were down in Camp Lejeune and were  
16 standing out on one of those tracts, and the firing  
17 range for the M-1 tank was about four miles from where  
18 we were doing it, and they firing that particular day.  
19 And you could stand on a piece of property and feel  
20 the ground the shake when one of those tanks would pop  
21 one of those rounds off in that tank range, and it  
22 gave you a clear understanding of why we need good  
23 open spaces around our military establishments to  
24 reduce conflict between our civilian populations and  
25 our military operations and training.

1 Thank you.

2 CHAIRMAN MCMILLAN: Thank you, Jerry.

3 Is there further discussion?

4 (No response.)

5 CHAIRMAN MCMILLAN: If not, so many as in  
6 favor of motion of the committee say "Aye."

7 TRUSTEES: Aye.

8 CHAIRMAN MCMILLAN: Any opposed "No."

9 (No response.)

10 CHAIRMAN MCMILLAN: The ayes have it.

11 MR. HESTER: Mr. Chairman, the last thing  
12 I would like to discuss -- we were doing a list of  
13 projects, of course, the -- which included acquisition  
14 projects, and we are not to consider any of those and  
15 will not scope any of those considering those  
16 projects.

17 However, in the event that there should be  
18 some reversion of funds to the Trust Fund with regard  
19 to an acquisition, number one, we're not a part of the  
20 motion to pay us saying that we will definitely spend  
21 those funds in our committee, recognizing that it may  
22 be important, particularly for the economy and jobs,  
23 to possibly use that money elsewhere where more jobs  
24 could be created.

25 Having said that, the staff, I think, needs

1           some direction -- and I've discussed --

2                   MR. ROGERS:     Joe, we're going to take this  
3           up on another agenda item, and we'll get a list  
4           distributed out to the trustees.

5                   MR. HESTER:     They don't have those yet?

6                   MR. ROGERS:     They don't have that yet.  So  
7           we'll get to that, and by the time we're going, it  
8           will be about three minutes, I think.

9                   MR. HESTER:     We'll discuss that later, Mr.  
10          Chairman.  Then that concludes our report.

11                   CHAIRMAN MCMILLAN:  Thank you, Joe.

12                   That brings us to Infrastructure/Wastewater,  
13          and Trustee Markham chaired that meeting.

14                   MR. MARKHAM:    Thank you.  The  
15          Wastewater/Infrastructure Committee met yesterday.  We  
16          had all committee members present, other than  
17          Claudette Weston, who was unable to join us.

18                   We took several items up for consideration.  
19          And I believe the first item that we'll be bringing  
20          forward to the Board was related to discussion of  
21          construction projects not under construction contract  
22          within one year.  The committee recommends approval of  
23          the proposed date of November 30th, 2011, by which the  
24          Town of Lilesville will enter into a construction  
25          contract; and the proposed date of November 30th,

1           2011, by which the Town of Morven will enter into a  
2           contract.

3                       That is the recommendation of the Board --  
4           I'm sorry -- of the committee. And I'll also put on  
5           the record, those project numbers are 2008-524 and  
6           2008-527. That is the recommendation of the  
7           committee.

8                       CHAIRMAN MCMILLAN: You've heard the  
9           recommendation of the committee. Is there further  
10          discussion?

11                      (No response.)

12                      CHAIRMAN MCMILLAN: If not, so many as in  
13          favor of the motion say "Aye."

14                      TRUSTEES:            Aye.

15                      CHAIRMAN MCMILLAN: Opposed say "No."

16                      (No response.)

17                      CHAIRMAN MCMILLAN: The ayes have it.

18                      MR. MARKHAM:    The second item we're  
19          bringing to the Board for action is the potential  
20          transfer of the WaDE contract, which is project 2010-  
21          616, due to programmatic changes. After hearing from  
22          staff about the status of the WaDE program and its  
23          defunding at the state level, we recommend terminating  
24          the contract with the Department of Environmental  
25          Health based on the defunding of the program. That is

1 the recommendation of the committee.

2 CHAIRMAN MCMILLAN: You've heard the  
3 recommendation of the committee. Is there discussion?

4 MR. HOLLAN: Mr. Chairman --

5 CHAIRMAN MCMILLAN: Bill Hollan.

6 MR. HOLLAN: -- this is elimination of  
7 straight piping in the creeks up in -- mainly in the  
8 western part of the state. Homes are built right  
9 along the creeks because that's the only flat area up  
10 in some of this hollows. And this was a program we've  
11 been involved in for 15 years -- or 14 years. When we  
12 initiated this, it was a no-brainer. You just don't  
13 want people running their straight pipes into the  
14 creeks.

15 And surveys have been done up there. We've  
16 developed a program to make loans so people would have  
17 to participate and grants to people who couldn't. And  
18 I hate to see this program die, so I hope that we will  
19 -- I don't know exactly what happened between the WaDE  
20 administrators and the funders, but this is a program  
21 that we ought attempt to see continue because it's  
22 doing good work and, again, just from the point of  
23 view of balance around the state, we don't --  
24 typically, we don't have many wastewater treatment  
25 plants out in the western part of the state. So I



1 hope that we'll find a way to continue this program.  
2 Thank you.

3 CHAIRMAN MCMILLAN: Kevin?

4 MR. MARKHAM: Yes. I'm sorry. Just to  
5 continue on, there's another request by the committee  
6 to deal with that, Mr. Hollan. The committee's also  
7 asking the staff to contact western councils of  
8 government to determine the interest in continuing the  
9 program and requesting that staff make a  
10 recommendation to this committee in October regarding  
11 the use of remaining funds in that project. But we're  
12 looking for the action on the recommendation to  
13 terminate the contract at this point.

14 CHAIRMAN MCMILLAN: Richard?

15 MR. ROGERS: Also, Mr. Hollan, I think the  
16 administration of the program is -- in changing the  
17 administration to the local level is a result of  
18 legislative action that eliminated the program. And I  
19 think the program was doing fine, but the fact that  
20 the legislature and the government recommended  
21 elimination of the program, I believe sent a message  
22 to us that it would better be administrated at the  
23 local level. So that's the intent of staff, and we'll  
24 come back in October with a recommendation to continue  
25 the program at the local level.

1 MR. HOLLAN: Thank you.

2 CHAIRMAN MCMILLAN: The motion of -- as far  
3 as from the committee, terminates the contract with  
4 the Department of Environment and Natural Resources.  
5 Is there further discussion? We had a lot of  
6 discussion about this yesterday afternoon. Mr. Massie  
7 gave us some good information about the interest of  
8 council governments in that part of the state.  
9 Further discussion?

10 (No response.)

11 CHAIRMAN MCMILLAN: If not, so many as in  
12 favor of the motion say "Aye."

13 TRUSTEES: Aye.

14 CHAIRMAN MCMILLAN: Those opposed "No."  
15 (No response.)

16 CHAIRMAN MCMILLAN: The ayes have it.

17 MR. MARKHAM: Thank you, Mr. Chairman.

18 Our next action item is a lengthy one. We  
19 took up the funding recommendations for the 2011  
20 wastewater applications. We'll take care of a couple  
21 of housekeeping actions to begin with.

22 First, the committee recommended accepting  
23 the withdrawal request from the City of Lenoir for  
24 2011-518; accepting withdrawal for Moore County, which  
25 is 2011-521; and accepting withdrawal for the Village

1 of Simpson for 2011-608.

2 CHAIRMAN MCMILLAN: You've heard the  
3 recommendation of the committee. Is there discussion?

4 (No response.)

5 CHAIRMAN MCMILLAN: If not, so many as in  
6 favor of the motion say "Aye."

7 TRUSTEES: Aye.

8 CHAIRMAN MCMILLAN: Opposed "No."

9 (No response.)

10 CHAIRMAN MCMILLAN: The ayes have it.

11 MR. MARKHAM: The second housekeeping  
12 measure was to -- we need to approve the request of  
13 transfer of the application 2011-508 from Cramerton to  
14 the City of Gastonia.

15 CHAIRMAN MCMILLAN: We discussed this  
16 yesterday. Any further discussion of that motion?

17 (No response.)

18 CHAIRMAN MCMILLAN: If not, so many as in  
19 favor of the motion say "Aye."

20 TRUSTEES: Aye.

21 CHAIRMAN MCMILLAN: Opposed "No."

22 (No response.)

23 CHAIRMAN MCMILLAN: The ayes have it.

24 MR. MARKHAM: Thank you. The next action  
25 is the Board -- for the Board is that the staff

1 provided summaries for projects in Group 1 of the  
2 spreadsheet that was provided to us. These are the  
3 projects that scored highest using our criteria. And  
4 the committee recommendation is that the Board  
5 consider funding lines 1 through 14 on the  
6 spreadsheet, based on the staff and the committee  
7 recommendations.

8 Eight of these projects were recommended for  
9 funding. One project, the City of Lenoir, was  
10 withdrawn, which we just approved. And five were  
11 recommended to not be further considered for funding  
12 in the 2011 cycle.

13 And for the record, projects that the  
14 committee has recommended -- is recommending funding  
15 in the 2011 cycle are 2011-508, the City of Gastonia,  
16 South Fork Catawba River, and that's the amount of  
17 \$600,000; 2011-534, Town of Troy, Discharge Reduction  
18 and Land Application for Denson's Creek in the amount  
19 of \$600,000; 2011-513, Johnston County, the Community  
20 College Reclaimed Water System, the recommendation is  
21 \$580,000; the Town of Maysville, Treatment System  
22 Upgrades for White Oak River, committee recommendation  
23 in the amount of \$440,000; 2011-526, City of  
24 Salisbury, Wastewater Treatment Plant Elimination for  
25 Second Creek, committee recommendation in the amount

1 of \$600,000; Camden County for the South Mills Septic  
2 Tank Elimination to the Dismal Swamp Canal, committee  
3 recommendation in the amount of \$600,00; Town of  
4 Stantonsburg, Wastewater Treatment Plant Improvements  
5 for Phase 1 in Contentnea Creek, committee  
6 recommendation in the amount of \$600,000; Town of  
7 Bath, Wastewater Treatment Plant and Disposal Upgrade  
8 for Carter Creek, committee recommendation in the  
9 amount of \$600,000.

10 The following projects, as part of this  
11 first motion, that are recommended not be further  
12 considered for funding in 2011: These are 2011-606,  
13 Town of Hoffman, Design Permitting and Acquisition for  
14 Hoffman Wastewater Collection in Drowning Creek; Town  
15 of Parkton, Regional Wastewater System Implementation  
16 for Dunns Marsh; 2011-514, City of Kannapolis,  
17 Reclaimed Water Plant for the Rocky River; 2011-512,  
18 Hoke County, Water Refuse, Rockfish Creek; and 2011-  
19 507, City of Claremont, Regionalization Planning and  
20 Design Implementation in Lyle and McLin Creeks.

21 That is the recommendation of the committee.

22 CHAIRMAN MCMILLAN: You've heard the  
23 recommendation of the committee. You have the handout  
24 with the listing of those projects, project numbers,  
25 and that requested score and the committee

1 recommendation. Is there further discussion on the  
2 motion? Yes?

3 MR. PATE: I'd like to ask a question,  
4 if I could, maybe for Larry.

5 We came down -- and Mr. Hollan mentioned  
6 this this morning. Is there going to be any money  
7 with the anticipated \$390,000 return, any money left  
8 over that might be able to help the Taylorsville  
9 project since they are so low on the -- they're 15th,  
10 and they're in the west? I'll just ask that question.

11 MR. MARKHAM: Yes, that will be in our  
12 second motion -- or second recommendation.

13 MR. PATE: All right. Thank you.

14 CHAIRMAN MCMILLAN: Any further discussion?  
15 (No response.)

16 CHAIRMAN MCMILLAN: If not, so many as in  
17 favor of the motion say "Aye."

18 TRUSTEES: Aye.

19 CHAIRMAN MCMILLAN: Opposed "No."  
20 (No response.)

21 CHAIRMAN MCMILLAN: The ayes have it.

22 MR. MARKHAM: Thank you. The next action  
23 for the Board's consideration is that the committee  
24 reviewed the remaining projects in the Group 1  
25 listing, and the committee is recommending that the

1 Board take action on the projects listed as lines 15  
2 through 20 on the spreadsheet, based on the staff and  
3 committee recommendations as funds become available up  
4 to and through June 2012. These will be provisionally  
5 approved by me based on reversion of funds,  
6 unencumbered funds coming back to wastewater.

7 These projects include -- four of these  
8 projects are recommended for funding, based on that  
9 funding. And those projects are: 2011-609, Town of  
10 Taylorsville, the Millersville, Lower Little River  
11 Catawba project in the amount of \$600,000; 2011-535,  
12 Town of West Jefferson for the Sewer Rehabilitation  
13 and Little Buffalo Creek in the amount of \$86,500; the  
14 Town of Green Level, Sewer Rehabilitation in the Haw  
15 River, the committee recommendation in the amount of  
16 \$220,000; and 2011-510, Town of Fairmont, Sewer  
17 Rehabilitation Phase 1 in the Lumber River in the  
18 amount of \$600,000.

19 The other projects rounding out the Group 1  
20 are not recommended for further consideration in the  
21 2011 cycle, and those include: 2011-522, Onslow Water  
22 and Sewer Authority, Package Plant Elimination in the  
23 New River; and Town of Spring Lake, Reclaimed Water  
24 System in the Lower Little River.

25 The committee recommendation further

1 warrants that these projects be considered in the  
2 priority order of their clean water scores as funds  
3 are available.

4 CHAIRMAN MCMILLAN: You've heard the motion.  
5 Is there discussion?

6 (No response.)

7 CHAIRMAN MCMILLAN: If not, so many as --  
8 excuse me. Charles?

9 MR. JOHNSON: I have a question, since I  
10 think it's been discussed between some of the  
11 Trustees.

12 Looking at the fact that we want to try to  
13 make sure, if we possibly can, that our funds are  
14 distributed totally throughout the state, are any of  
15 these projects that we're talking about here as money  
16 becomes available, are any of those in the western  
17 part of the state?

18 MR. MARKHAM: Yes. The first two projects  
19 in the provisional list are in the western part of the  
20 state, including Taylorsville, which is in Alexander  
21 County, which would be their first grant. And we  
22 believe that we should have funds reverting to balance  
23 this year that would cover this project and possibly  
24 further down the list.

25 MR. JOHNSON: To iron out this type



1 situation and put a priority on those in the western  
2 part of the state, what I would like to do is -- it  
3 looks like it's already done.

4 CHAIRMAN MCMILLAN: Thank you, Charles.

5 Is there other discussion?

6 (No response.)

7 CHAIRMAN MCMILLAN: If not, so many as in  
8 favor of the motion say "Aye."

9 TRUSTEES: Aye.

10 CHAIRMAN MCMILLAN: Opposed "No."

11 (No response.)

12 CHAIRMAN MCMILLAN: The ayes have it.

13 MR. MARKHAM: Thank you. And the committee  
14 has one further recommendation, is that the projects  
15 in Group 2 of the spreadsheet not be funded in the  
16 2011 cycle, but the applicants be encouraged to re-  
17 apply doing an abbreviated process.

18 And, Mr. Chair, would you like me to read  
19 those into the record?

20 CHAIRMAN MCMILLAN: I don't believe it's  
21 necessary. We've got the documents.

22 MR. MARKHAM: Okay. This was a quick  
23 measure as well, as I don't believe the committee  
24 officially made the same recommendation for those  
25 projects not funded in Group 1 in the 2011 cycle. So

1 if it's all right, we'd like to include those in the  
2 same motion.

3 CHAIRMAN MCMILLAN: All right. You've heard  
4 the motion. Is there discussion?

5 (No response.)

6 CHAIRMAN MCMILLAN: If not, so many as in  
7 favor of the motion say "Aye."

8 TRUSTEES: Aye.

9 CHAIRMAN MCMILLAN: Opposed say "No."

10 (No response.)

11 CHAIRMAN MCMILLAN: The ayes have it.

12 MR. MARKHAM: And that concludes the  
13 committee report.

14 CHAIRMAN MCMILLAN: All right. I guess to  
15 summarize, we have allocated \$4.831 million to -- and  
16 to wastewater there were requests for \$47 million, so  
17 you'll see that we are leaving an awful lot on the  
18 table. A lot of those projects we approved were  
19 scaled back to accommodate the \$600,000 capital we put  
20 -- put on those. Of the total applications for this  
21 year, we had \$157 million worth of applications, and  
22 we have \$9,081,495 to deal with those \$157 million in  
23 applications. There are a lot of our partners out  
24 there who are going to be disappointed.

25 Anything else from that committee?

1 (No response.)

2 CHAIRMAN MCMILLAN: Richard had passed out a  
3 minute ago some handouts. You want to discuss those,  
4 Richard?

5 MR. ROGERS: Yes. And what we're going to  
6 do is, what we have is a preliminary list of scores  
7 for two different program funding committees, the  
8 Acquisition Funding Committee and also the  
9 Restoration/Stormwater/Greenways Funding Committee.  
10 The Restoration/Stormwater is one sheet and then  
11 there's one sheet for Greenways and then we have the  
12 Acquisition.

13 The way we're going to handle this is that  
14 we'll let the co-chairs of the committee have a brief  
15 discussion, give some of their thoughts with regards  
16 to -- and direction to staff on those. And at this  
17 point, we also would welcome the input from the Board  
18 as a whole as we continue to finish analyzing these  
19 projects, fully scoping some, and as we move forward  
20 and prepare for the October meeting where the  
21 committees will consider these projects.

22 Yevonne, if you'll go first, we'll take up  
23 the Restoration/Stormwater/Greenway list.

24 MS. BRANNON: The co-chairs met with the  
25 staff last week to kind of review kind of an overview

1 of -- these glasses aren't working too well. I'm  
2 talking about one sheet and looking at the other.

3 But we have the list here in front of you  
4 for the Restoration/Stormwater, and separately there's  
5 a sheet for the Greenway application. And during our  
6 meeting last week the direction for the staff that we  
7 gave -- primary directions to the staff at this  
8 meeting, was to look at those projects that were a  
9 hundred or above. And you can see that staff has kind  
10 of drawn that line here. There are -- 16 projects are  
11 in that group, Group 1, with -- and in the Greenway  
12 projects that you see on a separate sheet as Item  
13 Agenda L, we've asked them to look at those projects  
14 that scored 70 or above.

15 I remember on the Greenway, it was a scale  
16 of 100, so the scores for the Restoration and  
17 Stormwater is a scale of 160. So the 70s are in 70  
18 percent, which is over in the Stormwater/Restoration.  
19 When you have a scale 160, you know, when you're  
20 scaling at 100 and 113, 112, you're kind of a  
21 comparable level. But this is the direction that was  
22 given to the staff at the meeting.

23 And, further, we actually also asked them to  
24 look at three other things. Charles, you reminded me  
25 of that. One was to try to look at these projects

1 over the next couple of months in terms of if they are  
2 construction ready. Since the applications have been  
3 put in, look back now and see if they are actually  
4 kind of ready to go, to also see if there are any that  
5 would be able to pare their request, recognizing our  
6 level of funding we have available for these projects,  
7 and to see if there's any other adjustments to match.

8 And then, further, to put a cap on these at  
9 around \$400,000 to -- in an effort to try to spread  
10 the \$2 million as far as we could go. And then,  
11 finally, to do what you mentioned, Charles, to kind of  
12 look at those across the state. So this is a really  
13 big challenge for the State to look at these projects,  
14 many of which are very high quality, with \$2 million  
15 available to spread across all these little categories  
16 I just mentioned, the ready to go with construction,  
17 ready to go within a year, those that scored in the  
18 top tier -- and I'm looking across the state -- and  
19 then having \$2 million.

20 So with that in mind, if the Board agrees,  
21 they are going to look at fully scoping the first 16  
22 projects for Restoration/Stormwater. And if you look  
23 on the Greenway, that would be -- looking very  
24 carefully, there are only five projects, so if they  
25 fully scope three or four or five, I don't think it's

1 going to matter, but they'll probably be looking  
2 pretty close at all five of those projects.

3 MR. ROGERS: Also, while we draw the line  
4 at 100, if there's any trustee that is interested in  
5 having one of the projects that are below that line  
6 fully scoped and presented to the Board, staff would  
7 be prepared. And we'd just like for you all to inform  
8 of us the project and we'll be glad to fully scope  
9 that project and put into the Group 1.

10 MS. BRANNON: Richard, is there anything  
11 else I forgot?

12 MR. ROGERS: No, ma'am. Any discussion --

13 CHAIRMAN MCMILLAN: Any questions for  
14 Yevonne or Richard?

15 MR. ROGERS: Joe?

16 MR. HESTER: Thank you. We had similar  
17 discussion. It was on a different degree. First of  
18 all, as I began earlier, pertaining to funds with  
19 regards to the Acquisition Committee, first of all,  
20 they're not automatically spent in our committee until  
21 we look at needs elsewhere. One of the top things we  
22 consider, of course, would be jobs in terms of what we  
23 can do for our economy.

24 Having said that, if you'll look at the  
25 list, it is our recommendation that staff scope 95 and

1           above where the request was less than one million. It  
2           may be that we don't fund any of these. These are  
3           only easement projects. There are no acquisition  
4           projects that will be scoped. These are only  
5           conservation easements, which is directed by the  
6           statute. So everything 95 -- scores 95 and above  
7           where the request is less than a million, we would  
8           recommend that staff scope those and only those in  
9           case -- or in the event that some monies will become  
10          available.

11                   CHAIRMAN MCMILLAN: Any questions for Joe?

12                           (No response.)

13                   CHAIRMAN MCMILLAN: We have gone through the  
14          agenda with the exception of our executive session.  
15          Are there any other matters to come before us, other  
16          than executive session and the meeting with the  
17          Personnel Committee?

18                           Karen?

19                   MS. CRAGNOLIN: Mr. Chairman, I'm pleased to  
20          announce that Buncombe County Conservation Board has  
21          nominated the Clean Water Management Trust Fund for an  
22          award. Even in these difficult times, the Buncombe  
23          County Commissioners have been able to award a million  
24          dollars this past year, and two million in previous  
25          years for conversation projects in Buncombe County,

1 many of which have had a partner with the Clean Water  
2 Management Trust Fund. And the Commissioners and the  
3 members of the Conservation Board wish to acknowledge  
4 that in a ceremony that will take place in September.

5 I've spoken to Richard, and he is going to  
6 be able to attend that. And there will be a plaque  
7 presented and -- and all the commissioners in Buncombe  
8 would like to thank the Clean Water Management Trust  
9 Fund for a long-time partnership and all the things  
10 that they have done for the western part of the state.  
11 Thank you.

12 CHAIRMAN MCMILLAN: Thank you, Karen, and  
13 thanks for helping to make that happen. We appreciate  
14 your efforts in that regard.

15 Anything else to come before us?

16 MR. HOLLAN: Mr. Chairman --

17 CHAIRMAN MCMILLAN: Bill?

18 MR. HOLLAN: -- can I go back for just a  
19 second to the stormwater? I was just reviewing this.  
20 We've got two projects that are well into the 90s.  
21 One of which is a CREP program. One of which is just  
22 -- it's got a 64 percent match, and the match  
23 indicates that there would be a lot of bang for our  
24 buck on that. And could we get an update on that if  
25 -- we've got another one, RiverLink's got a 68 percent



1 match, again, a big bang for the buck. If we could  
2 move those up into the category projects that would be  
3 scoped, I would appreciate it.

4 MR. ROGERS: So noted.

5 MR. HOLLAN: Thank you.

6 MR. ROGERS: I would also say that we'll  
7 give you our report with regards to continuing the  
8 CREP program for both and the progress they're making  
9 in that program when we report to you in October.

10 MR. HOLLAN: Thank you.

11 CHAIRMAN MCMILLAN: All right. Kevin?

12 MR. MARKHAM: Yes. I apologize. We should  
13 have mentioned this in our committee meeting, but we  
14 do need to acknowledge the co-chairs who are the  
15 predecessors for Aaron and myself; that's Dr. Camp and  
16 Chairman Rascoe. They did an excellent job for the  
17 committee. Unfortunately, we're not reappointed, but  
18 they did the serious work for the committee, all very  
19 important. And the field reps, and I would  
20 acknowledge the work they did in working with the  
21 applicants to find project savings, deductions,  
22 alterations to make it possible for the Board to  
23 spread our money further than we would have otherwise.  
24 Thank you.

25 CHAIRMAN MCMILLAN: Thank you, Kevin. And

1 we're inviting them and Chairman Baddour back to the  
2 October meeting to thank them for their service, so we  
3 look forward to seeing them then.

4 Recognize Ron Beane for a motion.

5 MR. BEANE: Mr. Chairman, I move we go  
6 into closed session pursuant to General Statute 143-  
7 318.11(6) for the purpose of discussing the  
8 performance evaluation of our executive director,  
9 which is required of this committee.

10 CHAIRMAN MCMILLAN: I've heard the motion.  
11 Is there a second?

12 MS. CRAGNOLIN: Second.

13 CHAIRMAN MCMILLAN: Any discussion?

14 (No response.)

15 CHAIRMAN MCMILLAN: If not, so many as in  
16 favor of the motion say "Aye."

17 TRUSTEES: Aye.

18 CHAIRMAN MCMILLAN: The ayes have it. We  
19 will go into closed session at five minutes till  
20 10:00, so we'll take a 10-minute break.

21 (Recess taken from 9:45 a.m. to 9:55 a.m.)

22 (Closed session from 9:55 a.m. to 10:15  
23 a.m.)

24 CHAIRMAN MCMILLAN: We're back in open  
25 session. And I believe there is a -- someone wants to

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make a --

MR. HOLLAN: I move we adjourn.

CHAIRMAN MCMILLAN: Bill Hollan makes a motion that we adjourn. (Seconded by unidentified Trustee.) All those in favor say "Aye."

TRUSTEES: Aye.

CHAIRMAN MCMILLAN: The ayes have it, so this is adjourned.

*(Meeting adjourned at 10:16 a.m.)*

CERTIFICATE OF NOTARY - COURT REPORTER

STATE OF NORTH CAROLINA)
COUNTY OF WAKE )

I, Patricia L. Roush, CVR, 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 2728 Capital Boulevard, Room 1A224, Raleigh, North Carolina, on the 15th day of August, 2011.

I further certify that I am neither of counsel to this agency or interested in the event of this agency on this 4th day of September, 2011.

Patricia L. Roush, CVR, Court Reporter Notary Public, Wake County, North Carolina
Notary Number: 19990990089