

**Board of Trustees**  
**Clean Water Management Trust Fund**

**Minutes of Meeting**  
**Monday, October 10, 2011**

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**2728 Capital Boulevard**  
**Room 1A-224**  
**Raleigh, North Carolina 27604**  
**8:33 a.m.**

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**A P P E A R A N C E S**

**CLEAN WATER MANAGEMENT TRUST FUND BOARD OF TRUSTEES:**

John B. McMillan, Jr., Chairman, Raleigh  
Dr. YeVonne Brannon, Raleigh  
Rance Henderson, Morganton  
William Hollan, Winston-Salem  
Kevin Markham, Cary  
Preston Pate, Newport  
Claudette Weston Winston-Salem  
Jerry Wright, Jarvisburg  
Charles Johnson, Greenville  
Joseph M. Hester, Jr., Rocky Mount  
Frank Bragg, Huntersville  
George Howard, Raleigh  
John Garrou, Winston-Salem  
Renee Kumor, Hendersonville  
Christine Mele, Oriental  
Betty Rash, Charlotte

**ATTORNEY GENERAL'S OFFICE:**

Mary Lucasse, 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, Business Officer  
Penny Adams, Executive/Acquisition Administrative Assistant  
Cherri Smith, Stewardship Program Coordinator  
Kevin Boyer, Restoration/Stormwater Project Manager  
Larry Horton, P.E. Wastewater Infrastructure Project Mgr.  
Everett Moore, Real Property Agent, State Property Office

**ALSO PRESENT:**

Honorable Cressie Thigpen

**FIELD REPRESENTATIVES**

Bern Schumak, Western Piedmont/Foothills  
Will Summer, Eastern Piedmont/Sandhills  
Damon Tatem, Coastal

**A G E N D A**

<b>A.</b>	<b>Call to Order</b> - Chairman McMillan	<b>5</b>
	1. Welcome	<b>5</b>
	2. Oath of Office for New Trustee-Chairman McMillan	<b>5</b>
	3. Roll Call - Penny Adams	<b>8</b>
	4. Compliance with General Statute 138A-15	<b>10</b>
	5. Revisions, additions, and adoption of the Agenda (Action Item)	<b>11</b>
	6. Please put cell phones on vibrate or off	<b>11</b>
	7. Review and approval of the transcripts of the August 2011 meeting of the Board of Trustees (Action Item)	<b>11</b>
	8. Recognize CWMTF Advisory Committee Members	<b>12</b>
<b>B.</b>	<b>Public Comments</b> (Three Minutes per Person) Chairman McMillan	<b>12</b>
<b>C.</b>	<b>Executive Director's Report</b> - Richard Rogers	<b>12</b>
<b>D.</b>	<b>Attorney General's Report</b> - Mary L. Lucasse	<b>27</b>
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<b>F.</b>	<b>Program Committee Report</b> - Committee Co-Chairs Hollan and Garrou (Action Items)	<b>29</b>
<b>G.</b>	<b>Acquisition Committee Report</b> - Committee Co-Chairs Hester and Wright (Actions Items)	<b>36</b>
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<b>I.</b>	<b>Infrastructure/Wastewater Committee Report</b> Committee Co-Chairs Markham and Thomas (Action Items)	<b>55</b>

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P R O C E E D I N G S

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CHAIRMAN MCMILLAN: Good morning, everyone.

I'll call to order the October meeting of the Clean Water Management Trust Fund. The first order of business will be the swearing in of Claudette Weston. And we have with us Judge Cressie Thigpen who has been with us before. Cressie is a member of the North Carolina Court of Appeals. He's a former President of the North Carolina State Bar and a good friend of mine and I appreciate him coming to -- to administer the oath. So, Cressie, if you would go up to the front and Claudette if you would join him and we're going to bring you back on board.

JUDGE THIGPEN: I, Claudette Weston --

MS. WESTON: I, Claudette Weston --

JUDGE THIGPEN: Do solemnly swear --

MS. WESTON: Do solemnly swear --

JUDGE THIGPEN: That I will support the Constitution of the United States.

MS. WESTON: That I will support the Constitution of the United States.

JUDGE THIGPEN: I, Claudette Weston --

MS. WESTON: I, Claudette Weston --

JUDGE THIGPEN: Do solemnly swear --

MS. WESTON: Do solemnly swear --

1 JUDGE THIGPEN: That I will be faithful and  
2 bear true allegiance --

3 MS. WESTON: I will be faithful and bear true  
4 allegiance --

5 JUDGE THIGPEN: To the state of North  
6 Carolina --

7 MS. WESTON: To the state of North Carolina

8 JUDGE THIGPEN: And to the Constitutional  
9 powers and authorities which are or may be established.

10 MS. WESTON: And to the Constitutional powers  
11 and authorities which are or maybe established.

12 JUDGE THIGPEN: And the government there of

13 MS. WESTON: And the government there of

14 JUDGE THIGPEN: And that I will endeavor --

15 MS. WESTON: And that I will endeavor --

16 JUDGE THIGPEN: To support --

17 MS. WESTON: To support --

18 JUDGE THIGPEN: Maintain --

19 MS. WESTON: Maintain --

20 JUDGE THIGPEN: And defend --

21 MS. WESTON: And defend --

22 JUDGE THIGPEN: The Constitution of said  
23 state --

24 MS. WESTON: The Constitution of said state -  
25 -

1 JUDGE THIGPEN: Not inconsistent with --

2 MS. WESTON: Not inconsistent with --

3 JUDGE THIGPEN: The Constitution of the  
4 United States.

5 MS. WESTON: The Constitution of the United  
6 States.

7 JUDGE THIGPEN: I, Claudette Weston --

8 MS. WESTON: I, Claudette Weston --

9 JUDGE THIGPEN: Do swear --

10 MS. WESTON: Do swear --

11 JUDGE THIGPEN: That I will well and truly  
12 execute --

13 MS. WESTON: That I will well and truly  
14 execute --

15 JUDGE THIGPEN: The duties of my office --

16 MS. WESTON: The duties of my office --

17 JUDGE THIGPEN: As a member of Clean Water  
18 Management --

19 MS. WESTON: As a member of Clean Water  
20 Management --

21 JUDGE THIGPEN: Trust Fund Board of Trustees  
22 --

23 MS. WESTON: Trust Fund Board of Trustees --

24 JUDGE THIGPEN: According to the best of my  
25 skills --

1 MS. WESTON: According to the best of my  
2 skills --

3 JUDGE THIGPEN: And ability --

4 MS. WESTON: And ability --

5 JUDGE THIGPEN: According to the law --

6 MS. WESTON: According to the law --

7 JUDGE THIGPEN: So help me God.

8 MS. WESTON: So help me God.

9 JUDGE THIGPEN: Congratulations

10 MS. WESTON: Thank you.

11 CHAIRMAN MCMILLAN: Thank you very much,  
12 Cressie. You're welcome to stay with us as long as  
13 you'd like or to go about your duties. I'll ask Penny  
14 Adams to call the roll, please.

15 MS. ADAMS: Chairman McMillan?

16 CHAIRMAN MCMILLAN: Here.

17 MS. ADAMS: Mr. Bass?

18 (No audible response)

19 MS. ADAMS: Mr. Beane?

20 (No audible response)

21 MS. ADAMS: Mr. Bragg?

22 MR. BRAGG: Here.

23 MS. ADAMS: Ms. Brannon?

24 DR. BRANNON: Here.

25 MS. ADAMS: Mr. Nolan?



1 (No audible response)

2 MS. ADAMS: Mr. Garrou?

3 MR. GARROU: Here.

4 MS. ADAMS: Mr. Henderson?

5 MR. HENDERSON: Here.

6 MS. ADAMS: Mr. Hester?

7 MR. HESTER: Here.

8 MS. ADAMS: Mr. Hollan?

9 MR. HOLLAN: Here.

10 MS. ADAMS: Mr. Howard?

11 (No audible response)

12 MS. ADAMS: Mr. Johnson?

13 MR. JOHNSON: Here.

14 MS. ADAMS: Ms. Kumor?

15 MS. KUMOR: Here.

16 MS. ADAMS: Mr. Markham?

17 MR. MARKHAM: Here.

18 MS. ADAMS: Ms. Mele?

19 MS. MELE: Here.

20 MS. ADAMS: MR. Pate?

21 MR. PATE: Here.

22 MS. ADAMS: Ms. Rash?

23 (No audible response)

24 MS. ADAMS: Mr. Thomas?

25 (No audible response)

1 MS. ADAMS: Mr. Vaughn?

2 (No audible response)

3 MS. ADAMS: Ms. Weston?

4 MS. WESTON: Here.

5 MS. ADAMS: Mr. Wright.

6 MR. WRIGHT: Here.

7 CHAIRMAN MCMILLAN: Remind everyone of the  
8 obligations under General Statue 138A-15 regarding  
9 conflicts of interest. If you have any matter you wish  
10 to notify us, please do so.

11 MR. MARKHAM: Mr. Chairman.

12 CHAIRMAN MCMILLAN: Yes.

13 MR. MARKHAM: There is one that won't be  
14 coming up today. It's in the Acquisitions Group 2, but  
15 is project 2011-425 which is Number 27 on the  
16 Restoration and Stormwater spreadsheet. It's the Upper  
17 Callasaja Watershed Association. The firm I work for  
18 is involved with the applicant on that project. So I'm  
19 recusing myself from any discussion.

20 CHAIRMAN MCMILLAN: Mr. Kevin Markham, we  
21 will -- we will note that. Any others? We have one  
22 addition to the agenda and that is in the Acquisitions  
23 agenda from the Triangle Land Conservancy, there will  
24 be an Item 2, Unencumbered Funds in Project 2010-090.  
25 Are there any other additions or revisions to the

1 agenda? If not, I'd entertain a motion to adopt the  
2 agenda as amended.

3 MR. MARKHAM: So moved.

4 CHAIRMAN MCMILLAN: Second?

5 MS. KUMAR: Second.

6 CHAIRMAN MCMILLAN: Any discussion? All in  
7 favor say "aye."

8 BOARD MEMBERS: Aye.

9 CHAIRMAN MCMILLAN: Any opposed, "no?"

10 (No audible response)

11 CHAIRMAN MCMILLAN: The "ayes" have it. I  
12 remind you to silence your electronic devices. We now  
13 have a review of the August 2011 minutes of the meeting  
14 of the Board of Trustees. Those minutes were mailed in  
15 your packages. Are there any amendments to the  
16 minutes? Yes, Kevin Markham.

17 MR. MARKHAM: Yes. On page 43, line 25, the  
18 last sentence on that page where it says,  
19 "unfortunately, we are not," should have been  
20 "unfortunately, they were not."

21 CHAIRMAN MCMILLAN: Unfortunately, they were  
22 not. All right. Thank you very much. Any others?

23 MR. HOLLAN: Mr. Chairman, the title of each  
24 of these is -- title is Deposition maybe ought to be  
25 changed to reflect the fact that these are transcripts

1 of our meeting.

2 CHAIRMAN MCMILLAN: I agree. Could we make  
3 that change, please? Are there any others? If not,  
4 I'll entertain a motion to approve the minutes as  
5 amended.

6 MR. WRIGHT: So moved.

7 CHAIRMAN MCMILLAN: Second.

8 MR. MARKHAM: Second.

9 CHAIRMAN MCMILLAN: Any discussion? If not,  
10 so many as favor the motion, say "aye."

11 BOARD MEMBERS: Aye.

12 CHAIRMAN MCMILLAN: Any opposed, "no?"

13 (No audible response)

14 CHAIRMAN MCMILLAN: The "ayes" have it. I  
15 don't see any Advisory Committee members in attendance.  
16 It's now time for public comments. Any member of the  
17 public who is visiting with us this morning may speak  
18 for up to three minutes. Anybody wish to speak?  
19 Seeing none, we'll move to the Executive Director's  
20 Report. Richard Rogers.

21 MR. ROGERS: Thank you, Mr. Chairman. There  
22 are a couple of items we included in the Board packet  
23 and I guess first what I'd like to do is take up the  
24 draft meeting schedule. We -- this will be our last  
25 Board meeting of the year and we'd like to get the

1 draft meeting schedule to you and at least get some  
2 approval with that draft schedule. It's included in  
3 the Board -- Board packet. Typically, what we do is  
4 develop a schedule -- a six-meeting schedule for you.  
5 The meeting dates are the second Sunday of the month  
6 and so that's what's reflected in the draft schedule.  
7 We'd like just to bring that to your attention as well.  
8 And if there's any discussion on that.

9           There is a note down in November of next year  
10 that the 11th and 12th, I believe, is a Veteran's Day  
11 holiday. Is that correct? Monday would be a holiday  
12 for some. And I don't -- we -- we in the past have met  
13 on Valentine's Day, Mother's Day. It's not been the  
14 pleasure of the Board to get off schedule much. But  
15 we're more than happy to make accommodation for that.  
16 I think the key is to look at the next meeting  
17 scheduled and make sure that we're good.

18           As we go through the year, depending on our  
19 funding, we have adjusted the meeting schedule  
20 accordingly and eliminated meetings that we don't need.  
21 Typically, at this time we -- we just go ahead and put  
22 them on the schedule. It's -- it's easier to leave  
23 them on the schedule than to try to add more at a later  
24 date. And we, typically, approve a six-meeting  
25 schedule for the year and then we can -- we can always

1           adjust that schedule and relieve you of your  
2           obligations.

3                       So I don't know, Mr. Chairman, if there's any  
4           folks that are interested in having discussion of this.  
5           We would like to go ahead and adopt the schedule so  
6           that it gives everybody notice of our meeting dates for  
7           the next year. And if you could -- want to check your  
8           calendars real quick, you can start looking, but  
9           otherwise, it will get us off on the right foot. We  
10          can post this on our website and -- and also get -- get  
11          the trustees notice of our -- of our schedule. So is  
12          there any discussion on that?

13                      CHAIRMAN MCMILLAN: Anybody have any  
14          heartburn with November 11-12? Well, by common  
15          consent, proceed.

16                      MR. ROGERS: Okay. Thank you. One thing I  
17          wanted to do off is just to give you an update on one  
18          of our staff members that has been out of commission  
19          for quite some time now. Tom Massey, as most of you  
20          know, if you've been reading the updates, and I note  
21          several of you -- many have even spoken with him  
22          directly, is in Georgia still in the hospital. He was  
23          supposed to get out last week.

24                      Tom, if you don't recall, had an accident on  
25          a tractor back in Lord knows September -- the middle of

1           September, actually. He was down in Georgia working on  
2           some hunting land that he had and a tractor threw him  
3           rolled over his left ankle, actually separated his --  
4           his leg bone from his ankle and -- and pushed it back  
5           out through his skin. And he was attended to at the --  
6           at Augusta -- at Augusta, which is a teaching hospital,  
7           and has been there ever since.

8                        He has had surgery to repair his ankle. They  
9           have put plates, pins, all kinds of stuff in it as Tom  
10          recited to me. And he is in the process now of just  
11          making sure that -- now they're looking at some skin  
12          grafts trying to get it -- that ankle with full repair.  
13          I think the notion is this week he should be released  
14          and sent home. He is currently, again, he's had the  
15          metal work in his leg. He's got kind of an Exoskeleton  
16          framing that stabilized his foot.

17                       It will be a long road to recovery. He will  
18          be in that status for four or five weeks. Then  
19          hopefully, moving onto a cast, again, to stabilize the  
20          foot. He'll be in that for a period of time and then  
21          back into rehab. I think the prognosis is that about a  
22          year from now he should be back to normal if everything  
23          goes well. I believe there are a few hurdles, of  
24          course, that he will have to -- have to get over in his  
25          recuperation and his rehab work.

1           So Tom is in communication. He's definitely  
2           functioning. I think he will be a person that that  
3           hospital will never forget from all indication from  
4           what we've said and I'm sure they will be as happy to  
5           see him go as he will be to leave when he does leave.

6           I will keep you updated. We hope to check  
7           back in -- we were hoping to have him as part of the  
8           Board meeting. The phone system just did not  
9           cooperate. He was more than willing to get on the  
10          phone and talk and -- and deliver his -- his projects.  
11          And maybe it was -- maybe God intervened and didn't let  
12          the phone work. I don't know. For all our benefits,  
13          but he -- he is hanging in there. And if you all know  
14          Tom, he is not a guy to be idle. He has been idle for  
15          more than three weeks now so he is ready to change his  
16          scenery, get back home and I'm sure we all wish him  
17          well in his recovery and we'll keep everybody up to  
18          speed on that. So, I did want to tell you and talk to  
19          you a little bit about Tom and give you -- give you an  
20          update on that.

21          The next item, -- just a little  
22          administrative overview. The only item we have here is  
23          just -- we are contemplating a move. We've talked  
24          about that. We were supposed to be moving at the end  
25          of this month. There has been some delay with the



1 ability for DENR to move their staff out of Archdale  
2 into the new Green Square. They have not gotten a  
3 certificate of occupancy which allowed -- does not  
4 allow -- if they don't have that, they can't move in.  
5 I won't go into the details of that, but again, let it  
6 be said that we will not be moving probably 'til the  
7 end of December. This does do a little bit of a -- it  
8 poses a bit of a problem with regards to our budget.  
9 We did budget just to the end of October,  
10 administratively, but in discussion with Christopher,  
11 we've also talked to Stan Ball about this. But we'll  
12 be able to cover those adjustments. It's about \$7,000  
13 a month in rent that we're going to have to pay extra  
14 so it's a little bit more money that we'll have to put  
15 towards administrative, but we are going to be able to  
16 cover that under the budget that you all have approved.  
17 We have some shortfalls and -- in other areas that  
18 we'll be able to recoup and be able to make -- make  
19 those adjustments. So I did want to give you all an  
20 update on that.

21 The other thing is please keep in mind the  
22 February Board agenda meeting. Typically, what we do  
23 there is we really get -- delve into some issues that  
24 are -- that need to be addressed that are not action  
25 items necessarily and that we don't necessarily -- it's

1 not funding. We've have -- we'll have completed our  
2 funding. Several of the items that we're looking at  
3 developing and having for discussion at the Board is  
4 our Stewardship Endowment Fund. There's been some  
5 discussion that we've had with regards to how it's  
6 invested and there's some interest with several  
7 trustees to look at some alternative ways to invest it.  
8 More at equity funds rather than just in a long term  
9 investment fund. So we're -- we've -- Christopher's  
10 done some good work. We're in -- in coordination with  
11 Co-chairs Garrou and Hollan and I know Mr. Bragg has  
12 been interested. So we'll continue that discussion,  
13 develop a good agenda item for discussion for the Board  
14 to look at our investment in the portfolio and how we  
15 may need to adjust that to ensure that we have the  
16 returns we need for the long term.

17 Also, we want to look at some of the other --  
18 it gives us an opportunity to look at kind of the  
19 priorities that we want to look at for 2012 and we want  
20 to have some discussions around that. And I think as  
21 it relates to some of the legislative interest that's  
22 been shown this past session, I think one of the  
23 definite areas we want to look at and get feedback from  
24 you is looking at protection of water supply watersheds  
25 as a priority for the Board. I think that's something

1           that's on the -- coming up that's important for us to  
2           review and also look at some other things that we may  
3           want to -- may want to focus on as well.

4                       Brings us to our legislative strategy. And I  
5           -- we have included in the Board packet a summary  
6           letter and a draft letter and it's more of a giving  
7           background purpose. And I hope you all have taken a  
8           look at that. What this draft is supposed to do is  
9           kind of what we want to use as our base to build from  
10          for how we move forward in the -- in this next session  
11          in the coming year. And I -- I've passed it around. I  
12          know a few of the trustees have looked at it and given  
13          comment. I've tried to incorporate some of those  
14          comments into this -- into this draft. But basically,  
15          we wanted to develop and just give the background of  
16          why we're here and -- and then look at what we've done  
17          as a Board and a composite of the actions that we've  
18          taken and the accomplishments that we've had.

19                      And then, in the conclusion -- and looking --  
20          what we need to look at over the next year, several  
21          years, as it relates to the benefit that we can provide  
22          the state of North Carolina. I think, again, the  
23          drinking water and drinking water supply is going to be  
24          key with the increase of population and the need to  
25          focus on that. Also, with the support, I think, that

1 the legislature is providing that notion as well, that  
2 we do need to delve into that and look into that  
3 specifically. And again, we'll get more involved,  
4 engaged in that in our February agenda piece.

5 But please take a look at this. This is just  
6 supposed to be a message tool that we can use and break  
7 specific things out of it and develop. I think we need  
8 to develop our drinking water initiative more so, and  
9 we'll talk more about that in February.

10 But your comments are welcome on this. You  
11 can write on this page. You can email. However you  
12 want to do to refine this -- this talking -- talking  
13 piece that we're -- we're in the process of developing.  
14 And from this, we'll develop the -- the legislative  
15 strategy.

16 I will tell you from -- from a legislative  
17 perspective that we're not going to be able to get at  
18 it too early with regards to making our case to the  
19 legislature. My sense is, and I think this was done  
20 last year to a great extent, is that they are in short  
21 session. They do not take in until the second week of  
22 May. However, I imagine that they're -- and John, if  
23 I'm not right here, let me know, but I imagine that the  
24 budget will pretty much be in place with regards to how  
25 they want to focus on it and move forward with it in --

1 in -- before they even come back in session. And then  
2 will be a matter of just implementing and running it  
3 through the process.

4 I do have a summary of -- and if you'll pass  
5 this out -- a -- the General Fund Revenue report and  
6 the Economic Outlook. I have given you all an abridged  
7 version. It's just a few pages that we -- I pulled off  
8 the site. And this is pulled together by fiscal  
9 research in the General Assembly. And they do a really  
10 good job of giving an overview of -- on -- of the  
11 economic outlook. Where we are currently and -- and I  
12 just wanted to take just one minute to -- or a couple  
13 minutes to run through this with you. It's available  
14 online. And for the life of me, I've taken three  
15 copies from Penny and I've still lost it. Anyway.

16 MS. ADAMS: Beth has it.

17 MR. ROGERS: Are you sure, Beth? I was going  
18 to blame it on you. Again, this whole document is  
19 about 20 pages long, but I just wanted to provide this  
20 to you. And we're not going to go over this in great  
21 detail, but I think there's some points that need to be  
22 made. And I think when you -- when you look at it in -  
23 - as a whole, it kind of gives us a perspective on what  
24 the challenges are we have facing us.

25 As you know, the legislature adopts a

1 biannual budget. In that biannual budget, we have  
2 \$11.25 million for each of the two years. This is --  
3 we always look out -- the second year of the binding is  
4 an adjustment year. And if you turn into the overview  
5 of this -- this handout, you can see that the budget is  
6 well ahead in revenues in pulling in \$130,000,000 in  
7 excess of what is needed with regards to the revenues  
8 required for the first couple months of the fiscal  
9 year.

10           However, I think that's good news for us.  
11 One thing that we are going to be looking at in the  
12 upcoming session is to expand our -- our base above  
13 11.25 million. I think it's important that we continue  
14 to put the pressure on that the demand -- and  
15 communicate the demand so that we'll have the  
16 opportunity for more funds. And we would love to be  
17 able to get 20 million or 25 million from the  
18 legislature this session. But it's also important that  
19 we keep an eye on the funds that come in. And as it's  
20 stated here, we have \$130,000,000 extra in revenue,  
21 however, I think the tell tail signs of the economy  
22 will tell you that we'll be lucky to have that toward  
23 the end of the legislative session.

24           The economy is slowly returning and it is  
25 slower than they anticipated, I think. There's several

1 issues that are -- that are out there, I think, the  
2 housing market is still in decline, which is a bad sign  
3 for us as far as revenues go.

4 If you'll go to Page 2, it kind of gives us  
5 just a little -- a little summary and the caution there  
6 that it states that we're 130,000,000 above the 2.85  
7 billion in collections that were required. The  
8 increases came on the plus side of the -- out of the  
9 personal income collections, and also sale tax  
10 collections. And again, I think that's good -- good  
11 news, but again, I think as you see the caution below,  
12 the first few months of the year are not necessarily  
13 what's going to happen for the remainder of the year.  
14 And we also have volatile sources of revenue, the  
15 corporate income tax that comes in later, that may come  
16 in lower and absolutely eliminate any surplus that we  
17 have.

18 But I just wanted to provide this to you for  
19 reference to say that I think that we do have an  
20 opportunity and we need to keep our eyes on the  
21 revenues as we go throughout the year. We'll report  
22 again in February where we are. I think we'll have a  
23 better feel if we're going to have over-realized income  
24 from the budget.

25 The legislature did a very conservative

1 budget anticipating only a 3.8 percent increase. The  
2 average increase in revenues it's seen is about -- over  
3 five percent. So they took a very conservative  
4 approach, so there is an opportunity that there will be  
5 some funds that they'll have that they can obligate.

6 And I think it's important for us, as we move  
7 forward and develop a strategy to get the leadership  
8 and make our case, as we move forward and make sure  
9 that we're a priority for the legislature to get more  
10 funding. Again, I don't think many programs were cut,  
11 90 percent. They were cut completely, but they weren't  
12 cut 90 percent. My ideas and thoughts from that is  
13 that they want to keep Clean Water around and we just  
14 need to look at the opportunities that exists and  
15 encourage them to increase the funding that we have.

16 I think the specific strategy there is to get  
17 with the leadership and have some meetings with them.  
18 I was out in -- in Marion two weeks ago and spent some  
19 time with Representative Gillespie. I think the idea  
20 that he said is that, you know, my ideas and my hope is  
21 that we can -- we can do more for Clean Water. And I  
22 think there is a notion that we -- we -- they want to  
23 do more for Clean Water. And I think it's our  
24 obligation to make the case.

25 What I propose and what we'll look to do, and



1 I'll be glad for feedback on this, is try to get some  
2 of the trustees with some of the leadership, set up  
3 some meetings and just have a discussion with them and  
4 talk about what we've done. And I look forward to  
5 working with each of you all to take advantage of those  
6 opportunities and set some meetings up and get to see  
7 some of these folks that are in your regions and areas  
8 and districts that we can -- we can communicate with as  
9 -- as we move forward.

10 Any feedback that you all have, thoughts,  
11 please just let's open it up and have a little  
12 discussion if folks are interested in -- in talking.

13 MS. WESTON: Richard.

14 MR. ROGERS: Yes, ma'am.

15 MS. WESTON: Do you have anything down on  
16 paper, a synopsis, about drinking water and water  
17 supply? Because that's the big buzz in Forsythe  
18 County.

19 MR. ROGERS: Yeah, I think we do. We've got  
20 -- we pulled some numbers together that related of what  
21 the applications and the impact if we were funded and  
22 what we could do with regards to how we could help  
23 surface water and drinking water supply protection. So  
24 is that what you're asking? How we can do and what  
25 services we can provide and what we've done. We --

1 MS. WESTON: Yeah. Just a little --

2 MR. ROGERS: Yeah, we got some -- we got some  
3 points of that as it relates to our current application  
4 pool. And I think we've probably got some information  
5 about past projects and the impact we've had as well.  
6 So we'll -- we'll circulate that information, too. And  
7 again, this will be another topic that we'll want to  
8 talk about in February and develop in more detail.

9 CHAIRMAN MCMILLIAN: Just a -- just a couple  
10 of comments. Dr. Boardman, who gave this report, did  
11 report \$130,000,000 in -- in increased revenue, but he  
12 said it doesn't make any sense based upon the  
13 unemployment numbers that we still have. He doesn't  
14 understand how we have achieved that increased income  
15 and doesn't expect it to continue. So the -- the  
16 Speaker has said in a meeting that I attended that  
17 don't start hounding us for -- for increased revenues  
18 because we don't think that's going to be there at the  
19 end of the year.

20 The other thing that was -- many of you have  
21 been following some of the -- the budget provisions as  
22 they've gone along. There was significant cuts  
23 proposed and adopted for the Medicaid budget. Those  
24 depended upon changes to the Medicaid provider --  
25 provider benefits and -- and they had to seek approval

1 from -- from Washington and CMS. They -- they sought  
2 57 changes in our Medicaid plan. They were budgeting  
3 based upon them being approved by October 1st. One of  
4 the 57 changes has been approved. Legislators were  
5 told that CMS just does not move that quickly. Every  
6 state in the country, just about, except probably  
7 Montana, has had to adjust Medicaid and sought Medicaid  
8 changes, and so CMS is inundated with requests. They  
9 haven't been able to -- to address all of those. And  
10 so the Medicaid budget is going to fall way short of --  
11 of what they approved. So any increased revenues will  
12 likely be eaten up by items like that. So I don't  
13 think that we can count on there being funds available  
14 for us to go back to them this year. That's just  
15 reality. Any other comments, questions? Okay,  
16 Richard. Is that --

17 MR. ROGERS: That concludes my report.

18 CHAIRMAN MCMILLAN: All right. Thank you.  
19 Attorney General's report? Mary Lucasse is here.

20 MS. LUCASSE: I just wanted to say that it's  
21 a pleasure working with Trust and if there are any  
22 issues that you are -- feel you'd like to bring to my  
23 attention for conflicts of interest, you're welcome to  
24 raise them with me directly or through Richard. Other  
25 than that, I have nothing to report today. Thank you.

1                   CHAIRMAN MCMILLAN: Thank you, Mary. Thank  
2                   you for being here. Claudette Weston, the  
3                   Administrative Committee report.

4                   MS. WESTON: I'm here and settled and not  
5                   running around. First, Mr. Chairman, I want to thank  
6                   you personally and for the Board for a lovely night  
7                   last night. That was -- that was very nice. I got to  
8                   know the new members of the Board, so thank you very  
9                   much.

10                  Yesterday our Committee reviewed -- reviewed  
11                  the cash balance report in funds available for grant  
12                  awards including unencumbered funds from projects. And  
13                  the Committee has recommended unencumbering the total  
14                  of \$537,096.23 with \$227,305.77 for the  
15                  Restoration/Stormwater Greenway Committee and  
16                  309,790.46 for the Acquisition Committee to develop a  
17                  recommendation of how best to use unencumbered --  
18                  unencumbered funds.

19                  CHAIRMAN MCMILLAN: All right. You've heard  
20                  that's the recommendation of the Committee. Is there  
21                  discussion? If not, so many as approve the  
22                  recommendation of the Administration Committee, please  
23                  say "aye."

24                  BOARD MEMBERS: Aye.

25                  CHAIRMAN MCMILLAN: Any opposed, "no."

1 (No audible response)

2 CHAIRMAN MCMILLAN: The "ayes" have it. Is  
3 that your report?

4 MS. WESTON: That is my report, sir.

5 CHAIRMAN MCMILLAN: Thank -- thank you very  
6 much. Program Committee report. Co-chairs Hollan and  
7 Garrou.

8 MR. HOLLAN: Mr. Chairman, the Program  
9 Committee met yesterday pursuant to the agenda on Page  
10 3 of the circulated agenda. And we had several items  
11 to consider. We got a report from Christopher Fipps on  
12 the status of the Stewardship Endowment earnings. The  
13 -- the bottom line of that is that from earnings in  
14 excess of what was required to -- to reimburse the  
15 Stewards for their activities on the conservation  
16 easement and from some unencumbered funds which were  
17 also -- had come in, we got -- had \$81,654.97 in  
18 excess. The Committee recommended that of those funds,  
19 \$8,231.25 be added to the amount of money available for  
20 easement management, bringing that up to the \$20,000  
21 level that has -- we have allocated in the past two  
22 years. And that the balance of \$73,423.72 be  
23 reinvested with the corpus of the Stewardship Fund.

24 CHAIRMAN MCMILLAN: Thank you, Mr. Hollan.  
25 You've heard the recommendation of the Committee. Is

1           there discussion? Mr. Garrou.

2                   MR. GARROU: I have a question that I should  
3           have asked yesterday, Bill and maybe of Christopher.  
4           The 73,423 that goes back into the endowment, is that -  
5           - does that retain its character as income? Because  
6           the Statute does not permit us to spend principle. So  
7           it seems to me that it would be important for  
8           flexibility that any income that is left over at the  
9           end of the year retain that character in the endowment  
10          so that if we had to spend it, we could.

11                   CHAIRMAN MCMILLAN: Christopher.

12                   MR. FIPPS: Yes, sir. Yes, we would need  
13          direction -- I think the recommendation as proposed  
14          would be proposing to put it into the principle of the  
15          endowment, so it would become a part of the principle  
16          and, therefore, would continue to -- to earn the  
17          interest, but not to be -- to be spent. And if the  
18          Board would like to -- to keep that as interest  
19          earnings, then it would remain in the Fund, just not be  
20          reinvested into the principle.

21                   MR. GARROU: Well, that's what I would  
22          suggest as a substitute or amended motion. That --  
23          that any funds returning to the endowment retain their  
24          character as income if that's what they are.

25                   CHAIRMAN MCMILLAN: Okay, you've heard that

1 amendment. Is there a second to Mr. Garrou's proposed  
2 amendment.

3 MR. HOLLAN: Second.

4 CHAIRMAN MCMILLAN: Seconded by Mr. Hollan.  
5 Is there discussion?

6 MR. WRIGHT: I have a question about --

7 CHAIRMAN MCMILLAN: Jerry Wright.

8 MR. WRIGHT: Would that money that reverted  
9 still earn interest to us in that form?

10 CHAIRMAN MCMILLAN: Christopher?

11 MR. FIPPS: Yes, sir.

12 MR WRIGHT: Does it go back into the  
13 endowment, Christopher, or will we hold it in a -- in  
14 our short-term interest or --

15 MR. FIPPS: No, sir, it would remain in the  
16 long-term investment fund.

17 CHAIRMAN MCMILLAN: Is there further  
18 discussion? If not, so many as favor the amendment  
19 offered by Mr. Garrou, please say "aye."

20 BOARD MEMBERS: Aye.

21 CHAIRMAN MCMILLAN: Any opposed, "no."

22 (No audible response)

23 CHAIRMAN MCMILLAN: The "ayes" have it. Now,  
24 the motion as amended -- motion of the Committee as  
25 amended is before you. Is there further discussion on

1           that motion?  If not, so many as favor the motion, say  
2           "aye."

3                         BOARD MEMBERS:  Aye.

4                         CHAIRMAN MCMILLAN:  Any opposed, say "no."

5                                 (No audible response)

6                         CHAIRMAN MCMILLAN:  The "ayes" have it.  Mr.  
7           Hollan.

8                         MR. HOLLAN:  Thank you,  Mr. Chairman.  We  
9           also got a report from Beth McGee on the historical  
10          geographic distribution of our funding.  That has been  
11          one of the things that we tried to look at and over the  
12          course of the years to make sure that there was balance  
13          in the allocating of funds across the state.  There's  
14          been some concern expressed that given the limitations  
15          on funding for acquisitions and some of the kinds of  
16          funding that have traditionally gone to the western  
17          part of the state that our distribution might be  
18          adversely impacted and Beth presented us with some  
19          information that suggests that in this current year,  
20          the western part of the state is likely not to get the  
21          share of funds that it has traditionally gotten and  
22          probably not a share that's commensurate with either  
23          water assets or the population.

24                         MR. ROGERS:  And I think Beth has an updated  
25          slide she can --



1 MS. MCGEE: If you want.

2 MR. HOLLAN: If you want to see it.

3 MR. ROGERS: Let's look at -- yeah, Beth's  
4 prepared an update with the tentative actions taken by  
5 Committee yesterday. So just kind of give us the up-  
6 to-the -- up-to-the second perspective on where that  
7 is. So it's updated with regards to the actions that  
8 are going to be presented to the full Board that were  
9 taken by the Committee yesterday. Beth.

10 MS. MCGEE: These included, but just once  
11 again the centrals on the left, the easterns in the  
12 middle, western on the right and then the far right is  
13 the statewide regional, the blue is the historical '07  
14 through 2010, the red is -- this 2011 cycle through  
15 yesterday's meeting. And I did lump all together those  
16 approvals that were final approvals and those ones that  
17 you all gave conditional approval to use unencumbered  
18 money as it came in.

19 So the western percentage went from five  
20 percent yesterday, I think, it was 10 percent today.  
21 So it's still lower because that's essentially where --  
22 the acquisitions is really where the money goes to the  
23 west.

24 But if you look -- I did look at the square  
25 mile. It's not -- if you look at the dollar per square

1 mile because the western area is a lot smaller, it  
2 would get, in this cycle, \$158 per square mile and,  
3 like, a central, an eastern would get 260 to 360. So  
4 it's still less, but it's not -- it makes it -- it  
5 feels a little bit better when you look at the dollar  
6 per square mile. So that's all I have. Thanks.

7 CHAIRMAN MCMILLAN: All right, that was an  
8 information item only as I understand it.

9 MR. HOLLAN: Finally, Mr. Chairman, we heard  
10 a report from Richard Rogers on some -- two staff  
11 recommendations pursuant to discussions that the Board  
12 had last -- last time. One is that there be an  
13 abbreviated application process for those 2011  
14 applications which we have in hand, which will not be  
15 able to be funded this year due, mainly, to the  
16 significant decrease in -- in the amount of available  
17 funds. And, at the suggestion of the staff, the  
18 Committee recommends that an abbreviated process,  
19 application process, be developed to allow those 2011  
20 applications to hold over into the 2012 cycle.

21 CHAIRMAN MCMILLAN: You've heard the  
22 recommendation of the Committee. Is there discussion?  
23 If not, so many as favor the recommendation, please say  
24 "aye."

25 BOARD MEMBERS: Aye.

1 CHAIRMAN MCMILLAN: Any opposed, "no."

2 (No audible response)

3 CHAIRMAN MCMILLAN: The "ayes" have it.

4 MR. HOLLAN: We also had an update on the  
5 portion of the S state law -- well, the session law, I  
6 guess, 2011-374 which directed that we add to the -- to  
7 the list of items which were eligible to fund and which  
8 we should fund, projects that deal with reservoir  
9 development. The staff reported that we have not yet  
10 developed criteria for that, but it was felt that since  
11 we're not meeting again until February and since we  
12 need to get our applications in order that we should  
13 direct that the Board should direct the staff to  
14 incorporate reservoir development into the application  
15 as one of the items to be considered for funding.

16 CHAIRMAN MCMILLAN: All right, you've heard  
17 the recommendation of the Committee. Is there  
18 discussion? If not, so many as favor the  
19 recommendation, say "aye."

20 BOARD MEMBERS: Aye.

21 CHAIRMAN MCMILLAN: Any opposed, say "no."

22 (No audible response)

23 MR. CHAIRMAN: The "ayes" have it.

24 MR. HOLLAN: Mr. Chairman, that concludes the  
25 Program Committee report.

1                   CHAIRMAN MCMILLAN: Thank you, Mr. Hollan.  
2                   Acquisition Committee, Joe Hester and Jerry Wright.

3                   MR. WRIGHT: Yes, Mr. Chairman, the  
4                   Acquisitions Committee met yesterday and had some very  
5                   detailed discussion as to our Acquisitions agenda. We  
6                   have added this morning an agenda item Triangle Land  
7                   Conservancy and I'm going to ask Richard to comment on  
8                   that.

9                   MR. ROGERS: Thank you, Mr. Chairman. What -  
10                  - I'll pass this out to the trustees. And this is a  
11                  letter that we received that was written on September  
12                  21st. One of the -- we didn't put it in the Board  
13                  packet. We were trying to do a little more research.  
14                  The project -- the Swain Tract was -- was a three mile  
15                  -- buffer on the Haw River. It's a fantastic project.  
16                  It's the top scoring project we had in 2010.

17                  And it was also, TLC was working with Parks  
18                  and Rec with regards to this tract. And as I mentioned  
19                  yesterday, I wanted to make sure that Parks and Rec was  
20                  not going to be able to assist this -- this property in  
21                  -- in -- in helping it happen. And we got report back  
22                  post -- after the Board meeting in communication with  
23                  the Parks that they were not going to be able to get to  
24                  this.

25                  And so we did not include it in the Board

1 packet, but it is, after looking and researching and  
2 doing a little -- a little homework on it -- it just is  
3 not going to happen right now. And the staff is  
4 recommending that you all accept this withdrawal letter  
5 on the Swain Tract Project Number 2010-090. The amount  
6 of the project is \$1,091,000 that will be returned to  
7 the Board. Thank you, Mr. Chairman.

8 MR. WRIGHT: All right, at this time, I'm  
9 going to move that we accept the withdrawal of the  
10 Swain Tract 2010-090 fee simple acquisitions grant and  
11 unencumber [sic] the \$1,091,000 and allow that to be  
12 unencumbered. And I move that motion.

13 CHAIRMAN MCMILLAN: All right, you've heard  
14 the motion of -- of -- of Mr. Wright. Is there a  
15 second?

16 MR. HESTER: Second.

17 CHAIRMAN MCMILLAN: Seconded by Joe Hester.  
18 Is there discussion? If not, so many as favor the  
19 motion, say "aye."

20 BOARD MEMBERS: Aye.

21 CHAIRMAN MCMILLAN: Any opposed, say "no."  
22 (No audible response)

23 CHAIRMAN MCMILLAN: The "ayes" have it.

24 MR. WRIGHT: Thank you, Mr. Chairman.

25 Yesterday we then -- we went into our review and

1           approvals of the 2011 Military Conservation Easement  
2           Acquisition and acquisition applications and had a very  
3           detailed and lengthy conversation. And at the end of  
4           that long conversation, we had a motion that covers all  
5           the military and RFP tracts on our Acquisition Reviewed  
6           Committee list. The Committee moves that we approve  
7           the application 2011-030 NC Coastal Land Trust Lukens  
8           Island Phase III for \$1,022,744. We approved 2011-056  
9           NC Coastal Land Trust Lewis Farm for \$477,125; 2011-057  
10          Sandhills Area Land Trust Thompson Tract for \$330,548;  
11          and the 2011-059 Nature Conservancy Davis & Kilkenny  
12          Tract for \$414. We allowed the --

13                   CHAIRMAN MCMILLAN: \$414,400, correct?

14                   MR. WRIGHT: \$414,400, correct. We allowed  
15           the withdrawal of the 2011-022 application and we did  
16           not fund the 2011-058.

17                   We also instructed that staff -- that the  
18           funding for these particular tracts, the three tracts  
19           and the military RFP projects that were approved will  
20           basically be funded through the 1.5 million allocation  
21           from the legislature which was said we must spend 1.5  
22           million for military. The initial funding for the  
23           Lukens Island Tract will come from the remainder of  
24           that -- of that funding to get up to the \$1.5 million  
25           and the remainder of the funds will come from the

1 unencumbered amount of money that has just been  
2 approved from the Triangle Land Conservancy  
3 unencumbering.

4 The remainder of the money from the  
5 unencumbered funds we will consider applying in our  
6 February meeting when we go back and look at the  
7 conservation easements that are still -- could be  
8 approved and other needs by committees within our  
9 organization. And that is the motion from our  
10 Committee.

11 CHAIRMAN MCMILLAN: All right, you've heard  
12 the motion of the Committee. Is there discussion? Mr.  
13 Hollan.

14 MR. HOLLAN: I thought as to 2011-056 that we  
15 were going to wait until February to consider that.  
16 And I had a conversation afterwards with the  
17 representative from the applicant as to whether the  
18 Town of Havelock might be able to contribute some funds  
19 and reduce our level of expenditure on that. And --  
20 and I think that would be a possibility that we could  
21 consider. So I thought that that one was -- be  
22 considered separately from the other three. I know  
23 we've had this -- we've had this Triangle Land  
24 Conservancy money come in, which we didn't have  
25 yesterday. But I -- it's just my recollection that

1           that one was to be considered separately.

2                   MR WRIGHT: At the end of the meeting,  
3           initially, we talked about doing that, but in the end,  
4           the basically the motion allowed for funding 2, 3, 4  
5           and 5 with military funds or inversions in compliance  
6           with CW funding provision SL 2011-374. Which includes  
7           2011-030, 2011-056, 2011-057, 2011-059 according to our  
8           notes that were taken yesterday. And that is the  
9           Committee recommendation.

10                   CHAIRMAN MCMILLAN: Further discussion?

11                   MR GARROU: Yes. If there is some  
12           opportunity for some funds from the town, should we be  
13           turning that away by approving this motion?

14                   MR. ROGERS: I mean, we'll be -- we'll be  
15           glad to follow up on that and see what the  
16           opportunities are. And I think that it's -- all our  
17           motions are made for up to the amount and we can -- we  
18           can pursue that and report back to the co-chairs and  
19           the Committee if you like about that as well. It's  
20           just a question if you want to hold until February, I  
21           think, is the question, and let us report back then or  
22           not, is what we're --

23                   MR: HOLLAN: Jerry, I'd make a  
24           substitution motion with respect to that one that we  
25           offer up to \$427,125 and that we -- they seek funding



1 from the town of Havelock in the amount of \$50,000.

2 CHAIRMAN MCMILLAN: You've heard the  
3 substitute motion. Is there a second to the substitute  
4 motion?

5 MR: HOWARD: I second.

6 CHAIRMAN MCMILLAN: All right, there's a  
7 second. Is there discussion of the substitute motion?  
8 If not -- if not, so many as favor the substitute  
9 motion, please say "aye."

10 BOARD MEMBERS: Aye.

11 CHAIRMAN MCMILLAN: Opposed, "no."

12 (No audible response)

13 CHAIRMAN MCMILLAN: The "ayes" have it.  
14 Substitute motion is adopted.

15 MR WRIGHT: Mr. Chairman, we need to vote on  
16 the main motion.

17 CHAIRMAN MCMILLAN: I think his substitute  
18 motion was not an amendment to your motion, but was a  
19 substitute for the motion and so your main motion as  
20 changed by his which just reduced by \$50,000 Item  
21 Number 3, the Coastal Land Trust.

22 MR. HOLLAN: I think the motion was up to and  
23 seeking.

24 CHAIRMAN MCMILLAN: Yeah, up to. So further  
25 business of the Acquisition Committee?

1 MR. WRIGHT: Transfer of grant contract  
2 administrator. The staff yesterday came to us for a  
3 request --

4 CHAIRMAN MCMILLAN: Put your mic on, please,  
5 Jerry.

6 MR. WRIGHT: The staff came with us yesterday  
7 for a request by two of our contracts to be changed  
8 from the eligible organization to another organization  
9 and Triangle Conservancy and the Triangle -- let's see  
10 -- Triangle Land and the Trust for Public Lands has  
11 asked that those projects be changed to Durham and City  
12 of Raleigh. The Committee after much discussion,  
13 approved the concept of changing those, but we need a  
14 letter from the applicants allowing that to happen and  
15 the Committee chairman and the Director will be --  
16 approving those approvals after the Board votes. And  
17 the Committee moves that action.

18 CHAIRMAN MCMILLAN: You've heard the motion  
19 of the Committee. Is there discussion? If not, so  
20 many as favor the motion, say "aye."

21 BOARD MEMBERS: Aye.

22 CHAIRMAN MCMILLAN: Those opposed, say "no."

23 (No audible response)

24 CHAIRMAN MCMILLAN: The "ayes" have it.

25 MR. WRIGHT: And the item of HD donated mini

1 grant Value of Buffer versus Total Value. The  
2 Committee discussed in pretty long conversation the  
3 controversy and concerns by some of the local land --  
4 land trust about our policy on mini-grant values and  
5 the buffer verses outside the buffer. And after a long  
6 discussion. We move that the Clean Water Management  
7 Trust will continue to review and approve donated  
8 easement, mini-grant application that meet all of the  
9 programs criteria on a rolling basis throughout each  
10 fiscal year. Application in which the value of the  
11 riparian buffer is less than requested transaction  
12 costs will be held active until the end of the fiscal  
13 year. At the end of the fiscal year, Acquisition  
14 Committee Co-chairmen will consider exceptions to the  
15 criterion of riparian value and make decisions whether  
16 to fund the proposals. There will be a 10 percent of  
17 donated easement mini grant funds \$75,000 of the  
18 750,000, which is 10 percent, held until the end of the  
19 fiscal year to make sure that all are funds are not  
20 expended prior to the end to consider the exceptions,  
21 in particular exceptions from the 9 Mountain Land Trust  
22 in which the proposal includes excluding cattle from  
23 streams will be considered. And that is the motion of  
24 the Committee.

25 CHAIRMAN MCMILLAN: All right, you've heard

1 the motion of the Committee. Is there discussion? Joe  
2 Hester.

3 MR. HESTER: Does that exclude the rest of  
4 the state or is that only for the mountains? I don't  
5 read here that to exclude the rest of the state. Am I  
6 wrong?

7 MR. WRIGHT: I don't think it was done to  
8 exclude the rest of the state, but with a special  
9 emphasis on the -- on the Land Trust in the western  
10 part of the state to make sure that they try and  
11 address -- protect that particular region and  
12 especially because it is much more of a problem in the  
13 west than in the other parts of the state. So.

14 CHAIRMAN MCMILLAN: All right. Further  
15 discussion. If not, so many as favor the motion of the  
16 Committee, say "aye."

17 BOARD MEMBERS: Aye.

18 CHAIRMAN MCMILLAN: Any opposed, say "no."  
19 (No audible response)

20 CHAIRMAN MCMILLAN: The "ayes" have it. And,  
21 Richard, you have one item on the Caldwell County  
22 Property Sale update.

23 MR. ROGERS: Yes, sir. There was an  
24 information item. I can review that again, if you  
25 like, or --

1                   CHAIRMAN MCMILLAN:  If you'll just give a  
2                   short --

3                   MR. ROGERS:  The -- of course, the Caldwell  
4                   County was -- it purchased land through a grant.  What  
5                   year was that?  2005 or 6?  And -- for a reservoir and  
6                   the reservoir is not going to come to fruition.  The  
7                   county put the property up for sale with the  
8                   restrictions on -- our conservation easement on it.  
9                   There's two buyers that the county is under contract  
10                  with now.  The project seems to be moving forward.  We  
11                  have been in communication with the county.  The county  
12                  is going to be setting up a stewardship endowment fund  
13                  for the property because it's going to go back into  
14                  private hands and there will need to be stewardship on  
15                  the property for monitoring purposes.

16                  We've also -- the Foothills Lands Conservancy  
17                  is the one that is taking that over.  They have been in  
18                  close communication with the property owners -- for the  
19                  future property owners to have the property under  
20                  contract and working with them.  There's a few issues  
21                  on the property now that -- that bring the property out  
22                  of compliance with the easement and the town will make  
23                  those right prior to the transfer of the property and  
24                  the endowment will be set up, and then, after that,  
25                  hopefully, at the end of this month.  Then the new

1 property owners will -- will hold the -- hold the fee  
2 the conservancy -- the state easement still in place  
3 will be monitored and -- monitored by the Foothills  
4 Lands Conservancy and we -- we hope to have a good  
5 relationship with the property owners and we'll provide  
6 you any future updates with regards to this  
7 transaction. Thank you, Mr. Chairman.

8 MR. WRIGHT: Thank you. Mr. Chairman, that  
9 concludes our report on acquisitions.

10 CHAIRMAN MCMILLAN: Thank you, Jerry. For  
11 the record, after the call of the role, Trustees  
12 Brannon, Howard and Rash came in and have been here for  
13 virtually all of the meeting. I want the record to  
14 reflect that.

15 We'll now go to Restoration/Stormwater.

16 MS. BRANNON: Thank you very much. Okay. We  
17 had a great Committee meeting yesterday and I thank  
18 everybody for attending. We have first item that I  
19 would like to bring to your attention, and we did add a  
20 new item to the agenda yesterday, it was the 2007-423  
21 Southwest NCR -- NC RC&D project. And I'll get to that  
22 report in a moment. But that was added to our work  
23 agenda yesterday.

24 The first item that we have, Mr. Chair, is  
25 Item 2008-423 Southwestern -- wait a minute, that

1 number's not -- oh, yeah, it is. Yeah, this is really  
2 confusing because when you see these two projects for  
3 2008-423 and 2007-423. It's not a trick on me. So the  
4 first one is a 2008-423 Southwestern. And there was --  
5 staff recommended and the Committee agreed and the  
6 Committee recommends today that this project was a  
7 Stream Restoration grant contract required permanent  
8 easement on four stream breaches into Haywood County.  
9 The Committee recommends that we amend the contract to  
10 require a permanent easement on only the non-  
11 agricultural property and allow use of our Ag BMP  
12 policy for stream stabilization on the three  
13 agricultural properties. In addition, the Committee  
14 has recommended that we amend the grant contract to  
15 reduce the amount of matching funds in the project  
16 budget by \$250,000 to \$154,960. This would reduce the  
17 percentage match from 61 percent to 37 percent. The  
18 Committee recommends these requests.

19 CHAIRMAN MCMILLAN: You've heard the  
20 recommendation of the Committee. Is there discussion?  
21 If not, so many as favor the motion, say "aye."

22 BOARD MEMBERS: Aye.

23 CHAIRMAN MCMILLAN: Those opposed, say "no."  
24 (No audible response)

25 CHAIRMAN MCMILLAN: The "ayes" have it.

1 MS. BRANNON: The next one is 2007-423  
2 Southwestern NC RC&D. This is a case where the  
3 landowner is not cooperating and they have not been  
4 able to close this deal so the organization is  
5 requesting that we -- that we authorize the Executive  
6 Director, our Executive Director to accept this request  
7 for seeking terminating the grant contract. This means  
8 that probably up to -- somewhere up to \$450,000 will  
9 revert to our fund. So the Committee does recommend  
10 the Board's approval to accept this -- to let the  
11 Executive Director accept this request and terminate  
12 the contract.

13 CHAIRMAN MCMILLAN: You've heard the motion.  
14 Is there discussion? If not, so many as favor the  
15 motion, say "aye."

16 BOARD MEMBERS: Aye.

17 CHAIRMAN MCMILLAN: Any opposed, say "no."  
18 (No audible response)

19 CHAIRMAN MCMILLAN: The "ayes" have it.

20 MS. BRANNON: Also, yesterday in our  
21 discussion about funding our projects for this year, a  
22 decision was made that would use our entire allocation  
23 which was \$2,227,306 to be applied to the  
24 Restoration/Stormwater projects and that none be  
25 applied this year to the Greenway projects. Do we need



1 to vote on that, Mr. Chair? Or do we just need to move  
2 on with my report?

3 MR ROGERS: I think we can move on with what  
4 was approved and then we need to see what you want to  
5 hold in for contingencies for additional funds and then  
6 what we don't want to look at any further.

7 MS. BRANNON: Okay. I was just referring  
8 specifically to the Greenway issue.

9 CHAIRMAN MCMILLAN: I think the -- I think  
10 what you're talking about doing was reserve and hold  
11 those matters for later in the year to see what funds  
12 were available and see what guidance we can get from  
13 the General Assembly with respect to greenways in  
14 general.

15 MS. BRANNON: Okay, that -- what I was really  
16 trying to make sure was part of the record is that we -  
17 - are we not doing that now, but when we look at this  
18 issue again in February to see if there was any  
19 reconsideration. Thank you for making sure I get that  
20 reported correctly. We would like to --

21 CHAIRMAN MCMILLAN: Use your mic, please,  
22 Yvonne.

23 MS. BRANNON: What I would like to do --

24 MR BAYOR: Put the mic on.

25 MS. BRANNON: The Committee would like to

1 recommend the following for grant awards for  
2 restoration projects. If you'll look at your handout,  
3 I hope that you have at your place, with the projects,  
4 I would like to read these -- the ones that we approved  
5 into the record. It's 2011-429 North Carolina Coastal  
6 Federation; 2011-405 Mecklenburg County Stormwater  
7 Services; 2011-703 Charlotte, City of Charlotte  
8 Stormwater for South Park schools; 2011-416 the  
9 Resource Institute Storm -- Mt. Airy's Stormwater V&P  
10 Projects; 2011-706 the City of Durham; 2011-407 the  
11 National Committee for the New River. These projects  
12 were approved by the Committee to be funded for the  
13 2011-2012 cycle.

14 CHAIRMAN MCMILLAN: Subject to the  
15 availability of funds.

16 MS. BRANNON: Subject to the availability of  
17 funds.

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

20 CHAIRMAN MCMILLAN: Yes, Mr. Markham.

21 MR. MARKHAM: Should the amounts of the  
22 recommendation be read into the record?

23 MS. BRANNON: I was going to hand this to our  
24 recorder, but I'd be happy to read. And what would you  
25 like me to?

1 CHAIRMAN MCMILLAN: Either one.

2 MS. BRANNON: Then I'd like to hand this to  
3 the court reporter. Because there are a lot of figures  
4 in the next group coming up and some changes. I think  
5 that would made sure that they -- I can go back and  
6 read them, Kevin if you -- I like to make Kevin happy.  
7 2011-429 that's for \$400,000; 2011-405 is for \$400,000;  
8 2011-703 is for \$400,000; 2011-416 is \$400,000; 2011-  
9 706 is for \$242,811; 2011-407 is for \$250,000.

10 CHAIRMAN MCMILLAN: And I believe you mean up  
11 to those amounts, correct?

12 MS. BRANNON: Up to those amounts.

13 CHAIRMAN MCMILLAN: Thank you.

14 MR. BOYER: Dr. Brannon, I'd like to also  
15 point out there's an error above in the running total  
16 column. From line 4 down, it's short by \$400,000. It  
17 does not affect the Committee's recommendation, but the  
18 running totals are off.

19 Also, the -- the lines, although they're not  
20 sequential, the line numbers pick up the line numbers  
21 from the Committee worksheet from yesterday's meeting.

22 CHAIRMAN MCMILLAN: All right, we have  
23 already voted on this recommendation.

24 MS. BRANNON: Okay. Then we then decided we  
25 are hoping for some reverted funds --

1 MR BOYER: Put your mic on, please.

2 MS. BRANNON: I'm telling you, I'm not  
3 touching it. It just goes off by itself.

4 MR BOYER: It does.

5 MS. BRANNON: Okay. So the projects that we  
6 would like to keep available and for reverted funds if  
7 they become available. I'd like to read these projects  
8 into the record and with their amounts -- up to  
9 amounts. Okay. 2011-714 RiverLink up to \$365,000;  
10 2011-412 Pilot View RC&D up to \$371,038; 2011-403 the  
11 Durham SWCD up to \$370,000 -- 371,100; the 2011-704  
12 City of Charlotte Storm McDonald Pond Project up to  
13 \$200,000; 2011-404 the Mecklenburg County Stormwater  
14 Project up to \$400,000; 2011-705 Durham SWCD Stormwater  
15 Southern High School Stormwater up to \$320,000; the  
16 2011-413 Pilot View RC&D Linville River up to \$397,680.  
17 That's the recommendation of the Committee.

18 CHAIRMAN MCMILLAN: All right, you've heard  
19 the recommendation of the Committee. Is there  
20 discussion? If not, so many as favor the  
21 recommendation, say "aye."

22 BOARD MEMBERS: Aye.

23 CHAIRMAN MCMILLAN: Any opposed, say "no."  
24 (No audible response)

25 CHAIRMAN MCMILLAN: The "ayes" have it.

1 MS. BRANNON: Mr. Chair, there are also some  
2 projects that we -- in Group 1 that we recommended not  
3 being approved in the 2011 funding cycle. These  
4 projects are 2011-712 city of Raleigh; 2011-411 Pilot  
5 View at Bledsoe Creek Project; 2011-406 the National  
6 Committee for the New River; 2011-424 the Surry SWCD  
7 Horne Creek Project; 2011-713 RiverLink Stormwater  
8 Odyssey School Stormwater BMP projects. These projects  
9 are not recommended for approval in the 2011 funding  
10 cycle.

11 CHAIRMAN MCMILLAN: You've heard the  
12 recommendation of the Committee. Is there discussion?  
13 If not, so many as favor the motion, say "aye."

14 BOARD MEMBERS: Aye.

15 CHAIRMAN MCMILLAN: Opposed, say "no." The  
16 "ayes" have it.

17 MS. BRANNON: Mr. Chair, I do believe if you  
18 think it's appropriate, we do have other projects that  
19 were in Group 2 where the scopes are not prepared.  
20 Obviously, these projects are also not approved for  
21 funding for the 2011-12 cycle. Should we -- should we  
22 move to vote -- read those into the record?

23 CHAIRMAN MCMILLAN: I'm comfortable with you  
24 making a general motion and handing the list to the  
25 court reporter to put in the record. (List attached as

1 Exhibit 1.)

2 MS. BRANNON: Thank you. So for the record,  
3 I will do as the Chair asks. Group 2 the scopes not  
4 prepared projects were not approved for funding and  
5 this will be recorded in the record. And that's the  
6 recommendation of the Committee.

7 CHAIRMAN MCMILLAN: You've heard the  
8 recommendation of the Committee. Is there discussion?  
9 If not, so many as favor the motion, say "aye."

10 BOARD MEMBERS: Aye.

11 CHAIRMAN MCMILLAN: Opposed, say "no." The  
12 "ayes" have it.

13 MS. BRANNON: Finally, Mr. Chair, we did  
14 recommend that the Board accept the withdrawal of two  
15 applications 2011-711 for Polk SWCD; 2011-702 from  
16 Carolina Land and Lakes. These two projects have  
17 requested that they have their applications withdrawn  
18 and the Committee recommends that.

19 CHAIRMAN MCMILLAN: You've heard the  
20 recommendation of the Committee. Is there discussion?  
21 If not, so many as favor the motion, say "aye."

22 BOARD MEMBERS: Aye.

23 CHAIRMAN MCMILLAN: Those opposed, say "no."  
24 The "ayes" have it.

25 MS. BRANNON: That concludes our Committee's

1 report.

2 CHAIRMAN MCMILLAN: Thank you very much.  
3 We'll now proceed to the Infrastructure/Wastewater  
4 Committee Co-chair Markham.

5 MR. MARKHAM: Thank you, Mr. Chair. The  
6 Committee was present with the exception of Co-chair  
7 Thomas was unable to join us yesterday. The Committee  
8 had two additions to the printed agenda involving  
9 requests for consideration from the Town of Conway and  
10 the Town of Enfield, which I will address in the  
11 sequence in which we addressed them.

12 Our first item of agenda was the  
13 consideration for the establishment of a new contract  
14 to continue work for Wastewater Discharge Elimination  
15 Program. And the Committee recommended entering into a  
16 new contract of up to \$433,354.06 with Western Piedmont  
17 Council of Governments for repairing failing septic  
18 systems in the four-county area of Alexander, Burke,  
19 Caldwell and Catawba Counties. The scope of work and  
20 contract conditions will be similar to that of the WaDE  
21 program. And this will be replacing -- let's see, this  
22 -- sorry, Larry, can you -- which project is this  
23 replacing?

24 MR. HORTON: It is replacing the project that  
25 we had with WaDE and I do not have that grant number.

1 MR. HOLLAN: According to the agenda, it's  
2 1997-B609 and 2004-B605.

3 MR. MARKHAM: Yeah, it's the -- it's the 4-  
4 B605.

5 CHAIRMAN MCMILLAN: You've heard the  
6 recommendation of the Committee. Is there discussion?  
7 If not, so many as favor the motion, say "aye."

8 BOARD MEMBERS: Aye.

9 CHAIRMAN MCMILLAN: Opposed, say "no."

10 (No audible response)

11 CHAIRMAN MCMILLAN: The "ayes" have it.

12 MR. MARKHAM: Thank you. We also have  
13 informational item the staff provided an update on the  
14 City of Shelby's Wastewater Elimination Project which  
15 was 2007-537. Next we have an Action Item the  
16 Committee took up consideration based on a request from  
17 the Town of Conway to use under-run funds to add  
18 additional rehabilitation of pump stations to Project  
19 2008-512. The Board had originally approved the award  
20 in October 2008. The Committee does not recommend  
21 approving the request because the rehabilitation of the  
22 pump stations was not in the original approved scope of  
23 work.

24 CHAIRMAN MCMILLAN: Is that information --

25 MR. MARKHAM: I'm sorry that's the -- it's a



1 staff -- or it's Committee recommendation is not to  
2 approve their request.

3 CHAIRMAN MCMILLAN: You've heard the report  
4 of the Committee. Is there discussion? If not, so  
5 many as favor the motion of the Committee to not  
6 approve the recommendation, please say "aye."

7 BOARD MEMBERS: Aye.

8 CHAIRMAN MCMILLAN: Opposed, say "no."

9 (No audible response)

10 CHAIRMAN MCMILLAN: The "ayes" have it.

11 MR. MARKHAM: Thank you. The Committee then  
12 took up the consideration at the request from the Town  
13 of Enfield on Project 2008-514. The Town of Enfield  
14 requested to use the under-run funds to add additional  
15 work to scope, to replace a pump station instead of  
16 eliminating it, and to construct sewer lines along Cub  
17 Road. So it was a three-part request. The Committee  
18 recommendation is that we approve the replacement of  
19 the pump station instead of eliminating it as requested  
20 by the Town of Enfield, but the Committee does not  
21 recommend funding items added that were not part of the  
22 original scope and not funding construction sewer lines  
23 along Cub Road as part of this 2008 project. That is  
24 the recommendation of the Committee.

25 CHAIRMAN MCMILLAN: You've heard the

1 recommendation of the Committee. Is there discussion?

2 If not, so many as favor the motion, say "aye."

3 BOARD MEMBERS: Aye.

4 CHAIRMAN MCMILLAN: All opposed, say "no."

5 UNIDENTIFIED TRUSTEE: No.

6 CHAIRMAN MCMILLAN: The "ayes" appear to have  
7 it. The "ayes" have it.

8 MR. MARKHAM: Okay. Thank you. The next  
9 item that came before the Committee is a -- is  
10 consideration of projects that were eliminated from  
11 further consideration in the August meeting. So we'll  
12 have a four-part -- four recommendations and we'll ask  
13 that we -- the Board consider those in sequence. The  
14 first recommendation is the City recommends the Board  
15 reconsider the August 15th, 2011 Board action to not  
16 fund 2011 Wastewater Applications in Group 2, but to  
17 encourage them to reapply. The Committee is  
18 recommending that we reconsider these projects.

19 CHAIRMAN MCMILLAN: You've heard the  
20 recommendation of the Committee. Is there discussion?  
21 If not, so many as favor the recommendation, say "aye."

22 BOARD MEMBERS: Aye.

23 CHAIRMAN MCMILLAN: Those opposed, say "no."

24 (No audible response)

25 CHAIRMAN MCMILLAN: The "ayes" have it.

1 MR. MARKHAM: Thank you. The Committee  
2 further recommends review of Group 2 projects that  
3 scored 90 and above.

4 CHAIRMAN MCMILLAN: You've heard the  
5 recommendation of the Committee --

6 MR. MARKHAM: Just suggesting review.

7 CHAIRMAN MCMILLAN: The recommendation is to  
8 review these projects. All in favor say "aye."

9 BOARD MEMBERS: Aye.

10 CHAIRMAN MCMILLAN: All opposed, say "no."

11 (No audible response)

12 CHAIRMAN MCMILLAN: The "ayes" have it.

13 MR. MARKHAM: Thank you. The -- after  
14 discussion and review of the six projects that were in  
15 this group of 90 and above, the Committee recommends  
16 conditional approval for the following projects from  
17 Group 2 in the following priority order based on scores  
18 and contingent on reversion and un-encumbrance of  
19 sufficient funds from project under-runs from existing  
20 Wastewater project contracts. And these projects are  
21 2011-533 City of Thomasville in the amount of up to  
22 \$563,750; 2011-501 Town of Ayden in the amount of up to  
23 \$180,160; 2011-524 Town of Pembroke in the amount of up  
24 to \$600,000; 2011-527 Town of Saratoga in the amount of  
25 up to \$459,811; 2011-605 Town of Highlands in the

1 amount of up to \$296,000; and 2011-604 Town of Enfield  
2 in the amount of up to \$29,500. That is the  
3 recommendation of the Committee.

4 CHAIRMAN MCMILLAN: You've heard the  
5 recommendation of the Committee. Is there discussion?  
6 Mr. Garrou is reaching for his microphone.

7 MR. GARROU: Mr. Chairman, I'd like to offer  
8 a substitute motion which would be the -- the motion  
9 offered by the Committee with the exception of the  
10 Highlands project. I would exclude the Highlands  
11 project.

12 CHAIRMAN MCMILLAN: You've heard the  
13 substitute motion. Is there a second to the substitute  
14 motion?

15 MR PATE: Second.

16 MR. HOWARD: Second

17 CHAIRMAN MCMILLAN: There's a second and two  
18 seconds. Now, is there discussion of the substitute  
19 motion to eliminate the Town of Highlands?

20 MS. KUMOR: Can I ask why? I mean, I -- we  
21 all are making the assumption that it's a wealthy  
22 community and it's -- that's our only criteria?

23 MR. GARROU: My -- my motive was primarily  
24 that it was a \$40,000 per unit project would seem to be  
25 double the criterion established by the -- by the

1 Committee several years ago.

2 MR.MARKHAM: But if I could, I believe the  
3 staff recommendation that we actually were voting on  
4 for approval reduces that amount to the amount below  
5 what the Board established. Larry, I believe that's  
6 now at -- what is the amount that this comes in at?

7 MR. HORTON: That is correct. The -- our  
8 funding level would be -- would be \$14,600 or something  
9 like that. The total cost for -- to serve those  
10 residences would still be \$40,000. It's just that the  
11 Town of Highlands would have to pick up the difference.

12 CHAIRMAN MCMILLAN: Everybody clear?

13 MR. GARROU: And I did understand all that.  
14 It was the \$40,000 per unit total cost that was  
15 objectionable to me.

16 CHAIRMAN MCMILLAN: Correct. No matter who's  
17 paying for it.

18 MR. GARROU: Right.

19 CHAIRMAN MCMILLAN: Correct. All right.  
20 Further discussion of the substitute motion. If not,  
21 all in favor of the substitute motion, please say  
22 "aye."

23 BOARD MEMBERS: Aye.

24 CHAIRMAN MCMILLAN: All opposed, say "no."

25 BOARD MEMBERS: No.

1                   CHAIRMAN MCMILLAN: The Chair is unable to  
2                   decide. All in favor of the substitute motion, please  
3                   raise either hand. I count eight. All opposed raise  
4                   their hand. Seven. I count eight to seven in favor of  
5                   the substitute motion. Substitute motion passes.  
6                   Further Committee reports, Mr. Markham.

7                   MR. MARKHAM: Did that pass?

8                   CHAIRMAN MCMILLAN: Yes.

9                   MR. MARKHAM: All right. The Committee  
10                  recommended not funding the remaining Group 2  
11                  applications that did not receive the conditional  
12                  approval funding, but to encourage them to reapply  
13                  under the approval process for next year. And that is  
14                  the recommendation of the Committee.

15                  CHAIRMAN MCMILLAN: And you will provide a  
16                  list of those to the court reporter. (List attached as  
17                  Exhibit 2.)

18                  MR. MARKHAM: Yes.

19                  CHAIRMAN MCMILLAN: All right. That's the  
20                  recommendation of the Committee. You've heard the  
21                  recommendation. Is there discussion? If not, so many  
22                  as favor the recommendation of the Committee, say  
23                  "aye."

24                  BOARD MEMBERS: Aye.

25                  CHAIRMAN MCMILLAN: Those opposed, say "no."

1 (No audible response)

2 CHAIRMAN MCMILLAN: The "ayes" have it.

3 MR. MARKHAM: That is the Committee report.

4 CHAIRMAN MCMILLAN: Thank you very much. We  
5 need to go back to the Acquisition Committee. And have  
6 one clean-up item. Richard.

7 MR. ROGERS: Yes. And, well, one thing if  
8 you recognize when we were working through the other  
9 committees, we took the projects that were not  
10 recommended to move forward on or that were not in  
11 contingency for funding or in line for funding that  
12 will be received and basically asked them to reapply.  
13 We did not take that action in the Acquisitions  
14 Committee, so Chairman Wright, if you will.

15 MR. WRIGHT: I move that we deny the approval  
16 of the fee simple acquisition of the projects, is that  
17 correct, Richard?

18 MR. ROGERS: Yes, it is. And I think the  
19 other conservation easements that did not score --

20 MR. WRIGHT: Okay, the conservation easements  
21 of those with no scopes prepared, is that correct?

22 MR. ROGERS: That's correct.

23 MR. WRIGHT: Okay.

24 CHAIRMAN MCMILLAN: And you'll provide a list  
25 -- list of those to the court reporter.

1 MR. WRIGHT: Yes, sir.

2 CHAIRMAN MCMILLAN: You've -- you've heard  
3 the recommendation of the Committee. Is there  
4 discussion? If not, so many as favor the motion, say  
5 "aye."

6 BOARD MEMBERS: Aye.

7 CHAIRMAN MCMILLAN: Opposed, say "no."

8 (No audible response)

9 CHAIRMAN MCMILLAN: The "ayes" have it. The  
10 final item -- well, the next --

11 MR. ROGERS: I've got one other addition,  
12 too.

13 CHAIRMAN MCMILLAN: All right. The next item  
14 on the agenda was a follow-up on the committee -- the  
15 whole discussion and we just wanted to put it in the  
16 record that following the committee meetings yesterday,  
17 we had a meeting of the Committee of the whole at which  
18 we recognized retired Trustees Peter Rascoe, Dr. Norman  
19 Camp and Chairman Philip Baddour for their long  
20 service, combined some 22 years to the Clean Water  
21 Management Trust Fund, presented them with plaques  
22 and/or photograph and former Chairman Baddour made some  
23 encouraging comments to the Committee of the whole  
24 about going forward. We then had dinner with them and  
25 it was good to see all of them back. So Richard, you



1           have another item.

2                       MR. ROGERS: In my report, I forgot to  
3 mention that in September, I had the privilege to go up  
4 to Buncombe County and receive an award from the  
5 Buncombe County Land Conservation Advisory Board. And  
6 I wanted everybody -- we'll pass this plaque around,  
7 but it reads that in honor of the Clean Water  
8 Management Trust Fund for the dedication and support of  
9 Clean Water initiatives in Buncombe County and  
10 throughout North Carolina. It's presented by the  
11 Buncombe County Land Conservation Advisory Board  
12 September 15, 2011. So we'll pass this around for  
13 everybody to see.

14                       I did want to mention that Buncombe County is  
15 a leader with regards to looking at and encouraging  
16 conservation easements on land throughout and mostly  
17 rural farmland that they're looking at. And that they  
18 actually put money into this program every year to the  
19 tune of a million or two million dollars and that they  
20 really have set the -- set the bar high and the  
21 standard high for counties in encouragement of  
22 conservation easements throughout their county to  
23 support their -- their agricultural community and the  
24 conservation community. So it was a great honor to be  
25 there. The -- well, it was well -- well done and it

1           was -- it was good -- good to be out in the western  
2           part of the state. So that's it. Mr. Chairman.

3                   CHAIRMAN MCMILLAN: Thank you very much.  
4           Each year we do some fine tuning to committees. We try  
5           to make sure everybody is serving on committees that  
6           they like being on. If you have any requests with  
7           respect to your committee assignments, please either  
8           let Richard or me know and we will try to accommodate  
9           those requests. We can't put everybody on one  
10          committee, but we'll try to do the best we can to make  
11          sure everyone's happy with their committee assignments.

12                   Is -- is -- is there any other business to  
13          come before this meeting? We have a closed session to  
14          approve some minutes from a previous closed session.  
15          And that's the sole purpose and it won't take long, but  
16          we do need to have a closed meeting to approve those  
17          minutes.

18                   MR. HOLLAN: Mr. Chairman, I move that we go  
19          into closed session.

20                   CHAIRMAN MCMILLAN: You've heard the motion.  
21          Is there discussion on the motion that is for the  
22          purpose of considering minutes of a -- of a previous  
23          closed session pursuant to the statute?

24                   MS. WESTON: Second.

25                   CHAIRMAN MCMILLAN: Second. All in favor of

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the motion, say "aye."

BOARD MEMBERS: Aye.

CHAIRMAN MCMILLAN: Opposed, say "no."

(No audible response)

CHAIRMAN MCMILLAN: We are in closed session.

(Meeting adjourned for closed session.)

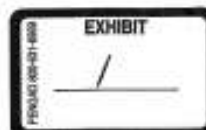
CHAIRMAN MCMILLAN: Upon adjourning the closed session, we went back into open session. There was a motion to adjourn the -- the open session of the October Board Meeting. It was seconded and passed. Thank you very much.

(Meeting concluded at 10:21 a.m.)



R/5/G Committee Recommendations for 2011 Restoration and Stormwater Applications

Application No.	Applicant and Project Name	CWMTF Score	Committee Recommendations		Application Project Budget		
			Running Total, Committee Recommends CWMTF Funds	Committee Recommends CWMTF Funds	CWMTF Funds Requested	Matching Funds	Total Project Budget
<b>GROUP 1: SCOPES PREPARED</b>							
<b>Committee Recommendations Approving for Funding with Available 2011 Funds</b>							
2	2011-428 NC Coastal Federation - Rest/ Mattamuskeet Ventures Farm Watershed Restoration #3 (construction)	121	\$400,000	\$400,000	\$400,544	\$535,000	\$935,544
4	2011-405 Mecklenburg County Storm Water Services - Rest/ Torrence Creek Tributary #1 Restoration Phase I (design and construction)	119	\$400,000	\$400,000	\$400,000	\$1,689,000	\$2,089,000
5	2011-703 Charlotte, City of - Storm/ South Park Schools Campus Stormwater BMPs (design and construction)	115	\$800,000	\$400,000	\$400,000	\$1,144,764	\$1,544,764
6	2011-416 Resource Institute - Storm/ Mount Airy Stormwater BMPs (design and construction) and Ararat Phase 2 Restoration (preliminary, design)	113	\$1,200,000	\$400,000	\$400,000	\$585,065	\$985,065
7	2011-706 Durham, City of - Storm/ Rain Catchers Retrofit Program, Eterbe Creek	113	\$1,442,811	\$242,811	\$242,811	\$194,070	\$439,881
8	2011-407 National Committee for the New River - Rest/ South Fork Boone Greenway Restoration (construction)	112	\$1,892,811	\$250,000	\$250,000	\$1,708,100	\$1,958,100
<b>Subtotals</b>				<b>\$2,092,811</b>	<b>\$2,093,355</b>		
<b>Committee Recommendations Approve for Funding as/If Reverted Funds Become Available, in Descending Order</b>							
9	2011-714 RiverLink Inc. - Storm/ Ross Creek Stormwater (design and construction), Buffer Protection, and Community Education and Assistance	111			\$365,000	\$822,144	\$1,187,144
10	2011-412 Pilot View RC&D - Rest/ Elkin Creek Restoration and Riparian Buffer Enhancement (design and construction)	110			\$371,038	\$155,659	\$526,697
12	2011-403 Durham SWCD - Storm/ Upper Sandy Creek Stormwater BMP and Stream Restoration Phase 5 (construction)	104			\$397,100	\$113,432	\$510,532
1	2011-704 Charlotte, City of - Storm/ McDonald Pond Stormwater Retrofit (design and construction)	124			\$200,000	\$425,715	\$625,715
3	2011-404 Mecklenburg County Storm Water Services - Rest/ Upper Torrence Creek Restoration Phase I (Huntersville Business Park) (design and construction)	119			\$400,000	\$557,800	\$957,800



R/S/G Committee Recommendations for 2011 Restoration and Stormwater Applications

Application No.	Applicant and Project Name	CWMTF Score	Committee Recommends		Application Project Budget		
			Running Total Committee Recommends CWMTF Funds	Committee Recommends CWMTF Funds	CWMTF Funds Requested	Matching Funds	Total Project Budget
15	2011-705 Durham SWCD - Storm/ Southern High School Stormwater BMPs and Channel Stabilization (design and construction)	100			\$331,000	\$81,384	\$412,384
18	2011-413 Pilot View RC&D - Rest/ Linville River and Tributary Restoration Phase II (construction)	98			\$397,680	\$111,100	\$508,780
<b>Subtotal</b>					<b>\$2,461,818</b>		
<b>Committee Recommends Not Approving in the 2011 Funding Cycle</b>							
11	2011-712 Raleigh, City of - Storm/ East College Park Stormwater BMP (design and land acquisition)	105			\$180,000	\$409,000	\$589,000
13	2011-411 Pilot View RC&D - Rest/ Bledsoe Creek Restoration and Stormwater BMP (design and construction)	103			\$388,500	\$546,528	\$946,028
14	2011-405 National Committee for the New River - Rest/ Helton Creek Restoration (design and construction)	102			\$135,852	\$39,966	\$175,838
16	2011-424 Surry SWCD - Rest/ Home Creek Restoration (construction)	100			\$374,500	\$61,700	\$436,200
17	2011-713 RiverLink Inc. - Storm/ Odyssey School Stormwater BMPs and Stream Enhancement (design and construction)	98			\$122,635	\$257,040	\$379,675
<b>Subtotal</b>					<b>\$1,212,517</b>		
<b>GROUP 1 TOTALS</b>					<b>\$2,092,811</b>	<b>\$5,767,690</b>	
<b>GROUP 2: SCOPES NOT PREPARED</b>							
<b>Design and/or Construction Projects</b>							
19	2011-421 Resource Institute - Rest/ Little Pine and Brush Creeks Restoration (design and construction)	98			\$528,238	\$128,347	\$657,585
20	2011-420 Resource Institute - Rest/ Hitchcock Creek Restoration (construction)	97			\$981,000	\$401,026	\$1,082,026
21	2011-710 Pilot View RC&D - Storm/ Sparta Stormwater BMPs (construction)	97			\$437,050	\$259,000	\$696,050
22	2011-423 Roanoke Rapids Sanitary District - Rest/ Roanoke River Tributary Restoration (design and construction)	96			\$811,400	\$216,400	\$827,800
23	2011-716 Wilson, City of - Storm/ Merimont Park Stormwater BMPs Phase 1 (design and construction)	96			\$479,428	\$270,801	\$750,229
24	2011-409 New River SWCD - Rest/ Grassy Creek Restoration (design and construction)	95			\$142,000	\$80,888	\$222,888

R/S/G Committee Recommendations for 2011 Restoration and Stormwater Applications

Application No.	Applicant and Project Name	CWMTF Score	Committee Recommends		Application Project Budget		
			Running Total, Committee Recommends CWMTF Funds	Committee Recommends CWMTF Funds	CWMTF Funds Requested	Matching Funds	Total Project Budget
25	2011-410 Pamlico-Tar River Foundation - Rest/ Restoration of Tributaries to Greens Mt Run and Wetlands (design and construction)	94			\$2,046,019	\$587,143	\$2,633,162
26	2011-418 Resource Institute - Rest/ Cane River Restoration (design)	94			\$394,500	\$78,540	\$473,040
27	2011-425 Upper Calasaja Watershed Association - Rest/ Calasaja River Restoration (design)	94			\$48,000	\$12,000	\$60,000
28	2011-426 Wilkes Community College - Rest/ Moreau Creek Restoration (design and construction)	94			\$754,000	\$192,680	\$946,680
29	2011-408 NC Division of Soil and Water Conservation - Rest/ Conservation Reserve Enhancement Program (CREP) Phase V	94			\$2,673,836	\$4,789,296	\$7,463,132
30	2011-427 Wilkesboro, Town of - Rest/ Tuckerhole Creek Restoration (design and construction)	93			\$485,000	\$237,260	\$722,260
31	2011-414 Pilot View RC&D - Rest/ Rich Fork Creek and Abbotts Creek Restoration (design and construction)	92			\$687,225	\$43,700	\$730,925
32	2011-415 Pilot View RC&D - Rest/ Stewarts Creek Restoration (design and construction)	92			\$590,555	\$252,660	\$843,215
33	2011-417 Resource Institute - Rest/ Big Creek Phase II Stream Restoration (construction)	92			\$654,680	\$59,456	\$714,136
34	2011-430 NC Division of Soil and Water Conservation - Swine Buyout Program, Phase V	91			\$730,750	\$13,000	\$743,750
35	2011-428 Mecklenburg SWCD - Rest/ Watershed Restoration Urban Cost Share Program	90			\$25,000	\$25,000	\$50,000
36	2011-419 Resource Institute - Rest/ Garden Creek Restoration (design)	87			\$190,600	\$40,000	\$230,600
37	2011-709 Piedmont Conservation Council - Storm/ Alamance Community College Stormwater BMPs (design and construction)	86			\$369,000	\$95,000	\$464,000
38	2011-401 Appalachian Voices - Rest/ Elk River Restoration (design and construction)	85			\$108,500	\$108,445	\$216,945
39	2011-708 NC Division of Soil and Water Conservation - Storm/ Community Conservation Assistance Program (CCAP) #3	85			\$906,246	\$590,715	\$1,504,961
40	2011-711 Polk SWCD - Storm/ Polk County Middle School and Recreation Complex Stormwater BMPs (design and construction) <b>WITHDRAWN</b>						
41	2011-715 Tryon Palace Council of Friends - Storm/ Tryon Palace Wetlands Replanting	80			\$28,125	\$3,210	\$31,335
42	2011-701 Avery County School Board - Storm/ Avery County High School Stormwater Wetland (design and construction)	79			\$309,000	\$77,281	\$386,281

R/S/G Committee Recommendations for 2011 Restoration and Stormwater Applications

Application No.	Applicant and Project Name	CWMTF Score	Committee Recommends		Application Project Budget		
			Running Total, Committee Recommends CWMTF Funds	Committee Recommends CWMTF Funds	CWMTF Funds Requested	Matching Funds	Total Project Budget
43 2011-402	Durham SWCD - Rest/ Sarrup Iron Creek Restoration (construction)	75			\$530,730	\$293,251	\$823,981
44 2011-422	Resource Institute - Rest/ Upper Kings Creek and Tribs Restoration (construction) and Greenway (easement acquisition)	88			\$2,003,960	\$1,309,908	\$3,313,868
45 2011-707	Hope Mills, Town of - Storm/ Hope Mills Stormwater BMP (design and construction)	57			\$36,670	\$11,401	\$48,071
46 2011-702	Carolina Land and Lakes RC&D - Storm/ Dixiel Heritage Stormwater BMPs WITHDRAWN						
<b>Subtotal</b>					<b>\$16,432,332</b>		
<b>Planning projects</b>							
47 2011-805	National Committee for the New River - Rest/Plan/ New River Watershed Study	125			\$35,000	\$55,000	\$90,000
48 2011-907	Piedmont Triad Council of Governments - Rest/Plan/ Swearing Creek Watershed Restoration Plan	124			\$52,300	\$203,356	\$255,656
49 2011-809	Lake Waccamaw, Town of - Storm/Plan/ Waccamaw Water Quality Monitoring Program	120			\$43,200	\$2,000	\$45,200
50 2011-804	Blue Ridge RC&D - Rest/Plan Cane River Dam Removal and Stream Restoration Plan Phase I	112			\$538,700	\$281,620	\$820,320
51 2011-906	Piedmont Triad Council of Government - Rest/Plan/ Asheboro Municipal Watershed Restoration Plan	109			\$51,300	\$168,096	\$220,396
52 2011-808	Oriental, Town of - Storm/Plan/ Raccoon Creek Stormwater Study	87			\$10,000	\$0	\$10,000
<b>Subtotal</b>					<b>\$730,500</b>		
<b>GROUP 2 TOTAL</b>					<b>\$17,162,832</b>		

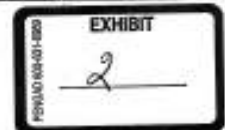


**CWMTF Wastewater Committee Recommendations**

I.D. No.	Application Name	Amount Requested	Total Project Cost	Full Score	Committee Recommendation	
<b>GROUP 2 APPLICATIONS - SCOPES PREPARED</b>						
1	2011-533	Thomasville, City of - WW/ Sewer Rehabilitation, Hamby Creek	\$563,750	\$668,175	92	\$563,750
2	2011-501	Ayden, Town of - WW/ Sewer Rehabilitation, Swift Creek	\$180,160	\$225,200	91	\$180,160
3	2011-524	Pembroke, Town of - WW/ Sewer Rehabilitation, Bear Swamp	\$800,000	\$750,000	91	\$600,000
4	2011-527	Saratoga, Town of - WW/ Sewer Rehabilitation, Toisnot Swamp	\$459,811	\$1,108,401	91	\$459,811
5	2011-605	Highlands, Town of - Septic/ Lake Sequoyah Wastewater Collection, Cullasaja River	\$600,000	\$800,000	91	\$296,000
6	2011-604	Enfield, Town of - Septic/ Watson St. Septic Tank Elimination, Fishing Creek	\$29,500	\$33,758	90	\$29,500

Approved Pending Available Funds= \$2,129,221

<b>GROUP 2 APPLICATIONS - SCOPES NOT PREPARED</b>						
7	2011-504	Beech Mountain, Town of - WW/ Grassy Gap Sewer Rehabilitation Phase I, Buckeye Creek	\$500,000	\$758,800	89	
8	2011-607	Northwest, City of - Septic/ Sanitation Improvement	\$944,000	\$1,444,023	89	
9	2011-528	Scotland Neck, Town of - WW/ Sewer Rehabilitation Phase V, Canal Creek	\$2,197,231	\$2,697,231	86	
10	2011-509	Elm City, Town of - WW/ Sewer Rehabilitation, Town Creek	\$90,000	\$110,000	86	
11	2011-502	Bailey, Town of - WW/ Sewer Rehabilitation, Camp Branch	\$636,000	\$1,082,000	86	
12	2011-516	Kinston, City of - WW/ Queen Street Sewer Rehabilitation, Neuse River	\$1,600,000	\$2,000,000	85	
13	2011-517	Kinston, City of - WW/ Regional Water Reclamation Biosolids Composting Pilot Project, Neuse River	\$532,000	\$665,000	85	
14	2011-538	Wingate, Town of - WW/ Sewer Rehabilitation, Ray's Fork	\$770,000	\$2,623,000	85	
15	2011-525	Robbinsville, Town of - WW/ WWTP Upgrades, Cheoah River	\$3,000,000	\$7,000,000	83	
16	2011-529	Selma, Town of - WW/ Sewer Rehabilitation, Bowdy Swamp	\$273,000	\$334,230	81	



**CWMTF Wastewater Committee Recommendations**

LD. No.	Application Name	Amount Requested	Total Project Cost	Full Score	Committee Recommendation
17 2011-603	Edgecombe SWCD - Septic/ Town of Speed Septic Tank Elimination, Deep Creek	\$290,800	\$347,800	79	
18 2011-506	Chadbourn, Town of - WW/ WWTP Upgrades, Soules Swamp	\$435,000	\$549,802	75	
19 2011-602	Candlewick Area Sanitary District - Septic/ Engineering Design for Sewer Rehabilitation, Little Contentnea Creek	\$133,000	\$133,000	72	
20 2011-531	St. Pauls, Town of - WW/ Sewer Rehabilitation, Big Marsh Swamp	\$430,350	\$453,000	70	
21 2011-505	Bladenboro, Town of - WW/ Sewer Rehabilitation Phase I, Big Swamp	\$489,000	\$1,023,308	69	
22 2011-519	Lumberton, City of - WW/ Sewer Rehabilitation, Stormwater Separation, Lumber River	\$1,623,500	\$1,804,000	65	
23 2011-515	Kill Devil Hills, Town of - Purchase of Kill Devil Hills WWTP, Buzzard Bay	\$3,300,000	\$3,300,000	60	
<b>GROUP 2 - PLANNING PROJECTS</b>					
44 2011-810	Vanceboro, Town of - WW/Plan/ Sanitary Sewer Evaluation, Swift Creek	\$40,000	\$60,000	59	
<b>WITHDRAWN GRANT REQUESTS</b>					
45 2011-521	Moore County - WW/ Discharge Elimination, Little River	\$1,443,713	\$2,443,713	93	
46 2011-608	Simpson, Village of - Septic/ Simpson Septic Tank Elimination, Bates Branch	\$1,808,180	\$4,969,181	95	