

AGENDA

North Carolina Land and Water Fund Executive Committee Meeting

December 3, 2024, 2:30 p.m. – 4:00 p.m.

This meeting will be held via teleconference and will have a physical location on the 4th floor of the Nature Research Center located at 121 West Jones Street, Raleigh, NC in room 4508. If any member of the public would like to join to the meeting via MS Teams or in person, please contact Terri Murray at teresa.murray@dncr.nc.gov or 919-707-9400 in advance for links or directions.

Committee Members:

John Wilson (Chair), Ann Browning, Amy Grissom, Jason Walser

COMMENCEMENT

1) Call to Order (Chair)

a) Welcome

b) Roll call

c) Compliance with General Statute § 138A-15

General Statute § 138A-15 mandates that the Chair inquire as to whether any Trustee knows of any conflict of interest or the appearance of a conflict of interest with respect to matters on the agenda. If any Trustee knows of a conflict of interest or the appearance of a conflict of interest, please state so at this time.

d) Please put cell phones on vibrate or turn off, and if guests are joining remotely, mute your audio and turn off your video unless you are called upon to speak

e) Revisions, additions, and adoption of the agenda

f) Approval of committee meeting minutes from August 14, 2024

2) Executive Director's update (Will Summer)

PUBLIC COMMENTS

The public is invited to make comments to the committee (Chair)

The NCLWF Guidelines and Practices Manual states that comments shall be limited to subjects of business falling within the jurisdiction of the NCLWF. The NCLWF welcomes public comments on general issues. Comments will not be allowed on individual projects before the NCLWF for funding during the regular meeting. Comments will be limited to three minutes per person.

BUSINESS

1) Proposed changes to STW-002 Stewardship Endowment Fund Use (Justin Mercer) - Staff will review proposed changes to the existing guidelines and practices.

ADJOURNMENT

**North Carolina Land and Water Fund
Executive Committee Meeting Minutes
August 14, 2024 1:00 – 3:00 pm**

The meeting was held via Teams with a physical location in the Nature Research Center. All Committee Members in attendance were on Teams, and the Teams link was provided to guest attendees.

Committee Members present: John Wilson, Jason Walser, Ann Browning, Amy Grissom

Committee Members not present: None

Additional Board Members present: Jimmy Broughton, Clement Riddle

Staff Present: Will Summer, Terri Murray, Christina Benton, Steve Bevington, Chelsea Blount, Jill Fusco, Marissa Hartzler, Damon Hearne, Justin Mercer, Will Price, Donna Morris, Zoe Burnett

Visitors present (virtually): Brad Connell

Call to Order (John Wilson, Chair)

The meeting was called to order by John Wilson at 1:01 p.m.

1. Welcome
2. Compliance with General Statute § 138A-15
 - a. No conflicts of interest were noted.
3. Revisions, Additions and Adoption of the Agenda
 - a. Motion to approve the agenda was made by Ann Browning, seconded by Amy Grissom, and unanimously approved.

Executive Committee Minutes:

John asked if anyone had any questions on or changes to the minutes. Amy motioned to approve the minutes with no revisions and Ann seconded. Motion was approved unanimously.

Executive Director's Update (Will Summer)

Will Summer gave an update on the license plate revenue and gave a brief overview of the other items to be discussed today.

Public Comments

No public requests for comment

Business

1) Administrative Expenses (Terri Murray)

- a. Terri Murray presented available funds for this grant cycle.

2) Consideration of additional funding through DEQ (Will Summer)

- a. Will explained the potential funding from DEQ. He explained the staff recommendation as proposed. After some discussion, Ann motioned the staff recommendation. Jason seconded. Motion passed unanimously.
Committee recommendation: "Recommend to the board that DEQ funds in the amount of \$3,200,000 be considered at the October funding meeting."

3) Allocation of Funding for 2024 Applications

- a. Will outlined how the allocations have been handled in the past. Jason motioned an 80%/20% split and Ann seconded. Motion passed unanimously.
Committee recommendation: "The committee recommends for the 2024 grant cycle that all available funds be allocated as follows: 80% of funds to the Acquisition Committee, 20% of funds to the Restoration, Innovative Stormwater, and Planning Committee. The Acquisition Committee will be charged with allocating funding for the Donation Minigrant Program. The Restoration, Innovative Stormwater and Planning Committee will be charged with allocating funding for each of their three program areas based on the merit of the applications during project review. All returned or unspent

grant funds received after the funding meeting will revert to their respective programs to be used for provisional awards for the remainder of the fiscal year.”

Adjournment Motion made at 1:37 by Jason Walser, seconded by Amy Grissom, and unanimously approved.

Action Item**Staff member:** Justin Mercer

Agenda Item 1) Proposed changes to STW-002 Stewardship Endowment Fund Use**Background**

The North Carolina Land and Water Fund (NCLWF) developed the Stewardship Endowment Funds Use Guidelines and Practices in 2014 to govern when and how funds from the North Carolina Conservation Easement Endowment Fund (Endowment) can be spent. These guidelines were revised and adopted in 2019, setting limitations on the amount and frequency of funding spent on an individual conservation agreement.

The guidelines generally limit spending to contracting easement monitors and conservation easement management projects that enhance or protect the conservation values. Individual management efforts are capped at \$5,000 per agreement per year. Growing costs and responsibilities of NCLWF's Stewardship Program necessitate discussion of whether these caps are appropriate.

Staff will present a request to further clarify language concerning eligible expenditures and modernize the limitations on spending.

Staff recommendation

Staff will present a series of recommended changes for consideration by the committee.

Committee action needed

Approve or amend the staff recommendations and make a recommendation to the Board.

Attachments: Proposed changes to Guidelines and Practices STW-002 Stewardship Endowment Fund Use (redlined and clean versions)



Stewardship Program Guidelines and Practices:

Stewardship Endowment Funds Use (STW-002)

Background: Beginning in 2004, State-held conservation easement projects were awarded grant received funds to be held in the Stewardship Endowment (Endowment), the purpose of which was to generate funds for easement monitoring by partner organizations. Monitoring is a perpetual obligation established in NCLWF the easements. As of 2010, funds have are also been approved for management activities that protect and enhance the conservation values of these easements. Beginning A, and as in of 2022, NCLWF staff is taking a more active role in monitoring and management of easements.

The purposes of the following guidelines is are to outline the process for setting annual expenses from the Endowment, and to formalize all Board-approved uses of the Endowment fund, within its statutory boundaries.

Guidelines and Practices: The Board will authorize the disbursement of Endowment investment income annually at the its spring board meeting. Endowment investment income spent authorized for spending in a given year will not exceed 4% of the total value of the Endowment, defined as the 36-month average total value ending March 31 of the current year. The Board delegates to staff the authority to use the approved disbursed funds for annual conservation easement agreement activities described below, in order of priority:

1. Annual monitoring and associated incidental expenses of State-held easements conservation agreements through contracts with organizations identified in conservation easements as obligated qualified to monitor on the State's behalf and/or through the direct employment of NCLWF staff.
2. Stewardship management funds requested for projects that will protect or enhance the conservation values of a State-held easement conservation agreements. Individual expenses cannot exceed \$5,000 per agreement easement, up to once per fiscal year. Funds c and cannot be requested to remediate a violation of the conservation easement agreement, except in the case of third-party violation. Individual expenses in excess of \$20,000 must seek prior approval from the Board Chair.
3. Miscellaneous-Other stewardship management and administrative activities that may fall outside the scope and timeline of annual monitoring contracts and stewardship management awards. Individual expenses cannot exceed \$5,000 in excess of \$20,000 and shall be approved by the Executive Director or designee. must seek prior approval from the Board Chair.

In the event that insufficient funds are available to cover all activities, available funds



~~shall be spent on~~ annual monitoring of State-held ~~easements~~conservation
agreements will be prioritized.

All expenses will be summarized and presented to the Board at ~~the~~its spring meeting.

Effective Date

Versions	Revisions
September 16, 2014	Original Effective Date
May 21, 2019	Revised and Adopted

DRAFT



Stewardship Program Guidelines and Practices:

Stewardship Endowment Funds Use (STW-002)

Background: Beginning in 2004, State-held conservation easement projects were awarded grant funds to be held in the Stewardship Endowment (Endowment), the purpose of which was to generate funds for easement monitoring by partner organizations. Monitoring is a perpetual obligation established in NCLWF easements. As of 2010, funds are also approved for management activities that protect and enhance the conservation values of these easements. Beginning in 2022, NCLWF staff has taken a more active role in monitoring and management of easements.

The purposes of the following guidelines are to outline the process for setting annual expenses from the Endowment and to formalize all Board-approved uses of the Endowment, within its statutory boundaries.

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1. Annual monitoring and associated incidental expenses of State-held conservation agreements through contracts with organizations qualified to monitor on the State's behalf and/or through the direct employment of NCLWF staff.
2. Stewardship management funds requested for projects that will protect or enhance the conservation values of State-held conservation agreements. Individual expenses cannot exceed \$5,000 per agreement, up to once per fiscal year. Funds cannot be requested to remediate a violation of the conservation agreement, except in the case of third-party violation. Individual expenses in excess of \$20,000 must seek prior approval from the Board Chair.
3. Other stewardship management and administrative activities that may fall outside the scope and timeline of annual monitoring contracts and stewardship management awards. Individual expenditures in excess of \$20,000 must seek prior approval from the Board Chair.

In the event that insufficient funds are available to cover all activities, annual monitoring of State-held conservation agreements will be prioritized.

All expenses will be summarized and presented to the Board at its spring meeting.



Effective Date

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