

NORTH CAROLINA LAND AND WATER FUND
BOARD OF TRUSTEES MEETING

Virtual Meeting

Wednesday, March 2, 2022

1:03 P.M.

Volume 1

Pages 1 through 46

A P P E A R A N C E S

(All Parties Participated by Microsoft Teams)

Board of Trustees:

John Wilson, Chair
Ann Browning
Amy Grissom
E. Greer Cawood
Renee Kumor
Jason Walser
Mike Rusher
David Womack
Darrel Williams

Staff:

Will Summer, Executive Director
Hank Fordham, Legal Counsel
Terri Murray, Restoration Program Assistant
Steve Bevington, Restoration Program Manager
Marissa Hartzler, Stewardship Program Manager
Marie Meckman, Acquisition Program
Justin Mercer, Eastern Field Representative
Damon Hearne, Western Field Representative

Guests

Reid Wilson, Chief Deputy Secretary, Department of
Natural and Cultural Resources

P R O C E E D I N G S

1:03 P.M.

1
2 Chairman Wilson: Okay, I would like
3 to call today's meeting of the North Carolina Land &
4 Water Fund Board of Trustees to order. I am John
5 Wilson, the Board Chair, and I would like to welcome
6 everyone who is with us virtually today. We had hoped
7 when the full Board last met in December that this
8 meeting could be in person, but alas here we are again,
9 but our plan is to meet in person for the Board meeting
10 and committee meetings in Wilmington May 16th and 17th,
11 perhaps not the committee meetings as well, perhaps
12 just the full Board meeting. I'll let Will correct me
13 later if he would. Let me start by asking you to
14 please mute your microphones unless you are speaking,
15 and also while I'm at it, ask you to please put your
16 mobile phone ringers on vibrate or turn them off
17 altogether. And with that, I will call the role of our
18 Trustees; Ann Browning.

19 Vice-Chair Browning: Here.

20 Chairman Wilson: Ms. Greer Cawood.

21 Cawood: Chairman Here.

22 Wilson: Hello, Greer; Amy
23 Grissom.

24 Ms. Grissom: Here.

25 Chairman Wilson: Renee Kumar?

1 Restoration Committee Chairman Kumor: Here.

2 Chairman Wilson: Mike Rusher?

3 Mr. Rusher: Here.

4 Chairman Wilson: Jason Walser.

5 Acquisition Committee Chairman Walser: Here.

6 Chairman Wilson: Darrel Williams?

7 Mr. Williams: Here.

8 Chairman Wilson: David Womack?

9 Mr. Womack: Here.

10 Chairman Wilson: And John Wilson is
11 here also. All right, General Statute § 138A-15
12 mandates that the Chair inquire as to whether any
13 Trustee knows of any conflict of interest or the
14 appearance of a conflict of interest with respect to
15 matters on the agenda. If any Trustee knows of a
16 conflict of interest or the appearance of a conflict of
17 interest, please state so at this time. Okay, hearing
18 none, we will move on. I've already asked you to
19 please put your cell phones on vibrate. Now I will ask
20 if there are any revisions or additions to the agenda.
21 All right, hearing none, I'll entertain a motion that
22 we adopt our agenda.

23 Vice-Chairman Browning: Ann, I vote we adopt
24 the agenda.

25 Mr. Williams: Second.

1 Chairman Wilson: Who was that second?

2 Mr. Williams: Darrel.

3 Chairman Wilson: Thank you, Darrel;
4 any discussion; all right, how do you vote, please;
5 Ann?

6 Vice Chairman Browning: Yes.

7 Chairman Wilson: Greer?

8 Ms. Cawood: Yes.

9 Chairman Wilson: Amy?

10 Ms. Grissom: Yes.

11 Chairman Wilson: Renee?

12 Restoration Committee Chairman Kumor: Yes.

13 Chairman Wilson: Mike?

14 Mr. Rusher: Yes.

15 Chairman Wilson: Jason?

16 Acquisition Committee Chair Walser: Yes.

17 Chairman Wilson: Darrel?

18 Mr. Williams: Yes.

19 Chairman Wilson: David?

20 Mr. Womack: Yes.

21 Chairman Wilson: And John is a yes.

22 All right, our consent agenda has only on it the
23 approval of the minutes from the December 2021 Board
24 meeting; any discussion or suggested amendments to
25 those minutes; all right, hearing none, motion to

1 approve the minutes, please?

2 Restoration Committee Chairman Kumor: Renee
3 makes that motion.

4 Chairman Wilson: Thanks, Renee;
5 second, anyone?

6 Acquisition Committee Chair Walser: Jason
7 will second.

8 Chairman Wilson: Thanks, Jason; any
9 discussion; all right, how do you vote; Ann?

10 Vice Chairman Browning: Yes.

11 Chairman Wilson: Greer?

12 Ms. Cawood: Yes.

13 Chairman Wilson: Amy?

14 Ms. Grissom: Yes.

15 Chairman Wilson: Renee?

16 Restoration Committee Chairman Kumor: Yes.

17 Chairman Wilson: Mike?

18 Mr. Rusher: Yes.

19 Chairman Wilson: Jason?

20 Acquisition Committee Chair Walser: Yes.

21 Chairman Wilson: Darrel?

22 Mr. Williams: Yes.

23 Chairman Wilson: David?

24 Mr. Womack: Yes.

25 Chairman Wilson: And John is yes

1 also; all right, moving right along, our executive
2 director's update over to you, Will Summer.

3 Executive Director Summer: Thank you, Mr.
4 Chair; let me welcome all of the members of the Board,
5 staff, and guests. I am thrilled to address the full
6 Board for the first time as the Executive Director. I
7 can't think of a more exciting or for that matter
8 busier time in my nearly fourteen years with the fund.
9 In the first year, I had the opportunity to implement
10 near-record levels of conservation and restoration,
11 help develop a new flood risk reduction program and
12 continue to develop and at capacity to a team that is
13 second to none. I would like to sincerely thank my
14 staff and the Board for your support and for making
15 these otherwise formidable challenges seem effortless.
16 I'd also like to thank our partners and advocates for
17 their hard work. Your continued success in your
18 communities makes what we do important to
19 decision makers in your efforts to see highlights that
20 we can have so many opportunities to do so much more.
21 There's a lot that's happened since December that I'd
22 like to share with you, so let me get started. The
23 last time we all met you approved 83 grants for a total
24 of over 60 million dollars. Except for the three that
25 are pending requests to transfer to another grantee,

1 staff has drafted all the contracts and sent them to
2 the grantees for review and over a quarter of them have
3 been returned and executed. In January the Flood Risk
4 Reduction Committee began meeting and has since met
5 twice in February. They heard from staff about similar
6 resiliency efforts in other agencies, invited three
7 outside subject matter experts, received feedback from
8 over fifty of our partners in our input survey, and
9 reviewed their first draft of the program guidelines
10 and rating system. The Committee is currently on track
11 to review the second draft later this month, and I
12 anticipate that the program documents will be ready for
13 consideration at the May Board meeting, and
14 applications could be released in June. Despite the
15 enormity of the task, we are on schedule thanks to the
16 hard work of Steve and the outstanding dedication of
17 the Committee, who continue to meet every three weeks.
18 In February we received 195 applications requesting
19 over 180 million dollars. Aside from telling you that
20 this is the most we've seen in over a decade, I will
21 save the remaining details of the 2022 grant cycle for
22 later in the agenda. We've all had to adapt to the way
23 we do things over the past two years, and I'm certain
24 we learned some new tricks that we won't soon forget;
25 however, things seem -- seem to be improving, and we're

1 beginning to return to normal. As of yesterday, staff
2 is working from the office, and beginning next week,
3 masks will be optional in DNCR facilities. While these
4 remote meetings have been useful, and I anticipate
5 continuing to use this tool as needed to save time and
6 travel, there's something that's lost in not being able
7 to occasionally meet in person and perhaps break bread
8 together after a meeting. I'm currently planning for
9 our two-day May Board meeting to be in person in
10 Wilmington, where we'll split time between a business
11 meeting and site visits to see some of your work in the
12 area, and I will share more details about that soon.
13 To answer John's question, I envision that many of our
14 smaller committee meetings will probably still be
15 optional for a Teams meeting to keep Trustee time and
16 travel down to a minimum, but we will begin opening
17 meetings up for in-person attendance as well. We do
18 have a lot happening with our staff at the moment.
19 First, I want to congratulate and thank Justin Mercer
20 for accepting the Stewardship Manager Position in
21 December. It's a critical role for us, and I'm
22 grateful to have someone that I know has the ability
23 and passion for conservation to handle that challenge.
24 The only downside of an internal promotion is that we
25 still have the same number of staff and another vacancy

1 to fill; however, we are working hard to remedy that
2 and currently recruiting two field representative
3 positions. The posting closes tomorrow, and I hope to
4 complete interviews within three weeks. We have
5 several other positions that I expect to post soon,
6 including an attorney that will have -- that will
7 report to DNCR General Counsel and assist us with our
8 closings and other legal needs, and I'm told that that
9 posting is imminent. This brings me to our third
10 retirement in the last twelve months. Hank Fordham,
11 who has served as our legal counsel, will retire at the
12 end of this month. Before joining our department, Hank
13 had a long legal career with a range of experiences
14 that made him so valuable for what he does here. For
15 the first three years of his career he worked for a
16 federal judge. He then spent twenty years in private
17 practice, where in addition to litigation, served as
18 the outside counsel for the Town of Apex. Eventually
19 the Town decided they wanted their own counsel and
20 hired Hank directly in 2011. He joined DNCR in 2015
21 and has since done everything under the sun, from
22 flying to Montana to sort out mineral and fossil rights
23 to secure our famous dueling dinosaurs, to providing
24 the critical legal review that gets our projects to the
25 finish line and makes the documents that protect our

1 investment in conservation more robust. By this time
2 next month Hank will be fishing somewhere in Western
3 North Carolina and hopefully breaking ground on his new
4 store, Hank's Haberdashery, where one can find a
5 complete line full brand headwear suitable for every
6 occasion. The last part's not true, but it should be.
7 Hank, your experience and counsel have made what we do
8 better and stronger, and I sincerely wish you the best
9 in your retirement. That concludes my report, but if
10 it pleases the Chair, I'd like to give Mr. Fordham the
11 opportunity to speak.

12 Chairman Wilson: Absolutely.

13 Mr. Fordham: Well, I appreciate
14 those -- those -- those friendly and kind words, and
15 it's been, you know, a wonderful experience for me and
16 an honor and privilege to work with this whole group,
17 the Board, and the staff. I mean, you have a wonderful
18 mission and not just for the Land & Water Fund, the
19 National Heritage Program, and you implemented it
20 extremely well with a lot of excellence, commitment,
21 and passion, and you treat each other well. You treat
22 your partners well, and you're a credit to the State,
23 that's the Board and all the staff. So it's been a
24 great pleasure for me to work with you and for you over
25 these past five years, and Will called me yesterday for

1 just a little -- just a little background information,
2 I mean, the hat stuff. He already knew I had kind of a
3 funky hat that I wear around, but he went over some of
4 the details, and I thought, well, I'll just mess with
5 him a little bit, so I said, yeah, but the one thing
6 you don't know is that I've been arrested four times.
7 And I was expecting Will to immediately start laughing
8 and know it was a joke, but got Will got somber and it
9 was like, uh-oh, what is it I don't know about. But
10 that was just a joke, Will, but I appreciate your
11 confidence in me, and he didn't explain it, but it
12 really has been great. And one other thing that
13 strikes me about the environmental community is it's
14 highly intelligent, and that's something I admire, but,
15 you know, fundamentally committed to the -- the
16 public's good, and so it's been my honor and privilege.

17 Chairman Wilson: Thank you, Hank; I
18 would just like to say what a pleasure it has been to
19 work with you, not only on questions pertaining to
20 contracts, but also I -- I know I'm not the only
21 Trustee who has reached out to you when we were
22 concerned about a potential conflict of interest, and
23 you have been so helpful to me, and I know others, and
24 at times, reassuring, and at times confirming that
25 indeed we do have -- have a conflict, and giving us

1 very good advice in that regard, and I -- at the risk
2 of offending every other attorney that I know,
3 including my older sister, you are the nicest attorney
4 I have ever met in my life.

5 Mr. Fordham: Well, thank you; I
6 appreciate it.

7 Chairman Wilson: Yep, okay; all
8 right, so we will move on to the public comments
9 section of our meeting. Members of the public are
10 invited to make comments to the Board. If you would,
11 please limit your comments to three minutes maximum and
12 make sure you unmute yourself and let us recognize you
13 before you start talking. Okay, I do not hear any
14 public comments, so either there is none or whoever is
15 making a wonderful comment is on mute, but regardless
16 we are going to keep on moving to our business agenda.
17 First item is an update on the 2022 grant cycle and
18 back to you, Will.

19 Executive Director Summer: Thank you,
20 John, so today I'm going to talk about -- briefly about
21 our 2022 application requests and give you a little bit
22 of the statistics and some details about that. I'll
23 talk a little bit about our staff review process and
24 then finally talk about the Trustee site visit protocol
25 as we want to do every -- every year before we get into

1 a grant cycle. So as promised, we had 195 applications
2 requesting a little over 180 million dollars. 129 of
3 those were acquisition requesting over 154 million
4 dollars, and going forward I'll just refer to that as
5 128, because one was withdrawn. We have 48 restoration
6 projects requesting 22 million, seven innovative
7 stormwater and 11 planning. This is fairly consistent
8 with what we've had in recent years, perhaps skewing a
9 little bigger on acquisition. There were some very
10 large individual acquisition requests this year that --
11 that are perhaps making that part of the pile a little
12 larger than usual. This is the breakdown of our
13 projects that are across the state. You'll note that
14 by number it's pretty equally distributed across the
15 state. Looking to the far right-hand side of the
16 graph, you'll notice that by the amount requested forms
17 the Coastal Plain is skewed large, and again that's
18 because of a few very large requests, again this year
19 in Coastal Plain, which you'll see more about later in
20 the -- in the application review season. Moving on
21 into the individual program types for acquisition, we
22 had 108 applications total. We have 112 from 18
23 different non-profits, and worthy of note that 44 of
24 those are proposed to eventually transfer to the state,
25 which is pretty typical that we do get a lot of

1 non-profits kind of being the first path and the bridge
2 to State agencies, eight applications from eight local
3 governments and eight applications from three State
4 agencies. Looking a little deeper, if you look at
5 these applications by the four resources types that we
6 score on the first half of our -- our rating system all
7 -- all of them have some riparian buffer component,
8 which is not surprising. That's pretty typical.
9 Nearly all of them, 122 out of 128, have a natural
10 heritage component. Forty-one of them have plains,
11 historic and cultural, and I will note that based on
12 some spatial analysis that Marissa did just last night
13 for another purpose, she discovered that there were
14 several more that in fact had overlapped with places
15 that were on the National Historic Register. So once
16 we get done with the review by the Department's
17 Historic Review staff, that number may go up, and will
18 place us actually at -- I think a larger number than
19 we've seen in the past with some historic and cultural
20 significance. And finally, 21 have a greenway
21 component. Looking at the restoration program, we have
22 40 applications; 36 come from 16 different non-profits,
23 10 from nine local governments, and 2 from two State
24 agencies. Breaking those applications down by project
25 type, you'll note that 28 of them are stream

1 restoration, and this is kind of following a trend in
2 recent years, where I think if you had looked several
3 years ago, a greater percentage of our restoration
4 projects would have been traditional natural channel
5 design restoration. But in recent years, that started
6 to expand and diversify, which I think is a good thing
7 because it helps one get more restoration projects down
8 east where a traditional stream restoration is not the
9 normal practice. But another thing I would note in
10 these, as you scroll down the list, you note that we
11 have three nature-based flood reduction projects, so
12 already our advocates are kind of tuning in to our
13 focus on that, and we're seeing response in our regular
14 grant cycle, which I think is exciting. Looking at
15 innovative stormwater, we have seven applications,
16 three from three local governments, two from two
17 non-profits, and two from two State agencies, so pretty
18 -- pretty typical for that program. And finally our
19 planning program which has 11 applications, 6 from non-
20 profits, and 5 from local governments, but I will note
21 as with the restoration, we do have three apps
22 specifically targeting flood resiliency in the planning
23 side of the shot. So that's the breakdown in short.
24 The next five months are the busiest of the year for
25 our project review staff, and it's going to be busier

1 still this year because we have more projects and less
2 staff than we've had in recent years, though we're
3 working hard to -- to fix that. Field reps will be
4 visiting with each applicant and inspect -- inspecting
5 sites nearly daily through -- through May. I think of
6 note as in most years we have a certain percentage of
7 applications that we've seen in previous years and have
8 been reviewed in previous years. Because we -- we were
9 so successful last year in funding projects, there are
10 less -- less of those projects in which our field reps
11 are already familiar, so that's -- that's a little more
12 work on their part to become familiar with essentially
13 a new -- all new projects. Program managers will be
14 reviewing and scoring the projects. They'll reaching
15 out to our National Heritage filers, who will also be
16 in the field on most of our acquisitions reviewing
17 those projects. We'll be reaching out to historians to
18 review all the projects with historic significance,
19 reaching out to military installations to confirm that
20 the military buffer projects that the applicant has
21 specified is important to the base is in fact important
22 to the base. I will note that based on just what the
23 applicant specified on their application we have 17
24 military buffer projects requesting around 20 million
25 in grant -- grant requests, so a pretty strong showing

1 from that sector this year. And finally, the staff
2 will be reviewing our innovative stormwater projects as
3 well. So there's a lot of review work that goes into
4 these early months as we go over the applications. As
5 we do generally, there is a -- an update deadline in
6 June for our applicants to get to us any information
7 that we found deficient in the application or to get us
8 information about updated funding status as various
9 other programs had made decisions about maps where they
10 can confirm to us in June that maps they had requested
11 is in fact secured. I will note that as I alluded to
12 an email to Trustees a few weeks ago, we will be
13 sharing with you applications earlier than we did in --
14 in previous years. In looking at it and talking with a
15 few Trustees and talking with the staff, I think the
16 best time to share the application with you will be
17 after that June update, so that we're not sharing
18 information with you that's old or is bound to be
19 corrected. So probably by the end of June, we'll be
20 able to share with you a link to the application that's
21 up to date and been checked and verified by staff.
22 That gives you several months before August, when we
23 will also send you the PowerPoints, the project
24 summaries, and some of the other more detailed
25 information that you're used to receiving from us

1 before a Board meeting. I'll show you this Gantt chart
2 not for you to be able to see it or read it, though if
3 you'll really interested, I'll send it to you. The
4 only reason I show you this is to show that between the
5 orange arrow on the left and the orange arrow on the
6 right, these are all the steps and processes that staff
7 has to do and with work with our partners to get from
8 where we are to our September Board meeting, which is
9 to say it will be as always a very busy spring, so keep
10 that in mind as -- as -- as we move forward. Moving on
11 to guidance for the Trustee side visits, as a reminder
12 Trustees can visit sites if they so choose, but there
13 are a few best practices that I will discuss. You
14 know, we want to be sure that it promotes a public
15 purpose and does not conflict with the open meetings
16 law. So one, let me know when you wish to visit a
17 site; two, let staff coordinate the visit; and three,
18 share the fact that you have visited the site when
19 discussing the project at the funding meeting. So the
20 best practice for deciding to go is not that you've
21 been asked by an applicant, but that you feel
22 independently that is in the best interest of the
23 public purpose. So I'm sure all of our applicants
24 would love all of our Trustees to visit all of their
25 projects and become advocates for them, but as we've

1 done in the past, I think it's really important that
2 Trustees visit the site that -- that they have decided
3 that they want to see and that there's information,
4 additional information they want to gather that they
5 feel can best be done by -- by putting boots on the
6 ground. As I've mentioned, the -- well, one of the
7 reasons that we let staff coordinate the visit is so we
8 can ensure, one, that staff is available to join the
9 visit so that all the information the Trustees may be
10 hearing from an applicant is the same as what staff is
11 hearing and that we're all on the same page,
12 additionally to make sure that we get the opportunity
13 for other Trustees to go, but finally that we ensure
14 compliance with the open meetings law, which means that
15 a majority of any one committee cannot be together in
16 one place doing business of the Board without it being
17 posted as an open meeting. So it's best to leave that
18 to staff and primarily me to know who's going to be on
19 the site, so that we can know whether or not that
20 constitutes the majority of any one of our seven
21 committees and just ensure that we stay in line with
22 our open meetings law. As I mentioned, this year is
23 going to be busier than usual, and we'd strongly prefer
24 to do these visits after staff has had their
25 opportunity to get our primary fieldwork completed, so

1 that would be later in the summer as we did last year,
2 usually during July and August; and finally, a reminder
3 that items of any significant value can be considered
4 gifts and are prohibited, and as a rule, I generally
5 turn down anything of any value to just to ensure
6 there's no appearance impropriety. This is all written
7 on our Trustee site visit procedure, which I will share
8 with -- reshare with the Trustees soon just so you got
9 -- got your hands on it, but if you have any questions,
10 please feel free to reach out to myself or -- or any
11 other staff. And with that, I will be happy to take
12 any questions.

13 Chairman Wilson: Any questions for
14 Will; okay, thanks, Will.

15 Executive Director Summer: You're most
16 welcome.

17 Chairman Wilson: Very exciting; all
18 right, we will move on to the second item on our
19 business agenda, the Acquisition Committee report.
20 I'll turn it over to Jason Walser, our Committee chair,
21 who has several A through E items to deal with; thanks,
22 Jason.

23 Acquisition Committee Chair Walser: Thank
24 you, John; I just want to start out by saying, yes,
25 Hank, thank you for all that you've done for me

1 personally. You have been a resource as the Chair of
2 the Acquisition's Committee. You've been a resource as
3 just a Trustee. When I joined, there were a lot of
4 things up in the air and a lot of kind of funky
5 decisions we had to make about military buffers and
6 funding. I mean, we had limited funding, and you were
7 just a godsend. You were always available and I can't
8 thank you enough, so thank you for helping me as the
9 Acquisition's Chair do my job much better. All right,
10 so we met, the Acquisition Committee, I guess about two
11 weeks ago, and I want everyone else on the Board to
12 know that we had a very robust conversation and a very
13 long meeting. I can't remember how long it was, but it
14 was -- it was multiple hours, and I'll go ahead and
15 start out by saying that I'm going to read the
16 recommendations, and I'll invite conversation when I
17 think it's appropriate, but I feel like our -- our
18 Committee did its job. I really feel like we spent a
19 lot of time and hashed out and had some pros and cons.
20 And as you'll hear in one of them, we are -- actually
21 two of them, we -- we have some votes that were not
22 unanimous, so I'll be glad to talk about that in as
23 much detail as everybody wants, but I do want to make
24 sure that those who are on the Acquisition Committee
25 that we -- I think did a really good job, and for those

1 who are on the Acquisition Committee during those
2 conversations, I would encourage you to add any
3 thoughts you have. I don't want to be dictatorial
4 about it, because I thought it was a very, very healthy
5 conversation. So let me start at the beginning, the
6 letter A or the letter A transcript of 2021 contracts.
7 We were asked to review contracts and consider --
8 considering transferring them to other partners who
9 work with acquisition to complete projects, and the
10 first project 2021-044, the Amazing Grace Phase 1,
11 Soapstone project that we funded and was requested to
12 be transferred to Mainspring Conservation Trust. We
13 did agree that made a lot of sense, and there was no
14 reason not to do that, so that will come as a
15 recommendation from our Committee to approve. And
16 secondly, I think we can do these together. Project
17 2021-043, the Sharpe Tract-Alamance Battleground, has
18 requested to transfer to the Department of Natural and
19 Cultural Resources Historic Sites. Both of those
20 applications were originally with the conservation
21 fund, I believe. After looking at the proposed
22 paperwork and all of the logistics of doing it, we
23 didn't see any reason not to allow a transfer. So we
24 make a recommendation to make a transfer of both of
25 those contracts to the relevant organizations,

1 Mainspring Conservation Trust and the North Carolina
2 Department of Natural and Cultural Resources. John,
3 you're on mute.

4 Chairman Wilson: Thank you, Jason;
5 this is coming to us from the Acquisition Committee,
6 and before I ask for a vote on the transfer of these
7 two 2021 contracts as Jason explained, is there any
8 discussion? All right, I'll ask for your vote on these
9 now, please; Ann?

10 Vice Chairman Browning: Yes.

11 Chairman Wilson: Greer?

12 Ms. Cawood: Yes.

13 Chairman Wilson: Amy?

14 Ms. Grissom: Yes.

15 Chairman Wilson: Renee?

16 Restoration Committee Chairman Kumor: Yes.

17 Chairman Wilson: Mike?

18 Mr. Rusher: Yes.

19 Chairman Wilson: Jason?

20 Acquisition Committee Chair Walser: Yes.

21 Chairman Wilson: Darrel?

22 Mr. Williams: Yes.

23 Chairman Wilson: David?

24 Mr. Womack: Yes.

25 Chairman Wilson: And John is a yes,

1 also; all right, back to you, Jason.

2 Acquisition Committee Chair Walser: Okay,
3 under letter B, the Triangle Land Conservancy Scope
4 Reduction, at a high level we were asked to review two
5 projects that are somewhat related and reduce their
6 scope so that they might be able to reapply for other
7 phases of the projects. And let me read what I have
8 written here. The Committee heard a request from
9 Triangle Land Conservancy to reduce project scopes and
10 match for two 2021 orders, including project 2021-047,
11 the Fitch Tract, and project 2021-050, the McLean
12 Tract. They are two properties, both in Chatham County
13 near each other. The reduction in scope will align the
14 projects to be phased, completing the project with 2021
15 funding and allowing TLC to reapply or be considered
16 for funding in a competitive in the 2022 cycle. The
17 Committee recommended the scope reductions to the
18 Board. The votes were not unanimous, with one opposing
19 vote for 2021-047 and two opposing votes for 2021-050
20 McLean. I know that you all are curious, and I will
21 just say that I think the discussion centered around
22 our Committee's concern with precedence setting to
23 consider reducing the scope and then also being played
24 in a way that may open the door for others to play
25 games with how they've gotten projects. We did not --

1 I think this was across the board. Everybody went out
2 of their way to say that Triangle Land Conservancy did
3 nothing wrong, so there was no nefarious conduct
4 suspected. They were concerned about what this might
5 mean for the future. At the end of the day, I was
6 persuaded, and the majority was persuaded that these
7 projects scored on their own very well. Even with a
8 reduction in scope, they still far surpassed the amount
9 of match and the scores they would have had were within
10 the range of what would have been funded based on the
11 revisions of scope, and the staff did a really good job
12 of breaking down what these had applied for with
13 revised scope, requested if any were applied for
14 originally and found how they would have scored and
15 they would have both scored quite highly. So while
16 less concerned about the precedent setting nature, at
17 the end of the day we focused on the projects and we
18 focused on the revised scope, getting us good projects
19 that we would have funded if they had been applied for
20 in that way. And with no further ado, I will open it
21 up for any questions or discussion or any insights from
22 those who were involved in these hours worth of -- I
23 guess it was not an hour of conversation. If anybody
24 has any thoughts that they would like to add if I
25 mischaracterized that in any way, please -- please feel

1 free to add to my thoughts.

2 Ms. Cawood: Jason, it's Greer. I
3 think you laid it out extremely well explaining the
4 discussion, and it was an extremely thoughtful
5 discussion and nothing that we think, you know, tells
6 that he's doing anything wrong, but just the precedent
7 setting was troubling to me, so thank you for
8 explaining it.

9 Restoration Committee Chairman Kumor:
10 Jason, this is Renee. I -- I wondered when you speak
11 of precedent setting, did that then indicate or send a
12 message to the staff about things they should be
13 looking for in the future when they're reviewing any of
14 these grant proposals?

15 Acquisition Committee Chair Walser:
16 That's a great question. I'll take a stab at it, but I
17 welcome Will to join me in answering the question. We
18 talked a lot first of all about making sure in the
19 future that we are very clear, and I think we have
20 been, but we talked a little bit in the beginning about
21 some of the national and larger land conservation
22 organizations were applying for what they wanted for
23 really large projects, but the local land conservancies
24 have been applying for caps that are consistent with
25 what we had been awarding in years past and making sure

1 that we were very clear in communicating openly as
2 loudly as we can to ask for what we need for every
3 project no matter what. So that's the first thing, and
4 secondly, we did talk about making sure that staff was
5 prepared to have the difficult conversations as
6 necessary to not put us in a position to do this again.
7 What -- we really would avoid revising scope of work to
8 break up projects in case -- I mean, at the end of the
9 day the issue is we don't want because a fundraising
10 campaign doesn't go well or there's some changed
11 circumstance that we're the ones asked to change the
12 way we do things. That -- that's ultimately what this
13 is about, at least that's how I interpret it, that we
14 want them to ask for what they need, stand-alone
15 projects and not come back and take a second bite at
16 the apple, and we did talk about that. Will, do you
17 want to add to my comments?

18 Executive Director Summer: Yeah, I'll just
19 support what you said, but I think what staff heard and
20 what any of our partners on the call heard was that
21 they need to ask what they need when they put in the
22 application, period. And the other thing is that I
23 think the message was pretty clear that the Committee
24 would not be enthusiastic about seeing this type of
25 request in all but the most extraordinary circumstances

1 and -- you know, I think it was, you know, probably a
2 Sched (phonetic) that takes sort of a line approval.
3 So I think the message was sent that this door did not
4 get flung wide open for a change in requests. That's
5 what I heard, and what I think staff will convey to our
6 partners that -- that were listening.

7 Acquisition Committee Chair Walser:

8 That's a very good restatement; thank you, Will.

9 Ms. Grissom: Jason, this is Amy.

10 I just have a procedural question. When we come to
11 voting, will it be for each of these individually, or
12 is this going to be paired? I mean, I don't know if
13 the -- how it comes as a recommendation of the
14 Committee.

15 Acquisition Committee Chair Walser:

16 That's a great question. I hadn't thought it through,
17 but I think it wouldn't be a bad idea to break them up
18 individually. I think that's a really good idea, Amy;
19 thank you. So I will make a recommendation on behalf
20 of the committee for individual separate votes between
21 two projects.

22 Chairman Wilson: Will, this is John.

23 Would you mind just sharing with the Trustees in case
24 any don't know what the percentage match was for these
25 two projects as applied in -- in their 2021

1 applications, and then what the next file the -- the
2 third and perhaps fourth highest match percentages
3 were.

4 Executive Director Summer: Absolutely, it
5 might be easiest for me just to share a screen. Let's
6 do this one. So what you are looking at right now is a
7 list of the -- I've sorted it by the ten projects that
8 were requested kind of at that. They self-imposed a
9 cap. Let me put it that way. So the projects that
10 self-imposed a cap and then sorted it by the percent
11 match, which is in this kind of peach column, these two
12 that we're talking about, McLean and Fitch, are the
13 highest two by terms of match 85 percent and 77 percent
14 respectively, and under the revised scope, they would
15 be still among the highest. I think McLean is going to
16 be 68 percent under the new terms, which makes it still
17 the second highest match, and then Fitch would be 50
18 percent which would put it right about here in terms of
19 match, so still both matched at 50 percent or higher
20 and towards the top end of the list.

21 Chairman Wilson: Thank you.

22 Acquisition Committee Chair Walser: So I
23 welcome additional questions, but I'm also prepared to
24 make a recommendation to the Board -- the Chairman
25 about the first project which will be the Fitch Tract

1 - Big Woods Forest.

2 Mr. Williams: Jason, how many
3 members do we have the Acquisition Committee?

4 Acquisition Committee Chair Walser: I
5 want to say five. Does that sound right, Will?

6 Executive Director Summer: I think you
7 actually have six.

8 Mr. Williams: Okay.

9 Executive Director Summer: Yes.

10 Mr. Williams: I was just curious.
11 There was two voting against it, so I was curious what
12 -- what the total number was.

13 Acquisition Committee Chair Walser:
14 That's right. It is six. I'm sorry. You are right,
15 Will.

16 Chairman Wilson: So one of the votes
17 was 5 to 1, and one was 4 to 2, is that correct?

18 Acquisition Committe Chair Walser: Yes.

19 Chairman Wilson: Okay.

20 Mr. Williams: Okay.

21 Chairman Wilson: Any more questions
22 for Jason or for staff; okay, on behalf of the
23 Acquisition Committee, we will take first this 2021-047
24 Fitch Tract - Big Woods Forest request for reduction in
25 scope. Any more discussion on this one before we vote;

1 okay, Ann, how do you vote?

2 Vice Chairman Browning: Yes.

3 Chairman Wilson: Greer?

4 Ms. Cawood: No.

5 Chairman Wilson: Amy?

6 Ms. Grissom: Yes.

7 Chairman Wilson: Renee?

8 Restoration Committee Chairman Kumor: Yes.

9 Chairman Wilson: Mike?

10 Mr. Rusher: Yes.

11 Chairman Wilson: Jason?

12 Acquisition Committee Chair Walser: Yes.

13 Chairman Wilson: Darrel?

14 Mr. Williams: Yes.

15 Chairman Wilson: David?

16 Mr. Womack: Yes.

17 Chairman Wilson: And John is a yes.

18 All right, Jason, is it all right if we move into the
19 next one?

20 Acquisition Committee Chair Walser:

21 Please do. Go ahead and call the question. We've made
22 our recommendation.

23 Chairman Wilson: All right, coming
24 from the Committee to approve the request for reduction
25 in scope of 2021-050 McLean Tract - Big Woods Forest,

1 any last discussion on this one before we vote; all
2 right, let's vote; Ann?

3 Vice Chairman Browning: Yes.

4 Chairman Wilson: Greer?

5 Ms. Cawood: No.

6 Chairman Wilson: Amy?

7 Ms. Grissom: No.

8 Chairman Wilson: Renee?

9 Restoration Committee Chairman Kumor: Yes.

10 Chairman Wilson: Mike?

11 Mr. Rusher: Yes.

12 Chairman Wilson: Jason?

13 Acquisition Committee Chair Walser: Yes.

14 Chairman Wilson: Darrel?

15 Mr. Williams: Yes.

16 Chairman Wilson: David?

17 Mr. Womack: Yes.

18 Chairman Wilson: And John is a yes,
19 also; thank you; back to you again, Jason, for C.

20 Acquisition Committee Chair Walser: Just
21 then I did make note of the fact that how nice it was
22 for the first time in my life to have my name at the
23 end of the alphabet, so I got to vote after everybody
24 else had to make their vote. That was -- that was fun
25 then in the Committee, and it was fun just now. Okay,

1 letter C, we were also asked to consider to make an
2 Allocation of Monitoring Funds. Staff requested that
3 we look at funding \$10,625.00 unallocated principal of
4 the Stewardship Endowment and set it aside for
5 monitoring the 198 acre conservation easement on the
6 City of Morganton's Catawba Meadows Park. The
7 monitoring will be carried out by Foothills Conservancy
8 of North Carolina. This is permitted per the
9 stewardship policy, and staff supports reducing the
10 number of monitoring easements -- of unmonitored
11 easements, excuse me, whenever funding and available
12 partners allow. The Committee unanimously recommends
13 -- recommended assigning \$10,625.00 in unallocated
14 principal for the monitoring of this conservation
15 easement by Foothills Conservancy. I will say this for
16 Darrel and Mike, some of our newer board members. If
17 you'd like to get a little more information on how
18 we've done this in the past and what this means, I
19 certainly think it would be worth staff giving you a
20 little bit of time and understanding of why we're doing
21 this. I saw a head nod, I think, from Mike. Mike and
22 Darrel, would you like a little bit more background on
23 this?

24 Mr. Rusher: Sure, that would be
25 helpful.

1 Mr. Williams: Agreed.

2 Acquisition Committee Chair Walser: So I
3 had a feeling you might. Will, would you like to give
4 a little overview of this discussion or maybe have
5 Marissa or someone else.

6 Executive Director Summer: I think either
7 would be fine. Marissa, if you have -- if you have any
8 thoughts, I will just -- just loop in. Marissa is my
9 expert.

10 Acquisition Committee Chair Walser: My
11 thought is that -- my thought is just at a high level,
12 letting them know how we do this, when we do this, how
13 often, just general, and then we can get into the weeds
14 too if we need to. I just think if I were then, I'd
15 want to know what this really entails.

16 Executive Director Summer: Sure, I'll take
17 it at a very high level, and Marissa can come back and
18 fill in my -- my details. As you know from seeing the
19 way that we fund projects now days, when we fund a
20 project, part of our award goes into our stewardship
21 endowment, and we place that in the -- in the
22 investment, and it earns interest. And we use that
23 interest every year to pay our partners to monitor
24 those projects and submit reports to us, so we can keep
25 an eye on our investments in those easements and

1 properties. That has not always been the case. We
2 really got good about that in 2007. Prior to that, it
3 was hit or miss, and in the early days, we just
4 recorded State-held easements on these with really for
5 lack of a better term, lack of understanding about all
6 that would be involved in making sure that our
7 investment was protected in the future and that we
8 would need some resources to go back and have someone
9 monitor these. So the stewardship policy allows us to
10 take any funds that become available within the
11 stewardship endowment and reallocate them to projects
12 as opportunities arise. Now it's not just about
13 finding the funds. It's about finding a partner who
14 without the incentive of a grant on the line is willing
15 to say, yes, I will take this six or seven hundred
16 dollars a year, and for that I will commit to go and do
17 this monitoring, look at the property, talk to the
18 landowner and submit a report to you each year. So
19 whenever we do find those things aligning or a project
20 that doesn't have an endowment, and they -- and a
21 partner who is willing to help us out, we take
22 advantage of that opportunity. They don't come along
23 too often, but when we do, we try to strike. So that's
24 what this is, is Marissa and staff had identified an
25 opportunity, and as the policy requires, we request

1 that the Board approve reallocating those funds from
2 our endowment to this particular opportunity. Marissa,
3 did I do a good job? What did I miss?

4 Stewardship Program Manager Hartzler:

5 Absolutely, I don't think anything. I think the only
6 other thing I would add is that the retired principal
7 in the endowment comes from projects where there were
8 State-held conservation easements, but then the deed
9 was transferred to the State of North Carolina. And so
10 we now work with our state agency's partners on that
11 long-term protection and don't require the land trust
12 to -- to monitor those anymore. So that's the action
13 that actually frees up that principal and allows us to
14 put it towards different project.

15 Acquisition Committee Chair Walser:

16 Thank you, Marissa; that's a key part. Darrel, were
17 you saying something?

18 Mr. Williams: Yeah; no, I was
19 saying I appreciate that. I really appreciate you
20 pointing that out. That was helpful.

21 Acquisition Committee Chair Walser: Okay,
22 so we're taking easements that were -- endowment funds
23 that were there; then they were freed up and marrying
24 them to another project that needs them. Okay, and
25 this was -- we were happy to support them. It was

1 unanimously and positively. We think that the more
2 clean-up we can do on more projects to get them
3 endowed, the better. So that comes as a
4 recommendation, Chairman Wilson.

5 Chairman Wilson: I have a question.
6 How did this request for this particular allocation
7 come to be? Did Foothills make it, or did our staff
8 recognize the opportunity and that the stars were
9 aligning? Who initiated this particular request?

10 Stewardship Program Manager Hartzler: Sure,
11 I'll be happy to tackle that. So we had become aware
12 of a trail plan on the property, and it was actually
13 being managed by Foothills Conservancy, and so it was
14 the perfect opportunity. They're engaged. They're
15 partners with the city, and their office is just around
16 the block. They could walk to the site. So this was a
17 very obvious potential to get them involved, and most
18 importantly, Foothills with their trail work on the
19 property and just their connections with the city they
20 are very willing, and we're very appreciative of their
21 -- of their willingness to take on monitoring in this
22 case. So this was just catch as catch can. Certainly
23 as -- you know it just didn't come from the Board. If
24 we have opportunities to buy more strategically, we'll
25 -- we'll definitely be looking at that. We have about

1 \$100,000.00 of retired principal in the endowment right
2 now so, and there's not a lot of opportunities
3 available, but as Will mentioned, we'll take them when
4 we can.

5 Chairman Wilson: Okay, any more
6 questions for Jason or staff; all right, this
7 recommendation of Allocation of Monitoring Funds for
8 1997A-032 Catawba Meadows Park coming to us from the
9 Acquisition Committee; any final discussion before we
10 vote; all right, here we go, Ann?

11 Vice Chairman Browning: Yes.

12 Chairman Wilson: Greer?

13 Ms. Cawood: Yes.

14 Chairman Wilson: Amy?

15 Ms. Grissom: Yes.

16 Chairman Wilson: Renee?

17 Restoration Committee Chairman Kumor: Yes.

18 Chairman Wilson: Mike?

19 Mr. Rusher: Yes.

20 Chairman Wilson: Jason?

21 Acquisition Committee Chair Walser: Yes.

22 Chairman Wilson: Darrel; I'm sorry.

23 Darrel, I didn't hear you.

24 Mr. Williams: Yes.

25 Chairman Wilson: Thank you; David?

1 Mr. Womack: Yes.

2 Chairman Wilson: And John is a yes;
3 all right, Jason, back to you.

4 Acquisition Committee Chair Walser: Okay,
5 letter D under the Property Management Revision
6 proposal, the Committee reviewed and the Board's policy
7 on Property Management expenses and staff's
8 recommendations to clarify the policy to allow for up
9 to \$5,000.00 of Property Management expenses when
10 needed to address immediate threats to conservation
11 values. The policy was previously unclear about by
12 when and by whom these funds could be requested. The
13 Committee unanimously recommends revising the policy to
14 align the background with the intent of allowing
15 Property Management requests on all Acquisition
16 projects as shown in the drafted policy included in the
17 agenda. And again in the agenda, I think everybody saw
18 the proposed revisions. There was not a lot of -- we
19 didn't see a lot of controversy on this one. This is
20 for stopping immediate erosion which includes putting a
21 gate in place to control access to a property or
22 throwing seed down or whatever. These are projects
23 that we all have universally liked and supported in the
24 past. It was just a matter of who had to access to the
25 funds. Marissa can give probably a little more context

1 if we want her to, but this was -- this was one we
2 thought was a no-brainer. So you can see the proposed
3 changes in red. So that's -- that's the recommendation
4 if there's no discussion. But I'm sure Marissa will
5 gladly give you good answers if there is any
6 discussion.

7 Chairman Wilson: Any discussion, any
8 questions for Jason or Marissa; all right, this is a
9 Committee recommendation to revise the Board's policy
10 Acquisition-007 Property Management. Last chance for
11 discussion before vote; all right, Ann, how do you
12 vote?

13 Vice Chairman Browning: Yes.

14 Chairman Wilson: Greer?

15 Ms. Cawood: Yes.

16 Chairman Wilson: Amy?

17 Ms. Grissom: Yes.

18 Chairman Wilson: Renee?

19 Restoration Committee Chairman Kumor: Yes.

20 Chairman Wilson: Mike?

21 Mr. Rusher: Yes.

22 Chairman Wilson: Jason?

23 Acquisition Committee Chair Walser: Yes.

24 Chairman Wilson: Darrel?

25 Mr. Williams: Yes.

1 Chairman Wilson: David?

2 Mr. Womack: Yes.

3 Chairman Wilson: And John is a yes
4 also; Jason, back to you.

5 Acquisition Committee Chair Walser: Last,
6 the last thing on our list is the Acquisition -- letter
7 E, Acquisition-001, the Appraisal Policy Revision. The
8 Committee reviewed the Board's policy on appraisals for
9 the Acquisition Program, and staff's recommendations to
10 clarify and update the policy, especially with respect
11 to when appraisals or requests are required, excuse me,
12 when a tax value can be used in lieu of an appraisal.
13 The Committee unanimously recommends revising the
14 policy by updating the language and reduce ambiguities
15 as shown on the draft policy included in the agenda;
16 yeah, thank you, so just a lot cleaner and neater.
17 We've got risks and ambiguities that staff had wrestled
18 with in the past, and then trying to decide when the
19 appraisals were needed -- and when an appraisal was
20 needed. Again, I'll let Marissa take any questions.
21 She can answer them better than I can, but we looked
22 into it, discussed it, and the revisions to the codes
23 made sense to us.

24 Chairman Wilson: Okay, any questions
25 for Jason or Marissa; all right, this is another

1 Acquisition Committee recommendation to revise Board
2 policy Acquisition-001, the Appraisal Policy; last
3 chance for discussion before we vote, which we will do
4 now; Ann?

5 Vice Chairman Browning: Yes.

6 Chairman Wilson: Greer?

7 Ms. Cawood: Yes.

8 Chairman Wilson: Amy?

9 Ms. Grissom: Yes.

10 Chairman Wilson: Renee?

11 Restoration Committee Chairman Kumor: Yes.

12 Chairman Wilson: Mike?

13 Mr. Rusher: Yes.

14 Chairman Wilson: Jason?

15 Acquisition Committee Chair Walser: Yes.

16 Chairman Wilson: Darrel?

17 Mr. Williams: Yes.

18 Chairman Wilson: David?

19 Mr. Womack: Yes.

20 Chairman Wilson: And John is a yes,
21 also; thanks, Jason; anything else from the Acquisition
22 Committee?

23 Acquisition Committee Chair Walser: That
24 completes my report; thank you so much, Chairman.

25 Chairman Wilson: All right, we don't

1 have anything else on our agenda. Do any Trustees or
2 staff have anything else they would like to mention or
3 discuss? I would just like to give a shout out to
4 Steve and Will, and other staff, but particularly
5 Steve, for his leadership and hard work with the Flood
6 Risk Reduction program, basically helping to -- leading
7 the creation of this brand-new program in addition to
8 all the other work that -- that he and other staff are
9 doing, really remarkable work. I want to thank Ann for
10 agreeing to chair the Committee in addition to being
11 vice-chair of the Board and also the Trustees who
12 agreed to serve, including both of our other Committee
13 chairs, you know, this additional work in addition to
14 everything else they're doing as Trustees. I think all
15 of us who have been actively involved in that can just
16 say we've really, really gotten a long way. And I
17 think this last meeting we had where we saw first
18 drafts of guidelines and rating systems, I think we all
19 felt like wow, we just made a giant step, and we know
20 -- we see the light at the end of the tunnel here. And
21 it's really exciting, so, Steve, Will, Ann, everybody
22 else, thanks a lot. All right, last chance; any
23 farewell Hank jokes; no, okay; Hank, you got any?

24 Mr. Fordham: Well, you know, of
25 course everybody has their favorite lawyer joke, but

1 you know, we try to not tell them on ourselves. But
2 there were two guys that were at a funeral, and one
3 turned to the other one and said there's two people
4 buried in that grave. And he said, well, how can you
5 tell, and he says, well, there lies a lawyer and an
6 honest man. So I think it's kind of sad. Anyway,
7 that's kind of a bad way to go out.

8 Chairman Wilson: We wouldn't have it
9 any other way; all right, thanks again, Hank; thank
10 you, everybody. We are now adjourned.

11 (The proceedings were concluded at 2:00 P.M.)

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NORTH CAROLINA

WAKE COUNTY

C E R T I F I C A T E

I, Diane C. Byrd, Notary/Reporter, do hereby certify that this Board of Trustees Meeting was taken by me and transcribed under my direction and that the forty-six pages which constitute this Board of Trustees Meeting are a true and accurate transcript.

IN WITNESS THEREOF, I have hereunto set my hand this 21st day of April, 2022.

Diane C. Byrd

Diane C. Byrd
Notary Public
Certificate No.: 19933130099