

NORTH CAROLINA LAND AND WATER FUND
BOARD OF TRUSTEES MEETING

Held at the Kanuga Conference Center
Hendersonville, North Carolina

Tuesday, May 16, 2023
1:04 P.M.

Volume 1
Pages 1 through 226

A P P E A R A N C E S

Board of Trustees:

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

Staff:

Will Summer, Executive Director
Teresa Murray, Executive Assistant
Zoe Hanson Burnet, DNCR Assistant General Counsel
Steve Bevington, Restoration Program Manager
Marissa Hartzler, Acquisition Program Manager
Justin Mercer, Stewardship Manager
Damon Hearne, Western Field Representative
Chelsea Blount, Central Field Representative
Jill Fusco, Eastern Field Representative
Will Price, Restoration Program Assistant
Christina Benton, Acquisition Project Manager

Also Present:

Barbara G. Volk, Mayor
Chuck Edwards, House Representative
Jeff Michael, Deputy Secretary of Natural
Resources
Tom Fanslow, Conserving Carolina
Kieran Roe, Conserving Carolina

P R O C E E D I N G S

1:04 P.M.

1
2 Chairman Wilson: Good afternoon,
3 everybody; I would like to call this meeting of the
4 North Carolina Land and Water Fund Board of Trustees to
5 order. I am John Wilson, the Board Chair. I want to
6 welcome all of you who are with us today, whether here
7 in person or by phone or otherwise, who knows what
8 technologies there are. I want to especially thank our
9 staff, who have worked so hard to arrange our meeting,
10 our site visits, and other activities here in the
11 Hendersonville area for us today and tomorrow. It is
12 so great to be back together in person, and I think we
13 will all be here, isn't that right, all the Trustees we
14 are expecting?

15 Executive Director Summer: Yes,
16 absolutely.

17 Chairman Wilson: Although our
18 virtual meetings have been wonderful and very
19 productive, but there's something about being together
20 in person that is especially wonderful, especially in a
21 place like this. So with that, I will call the role of
22 our Trustees. Please let me know if you're here; Ann
23 Browning?

24 Vice-Chairman Browning: Here.

25 Chairman Wilson: Greer Cawood?

1 Ms. Cawood: Here.

2 Chairman Wilson: Amy Grissom?

3 Ms. Grissom: Here.

4 Chairman Wilson: Renee Kumor.

5 Innovative Stormwater and Planning Committee

6 Chair Kumor: Here.

7 Chairman Wilson: Mike Rusher?

8 Mr. Rusher: Here.

9 Chairman Wilson: Jason Walser;

10 Jason on his way?

11 Executive Director Summer: He's on his

12 way.

13 Chairman Wilson: Darrel

14 Williams?

15 Mr. Williams: Here.

16 Chairman Wilson: And David

17 Womack is on his way?

18 Acquisition Committee Chair Walser: He's

19 on his way. He's a little behind. Greenville is quite

20 a ways.

21 Chairman Wilson: All right, and

22 I, John Wilson, am here. General Statute § 138A-15

23 mandates that the Chair inquire as to whether any

24 Trustee knows of any conflict of interest or the

25 appearance of a conflict with respect to matters on the

1 agenda. If any Trustee knows of a conflict or
2 appearance of a conflict of interest, please state so
3 at this time; okay, seeing none. I'd like to now ask
4 everyone to please make sure your mobile phones,
5 computers, watches, anything that makes buzzes and
6 beeps, won't make any noise unless you're recognized to
7 speak. And I'd now like to ask if there are any
8 revisions or additions to today's agenda?

9 Vice-Chairman Browning: I move approval
10 of today's agenda.

11 Chairman Wilson: Okay, a motion
12 from Ann to adopt the agenda.

13 Ms. Cawood: Second.

14 Chairman Wilson: A second from
15 Greer; any discussion; all right, all in favor, please
16 say aye?

17 Board Members: Aye.

18 Chairman Wilson: Any opposed,
19 okay.

20 Ms. Cawood: And, Mr.
21 Chairman, as an aside, isn't it nice that you don't
22 have to call all of our names?

23 Chairman Wilson: You know what,
24 I'm going to get -- thank you for noticing that my
25 heart went pitter-patter; I'm going to keep doing that

1 until I get called down by the authorities. Okay, I'd
2 like to pause for a moment here to recognize one of our
3 two special guests. I think Mayor Volk is on her way.
4 But I want to recognize former State Representative
5 Chuck McGrady. He -- his district included most of
6 Henderson County if I'm not mistaken. Chuck is a
7 former National President of the Sierra Club, a past
8 President of Conserving Carolina, and Friends of DuPont
9 Forest, which we will visit tomorrow; the forest, not
10 the friends, and also a former Trustee of the Clean
11 Water Management Trust Fund. So, Chuck, if you would
12 like to say a few words to the Board, please do.

13 Mr. McGrady: Thank you for
14 the introduction, and thank you for coming to Henderson
15 County; I served on this board from 19, excuse me, 20
16 -- 2006 to 2010 when I went on -- went to the
17 Legislature; a different time, a Republican County
18 Commissioner gets appointed by two Democratic
19 Governors. But, you know, I wish we could go back when
20 a lot of these issues were -- were not as partisan as
21 they otherwise were. It's particularly exciting
22 because my mentor is -- one of them is here, Renee
23 Kumor, and another one, Mayor Volk, will be joining you
24 shortly. I've just learned early on, just follow the
25 women in Henderson County, and they'll keep -- keep you

1 out of trouble most of the time. Your work here has
2 really changed the whole area, and you're going to see
3 it tomorrow when you go to DuPont. I'm not going to go
4 through that story. I guess I'm going to be the
5 official storyteller at DuPont and maybe even Sierra
6 Nevada because I was -- I went from doing, you know,
7 beautiful lands to doing beer during some point of my
8 legislative career, both of them having a huge
9 environmental impact here. But when I joined this
10 Board, it was larger. It had a bigger budget, included
11 in it a lot of water quality infrastructure sets of
12 issues. And the big thing was that as it started out
13 suddenly the Governor, getting pressure from a whole
14 bunch of people, decided he was going to buy DuPont
15 State Forest. It was about to turn into a subdivision,
16 several thousand acres. But the problem was that the
17 budget wasn't really good, and where was he going to
18 find the money? And so when I got here as a Trustee,
19 there were a lot of Trustees that still had really sore
20 arms. If you know Jim Hunt, he was not one to take no,
21 and he pushed. And what has occurred here with DuPont
22 is never -- probably never going to occur again because
23 the land was actually condemned and then purchased;
24 condemned by the State, and then the money deposited to
25 buy the rest. And since that time, this Board and

1 other boards have continued to expand the footprint.
2 So this is really exciting. I'm really glad you're
3 here. You've done amazing work out in the western part
4 of the state. I'm glad of your legacy and glad of my
5 help to get you funded and keep you around. When I got
6 to the Legislature, I should add that one of -- it was
7 a really bad year, and they were trying to do away with
8 all these trust funds, this one included. And we kept
9 the structure in place. You lived off a little bit of
10 money that was there, and then slowly but surely,
11 you've gotten better funding than you had there for a
12 few years. So please keep up the good work. What's so
13 good about your work, in my opinion, is that you're --
14 you make these grants based on data and based on
15 priorities. It's not some political figure coming in
16 and saying, okay, we're going to do this, although
17 that's what Jim Hunt did way back when. But it's just
18 really -- it's really important to the state, not just
19 the mountains, but across the state. And I really
20 appreciate what you do. Barbara Volk was running late.
21 We were supposed to be at the same meeting. She went
22 to one, and I went to the other, and she went, oh. And
23 so she's on her way, really another fine person. I'm
24 glad you got here when the Mountain Laurel is looking
25 really good. Come back in a few weeks, and we'll see

1 plenty of rhododendron, I suspect. And I'm going to
2 try to spend some time with you over the next day or
3 two. But it's really an honor to have you here, and
4 thanks for all your good work.

5 Chairman Wilson: Thank you,
6 Chuck; I'm glad Chuck mentioned Renee being his mentor
7 because I want to just take a moment to recognize our
8 longtime Trustee and friend Renee Kumor, for whom sadly
9 today will be her last with us as a Trustee. As you
10 all know, Renee has been absolutely fantastic as a
11 Trustee and as the Chair of the Restoration Innovative
12 Stormwater and Planning Committee, as well as a member
13 of the Executive Committee and the Flood Risk Reduction
14 Committee, so every committee that we have just about
15 except Acquisition, although she did plenty of that as
16 well. Renee was first appointed to the Land and Water
17 Fund in -- to the Board in 2011 and has served this
18 organization through two different names, Clean Water
19 Management Trust Fund and The Land and Water Fund,
20 three different Governors, four Executive Directors,
21 and four Board Chairs, two of whom were named John. As
22 we all know, Renee runs incredibly productive and
23 efficient committee meetings, but she never hesitates
24 to say, wait a minute; either I don't understand that,
25 or I disagree with that. So she doesn't rush the

1 meetings, but, boy, does she run a great meeting, and
2 we are going to miss that. In case you're wondering
3 why we chose to hold today's and tomorrow's event in
4 Hendersonville, there she sits. Renee has lived in
5 Henderson County for over 30 years and is a former
6 County Commissioner and a former Chair of the County
7 Commissioners if I'm not mistaken. Renee, we love you,
8 and we are going to miss you. But we know where you
9 live, and we know how to find you, and we're going to
10 really, really have a deep affection even more so for
11 this place, I'm sure, by the end of the day tomorrow.
12 So before we ask you to say anything you might want to
13 say, I want to just open it up to other Trustees and
14 staff. Please feel free to share any thoughts you
15 might have with Renee.

16 Ms. Cawood: Renee, I'd just
17 like to say it's been an honor, a great honor to work
18 with you and the work that you do, and thank you so
19 much for your service to this committee.

20 Innovative Stormwater and Planning Committee
21 Chair Kumor: Thank you.

22 Executive Director Summer: I'll speak.
23 Renee, I think as I look around the room, maybe Terri
24 and myself are the only folks that have been here for
25 your entire tenure. So you are now senior member

1 amongst all of the staff and Trustees that are here,
2 and it's been wonderful working with you these 12
3 years, truly.

4 Innovative Stormwater and Planning Committee
5 Chair Kumor: Thank you; see, that's where you'll
6 notice you all say I'm old. That's what it is.

7 Mr. Williams: Yeah, I just
8 want to say too, I -- you know, I haven't been on the
9 Board too long, and I have not kept up with how long
10 members have served. So I'm very disappointed because
11 I was shocked when I saw in text this morning about her
12 -- being her last meeting. So I just want to thank her
13 for her leadership and everything she's done for the
14 State of North Carolina; thank you for everything.

15 Innovative Stormwater and Planning Committee
16 Chair Kumor: Thank you.

17 Acquisition Committee Chair Walser: So
18 I'll say we've not known each other that long, but
19 we've played football together.

20 Innovative Stormwater and Planning Committee
21 Chair Kumor: I know.

22 Acquisition Committee Chair Walser:
23 We've been around remote country roads together. We've
24 talked about politics and religion. I don't know --

25 Innovative Stormwater and Planning Committee

1 Chair Kumor: Will covered his ears.

2 Acquisition Committee Chair Walser: I was
3 going to say, Will, cover your ears. We have -- I feel
4 like we're long friends and good friends and deep
5 friends, and for that I'm grateful, and we're going to
6 continue to be good friends. I hope that you will
7 continue to be engaged, and I hope we can count on you
8 for your wisdom, because you do know a lot, and I just
9 think the world of you; thank you for your service.

10 Innovative Stormwater and Planning Committee
11 Chair Kumor: Thank you, Jason.

12 Ms. Grissom: I'm going to
13 second that, too, just having a little bit of time at
14 some of these events where we get to spend time
15 together. Renee's also an amazing author and writer
16 with a wonderful nature-based grounding in her fiction,
17 and she throws a mean spiral.

18 Vice-Chairman Browning: She is a woman
19 of many talents, and I have learned a lot from you,
20 Renee. And I'll -- I'll miss seeing your little square
21 in your office with those people that --

22 Innovative Stormwater and Planning Committee
23 Chair Kumor: My great -- my father's grandparents.

24 Vice-Chairman Browning: Okay, your
25 father's grandparents, but mostly miss seeing you in

1 our meetings.

2 Innovative Stormwater and Planning Committee
3 Chair Kumor: Thank you, you all; thank you all very
4 much, and I do have to say that who cannot want to
5 serve on a board where the directions for the meeting
6 are wear something to go to a bog and business casual;
7 and again, thank you all very much.

8 Chairman Wilson: Okay, thanks,
9 Renee; moving on, is there any discussion regarding the
10 minutes from our December 2022 board meeting? No, if
11 not, I'll entertain a motion to approve the minutes.

12 Mr. Williams: So moved.

13 Chairman Wilson: Darrel with the
14 motion.

15 Innovative Stormwater and Planning Committee
16 Chair Kumor: Second.

17 Chairman Wilson: A second from
18 Renee, any discussion; okay, all in favor of approving
19 the minutes from our December 2022 board meeting?

20 Board Members: Aye.

21 Chairman Wilson: Any opposed;
22 all right, we will now hear from the Deputy Secretary
23 of the North Carolina Department of Natural and
24 Cultural Resources, Mr. Jeff Michael.

25 Deputy Secretary of the North Carolina

1 Department of Natural and Cultural Resources Michael:
2 All right, thank you, John; is it okay to stand here?
3 First of all, greetings from Secretary Reid Wilson; he
4 sends his regrets. And it's kind of fitting that we're
5 here because the only other time that I recall being at
6 Kanuga was probably 20-plus years ago when there was a
7 Conservation Trust of North Carolina Board Retreat
8 here, and Secretary Wilson was our Executive Director
9 at that time. And, John, I'm not sure if you were on
10 the Board at that time, but I was on the Board of CTNC.
11 So it seems fitting that I know a lot of very
12 thoughtful conversations and, you know, thinking about
13 conservation in this state have taken place at this
14 very retreat center and we continue that tradition on
15 today. Renee, on behalf of Secretary Wilson, myself,
16 and all of us at the DNCR, we want to extend our
17 gratitude for your contributions and your leadership as
18 well. And like so many people have said, I have not
19 had the good fortune to have worked with you as long as
20 Will and others have, but we really do appreciate what
21 you have done. And as others have said, we don't want
22 to let you get away that easily. So don't be surprised
23 if we call on you in other ways going forward. I also
24 want to acknowledge my colleagues, Zoe and Phil, from
25 our legal team, who are here with us today, also from

1 DNCR. I guess the big news in terms of update as you
2 all know is that this is budget season in Raleigh, and
3 we got the final piece of the puzzle before we begin to
4 go into the negotiations for reconciling the various
5 budgets. But we got the last piece of that puzzle
6 yesterday, late yesterday afternoon when the Senate
7 came out with its budget. And, Will, I'm not sure if
8 you're going to provide more details about what that
9 means, so I won't go into the details about it right
10 now. I can certainly join Will in answering any
11 questions. But I think the bottom line is that if you
12 look at all three budgets, and there are significant
13 differences, particularly with the Senate budget, but
14 all of them affirm the important role that this Board,
15 that the Land and Water Fund play, and not only in
16 terms of additional funding, but in a couple of the
17 budgets even recognizing the importance of staffing.
18 In the Governor's budget, we have a recommendation for
19 a new position here. In the House budget, there was a
20 recognition of the need for additional staffing of our
21 Natural Heritage Program, and so we're just hopeful
22 that that will continue to get the attention we know it
23 deserves. And there's also that recognition for our
24 existing staff. Like so many State employees, we are
25 competing in a labor market that is very tight, and

1 that we just need to do better in terms of compensation
2 for our existing staff. So we're hopeful that that,
3 again, likewise will find a place in the final budget.
4 Just a couple of other things that are happening around
5 the department, you know, the sister division to the
6 Land Water and Fund that I know you engage with quite a
7 bit is our Department of Parks and Recreation. And
8 many of you know that our Division Director, Wayne
9 Patterson, retired after a long career in state
10 government back in February. We are in the middle of
11 looking at that position and looking at some candidates
12 for that position, and hope to have news to report soon
13 on that front. But I want to acknowledge and recognize
14 the great work that Brian Strong, who many of you know
15 as Deputy Director, and in that capacity oversees our
16 part of program, has been serving as our acting
17 director since Wayne retired in February and has just
18 done a great job. So be on the lookout for news on
19 that front in the next couple of months. Also, you
20 know, the work that you do has always in many ways been
21 about sustainability. You know, clearly the work of
22 land conservation, the work of our Flood Risk Reduction
23 Committee, but even beyond that committee, the work
24 that you've always done with restoration has been a big
25 part of sustainability in this state. Last fall, the

1 Secretary created for our department our very first
2 Sustainability Coordinator. Emma Hughes was hired for
3 that position. And what does that mean? Well, it's a
4 recognition that as a department that we can probably
5 do a lot more in terms of bringing our divisions
6 together and kind of pooling resources, pooling ideas,
7 or sharing ideas. And among the many things that we're
8 looking at right now is increasing the presence of
9 electric vehicles in our motor fleet. I think the Land
10 and Water Fund took on one of the Chevy Volts that the
11 park administration made available to agencies this
12 year. And we're appreciative of that, being a leader
13 on that front. We are preparing right now a grant for
14 the Federal Highway Administration for some of the
15 federal dollars that are coming down to install more
16 fast-charging electric vehicle charging stations in
17 some of our sites across the state, aquariums, state
18 parks, the zoo. And we're also working on some signage
19 at some of our sites to acknowledge the impact that
20 climate change is having, but more importantly, what
21 people can do through a QR code, to go to a website and
22 see what they can do to be climate champions. And my
23 hope is that we can work with the staff and figure out
24 the presence for the Land and Water Fund and what it's
25 doing there for the public to educate themselves about

1 what they can do. And unless you've been living under
2 a rock, you know that this year is the Year of the
3 Trail here in North Carolina. And if in your hometowns
4 anything that you've been a part of statewide, you know
5 there's a lot of activity around Year of the Trail.
6 I've been really impressed that many of the towns
7 around the state are doing their own trail events. We
8 are certainly doing the same thing at our sites. And I
9 mentioned that in part because I think if -- if the
10 Great Trail State Coalition, who's really been the
11 leaders in that initiative are successful, not only in,
12 you know, having these wonderful celebrations this
13 year, but in the process of doing so, raising awareness
14 about the importance of trails in our state. We're
15 likely to see some momentum that's going to translate
16 into conservation that plays a significant role in
17 trail development and trail expansion, in expansion of
18 networks of trails in this state. We also this year
19 with support from the Department helped spawn a North
20 Carolina Science Trail. It's a virtual trail, but it's
21 bringing together a lot of sites around the state,
22 state sites like our State Parks, The Museum of Natural
23 Sciences, the zoo, but also private sites like
24 Discovery Place in Charlotte and many of you -- it's a
25 non-profit science museum. But it's a place where

1 environmental educators, school teachers, and parents
2 can go to learn where they might take their children to
3 learn more about science. So a little bit peripheral
4 to what you do, but nonetheless, I think the work that
5 you're doing is central to that as well in terms of
6 helping people understand the role that conservation
7 plays in the future of this state. So with that, I'm
8 going to close and turn it back over to you, John,
9 unless anyone has any questions for me.

10 Chairman Wilson: Questions for John,
11 encouragement for John?

12 Deputy Secretary of the North Carolina
13 Department of Natural and Cultural Resources Michael:
14 And I'm looking forward to being here for the next two
15 days, because of course, Natural Heritage is having
16 their meeting here the first week and are going to
17 enjoy the hikes, so just great to be with you all here
18 in this beautiful part of the state and this beautiful
19 weather.

20 Acquisition Committee Chair Walser: So
21 can I add something? Since Jeff talked about the Year
22 of the Trail, Jeff knows this, but he's not going to be
23 able to join us. Salisbury got in the game in honor of
24 Fred Stanback. We have the Year of the Trail symphonic
25 free Symphony concert, Pops at the Post, on June 3rd.

1 Everyone here is invited. I hope if that makes the
2 minutes, so we're going to have the Year of the Trail
3 Symphony concert. It's a concert with classical music
4 pieces that are inspired by nature, traveling, and
5 hiking so.

6 Ms. Cawood: And you can
7 ride the train.

8 Acquisition Committee Chair Walser: And
9 you can ride the train there. That's exactly right, at
10 7:00 at night.

11 Chairman Wilson: Mayor Volk, so
12 we have City of Hendersonville Mayor Barbara Volk with
13 us today, and we would like to invite you to say a few
14 words. Mayor Volk was the first female Mayor of
15 Hendersonville and has served as mayor since 2009.

16 Mayor Volk: Thank you; I'm
17 sorry that I am late. I'm not going to go into the
18 details, but I'm just so glad to be here and welcome
19 you to our community. You are not in the city limits
20 of Hendersonville, but lots of folks who live outside
21 Hendersonville claim it as their hometown anyway. So
22 we're just delighted to welcome you. I hope you have a
23 chance to enjoy the many things that we have to offer
24 in this part of the state with hiking and the beautiful
25 views and just wonderful weather. I hope you're

1 enjoying that. And the main reason I'm here, in
2 particular, is to say thank you. You have given us
3 funding for some of our programs that are going to
4 allow us to go in, clean up some areas that currently
5 have been silted in, have been burned in, open things
6 up to be able to handle the rainwater much better than
7 it's being handled right now. We have a couple areas
8 of town that do have flooding problems. This is one of
9 the things that is -- that is going to help us. We've
10 had the property for years and just have not been able
11 to pay for that among all the other things that we've
12 needed to do. So now we're going to be able to really
13 make a difference we feel in that part of town, and so
14 I'm here to thank you for what you're doing for us, and
15 not just for the City of Hendersonville but for places
16 all over the state that need that extra funding to be
17 able to make a difference for their citizens in the
18 community. So I hope you have a great meeting. Again,
19 thank you for being in our part of the state; it means
20 a lot to us to have you come up here, so thank you.

21 Chairman Wilson: Thank you, and
22 we also want to make sure that you're aware that we had
23 a great big lovefest for Renee for whom this -- this is
24 her final meeting.

25 Mayor Volk: Yeah, I know.

1 Chairman Wilson: And we will
2 make sure that you see the transcript because every
3 word of that was heartfelt and meant.

4 Mayor Volk: I've known
5 Renee for what, almost --

6 Innovative Stormwater and Planning Committee
7 Chair Kumor: Forever.

8 Mayor Volk: Yeah, yeah,
9 almost 50 years.

10 Innovative Stormwater and Planning Committee
11 Chair Kumor: Barbara, you weren't supposed to say
12 that. They aren't supposed to know how old we are.

13 Major Volk: All right,
14 thank you.

15 Chairman Wilson: Thank you, and
16 just for the record, Jason Walser and David Womack are
17 both present, and we will now go to our Executive
18 Director's update from Will Summer.

19 Executive Director Summer: Thank you, Mr.
20 Chair; good afternoon, board members, guests, and
21 staff; it's wonderful to be here with you all today,
22 apparently just outside of Hendersonville. I have a
23 couple of milestones for staff that I'd like to start
24 by recognizing as well. Marie Meckman has been with
25 the State for five years, all of those with the North

1 Carolina Land and Water Fund. Justin Mercer's been
2 with the State for ten years, and we're going to have
3 to forgive him. A few of those were done with Wildlife
4 Resources Commission, but the better part was with us.
5 And I think we can say that Zoe's been with us for now
6 a year or very close to.

7 Ms. Hanson: That's true.

8 Executive Director Summer: So thank you
9 all for these milestones; thank you all for this
10 service.

11 Mr. Hearne: The Field Reps
12 one year also May 1st.

13 Executive Director Summer: Wow, Jill Fusco
14 and Chelsea Blount, thank you for accepting what is
15 really the best job in the state. Former Field Reps
16 will begrudgingly admit, so thank you for your service
17 as well. I would like to note something that's been
18 formalized since we last met. So when I was appointed
19 as Executive Director a little over a year ago, I
20 adjusted the org chart to shift duties to frankly take
21 advantage of staff that was being underutilized. And
22 one of the moves was to take our Western Field Rep, put
23 field staff under him, and also put him in charge of a
24 lot of our technology and operational responsibilities.
25 And I think anyone that uses the Airtable to access our

1 materials, Trustees kind of have a sense of his knack
2 for that sort of stuff. Fortunately for us, Damon took
3 on most of these duties as soon as we conceived of
4 them, but it took nearly another year before enough
5 pieces were in place for me to officially call him our
6 Operations Manager, which I am thrilled to do now.
7 He's still a Western Field Rep, though his field rep
8 amount of duties has -- is downsized a little bit, so
9 he can make room for this other stuff, but thank you,
10 Damon. So before I move on, let me just say everything
11 you've heard me say since December 2021, about the
12 effect of the substantially increased grant funding and
13 having substantially the -- essentially the same level
14 of staff as we've had for the last decade continues to
15 be true only more so. We're doing what we can to
16 capitalize on opportunities, but there's still not
17 enough of us. I'm grateful for the continued hard work
18 and long hours of the staff we do have, so thank
19 everyone for all your hard work, and I'm trying to get
20 more of you desperately. And on that note, let me drop
21 on some positive news on the budget. As Deputy
22 Secretary Michael said, the Senate budget was released
23 yesterday. They did include approximately 3.8 million
24 recurring increase, which would bring our recurring
25 funding up to 28 million. That's a little lower than

1 the Governor and the House, who gave us 5.8, which
2 would've brought us up to nice, even in my opinion,
3 slightly better 30 million in recurring funding. But
4 as Jeff said, people are not arguing over whether or
5 not what we do has value. They're just arguing how
6 much more to give us over what's already in the budget,
7 so I think that's really encouraging. It has not
8 always been that way, and I think it's great that, you
9 know, folks that are otherwise physically fairly
10 conservative all see great value in what this
11 organization does for the state. I will note that the
12 Senate budget did not have any non-recurring funding,
13 which is a little less. The Governor and the House
14 had, I believe, 30 million and 20 million respectively
15 in various types of non-recurring funding, and there
16 was no additional staff in the Senate budget. So that
17 said, I think the Senate is kind of what I'm
18 considering the floor of what we might come out with.
19 There's still a long process to go in the conference
20 process. So as they get together, maybe they'll
21 negotiate between where the Senate is and where the
22 House and the Governor are and come together maybe
23 closer to where that the House and Governor are.
24 That's my preference. I did want to point out one
25 other thing that was in the Senate budget, which I

1 really do appreciate, is that they would include an
2 addition to our Statute that would allow us to use up
3 to 3 percent of our appropriated funds for
4 administration. I don't want to get too excited. I
5 don't know where this came from yet. I don't know what
6 was behind it. But if it's approved in the final
7 budget, and most importantly if it does not take the
8 place of our current administrative appropriation that
9 we have, it could be the answer to my problem not being
10 able to hire additional permanent staff. So if that 3
11 percent comes across as truly additional, then we would
12 be able to potentially bring on more full-time staff,
13 which we desperately need, and I could justify all day
14 long. And I'm sure I could talk this board into to
15 letting us carve out a little bit of that 3 percent to
16 having additional staff. So I'm excited about that.
17 I'm not going to count my chickens, but that's
18 something I'll be keeping a keen eye on. Deputy
19 Secretary Michael mentioned the Year of the Trail. So
20 I would like to note that we have had one of our
21 retired staff members, Nancy Guthrie, among other
22 things, she's working on some stewardship stuff for us.
23 But one of the things we've tasked her with is to tally
24 how many miles of trail and how many public access
25 opportunities are on all the properties that we have

1 funded over the years. And it's not as simple as you
2 might think. We've funded several thousand projects
3 going back 26 years. So there's a lot of looking into
4 the record, reaching out to our partners, and our hope
5 is by National Trail Day, which is early in June, to be
6 able to announce some of the milestones that we have
7 right now as she's actively tallying. We've got just
8 under 600 miles of trail that we've identified on
9 properties that we have purchased, and the matching
10 properties and greater complexes that we have
11 contributed to have added on another 2,000 miles. So
12 of what we have done, even though recreation is not the
13 central focus of the North County Land and Water Fund
14 or the predecessor, Clean Water Management Trust Fund,
15 when you buy land, and it goes into public access,
16 public ownership, or even ownership with our nonprofit
17 partners who manage preserves, these opportunities
18 happen, and we've got a great story to tell in the Year
19 of the Trail. And if things really go my way, we might
20 be able to put together some sort of a mapper that will
21 allow people to click on, zoom into the area they
22 happen to be, and click on a point, and it says, here's
23 an access. You know, this is Chimney Rock State Park.
24 The Land and Water Fund had some money in it. Here's
25 the website. Go have a -- go have a hike. So we'd

1 love to really be able to put people in touch with
2 those recreational opportunities that we have directly
3 made possible; one, to celebrate the year of the trail,
4 and two, to again connect people to all the work that
5 we do that they enjoy. They just don't know they enjoy
6 it because of us. So I'm really excited about that,
7 and I'm really glad that Deputy Secretary Michael kind
8 of tickled my brain on mentioning that. On the meeting
9 at hand, we've got full committee reports from both
10 Acquisition and Restoration Committees today, several
11 stewardship items, and I'll wrap up with a report on
12 some of the questions about where we've done our work
13 today as we try to ensure that everyone in North
14 Carolina enjoys the benefits of what we do. I'm really
15 excited for our planned field visits tomorrow, not only
16 because we'll get to see some of the exciting work
17 that's been done because we'll also have some Natural
18 Heritage program staff with us and a few members of the
19 Natural Heritage Advisory Committee. It's another
20 appointed volunteer group that among other things
21 advises on dedications under the Nature Preservers Act,
22 which we have a nexus with. So they're a critical part
23 of what we do when it comes to the conservation
24 agreements on state-owned land, and in my opinion, it's
25 something natural that we bring you folks and that

1 group together. And as Jeff mentioned, they're going
2 to be here meeting on Thursday, so we kind of thought
3 the day in between Wednesday, we join together on a
4 field visit, so thank you all for being here today,
5 and, Mr. Chair, that concludes my comments.

6 Chairman Wilson: Thank you,
7 Will; any questions for Will?

8 Ms. Cawood: Will, maybe to
9 put in perspective for us, what were the staff levels
10 prior to the staff levels now, just so we have some
11 comparison?

12 Executive Director Summer: Certainly, as
13 Representative McGrady said when he was on the board
14 and shortly thereafter when I started, we were about
15 100 million a year. But when I started, I was the last
16 person hired in 2008 of I believe 20 or 21 staff, and
17 they had two positions that they never got to fill
18 before 2009 happened. And of course -- so our high was
19 21 -- 20 or 21 field positions plus some vacancies,
20 plus several temp and legal staff. And again, that was
21 -- those were 100 million dollar a year years, and then
22 we had some rough years, and we started to shed staff
23 down 18, 16, 14, 13, 12, and got to 10. And I think by
24 2014 we were down to 10 staff, which is where we have
25 been until this January when we took some of the SCIF

1 funds and were able to -- I was able to hire Christina
2 Benton. Christina Benton, who's now -- I'm sorry. I'm
3 going to have a quick sidetrack. I know I've
4 introduced her, but this is the first in-person meeting
5 she's been to. So Christina Benton, there she is,
6 welcome in person. We're thrilled to have you. She is
7 our 11th staff. The first one, we've had more than 10
8 since probably 2014, so nearly a decade. We've had 10,
9 and frankly, when we were working on 13.2 million a
10 year in appropriations plus about a little less than 5
11 in license plates, you know, we were in the 18 to 19
12 million a year, 10 staff was still not quite enough to
13 deliver the program at the speed that we wanted. So
14 that's where we were. I wanted more staff before
15 December of 2021 happened, and now I desperately want
16 more staff; thank you for that question. Yeah, we
17 should have -- in a perfect world, maybe twice as many,
18 but if I could get another three or four, I would be
19 tickled, but thank you for that opportunity.

20 Chairman Wilson: All right, any
21 other questions for Will or thoughts; all right, before
22 I open the floor for public comments, I'd like to
23 remind our guests that North Carolina Land and Water
24 Fund policy prohibits using this time to advocate for
25 individual projects that are before the board. Other

1 public comments on general issues falling within the
2 jurisdiction of the Land and Water Fund Board are
3 welcome, but please limit any comments to three minutes
4 per person. Do we have any members of the public that
5 would like to speak? Okay, hearing none, we will move
6 on now to the business section of our meeting,
7 beginning with our Restoration Committee report with
8 Chair Renee Kumor.

9 Innovative Stormwater and Planning Committee
10 Chair Kumor: Thank you, John; the first item is a
11 request from -- a change request from the Town of Apex.
12 And, Steve, did you want to go into the explanation
13 because this is high drama? It's quite high drama.

14 Mr. Bevington: Thank you, so
15 we have prepared slides for three action items in front
16 of you, the first being done one on the screen here,
17 the Town of Apex request for a scope reduction. I'll
18 go through those quickly, and we have one information
19 item if the Board would like to hear that as well. So,
20 Renee, I can't call you Madam Chair because it's not a
21 committee right now. I just wanted to point out that
22 this is not one of our Restoration Committee meetings
23 where you have an hour between the committee meeting
24 and the board meeting. And I won't be handing you
25 last-minute notes as I often have in the past so you

1 can relax and enjoy, but thanks for your great
2 leadership over the last few years that I've had a
3 chance to work with you. I wanted to be able to say
4 that as well.

5 Innovative Stormwater and Planning Committee
6 Chair Kumor: He wasn't gray-haired.

7 Mr. Bevington: Yes, my
8 children call it white though. So very briefly, we
9 don't need to spend a lot of time on these, but the
10 full Board obviously needs to take action on this, and
11 I hope you can see. These slides are not quite as big
12 as I had hoped. The -- by the way, I don't see them
13 here, but that's --

14 Mr. Hearne: It should be up
15 if that's on the Teams meeting, but I can come over and
16 do that. It may have gone to sleep.

17 Mr. Bevington: It's not on the
18 live view.

19 Mr. Hearne: Oh, yeah.

20 Mr. Bevington: All right,
21 while we fix that, the Town of Apex was awarded 600 and
22 -- well, 400 -- a little over \$400,000.00 as you can
23 see there on the slide, and we'll share the slide in
24 one second.

25 Mr. Hearne: Sorry, not

1 enough screens today.

2 Mr. Bevington: Thank you; that
3 looks much better. And the -- the Town was awarded
4 \$409,000.00 out of 600, almost \$700,000.00 to protect
5 2,400 linear feet of stream. It's in what Apex calls
6 their nature park, which is a recreational area which
7 also has ball fields in a part of town that there's a
8 large conservation easement, and really a very
9 successful project. We had hoped Apex -- Apex received
10 bids in the current environment. Their bids came in
11 about 30 or 40 percent higher than they were expected,
12 and they asked us if they could get more money, and we
13 said, well, we really don't feel that's appropriate in
14 this case. Is there anything that you can do? And
15 they are -- they've been chomping the books and
16 sharpening their pencils, and essentially Apex is at
17 the point -- I'll show you a little bit about the
18 project very quickly, where that they've changed their
19 requests, and the committee did review this to consider
20 it. We're reducing the scope of the project just to do
21 the design portion of the project, and I'll show you
22 the scope in a minute; do the design and permitting,
23 allow them to seek additional funds in the future to
24 secure the whole project to be done for the original
25 cost estimates by freeing them from the burden of the

1 first budget productions they had in front of them.
2 Just very briefly, I hope you can see this map. The
3 project is on a large tract called the Seymour Tract,
4 which was purchased with the help of the Clean Water
5 Management Trust Fund at the time in 2005. The area in
6 question here -- oh, you can't see it right there, but
7 maybe my mouse can show it up.

8 Mr. Hearne: I can zoom in,
9 Steve, if you --

10 Mr. Bevington: That's all
11 right. If you see, the squiggly part of the Seymore
12 Tract is the stream, actually the border that would be
13 restored, and that is -- essentially, we are now onto
14 our conservation easements that have been heavily
15 eroding that helped to produce that. Thank you, Damon;
16 that's much better. Again, you can see the stream
17 there literally on the property line. So essentially,
18 their request is to be freed of the existing budget,
19 reduce their award from -- we can go back to the way it
20 was before a second ago. \$409,000.00 is the request, I
21 mean, was the award. They're seeking now only
22 \$60,000.00 under the contract that we matched at a
23 higher percentage, about close to over almost 50
24 percent now as rather than just 40 percent, and allow
25 them to proceed with design and permitting only. So

1 that was the recommendation of the -- I'll go to the
2 next slide, of the committee. The committee
3 unanimously recommended that the Town of Apex be given
4 until June 30th of this year to secure additional
5 funding. We didn't want to cut them off at the knees
6 in case they were actually able to get more money,
7 assure that to continue the project but at a reduced
8 level. So they only produce the design and permitting
9 for this project, for the whole project area with the
10 amount of \$60,000.00 with the matching funds of
11 \$50,000.00. So I'd be happy to answer any questions
12 you have about that, and sorry for the brief overview,
13 but that's -- the committee saw a few more maps and
14 came to some comfort level, and, Renee, back to you.

15 Innovative Stormwater and Planning Committee
16 Chair Kumor: Yes, Steve and the staff made that
17 presentation, and you can see our recommendation. We
18 truly thought we would give the Town of Apex just a
19 little more time. When did we meet in April? So it
20 would have been about 60 days or something to see if
21 they couldn't address their issues. But we weren't
22 surprised. I guess you weren't -- the staff wasn't
23 surprised at the cost of construction, which has risen
24 as much as it has over this last year or two. So we've
25 come to you with the -- our recommendation to allow the

1 Town of Apex to have until June 30th, 2023 to secure
2 any additional funding. Otherwise, the committee
3 unanimously recommended that these funds -- if the
4 funds are not secured, that the existing contract be
5 amended to fund only the design and permitting for the
6 2,400 linear feet of the project area in the amount of
7 \$60,000.00 with matching -- their matching funds of
8 \$50,000.00. Do you have any questions?

9 Mr. Williams: I move that we
10 support the committee recommendation.

11 Chairman Wilson: Okay, coming
12 from the committee, we actually don't even need one;
13 thank you, Darrel. This comes as a recommendation from
14 the committee in the form of a motion. So unless
15 there's more discussion, we can go ahead and vote. All
16 right, all in favor of this recommendation from the
17 Restoration Committee, please say aye?

18 Board Members: Aye.

19 Chairman Wilson: Any opposed;
20 okay.

21 Mr. Price: This is a
22 request from the North Carolina Coast Federation.
23 They're asking for the permission to use a portion of a
24 direct appropriation grants to them through the Land
25 and Water Fund to use as match for an existing 2021

1 project. The funds in question are about half a
2 million dollars of a roughly a million-dollar project.
3 Staff believes that this is a reasonable request,
4 because although they're both Land and Water Fund
5 grants, one source of money is sort of our money. It's
6 a competitive grant they applied for in 2021. It was
7 scored, and they were funded. The other source of the
8 money is actually a direct appropriation. So it's
9 coming through the Land and Water Fund, but it's not
10 part of our competitive grant process. So that's our
11 explanation. This is the Fort Macon State Park. I'd
12 just like to have some context for the project. It's a
13 great park, historical value, and it -- you can see in
14 the picture that it's already starting to be eroded, so
15 they definitely need this work. And a couple -- just a
16 couple arguments in favor of granting this exception.
17 The first one, which I talked about, they're not really
18 matching our money with our money. They're really
19 matching our competitive grant with direct
20 appropriations money that they went and they got from
21 the General Assembly. And sort of without them asking
22 it, the General Assembly chose to administer it through
23 the Land and Water Fund. I do think that the timing
24 works in Coastal Fed's favor. This was a 2021 project.
25 It was a competitive grant. They had pledged to put

1 forth this roughly half a million dollars in match
2 funding. They were hoping to get some other government
3 grant funds. Those fell through, but they did get the
4 Land and Water Fund grant. So I would say that Coastal
5 Fed was very resourceful. They went to another source
6 of funding, which was the Legislature, and they were
7 able to secure their portion of the match for the 2021
8 projects through the direct appropriation. The points
9 change wouldn't be significant. They would lose a few
10 less points in the source of their funding, but they
11 still would have fell well within the range, score
12 range that was funded in that year. And finally, there
13 is precedent for doing this. As recently as 2018, we
14 did fund a project that had both a competitive grant
15 funding and direct appropriation at the same time.
16 That was fine. The committee unanimously recommended
17 to allow Coastal Fed to do this. So it would allow
18 them to use the direct appropriation as match, and then
19 we would want to update both contracts that we have
20 with them already for this project -- these two
21 projects to make it perfectly clear where the money was
22 coming from and that they wouldn't be used for the same
23 thing.

24 Innovative Stormwater and Planning Committee

25 Chair Kumor: So you can see what I meant. Is the

1 money here? Is the money there? But the staff, as you
2 can see, worked really hard to make certain that we all
3 understand that it's very clear that we are not giving
4 a double portion of money to somebody, and that the
5 money that was matched was -- even though it came
6 through our budget, was a direct appropriation to this
7 project and not something that we chose to enhance this
8 project with. It was a conundrum, but it's a good
9 project, and we were happy that they got their money
10 one way or the other because we wrestle every year with
11 a budget, and we're always happy if we got our money.
12 So the committee is recommending that we grant an
13 exception to allow the NCCF to use the portion of the
14 direct appropriation as matching funds for the Fort
15 Macon project 2021-414 and amending the existing
16 contract for the Fort Macon project to update the match
17 sources and add special conditions to ensure that grant
18 funding administered through the Fort Macon contract
19 and the direct appropriation contract are clearly
20 delineated. Again, you can see how our staff wants to
21 make certain that there are no questions about the
22 sources of the funds and how they're used, and how we
23 assign them. That was our committee recommendation.

24 Chairman Wilson: All right,
25 thank you, Renee and Will; any questions for Will?

1 Ms. Cawood: Just so sorry
2 to ask, this makes me a little uncomfortable.

3 Mr. Price: Sure.

4 Ms. Cawood: Honestly, but
5 what gives me comfort to be able to vote for it, of
6 course, is the hard work that you've done and the
7 committee's done, and that we do use matching funds for
8 other state -- you know, and state parks, that's used
9 as a match. So that makes me more comfortable. So I
10 would use that as another example that gives me comfort
11 to vote with the committee.

12 Innovative Stormwater and Planning Committee
13 Chair Kumor: I think the issue becomes if somebody is
14 receiving money from us, and they do -- I'm sure a lot
15 of our grant applicants go to their Legislative
16 representative to ask for some support. So kind of let
17 them know, please don't have it come directly to us
18 because it's easier to manage if it comes through some
19 other sister organization that we would then help
20 manage, and that it's causing us a little bit of extra
21 work, but nobody's going to question how we manage the
22 money.

23 Acquisition Committee Chair Walser: How could
24 it have lost points in the scoring? I'm curious. I'm
25 sure there's a really good reason. I'm just missing

1 it.

2 Chairman Wilson: Because it's a
3 State source versus the lowest -- the lowest way that
4 you can -- the lowest --

5 Acquisition Committee Chair Walser: So
6 private match or donated match would be somewhere in
7 the middle, but cash from someone else would be higher,
8 but the State grant --

9 Chairman Wilson: Private is the
10 highest.

11 Acquisition Committee Chair Walser: Okay.

12 Chairman Wilson: Federal or
13 other government, non-state governmental sources is the
14 second highest, and state is the lowest.

15 Acquisition Committee Chair Walser: That
16 makes sense. I should know that; thank you.

17 Chairman Wilson: You know that.

18 Acquisition Committee Chair Walser: I
19 used to know that.

20 Mr. Womack: So is there a
21 -- I hear that we want the Legislature to be informed
22 that this is -- this is hard for us, but I mean, is
23 there an official action plan? Is someone assigned to
24 have that conversation with someone in the General
25 Assembly to just request that there may be another

1 opportunity or another venue to disburse these funds
2 rather than just put them in our lap? Is somebody
3 going to do that?

4 Executive Director Summer: I make clear to
5 our Legislative liaison and all of our partners that
6 advocate on my behalf that I strongly feel that no
7 direct appropriations are in our best interest. I
8 think we've got a great process with nine wildly
9 intelligent and engaged folks making decisions. So I
10 would -- as much as I respect the General Assembly's
11 thoughts, I like what the people in this room do. So
12 I'm -- my position is always that I don't want to
13 direct appropriation, but if it does happen, that it
14 not come through us because we also kind of -- we have
15 a very rigorous process, and if there's one line that
16 says you shall spend a million dollars on this, that
17 kind of ties our hands in taking our normal steps. So
18 that's a -- I don't have a plan to make a specific
19 point on this one. It is the standard course for me.

20 Acquisition Committee Chair Walser: I'd
21 like to say that I agree with you, David. We need to
22 relay that message. But I'm also -- I'm tempered with
23 the reality of what you said earlier, Will, about --
24 and we're looking at getting additional money from the
25 General Assembly that's not recurring because we're not

1 even arguing about recurring funding anymore. I think
2 it's awesome that they look at us as the most efficient
3 way of getting these projects done, and they are our
4 funding source. And so if this is the way they want to
5 do it, I think we need to deliver that message very
6 softly.

7 Chairman Wilson: I was about to
8 say the exact same thing. This is great conservation
9 at a really important site. I mean that -- the photo
10 you showed us just makes you really take it all in.
11 This is really important and, you know, I'm honored
12 that we're playing such a huge role in this. So point
13 well taken, but --

14 Executive Director Summer: Deans does all
15 the magic for us, our Legislative liaison. He's
16 excellent.

17 Mr. Womack: Yeah, I realize
18 that it could be a slippery slope.

19 Ms. Grissom: I'm also
20 comforted by the fact that they had reached out to
21 other funding sources that fell through but that the
22 Legislature saw the urgency of this as well and stepped
23 up to make it happen.

24 Mr. Rusher: The timing of
25 this award, I think, caused us to really go over the

1 fine details. The staff did incredible job keeping us
2 up to speed on this, and once this match money came in
3 after the fact, and it caused a scoring change, which
4 we now know in hindsight was a very minimal impact,
5 which made this whole process a lot easier, so
6 transparency on our part as Trustees to get this all in
7 writing. We debated it and talked through it, and put
8 a lot a time of the previous precedent set to do this
9 in the first place. It was very important for our
10 internal deliberation.

11 Chairman Wilson: Okay, so we
12 have a unanimous committee recommendation in the form
13 of a motion. So we're going to vote once we have
14 finished with any remaining discussion or questions.
15 Is everybody ready to vote? Okay, all in favor of this
16 committee recommendation that is before you on the
17 screen and I feel has been read a time or two, please
18 indicate by saying aye?

19 Board Members: Aye.

20 Chairman Wilson: Okay, any
21 opposed; all right, that passes unanimously; Renee,
22 back to you.

23 Innovative Stormwater and Planning Committee
24 Chair Kumor: Okay, this next item, Reconsideration of
25 Appraisal Requirements for Restorations, is very

1 straightforward; just continuing to allow the
2 restoration -- evaluation of restoration grants without
3 any impediment because of the size of the properties
4 that we often deal with. And we are -- we don't want
5 to put any impediment in moving our restoration grants
6 and matching properties for -- without having to bump
7 into some sort of regulation. And Steve's going to
8 just explain it much better.

9 Mr. Bevington: Well, I'll try.
10 It's not a hot-button issue. Maybe we'll find out.
11 It's not as exciting as the last one, I hope. This is
12 a bureaucratic administrative issue really for us. But
13 for those of you not on the restoration committee, the
14 restoration program, except for very rare exceptions,
15 all of our acquisitions are done by match only. So
16 when we're assessing the value of something, it really
17 comes down to is it a fair value, fair market value,
18 but we don't have the same level of threat of wasting
19 money in that we're not purchasing anything on the
20 restoration side. However, we have been trying to, and
21 actually doing a wonderful job with Marissa's help and
22 others, coordinate our activities in terms of contracts
23 having to be as identical as possible and match program
24 to program as much as possible. That's a wonderful
25 place where it's appropriate. In the past, the -- we

1 -- the restoration part have borrowed some language
2 about appraisal value and stuck it into our contracts.
3 They've been in the contracts for over ten years now,
4 requiring anybody who has a match value coming to the
5 table of over \$100,000.00 to demonstrate that that's
6 accurate with the same level of requirement as in -- as
7 in the acquisition -- some of the acquisition template
8 contracts. So that hadn't really been an issue because
9 generally restoration projects are small. The parcels
10 may be big, but the restored part is often 100 foot
11 wide. On both sides of the creeks are a 50-foot each
12 side buffer, or there's many parcels, and the
13 individual land donations are quite small. So the
14 \$100,000.00 issue didn't come up very often, and people
15 are allowed to use the taxed current value, which our
16 committee members had pointed out sometimes is an extra
17 donation and that taxed current value can actually
18 often be -- it depends what county you're in, but quite
19 a bit lower than the true land value. That said,
20 things are starting to change a little bit. One thing
21 staff's been very proactive trying to get larger
22 projects, and we'll see one tomorrow in the field, but
23 larger flood plain activities going for restoration and
24 preservation. So applicants are starting to show up
25 with bigger parcels which raises obviously the

1 threshold of the cost of the donation match, which is
2 great. Also, of course, inevitably land prices have
3 been going up. So now more and more, we're seeing
4 projects where \$100,000.00 is actually an issue, and we
5 -- staff really feels that that's an undue burden in
6 some cases since this is a donation. And so really,
7 this is -- these many points up here in the slides come
8 in, but to the point that we're beginning to feel,
9 we're seeing applications that will be burdened by
10 seeking appraisals for land which they're perfectly
11 willing to take a low tax current value and saying
12 that's fine. Just give me credit for that; I'm done.
13 Don't make me go through the time and money for this.
14 That said, the committee that was our first proposal,
15 let's abolish it, done. The committee said, wait; you
16 know, this is still a value. They're donating it, but
17 we're crediting it with State money. It requires State
18 money. So is that fair to do? So we -- staff rewrote
19 the language a little bit to sort of say, let's take a
20 step back. And this is the existing -- this is just
21 from a template, and I'm sure you can't really read
22 this. But instead of just removing it, why don't we
23 raise the limit to \$500,000.00? So we'll run into this
24 much less frequently. Where there is a large donation
25 prepared, staff wouldn't be in a position to really

1 ascertain that that is a true value. It will be --
2 come up much less commonly and only in projects that
3 are really kind of massive and probably will have the
4 budget to go ahead and accommodate that. And we have
5 also proposed striking the acquisition side, which
6 again if you're buying the land, that's appropriate.
7 For large projects, you would probably want to get two
8 appraisals. In this case, again since it is 100
9 percent donation, tax current value or one appraisal we
10 feel is often fine. We're proposing to strike those
11 two. So that was what we presented to the committee.
12 The committee recommendation, Renee, if you want to
13 read it, or I can read it.

14 Innovative Stormwater and Planning Committee
15 Chair Kumor: Yeah, the committee is recommending that
16 raising the threshold for appraisal requirements for
17 restoration and innovative stormwater projects where
18 property interest is being provided as a match from
19 \$100,000 to \$500,000 and removing the requirement for a
20 second appraisal for restoration and innovative
21 stormwater contracts that do not involve the
22 acquisition of property with the North Carolina Land
23 and Water Funds; any questions?

24 Chairman Wilson: Any questions
25 for Steve or Renee; is everybody good with this, ready

1 to vote good? Okay; this comes to us as a unanimous
2 recommendation from the committee. You have heard the
3 recommendation, and we have no further discussion. So
4 all in favor, please say aye?

5 Board Members: Aye.

6 Chairman Wilson: Any opposed;
7 all right, that carries unanimously. All right, I'm
8 heading back to you for l.d.

9 Innovative Stormwater and Planning Committee
10 Chair Kumor: This is something we are going to try to
11 let you understand how we've been thinking and come to
12 you as the full board and maybe have some other
13 suggestions. We've wondered how do we get our money
14 spent in our parts of the state that could probably
15 benefit but might not be innovative enough, but are
16 innovative on the East Coast, but not innovative on the
17 west -- west of the mountains. And that along with
18 another issue that the Restoration Committee has been
19 wrestling with, which is how do we get more interest?
20 I mean, everybody wants acquisition. You guys, you
21 know, they think you have bags of money just to go out
22 and buy land. And you do, of course, because we only
23 get a small portion of our assessment from the budget.
24 But we want more people to take advantage of and
25 explore ways that restoration and innovative stormwater

1 projects and planning projects can be helpful to their
2 communities. So we've tossed a whole lot of things
3 around, and one of the issues is maybe being a little
4 bit more flexible in what's innovative and where it's
5 innovative and some of the other ways we can develop
6 interest in small communities thinking that maybe what
7 we've got to offer is something that they want to make
8 a proposal and get some assistance for; go ahead.

9 Mr. Bevington: I'll just very
10 introduce -- very briefly introduce sort of some of
11 that same thinking and allow Damon to speak about what
12 the field reps, who really are the primary base of our
13 fund for -- to the public and to -- especially the
14 applicants of course, and what they're doing to try and
15 get that word out a little bit and see where it comes
16 from. This is really just where the legislation
17 directs us, where to look about innovative stormwaters.
18 So, you know, these monies are appropriated to us, and
19 they may be used for many different purposes of 12.
20 There is number 6, which is there in the middle of this
21 big blue slide, to finance innovative efforts,
22 including pilot projects to improve stormwater
23 management, reduce pollutants entering the state's
24 waterways to improve water quality, and research
25 alternatives -- alternative solutions to the state

1 water quality problems. So it's very broad. But
2 importantly, you know, stormwater was something the
3 Land and Water Fund used to do, and it was removed from
4 our purview. And I think in some ways quite
5 appropriately, that the DEQ, who has engineers on staff
6 and regulatory authority over such activities, can
7 finance those, too. And right now they actually have
8 money. Some years they don't, to be fair to
9 applicants. But so interpreting this has been sort of
10 a tricky edge that we want to be able to be open to
11 communities to take advantage of, but not to fund out
12 -- not stormwater projects in the past and that's sort
13 of been the crux of it. So over the years, especially
14 with the field rep's help, we've developed guidelines,
15 and this is our current guidelines up here. I'll have
16 Damon chat about them in a second. I'm just going to
17 briefly outline really, you know, we helped -- we tried
18 to define what they're supposed to do in innovative
19 stormwater and then I'll point out that you as a board
20 can consider other broader interpretations that if you
21 want, but you'll be competing with everybody else. And
22 I'll just go back and forth between these two slides,
23 but we have a frequently asked questions thing about
24 it, which is -- you can see in here in detail, but it's
25 quite involved because people do have questions. And

1 some years we see seven or eight applications for
2 innovative stormwaters, and this year we see only two.
3 And I think part of that is some confusion in the
4 applicant's thing because it is a difficult fence to
5 stride. So, Damon, do you have a few thoughts maybe?

6 Mr. Hearne: Yeah.

7 Mr. Bevington: Quickly on what
8 the field reps see from the applicants.

9 Mr. Hearne: The hardest
10 question I get all year is what's innovative, and I
11 have to say, well, I'm not a stormwater scientist. And
12 you will have to kind of figure that out and figure how
13 to take something innovative and fit it in with your
14 local project need and hope that it's not so innovative
15 that it fails, but -- or you're a researcher and you
16 know exactly what it is, and they didn't -- they don't
17 ask me those questions, and they're doing real
18 research. And I -- so a common piece of advice is do
19 not apply for these funds. Don't add complication
20 innovative -- innovation to your rural or local
21 stormwater project. Just do it really progressive. Do
22 good stuff. Do what we've learned about stormwater in
23 the last ten years, but you don't need to do research
24 and add \$200,000.00 worth of research complication to
25 do a cutting edge stormwater, and just do something in

1 your area that is unique, but don't use our funds to
2 try to expand it into innovation. And I think the idea
3 with this is we'd like to be able to fund projects in
4 -- for example, in a given rural county where they're
5 not, may not be very many, you know, ecologically
6 diverse rainwater infiltration gardens, or maybe not
7 very much pervious pavers, that they can do that work
8 there that's progressive and relatively cutting edge,
9 but they don't have to make it into research, and they
10 can show it as a pilot project for their region or
11 their county. And it may be just as effective in
12 changing people's habits, but it's not contributing to
13 a statewide or national research elevation because
14 there aren't that many applicants that should or can be
15 doing that research successfully and have a really
16 great theory on why they should be doing it and the
17 research background. Often we have towns that are,
18 we've got a problem. We've got a failing X or Y. We
19 want to fix it, but we want to do it well, or we want
20 to use good technology. And we have to say, you can
21 try to apply for that, but you won't get scored that
22 well for innovation. And then you'll be at a
23 disadvantage and, you know, then you're doing extra
24 stuff to get this money that maybe you didn't have to
25 do. So it puts a lot of areas that aren't doing

1 standard stormwater, and they want to do pilot
2 projects. They want to do demonstrations, but they
3 aren't necessarily wanting to do pH level research at a
4 disadvantage. And I think there's a lot of -- there's
5 still a lot of need for that, especially in areas
6 outside of the major metropolitan areas that need to do
7 demonstration progressive stormwater projects that need
8 to do things that people realize. You know, it doesn't
9 have to be underground concrete storage or a holding
10 pond that's gross. And right now our program doesn't
11 really fit well for this. Is that, Steve, what you
12 were --

13 Mr. Bevington: That's helpful
14 to me, and I guess what the -- we're asking the Board
15 today, and it doesn't have to be just today. It could
16 be through our committee later or at some other time if
17 thoughts occur to you. Does that sort of feedback
18 sound okay? Are we being too strict? Are there ways
19 to encourage local communities who don't have means to
20 pull off what Greensboro with a stormwater utility
21 might be able to pull off and staff to allow you to
22 consider it carefully? We don't want to cultivate
23 projects and have you guys say, well, it only scored a
24 46. I'm not -- we shouldn't fund it. At the same
25 time, we do think there's some great pilot examples

1 where you could take what Raleigh can do and can you
2 make it work in a more rural or smaller community or
3 something like that. So that's the direction we're
4 sort of leaning. The Board and under Renee's
5 leadership and the committee have really been moving
6 that way the last few years to allow -- if NC State or
7 some professors at other institutions want to come in
8 with a fancier side-by-side project to prove how we can
9 do stormwater better, we're all for it. Those things
10 will score in the 80s, 70s or 80s, and be sort of a
11 slam dunk. But how do we treat the applicant that
12 comes in and say, well -- frankly, I know they wouldn't
13 say it this way, but I'm going to clone what I saw on
14 my field trip at the big city, and I'm going to try it
15 here to see if I can make it work. It's not going to
16 score well in our existing scoring system, but it has a
17 lot of value, and it will bring stormwater benefits to
18 different parts of the state. And there may even be
19 some feedback loop that we could at least have people
20 saying -- well, at least tell your neighbors, did it
21 work or not. If it doesn't work, tell them -- really
22 tell them it didn't work. That's often the most
23 important thing to learn in innovative stormwater is
24 where it doesn't work and save money with other people.
25 But anyway, if you're uncomfortable with that in any

1 way, or you wish we'd do more of it, do let us know,
2 and I -- really the major conduit is going to be
3 through the field reps with Damon's leadership, but I'd
4 be happy to facilitate that either through the future
5 committee meetings again or comments, anything you want
6 to collect today. So that's all we have on this. I
7 know it's not a lot of detail. We're just looking for
8 is our understanding of your guidance correct or close,
9 yeah.

10 Mr. Williams: I know we
11 talked about this at length in the committee meeting.
12 And one thing that may be helpful, during the
13 application process or review process, how many staff
14 members are reviewing it to determine whether something
15 is innovative or not. Is it one person, you; just you?

16 Mr. Bevington: It's me. I
17 will often make a stab at it, and the field reps who
18 have seen it and met with applicants and met in the
19 field that will guide me on that. So, Damon, go ahead.

20 Mr. Hearne: And we ask them
21 to justify it. So we're looking at their links and
22 paperwork and background, and then we look maybe at the
23 stormwater manual and say is it -- Steve will say,
24 yeah, it's in there exactly like this. It's already
25 known science, or they've got five paper citations.

1 And then I'll meet with them in the field, understand
2 it better, and I'll come back and say, hey, Steve, you
3 gave them, you know, 12 out of 15, but I think it
4 should be 14 out of 15, and we'll chat about it.

5 Mr. Williams: Yeah, yeah.

6 Mr. Hearne: But it is --
7 it's really hard to kind of figure that out sometimes,
8 and some projects it's obvious, and sometimes projects
9 are like, wow. You know, one of the far western
10 counties that doesn't see as much stormwater work, it's
11 just the way it is. It feels really innovative to
12 them, but we can't say it is at all.

13 Mr. Williams: Yeah, yeah, I
14 mean, a good example is like a larger municipality may
15 have a requirement, and that's the only way they will
16 allow it to happen.

17 Mr. Hearne: Right.

18 Mr. Williams: A smaller one
19 may think it's innovative, but it's required somewhere
20 else, you know.

21 Mr. Hearne: Right.

22 Mr. Williams: You know, I
23 think the key is to have a broad understanding and be
24 open-minded, you know, and it depends on who you work
25 with. I mean, I -- so yeah, but that's a lot of

1 pressure on you, but it's good to be able to get
2 Damon's opinions before you commit to it.

3 Mr. Bevington: Yeah, it helps,
4 and all the field reps have been very helpful on that.
5 You know, eventually it comes back to the Board,
6 though, of course.

7 Mr. Williams: Yeah.

8 Mr. Bevington: So what we want
9 to do is to make sure. I think the most important
10 thing is we're not encouraging people to pursue things
11 that won't work in your eyes. So again, that's why we
12 just sort of wanted to check-in. Yeah, go ahead,
13 Damon.

14 Mr. Hearne: We still want
15 it to be a project that will have a ripple effect, that
16 will have education or show off or some time spent
17 educating or publishing or doing trips or signage; how
18 many people will see it. We still care. I mean to me,
19 I still want it to be something that will have an
20 impact beyond that given project. It's just a matter
21 of is it -- does it feel innovative in the county or
22 the town or the region, or is it really like we're
23 looking at a national or East Coast or all of North
24 Carolina scale.

25 Vice-Chairman Browning: I remember in

1 our committee we had a really healthy discussion about
2 this and a lot of support for this direction. My
3 recollection is though that we are not talking about
4 memorializing that in any way. It's just that when we
5 evaluate through our -- in terms of the scoring system
6 when we evaluate our process, we're just trying to
7 remember that this is sort of the sentiment of the
8 board and if that is the case that, right?

9 Chairman Wilson: So we're not
10 talking about changing the scoring system. We're not
11 talking about how you score it using our current
12 scoring system. We're just saying, yes, go ahead and
13 bring us projects that may score a little bit lower,
14 but they've got some innovation to them, whether it's
15 more regional.

16 Mr. Hearne: Well, and I
17 guess that's my question. Would you allow that
18 innovation section of the score to be more had by a
19 project that was innovative for the county? Like it
20 was progressive for that county. It was innovative
21 there. It feels to me like if we -- to me, I would
22 like us to see -- to be able to do that so that there
23 could be a realization of a higher score and seeing
24 you're -- so you still have apples and apples instead
25 of apples and oranges and something else that you're

1 not, and you're trying to figure out how to fund it,
2 and whether or not Steve feels it needs to be a
3 mechanical change to the scoring system or if it's just
4 the guidance. But to me, like -- I would like one of
5 those projects that fits the vision to score well or
6 have a chance to score well. So it would be kind of
7 saying we've got these innovation points, but we can
8 now feel comfortable giving more of them if it's in
9 this category that last year we didn't call innovative.

10 Mr. Bevington: So I think that
11 is the thing. I think it would be me being a little
12 less strict with some of the guidance we've followed in
13 the past about what we call innovative, but really try
14 and differentiate most importantly between projects
15 that their only need, they just have a huge stormwater
16 need, and they try and make it sound innovative as
17 Damon was saying. We don't want that. It's tough for
18 those folks. They're in a tough spot. We don't want
19 to -- you have to get them out of their stormwater woes
20 just because you're the people holding some money.
21 What we'd rather have is people come in with something
22 that would make progress, either distributing
23 discoveries further across the state or something that
24 they could tell their neighbors to pursue. So I think
25 that sort of pilot project scoring is something I think

1 I might feel being a little more lenient scoring some
2 of those in the future, which will allow the field reps
3 to say no less often. But we would still really try
4 and be sticklers if people just have a stormwater
5 problem. That's a big stormwater problem, but don't
6 invent in this or pay extra people to make it
7 innovative, seem innovative. That's counterproductive.
8 That's -- we have steered away from those in the past,
9 and I think we've just lost some of these pilot, you
10 know, distributive copying efforts in that -- in the
11 past. We've thrown the baby out with the bath water,
12 so to speak, a little bit on that, and that's what I'm
13 hoping to avoid.

14 Chairman Wilson: So can you
15 accomplish this with the existing rating system
16 language, or do you need a change in the language?

17 Mr. Bevington: I think I can,
18 but I really -- yeah, and I've looked at it. I think
19 there's some regionally important intermediate scores,
20 which I could think would be more appropriate to award
21 these. Not like a discovery, it's regionally
22 important, but just to say, hey, no one else has done
23 it in these three counties, that's regionally important
24 I think. So I think -- I do feel I could do it with
25 the existing scoring system. If I feel that's wrong, I

1 think I could bring red lines to a future committee
2 meeting if that was necessary.

3 Chairman Wilson: But in
4 September, you would no doubt point out to the
5 committee and maybe to the full board as well that you
6 scored this a little differently this year than you
7 would have in a prior year.

8 Mr. Bevington: Right, we'll
9 get a nice test in September. Unfortunately, the two
10 we -- well, it's good in a way. We only have two, and
11 the good part is that they're both technically pretty
12 innovative. So we'll see where they score, but it
13 might be a good forum to continue this discussion,
14 maybe even as the whole board and say, hey, you know,
15 sure, these both got 72, so we're not too worried about
16 it. I haven't scored them yet. I will have, but I
17 haven't finished scoring them yet. Is that we -- what
18 if it was -- a little hypothetical testing of it might
19 be good as a group at that point. So maybe that's a
20 good way of convening, to end this conversation is
21 saying if we keep going this direction, we will show
22 you what we think is happening both with guidance and
23 with scoring in September.

24 Mr. Hearne: And I think
25 that's a rewrite of our guidance so that we can show

1 our applicants something pretty clear about how you can
2 get the points and how you can score and how you can
3 submit a project you all want to see. And you know, we
4 know we're not in the mode to change the score for this
5 September, but that could point out some small tweak to
6 the scoring that for 2024 makes more sense for that
7 last piece to follow into place to then fully actuate
8 your vision for it. But I think we can get a lot of
9 the way there with, you know, some work-up with that --
10 a reworking of that guidance that Steve showed on the
11 screen, and what follows that is how he's interpreting
12 it.

13 Ms. Cawood:

Mr. Chairman,

14 one thing that, and I guess two sides of my brain
15 almost working, but part of the legitimacy of this
16 Board and the work that it's done over the years is
17 what Chuck McGrady had brought up is we stick to the
18 science. We have the scoring system. I served on
19 another board that did not. So it was very political
20 in what got funded and what was even shown to us. So
21 that was something when I worked on the reconstituted
22 board. We worked very hard on our scoring system or
23 our rating system, whichever you want to call it, to
24 take out the subjectivity. And Clean Water Management
25 Trust Fund had that and we just, you know, changed it

1 for the Board. But then there is, and you all know, I
2 have a very soft spot for small community that they
3 don't have the staff to put together these grants. If
4 they are doing something that they've learned about
5 someplace else from a large municipality, please, you
6 know, let's continue the ripple effect of great work
7 across the state. So I'm kind of talking out the sides
8 of my mouth.

9 Innovative Stormwater and Planning Committee
10 Chair Kumor: Greer, I think that's one of the things
11 that our committee has been wrestling with, not just
12 this specific issue, but how do we get to smaller
13 communities who we do know have need, and those are --
14 those have been some of the things we've looked at, and
15 sometimes they need -- not only they may know what they
16 need, but they need a grant person and not every -- no
17 city has a grant person on staff, and how do we get to
18 those communities. And it's -- we've been wrestling
19 with a lot of those things to find out how do we make
20 certain that our money is going to places in this state
21 that would be so delighted but had never thought of nor
22 thought they had the capability of. And so today we're
23 offering one idea in the restoration and innovative
24 stormwaters, and other -- we have had some other ideas
25 just to see how do we -- you know, instead of just

1 sending Steve out with a banner saying, I have money;
2 why don't you apply. You know, try to get -- try to
3 find some ways to attract attention.

4 Mr. Williams: Yeah, one of
5 the things we talked about in the committee is that
6 there are other agencies around the state that are
7 helping to educate some of these small communities, and
8 this agency can't do everything, but to try to help
9 provide resources to these other smaller municipalities
10 to help them, not just for this issue, but a whole lot
11 of things, you know, that they need help with, but to
12 try to bring those resources to them whenever it's
13 possible.

14 Ms. Grissom: I agree, and I
15 think the impacts of demonstration projects in small
16 communities is significant.

17 Chairman Wilson: I guess, you
18 could get to a point where that small community and
19 that nearby small community and that nearby small
20 community are all -- start doing this technology that
21 used to be new, and at a certain point it ain't new no
22 more, so just keep that in mind.

23 Mr. Hearne: Oh, and that's
24 kind of what we've got here a little bit. It's like
25 the stormwater science was at a really high growth

1 period the last 20 years, and there's still cool stuff
2 going on. But the amount of progressive stuff that's
3 being cut out on the edge is starting to drop off
4 because a lot of the lying fruit has been researched.
5 So I would -- that would be a great problem to have.

6 Innovative Stormwater and Planning Committee
7 Chair Kumor: We're just -- we wanted to talk to you,
8 and we wanted to let you know the idea that's floating
9 out there. We think Steve's correct. You might see
10 some things in September that will more help you
11 crystallize them. If you haven't been on the
12 Innovative Stormwater Committee and have seen over the
13 last several years, what have been promoted, just we
14 want you to be alert that as you start seeing the grant
15 proposals come up that you'll start to understand where
16 we're trying to go with all the -- with the thinking,
17 and it seems like you guys are already there. You
18 understand where we're trying to go. We just have to
19 narrow it down and be coherent, because we do have to
20 respect that we are a body that makes thoughtful
21 information driven decisions.

22 Chairman Wilson: Do you feel
23 like we have done -- that you have gotten what you need
24 from the --

25 Mr. Bevington: That's very

1 helpful, especially with the idea, I think it sort of
2 came out of this group to re-engage in this
3 conversation in September with two projects in front of
4 us. I think that would be extremely helpful. And,
5 Damon, did you get enough today from here?

6 Mr. Hearne: Yeah.

7 Mr. Bevington: As well as the
8 field reps, so I think I've learned a lot and the
9 spirit of the committee as well, so thank you.

10 Chairman Wilson: Renee, anything
11 else from the Restoration --

12 Innovative Stormwater and Planning Committee
13 Chair Kumor: That's all from Restoration and
14 Innovative Stormwaters.

15 Chairman Wilson: All right,
16 thank you very much; we now move on to the Acquisition
17 Committee report from Chair Jason Walser.

18 Acquisition Committee Chair Walser: Thank
19 You, Mr. Chair, it's 2:30. I don't want to in any way
20 step on your toes. I am fine diving in and continuing
21 to go. We probably have a good hour's worth of
22 conversation or more. I didn't know if you might want
23 to take a break. It's fine if you don't. I didn't
24 know if you want to survey the crowd. I can take a
25 break at any point during this conversation whenever we

1 reach a certain time. I just wanted to throw that out
2 there before we dive into a good hour's worth of
3 conversation.

4 Chairman Wilson: Why don't we revisit that
5 question after we finish 2c, halfway through your --

6 Acquisition Committee Chair Walser: Okay,
7 fantastic.

8 Chairman Wilson: Does that work?

9 Acquisition Committee Chair Walser:
10 Absolutely; okay, so I'm going to ask Marie to come up
11 and help us dive into the 2021-007 project. This is a
12 proposed amendment to a conservation strategy and grant
13 award. They're going to be several with Conserving
14 Carolinas. We have some of their staff here today with
15 us, so we're going to put them in the hot seat perhaps.
16 If we need to have them answer questions, I suppose we
17 could call on them. I'm happy to do that, or you can
18 do it yourself. I don't need to be involved, but in
19 any event, Marie, please start us off.

20 Ms. Meckman: Thank you very
21 much; good afternoon; so this first one is a 2021
22 project, and the Board approved a protection of six
23 acres. This was a fee simple acquisition of six acres
24 primarily supporting federally threatened and
25 endangered aquatic species, and this will be protected

1 with the declaration of covenants and restrictions and
2 planning to transfer this fee acquisition to Henderson
3 County for use for a greenway. However, Henderson
4 County was not able to accept the transfer at this
5 time, and so Conserving Carolina has asked that we
6 consider changing the scope to use a conservation
7 easement strategy, which will allow them to provide
8 stewardship funds, et cetera, and develop a baseline
9 development report. So what we would like to do is ask
10 for additional funds for this particular project, which
11 would total \$5,938 for stewardship and \$4,000 for the
12 baseline documentation report. This strategy change
13 does not affect acreage or protection of resources. It
14 does drop the score one point from match percentage to
15 a score of 66. That is not because they are dropping
16 match. It is because we are increasing funds for that
17 project. So here's a picture of the project. You can
18 see, it's on the French Broad River that we have quite
19 a bit of flood plain there right on the river. And
20 this little strip of land follows the stream there and
21 goes up along the -- there's a road up there where
22 there would be a great location for a greenway, and in
23 hopes of transferring part of this property to
24 Henderson County, Conserving Carolina has told me that
25 they would like to subdivide this property in order to

1 keep the bog portion in place and to be restored by the
2 conservancy and kept in fee ownership by them. And
3 then the upper portion would, at some point if
4 Henderson County is interested in taking it on, go
5 ahead and transfer that at that time. Jason, would you
6 like to --

7 Acquisition Committee Chair Walser: Sure,
8 our committee discussed this at length. We were, I
9 think, all fairly much on board. I think everybody
10 agreed that we would like to recommend to the Board
11 that we make an additional allocation of \$9,938.00 of
12 license plate revenue -- future revenue, and/or
13 returned grant funds for the purpose of stewardship of
14 this project, is that right?

15 Ms. Meckman: So your board
16 action is to approve, amend, or to deny the request.

17 Acquisition Committee Chair Walser: We
18 recommend approval of the request.

19 Chairman Wilson: Okay, thank
20 you; coming to us from the Acquisition Committee, is
21 there any further discussion? So this would be
22 changing from restrictive covenants to conservation
23 easements. That is the specific change in the
24 conservation strategy in addition to these additional
25 funds to be allocated. Okay, any discussion; all

1 right, all in favor, please say aye?

2 Board Members: Aye.

3 Chairman Wilson: Any opposed;
4 okay, back to you, Jason.

5 Acquisition Committee Chair Walser: Okay,
6 project 2021-004, the Conserving Carolina -- Camp
7 Woodson Scope Change Request, Marie's up again, and
8 this is another change of conservation strategy. I'll
9 let you take over, Marie.

10 Ms. Meckman: Okay, so this
11 one is -- this is an interesting one. This has been
12 going on for a little while. It involves 234 acres
13 which would be purchased in fee and a State-held
14 conservation easement placed on the entire property
15 except for a small exclusion area. During the planning
16 phase with the -- with multiple funders the camp
17 requested expanding the exclusion areas -- instead of
18 just having these two small exclusion areas, expanding
19 them to be protected by a conservation easement held by
20 Conserving Carolina, and I will show you a map for
21 this, but the resource protections would not change the
22 strategy. Conserving Carolina easement would require
23 the same restrictions and protections as our State-held
24 easement, except these small managed areas. The score
25 would not change with the strategy. And I can show

1 everybody understand what's going on here? It's a
2 little tricky. So the land that was not going to be
3 covered by a conservation easement is now going to be
4 covered by conservation easement. So in theory at
5 least, Conserving Carolina would have to approve a cell
6 tower request or a septic system or a swimming pool or
7 something that might have been allowed because it was
8 surveyed out previously. So more land is covered, but
9 it's not covered by our easement. It's going to be
10 covered by their easement. So there's a little bit of
11 a trade-off, but more land gets protected. Is that
12 clear? It's a little tricky. Did I state that
13 accurately?

14 Ms. Meckman: Thank you so
15 much; that's a hard one to describe because there are
16 intensive areas within the conservation easement that's
17 held by Conserving Carolina, but as you said, the rest
18 of it is all protected.

19 Acquisition Committee Chair Walser: I feel
20 like we get more land protected as a state, and the
21 staff of the Land and Water Fund probably has fewer
22 risks. I think Conserving Carolina staff may have more
23 challenges to deal with that easement that they are
24 going to hold, but in terms of what we are going to
25 have with our staff to deal with, again, the septic

1 system, whatever the exempted property that's not under
2 easement, I think this is cleaner for us. So I'm very
3 supportive of this. So we make the recommendation that
4 we approve it as presented, the amendment.

5 Chairman Wilson: Is the outer
6 perimeter of the entire project staying the same?

7 Ms. Meckman: Uh-huh.

8 Chairman Wilson: So it's just
9 the inside; what used to be exclusions are now going to
10 be easements, and they're going to be bigger than what
11 was excluded?

12 Ms. Meckman: Exactly.

13 Chairman Wilson: But they are
14 going to be protected under Conserving Carolina
15 easements?

16 Ms. Meckman: Yes.

17 Chairman Wilson: Which are the
18 same type in terms of easement as our easement?

19 Ms. Meckman: Yes, that was
20 part of the request, that they would be very strict on
21 requirements. There would be some managed areas and as
22 we were talking about the -- you know, there's going to
23 be some buildings and there are going to be some things
24 that we don't allow in a State-held easement. So those
25 would be described in the easement as allowing that

1 intensive activity, but then we would have very strict
2 restrictions elsewhere within that Conserving Carolina
3 easement.

4 Chairman Wilson: So the easement
5 that they're going to put -- on the areas that they're
6 going to hold an easement on, it's not exactly like our
7 easement because some things are going to be permitted
8 that our easement would not have permitted, right,
9 because that was a question that stuck with me like
10 right after the -- right after we moved on from this in
11 the committee. My question was, wait; if it's going to
12 be the same as our easement, then why does it need to
13 be their easement? Why not just have our easement on
14 everything, but it's not exactly our easement, is it,
15 because there are -- there are things that they're
16 going to permit within that easement area that we could
17 not permit. Is that right?

18 Ms. Meckman: Well, yes, but
19 haven't we also had -- we have had exceptions in the
20 past. Maybe Marissa would like to speak to those in
21 managed areas where we do allow things that we don't
22 typically allow, but this is putting that in our
23 partner's easement, allowing them to deal with it
24 rather than the State having to worry about those
25 areas.

1 Chairman Wilson: Okay.

2 Acquisition Program Manager Hartzler: And I
3 think that if we saw this come -- if you all saw this
4 come at the time of application, it would sort of be a
5 defined area. This is the reason why this is going to
6 be in a different conservation easement because we
7 don't allow structures. But then it would, you know,
8 propose those levels of protection on the resources
9 that we care about, but because of that camp usage and
10 because of that recreational feature there, we would
11 have sort of, you know, put it in a -- in a separate
12 area. You know, previously it came with the exclusion
13 area, which is one way of dealing with uses that are
14 incompatible, cut it out, but I have to agree with what
15 was said. This does actually result in more
16 conservation on the property without those excluded.
17 You know, two sections we saw on that map that would
18 have no restrictions on them for the future, they could
19 be anything. Now it will be that intensive, you know,
20 core of that camp property with resource protections
21 and allowances for structures and, you know,
22 facilities.

23 Chairman Wilson: Yeah, I hear
24 you. I'm just trying to make it clear that -- because
25 I think it has been said now in committee and here at

1 this meeting that the Conserving Carolina easement is
2 going to be pretty much the same as our easement, but
3 it's not really.

4 Mr. Hearne: It's about the
5 respective resources. Marie, would you just go back
6 one slide? You know, if an applicant came to me and
7 said, we want to do this conservation strategy, we want
8 a match easement, which is kind of how this is feeling,
9 where we do stuff, and we want your easement over here,
10 and all the streams are in yours, and there's none in
11 ours, okay, great, but then they say, well, we want to
12 do a match easement, but there's a stream through the
13 middle. And I would say you've got to protect that
14 stream to the same levels that we would for that
15 resource. But then outside of the 300 foot buffer, if
16 you want to do agriculture or have a camp building or
17 whatever, --

18 Chairman Wilson: Okay.

19 Mr. Hearne: -- you can do
20 that. And so when you're looking at that, you can see
21 that Conserving Carolina has all those big blue blobs.
22 Those are the 300 foot buffers. They have to protect
23 those buffers the same way we would have in our
24 easements. But then when you get outside of that,
25 they're now in their use zones, as Marie is saying, the

1 management areas. And so it's -- I think we're using a
2 little bit of a shorthand to say, you've got to protect
3 our resources the same way we would have if they're in
4 your area, but then outside of those resources, you can
5 do your camp stuff.

6 Chairman Wilson: Okay.

7 Mr. Hearne: So I think it's
8 just a shorthand, and I didn't mean to jump on top of
9 you, but that's how we advise people, like if they had
10 come to us with this strategy from the beginning
11 knowing -- being able to see the future three years, I
12 would've been okay presenting you this version which
13 was, well, it's not perfect the way we want, but it's
14 protecting those resources the same way, and it gets it
15 all done.

16 Chairman Wilson: Thank you; I
17 should have asked that question in the committee
18 meeting. I'm sorry.

19 Acquisition Committee Chair Walser: I think
20 that it's a really good question to ask, John. And I
21 think that this is Jason's version of history, but I
22 think it goes back to the Clean Water Management Trust
23 Fund and our 300 foot buffers. You know, we were
24 really, really strict on how we did our conservation
25 easements, and there was no conservation easement filed

1 in North Carolina that was more strict than the ones
2 that we filed, more so than the Parks and Recreation
3 Trust Fund or the Natural Heritage Trust Fund. Clean
4 Water was not going to allow driveways, greenways, cell
5 towers, footpaths, barns, sheds, storage, bathrooms.
6 We just didn't allow it, but Land Trust did, and cities
7 did; municipalities did, which is we've seen, and I
8 agree. I think Damon described it well with the 300
9 feet. Once we get to 300 feet, it's similar, but it is
10 radically different on the uplands because they're
11 going to have septic systems, and our -- even our best
12 and most working land easement, we're not really keen
13 on septic systems. We're not really keen on storage
14 sheds. We're not keen on barns. They're going to
15 probably presumably allow a lot more managed use type
16 things than you would see for camp, so it is different.
17 I think we should expect that there's going to be a lot
18 more activities there than we would allow with our
19 easement. More land is being preserved, but you can do
20 more with it than we will probably allow. That's
21 legitimate question.

22 Chairman Wilson: All right,
23 this is coming from the committee to approve this
24 conservation strategy change that has been proposed by
25 Conserving Carolina. Any more discussion; all right,

1 all in favor, please say aye?

2 Chairman Wilson: Any opposed;
3 okay, Jason, we're on 2c now.

4 Acquisition Committee Chair Walser: All
5 right, and this will be a presentation on the Donated
6 Mini-Grant program. Marissa is going to give us some
7 really good news and a proposal for funding additional
8 projects that may come in. Marisa, you're up.

9 Acquisition Program Manager Hartzler:
10 Great, thank you; good afternoon; so the Donated Mini-
11 Grant program, just to remind you, is the smaller
12 program that accepts applications four times a year.
13 It is used to pay for transaction costs and stewardship
14 on conservation easements that are donated by
15 landowners. So the Land and Water Fund is not paying
16 towards the acquisition costs, and these are awarded
17 through basically a provisional fund process. So at
18 the September board meeting, an allocation of license
19 plate revenues or return funds is set aside each year
20 as these applications come in quarterly to fund them,
21 and that approval goes through the Board Chair as an
22 administrative approval, just to give you that little
23 recap on the program. At the September 2022 Board
24 meeting, we knew already that there was going to be
25 increased demand for this year's cycle. I believe it

1 was at that meeting. We already had as many
2 applications in hand as we had received the entire
3 prior year just by that first deadline, and you can see
4 here on the screen that demand has actually increased
5 over the years. On the axis on the left, you'll see
6 the number of applications, and on the right, that is
7 the total request for all applications. So you can see
8 that this trend has been increasing. To date we've
9 received 11 applications; 10 have been funded, one has
10 been withdrawn; and we have committed almost all of the
11 funds available for this program this year.

12 \$250,000.00 was set aside at the September -- at the
13 September funding meeting for this program. Just to
14 give you a sense of the impact of that, over 500 acres
15 would be permanently protected by all of these funded
16 applications with a total Land and Water Fund
17 contribution of \$157,000.00 in round numbers and a
18 total landowner contribution of nearly \$950,000.00 in
19 donated value. So it is a great way to spend money on
20 conservation. It's highly matched, you know, one to
21 six ratio here. We have one more application deadline
22 that's coming up in June, and only \$92,000.00 remaining
23 to be allocated. If you take our \$25,000.00 cap on
24 that program, that is only three applications. And
25 collectively field reps and acquisition staff have

1 heard there are more than three applications coming to
2 us in June. And so the request of the Acquisition
3 Committee recommendation was to increase that
4 additional allocation. That \$100,000.00 would get us
5 to the September 2023 funding meeting where you all can
6 reconsider the amount to be allocated for the next
7 year. I'll turn it back over to Jason.

8 Acquisition Committee Chair Walser: So we
9 all at the committee level like this program. We feel
10 like it's demonstrated good value. And while this is
11 not the proposal for today, we've even had some
12 discussion about wanting to have a discussion in the
13 future about upping the cap of \$25,000.00, and we
14 talked about -- talked with Marissa about, we're
15 getting the full amount requested \$25,000, which
16 doesn't go as far as it used to. When you get a survey
17 done, it may be \$8, \$10, \$12,000.00, and you do legal
18 fees of \$1,500 to \$2,500.00. You get an appraisal for
19 \$3 or \$4,000.00. There's not a lot left for a
20 stewardship endowment contribution. You can blow
21 through \$25,000.00 really quickly if you're doing 150
22 acre piece of property. So the idea of maybe looking
23 at \$35 or \$40,000.00 caps in the future and putting
24 more money in that's not today's. We feel like we have
25 good applications that have come in, and we feel like

1 we would like to be able to fund future applications
2 that come in. So our recommendation is to award an
3 additional \$100,000.00 of future license plate revenue
4 to continue to fund this program for the foreseeable
5 future for this year.

6 Chairman Wilson: Okay, thank
7 you, Marissa and Jason; any questions?

8 Mr. Williams: One quick
9 question, what's the \$100,000 being added to? What's
10 the number? I mean, is it --

11 Acquisition Program Manager Hartzler: Yeah,
12 so \$250,000 was what the Board approved in September,
13 so that would be added, \$350,000.00 to be spent on
14 these applications as they come in, as it's needed over
15 -- over the year.

16 Mr. Williams: Okay.

17 Acquisition Program Manager Hartzler: So
18 that -- those funds would expire if not used, expire,
19 and then you would have the chance to create a new
20 allocation for September of 2023 and beyond at that
21 point.

22 Mr. Williams: Okay, thank
23 you.

24 Acquisition Committee Chair Walser: And
25 since we just had the conversation about the State

1 versus locally held easements, all these easements are
2 held by the local land trust or the municipality. None
3 of them are held by us.

4 Chairman Wilson: It is a truly
5 fantastic program, and one of these days at a board
6 meeting, we ought to have a greatest hits and let you
7 choose. I dare you to choose only your favorite three.

8 Acquisition Committee Chair Walser: That's a
9 great idea.

10 Chairman Wilson: I mean, these
11 are such feel-good. I mean, they're not just feel
12 good. They are good conservation projects, but it's
13 just a great program.

14 Acquisition Program Manager Hartzler: They
15 absolutely are. The opportunity to be able to leverage
16 that charitable intent for landowners across the state
17 is a really cool aspect of this program, yeah.

18 Chairman Wilson: Yeah, and to
19 let them express that charitable intent --

20 Acquisition Program Manager Hartzler:
21 Absolutely.

22 Chairman Wilson: -- is what
23 feels so great about it.

24 Acquisition Committee Chair Walser: I am --
25 I said this at the committee meeting, so forgive me, my

1 committee members. But I think it's worth noting for
2 those of you who aren't in our committee, when somebody
3 comes in, especially people of relatively modest means
4 and says I want to do this great thing, I want to give
5 a permanent conservation easement to keep the eagle's
6 nest protected and have a buffer and have water quality
7 protected, and I don't care what my kids think. I just
8 want to do it. And you say, great, it's going to cost
9 you about \$25,000.00. We need a stewardship endowment.
10 We need to call the appraiser. We need to get a good
11 survey. They leave deflated, and this program gives a
12 little bit of comfort to the local land trust to say,
13 great, and we may have something that can help you do
14 this. We may have a way that the taxpayers can help
15 you do this really good thing. It's a great tool that
16 is not available anywhere else. There's no other way
17 that you can get these transaction costs covered, but
18 for this. And of course, a lot of donated conservation
19 easements happen around the state that don't tap into
20 this program, but I think it's a great tool for the
21 land trust to have.

22 Ms. Cawood: And, Jason, to
23 that end, are we going to have a committee meeting that
24 we can have a discussion before the September meeting?

25 Acquisition Committee Chair Walser: That's a

1 great question. We are, I believe, aren't we?
2 Wouldn't we have one in August?

3 Executive Director Summer: So there would
4 be an Executive Committee meeting where folks, the --
5 the Executive Committee will allocate how much funding
6 goes into each fund, and that's often a place where
7 they make a recommendation for how much to set aside
8 for Donated Mini-Grants. So instead of \$250,000 or
9 \$350,000, the committee could make a bigger
10 recommendation, and then I think we're hoping in
11 December after the funding board meeting to bring some
12 of the improvements to the program that and maybe to
13 increase of the cap that you've talked about.

14 Acquisition Committee Chair Walser: So
15 December is, I guess, --

16 Executive Director Summer: We could
17 put more funding into it in September and then visit
18 the cap being raised in the December meeting.

19 Acquisition Committee Chair Walser: Okay.

20 Ms. Cawood: Thank you.

21 Chairman Wilson: Okay, so a
22 recommendation from the Acquisition Committee to
23 allocate an additional \$100,000 of license plate
24 revenue and/or return grant funds to the Donated Mini-
25 Grant program through September of 2023; any more

1 discussion on that; okay, all in favor, please say aye?

2 Board Members: Aye.

3 Chairman Wilson: Any opposed;

4 thank you; all right, do you want to do a ten-minute

5 break and come back at three o'clock?

6 (A short break was taken at 2:50 P.M.)

7 (The proceedings resumed at 3:00 P.M.)

8 Chairman Wilson: All right,

9 Jason, we're back to you for item 2d, the Conservation
10 Agreement Amendment Policy Revision.

11 Acquisition Committee Chair Walser: And
12 let's be honest. We're really waiting for Justin, not
13 me. Justin, would you like to talk to us about the
14 Conservation Agreement Amendment Policy Revision? You
15 have been -- he does deserve the credit. He has worked
16 really hard on this for several months. He has made
17 revision after revision, and I give John credit. John,
18 you have done a remarkable job of asking good questions
19 and sending him back to the drawing board, so I'm
20 really pleased with what he's about to submit to you.
21 I just want to preface this, that this wasn't like a
22 quick conversation one time, and now you're seeing it,
23 the full board. You should know that a lot of work has
24 gone into this. So with that intro, no pressure,
25 Justin; thank you for all the work you've done.

1 Stewardship Manager Mercer: Thank you, and
2 I will echo this is the -- this is the culmination of
3 several months worth of effort on -- by staff and
4 committee, but I will kind of back up all the way to
5 the beginning a little bit here for the benefit of the
6 full board. And just give a little background here
7 that we do have a policy regarding conservation
8 agreement amendments. It's STW-001, and on rare
9 occasions permanent conservation agreements may need to
10 be amended. We do have this policy. It was first
11 adopted in 2013, and it's been updated a number of
12 times over the years as needed based on staff
13 experience and other factors. The policy does provide
14 requirements, guidance on compensation, and delegation
15 of approval for amendment or for approval or denial of
16 amendment requests. Through the application of this
17 policy and changing legislative requirements, staff
18 have identified areas for improvement and further
19 revisions, which is kind of where we started this whole
20 conversation back in February. So rather than going
21 through the entire policy piece by piece, my intent is
22 to present more of a summary here, and we'll go into a
23 little bit more detail on some of the more subsequent
24 changes with that policy. But in general we did make
25 changes to improve the structure of the document and

1 the consistency throughout. We did remove any -- or
2 attempted to remove any implication that the North
3 Carolina Land and Water Fund Board does not have
4 absolute discretion when making decisions on amendment
5 requests. Lots of addition of the words proposed or
6 potential or request to make sure that it's clear that
7 just because something follows the guidelines set forth
8 in this document, it doesn't predetermine the outcome.
9 So the Board has full discretion on making decisions.
10 We did have some -- or we are proposing some minor
11 expansion of staff delegation, which we'll touch on a
12 little bit more here in a minute, clarification of
13 requirements to offset conservation impacts, addition
14 of a conservation benefit analysis, and addition of a
15 public notice requirement for minor amendment requests.
16 All right, so again, I know it's a little bit small
17 here, and I'm not going to go through word for word
18 here, kind of hit the highlights. Our first section
19 we'll touch on is minor amendments, so this section is
20 where we've expanded some of the staff delegation.
21 Historically minor amendments have been those that are
22 small enough in scope with little to no impact on
23 conservation values that the Board has decided to
24 delegate decision-making authority to staff on those
25 requests. And by staff, we mean it comes through the

1 Stewardship Manager and then goes to the Executive
2 Director for approval. So there are at least two staff
3 members reviewing these and providing feedback to the
4 requester. In most cases, these are requests from --
5 for public works projects where a change in boundary is
6 necessary. For example, if the Department of
7 Transportation needs to expand a road or replace a
8 bridge that has a small impact on the conservation
9 easement, staff can make the determination to -- or
10 historically has been able to make the determination to
11 partially release a piece of that easement to
12 facilitate that project. So that's something that
13 we've had the authority to do for a number of years.
14 The first thing we are proposing to add to that is a --
15 an ability for staff to make that same decision, that
16 same approval, when it can be accomplished with the
17 addition of a reserved right rather than the release of
18 easement. So if DOT needs to replace a bridge, and we
19 can say we can change the easement to add in the
20 reserved right to allow that, we can do that without
21 actually having to give up the conservation easement
22 itself. The second piece here is under item 2, number
23 C. A and B are the same as they were. I'll touch on B
24 for a minute, actually. This piece specifically calls
25 out impacts to riparian buffers requiring that in order

1 to be eligible for staff approval, it must either be
2 perpendicular to the stream or a small distance, a
3 minimal distance parallel to the stream. So we've
4 always had that as part of this policy. So we
5 specifically called out riparian buffers, but we didn't
6 specifically call out any of the other resources that
7 our program cares about. So that's what section C here
8 does. It's just a reference to the other resources
9 that we care about and ensuring that we are reviewing
10 potential impacts to all of those resources before a
11 decision is made. Section C here is brand new. This
12 is the addition of standard reserved rights to a
13 conservation agreement. Historically or some of our
14 older easements were recorded without any mention at
15 all of reserved rights. This is a relatively rare
16 instance, but it does come up. We have a set of
17 reserved rights as part of our guidance now in our
18 standard easement template that everybody gets
19 regardless of whether or not they ask for it. So we
20 are proposing that for some of these older easements,
21 staff be delegated the authority to add some of these
22 standard reserved rights to the easement when
23 requested. We do have a couple of stipulations here.
24 First of all, if we're going to add these reserved
25 rights, they must follow all of our other policies.

1 The intent of the original conservation agreement
2 cannot explicitly indicate a desire to prohibit the
3 requested rights. For example, we have some older
4 easements that do specifically prohibit things like
5 hunting. Hunting is a standard reserved right under
6 passive recreation in our current conservation easement
7 template, but if an original easement grant or
8 specifically expressed an interest not to have that,
9 staff isn't going to take it upon ourselves to go and
10 add that back in, at least not without consulting the
11 Board first. And then number 3 here specifically
12 outlines the reserved rights that we are talking about
13 potentially adding. And rather than reading through
14 all of them, I will point out that all of these
15 accomplish one of two things. They are either intended
16 to improve the conservation values themselves or
17 they're intended to improve the other public benefits,
18 public access, and recreation associated with those
19 easements. So those are the only two types of things
20 we are proposing to add here are things that sort of
21 add to the value of those easements. Moving on to
22 Section II, Major Amendments, this is largely the same
23 in intent. We did make some adjustments to language
24 here for clarification, but I do want to call out item
25 C2 here. And this is -- this is just a section that

1 we've added in, or it's not a brand-new section, but we
2 have added in a specific reference to a conservation
3 benefit analysis here, which we will talk about in
4 detail, I believe, on the next slide. And then item
5 number 3 had some changes to better define what we mean
6 by impermissible private benefit and under what
7 situations the Board might consider to approve an
8 amendment request even when there is some amount of
9 private benefit present. All right, Section number
10 III, Conservation Benefit Analysis, I've thrown an
11 excerpt up here from General Statute Section §121-39.1,
12 termination or modification of agreements. And
13 basically, what this says, this was enacted in 2015,
14 and it says that where a State agency holds a
15 conservation agreement or in order for that
16 conservation agreement to be amended, a conservation
17 benefit analysis must be conducted. What the Statute
18 doesn't do, is it doesn't tell us what a conservation
19 benefit analysis is. It specifically delegates the
20 authority to determine what that means to the agency
21 making the decision, and it further states that
22 conservation agreements may only be amended if the
23 conservation benefit analysis concludes that the
24 amendment will result in a greater benefit to
25 conservation purposes. So this is something that staff

1 has been doing in practice for a number of years, but
2 we've never really had a board endorsed methodology for
3 doing this. So I think it's really important to
4 include this in our amendments policy. So what we have
5 proposed here is basically going along with that
6 legislation. We are taking it one step further. The
7 legislation was enacted in 2015 and applies to projects
8 recorded from that point forward. We're proposing we
9 do this for all of our projects regardless of when they
10 were recorded. So even if something, an easement was
11 recorded in 1998, we are still going to put it through
12 our conservation benefit analysis before an amendment
13 decision is made. There is one exception to that, and
14 that's the situation where another State agency is
15 authoring the request to amend the easement to the
16 State Property Office and the Council of State. In
17 that situation the requesting agency will be
18 responsible for conducting that conservation benefit
19 analysis and making the case for that to State Property
20 and the Council of State. That doesn't mean that we
21 won't do our own, but it alleviates the burden on the
22 Land and Water Fund for making that case on behalf of
23 another State agency. We've split this conservation
24 benefit analysis into two parts, review of resources
25 and analysis of impact. It's pretty self-explanatory

1 as to what those are here, but the review of resources,
2 we're going to start with a desktop GIS review of all
3 the data possible. There are a number of publicly
4 available mapping tools available that we can use
5 through the Natural Heritage Program, through the State
6 Historic Preservation Office, through other
7 organizations. We've also got our own data that we can
8 reach into. So that's where we're going to start, give
9 our staff an opportunity to evaluate what the impacts
10 are. However, we do recognize that we're not experts
11 on everything, but we do have the privilege of working
12 with a lot -- very closely with a lot of other State
13 agencies and organizations that do have that expertise.
14 So part of this is we're going to take that review.
15 We're going to then engage our other partners, whether
16 it be the Natural Heritage Program, the State Historic
17 Preservation Office, or other qualified or relevant
18 experts, and make sure that we engage them and take
19 their advice into account when we are evaluating the
20 impacts to or potential impacts to conservation values.
21 From there for every major amendment request, we are
22 going to do a site visit. We're going to make sure
23 that somebody from our staff, along with the relevant
24 experts, actually goes and sets foot on that property
25 to see firsthand what those impacts are. We're going

1 to do the same thing for any project that has a
2 proposed land exchange associated with it. We're not
3 going to bring to you a proposal for a land exchange
4 without staff having seen that land first. After we've
5 done that, that desktop review and the site visit and
6 all that, we do move on to analyzing that data that
7 we've gathered. Staff will analyze the impacts to or
8 the potential impacts to conservation values along with
9 the proposed benefits of the request. And ultimately,
10 the proposal will be deemed to have a net positive
11 conservation benefit if the offset, whether it's by
12 land exchange or monetary compensation, outweighs the
13 impacts of the conservation or to the conservation
14 agreement and values, and that's it. That's what
15 aligns with the Statute, so that's what we stuck with.
16 I know in a lot of -- in the policy in the past there
17 was a -- or there is a requirement for a certain order
18 of magnitude above the level impact to consider for
19 compensation, and we'll still address that here in the
20 next section. But as far as the conservation benefit
21 analysis, we wanted to make sure that's a standalone
22 piece of this policy and aligns with what the Statute
23 says. That does bring us to Section IV here, Approved
24 Amendment Requirements, which is the piece that
25 historically has governed compensation. We did decide

1 to make a change to our terminology here. Instead of
2 compensation, we are now referring to this as offset to
3 conservation impacts. Compensation tends to have a
4 monetary connotation associated with it, but here for
5 the first time, I believe we are expressing in this
6 policy a specific preference for exchange of land as
7 opposed to monetary compensation, the reason being
8 that, the idea here is that we want to offset the
9 impacts to those conservation values. While money is
10 certainly capable of doing that, through our
11 competitive grant process it can take a number of years
12 before that money is actually put into another
13 conservation project. If we state a preference for
14 exchange of land, that's a more immediate offset to the
15 impacts to our existing conservation agreements. This
16 section does go into a little bit more detail in regard
17 to what our expectations are for that exchange of land,
18 and I'm happy to expand on that anymore if anybody
19 would like. But moving on to Section V here, Amendment
20 Request Requirements. This is what we expect from
21 everybody requesting an easement amendment or a
22 conservation agreement amendment from us. It's largely
23 the same as it was before. What I want to call out
24 here is item G, which is brand new. And now we want to
25 require acknowledgment of receipt of a copy of the

1 North Carolina Land and Water Fund Conservation
2 Agreement Amendment Policy. There's a lot in there,
3 especially as it pertains to offset to conservation
4 impacts, that we want to make sure folks know up front,
5 so there's -- there is no confusion or no
6 misunderstanding by the time it gets to this Board for
7 review and making a decision. So we will expect those
8 requesting it to acknowledge that they have had an
9 opportunity to review this policy. On Section VI here,
10 Notifications, we have always required that any major
11 amendment request, any request that goes in front of
12 the Board for decision, be posted or be given public
13 notice and notify the interested parties. That has
14 generally been a notice to our website that we have an
15 upcoming meeting, and we have a public comments period,
16 which is the mechanism for providing that feedback.
17 We've never really had that mechanism for minor
18 amendment requests, but it is -- we did determine that
19 it necessary. It is appropriate to make sure that the
20 general public has an opportunity to comment on minor
21 amendment requests as well. So what that does is it
22 creates a minimum two-week turnaround for any amendment
23 request that comes through us, regardless of whether it
24 is a minor or major request. Minor requests will be
25 posted on the website, likely along with my contact

1 information, to give the general public an opportunity
2 to reach out with questions, comments, concerns,
3 support, any and all of the above. That's an extremely
4 abbreviated version of the changes. The full -- the
5 full clean copy is available in the agenda, but the
6 committee did recommend to adopt the revised policy
7 STW-001, Conservation Agreement Amendment Policy as
8 presented. I'm happy to take any questions or turn it
9 back to the Committee Chair for further discussion.

10 Acquisition Committee Chair Walser: You
11 did a great job, Justin. That's some in-depth stuff.
12 Again, it's in your agenda. All that red line is in
13 there. We've looked at it all numerous times. So I'm
14 thinking in particular those on the Restoration
15 Committee, any questions for Justin? Does it make
16 sense at a high level? I think Justin did a really
17 good job of thinking of all the questions that we've
18 asked about proposed amendments over the last several
19 years and saying remember that project, remember that
20 project. So again, I can't say enough good things;
21 thank you, Justin.

22 Chairman Wilson: And all the
23 questions that he headed off by being able to answer
24 them in the field perhaps.

25 Acquisition Committee Chair Walser: And the

1 very first thing he said is we're not taking away our
2 discretion. If we have some strange thing that none of
3 us anticipated, we can deal with it as we need to, so.

4 Stewardship Manager Mercer: And if I might
5 add one thing that I did forget to mention, with minor
6 amendments is we have always had the ability for staff
7 to elevate that to a major amendment and seek Board
8 input if deemed appropriate so that now is codified in
9 the proposed policy revision as well.

10 Mr. Rusher: I do appreciate
11 putting the red-line copy in the agenda. I think
12 listening to the presentation and you adding color
13 really helps and highlights how one of the goals here
14 is to provide some predictability and set expectations
15 for people coming in. So I really like the changes
16 that I've seen and that you've reviewed here. I think
17 this makes a lot of sense.

18 Acquisition Committee Chair Walser: The
19 committee recommends that we make these proposed
20 amendments -- changes to the amendment policy.

21 Chairman Wilson: Okay, any
22 further discussion on this recommendation from the
23 Acquisition Committee; if not, I'll ask all in favor,
24 please say aye?

25 Board Members: Aye.

1 Chairman Wilson: Any opposed;
2 all right, it carries. Thank you, Justin; great work,
3 and I want to recognize Zoe, who has something that
4 should be discussed at this point.

5 Ms. Hansen-Burnet: Yes, a bit of a
6 forecast of something you may see from me soon related
7 to this; the word policy has a very specific meaning in
8 the Administrative Procedure Act. We are reviewing,
9 and it may be that we come back with recommendations to
10 update some the language that's used. There are also
11 several legislative proposals that would amend that
12 Administrative Procedures Act further. So we're going
13 to wait and see what happens in this session and see
14 how that all ends up, and then it may be that I come
15 back to you this fall with an update.

16 Chairman Wilson: Thank you; all
17 right, Jason, back to item 2e, Native Community
18 Restoration Background.

19 Acquisition Committee Chair Walser: And
20 Justin hasn't left us. Justin, you're up.

21 Stewardship Manager Mercer: Thank you;
22 buckle up; you all are going to hear a lot from me the
23 rest of the day. I'll start off by saying this is
24 largely presented as an informational item unless the
25 Board sees fit to kind of issue a correction or a

1 different direction that you'd like to see staff go.
2 So native community restoration, management, and
3 maintenance is a standard reserved right within our --
4 or in our conservation agreement template. So it's one
5 of those rights that everybody gets regardless of
6 whether or not they ask for it. And what this does is
7 it allows for activities to achieve specific goals to
8 maintain or improve conservation values. Permissible
9 activities include plantings, fire, and other best
10 management practices. Those are the things that
11 everybody gets to do. They don't have to come ask for
12 us either before or after the easement is recorded.
13 This last piece is the piece I really want to focus on
14 here, and that's conversion from one habitat type to a
15 native habitat type requires approval of the North
16 Carolina Land and Water Fund. So we have this, this
17 reserved right. It's allowed for everybody, but if we
18 -- if they want to convert from one type to another,
19 they've got to come to us for approval. So why do we
20 allow this to begin with? Why would we want to allow
21 our land trust or our landowner partners to convert one
22 -- from one habitat type to another? There are a
23 number of reasons. It can increase biodiversity. It
24 can improve wildlife values. It can, in certain
25 situations, improve water quality. It can advance

1 natural succession or set it on a new path to
2 succession. All of these ultimately resulting in
3 improvements to the conservation values. So that's
4 really why we do this because it facilitates an
5 improvement to the conservation values that we have
6 deemed worthy enough to invest State funds in.
7 But that begs the question, what is native community
8 restoration to the North Carolina Land and Water Fund?
9 And the answer is we don't have a specific definition
10 of what this is because we don't want to be overly
11 restrictive in this, and say, this is what you shall
12 do, and this is how you shall do it. Every property is
13 unique. Every situation is different, and so we need
14 the flexibility in here to allow the best scenario for
15 a given property. With that said, we do need certain
16 parameters set on that. So what I've done here is
17 given my best shot at sort of outlining what our staff
18 views as a native community restoration. And that's --
19 first of all, that it must be resource driven; this is
20 not a situation where it's being driven by income
21 generation or where a landowner wants to get one last
22 harvest out of their Loblolly Pine stand before it's
23 protected forever. That's not what we're talking about
24 here. We are talking about projects that are driven by
25 improvements to those resources. It is also an active

1 process. It's not something where you go in, and you
2 take one action, and then you walk away forever. It
3 has to be an active attempt with human intervention to
4 improve a forest type or a community type. It also
5 needs to be informed by professional expertise. This is
6 not your average landowner that has no background in
7 land management and just decides they want to timber
8 harvest and call it a native community restoration. This
9 is something that does need to be informed by
10 folks that know what they're talking about. And
11 ultimately, it comes back to the why here. It must
12 result in improvements to the conservation value
13 because that's why we allow this to begin with.
14 Converting from one habitat type to another is not
15 always an improvement. So we want to make sure that
16 we're moving in the right direction or at least in a
17 positive direction for conservation. With that said,
18 what does the North Carolina Land Water Fund staff
19 expect from landowners requesting to exercise the
20 reserved right for conversion of one habitat type to
21 another? And first and foremost, we need documentation
22 of specific management objectives. I can't possibly
23 make a decision on whether or not something is a native
24 community restoration without knowing why you're doing
25 it to begin with, so we've got to know why we need

1 those management objectives documented. We also need a
2 list of specific management activities proposed. So
3 we've got the why. We also want to know the how. That
4 goes right along with intended time line. Is this
5 something where you think a quick intervention is going
6 to accomplish it? You go in, and you treat invasive
7 species once, and then you're good, or is this
8 something that's a little bit more intensive that
9 involves a decade-long restoration process, which is
10 certainly a possibility and is certainly appropriate in
11 select scenarios. And then ultimately, we want a plan
12 for the eventual transition from active restoration to
13 long-term management and maintenance. The intent here
14 is not to facilitate perpetual forest management
15 practices. It's to meet targeted objectives and then
16 ultimately transition to a scenario where it can be
17 allowed to sort of manage itself or sort of correct
18 itself in a more natural manner beyond that. And that
19 is it on this one. I'm happy to take any questions or
20 turn it back to the Chair for further discussion.

21 Acquisition Committee Chair Walser:

22 Questions?

23 Chairman Wilson: So no board
24 action is needed here. So now I will just hand it up.

25 Acquisition Committee Chair Walser:

1 Okay, so project 2019-09, Conserving Carolina - Aves
2 Creek Scope Change Request, Marie's going to present
3 this. I do feel the need to editorialize for just a
4 brief second here since we do have staff from
5 Conserving Carolinas. I will say that this has taken
6 us a lot of conversation and a decent amount of time.
7 And you know, we hope in the future that we don't have
8 to repeat this. I think Marie's going to give us some
9 updates since our last conversation, a couple weeks
10 ago. Staff has also been in conversation. It's a
11 complicated project that has changed, and I've got some
12 editorializing I'll do later if it isn't clear with
13 Marie's presentation. Pay attention to the details
14 because this is a different one, and we want the Board
15 to weigh in on this decision. It's an important one,
16 so listen to the details. Marie, I'll let you take
17 over.

18 Acquisition Program Manager Hartzler: Is it
19 fair -- I'm sorry to interrupt. Is it fair to mention
20 that the committee did not make a recommendation?

21 Acquisition Committee Chair Walser: Oh,
22 yeah, yeah, I'm sorry. I want you to listen because we
23 are going to let the Board have a full discussion.
24 Staff made a recommendation. The Board did not make a
25 recommendation because we wanted this to be a full

1 Board decision. We believe that it's complex enough
2 that it deserves and warrants a full conversation, and
3 so it comes without -- thank you; I appreciate that,
4 Marrison.

5 Ms. Cawood: And, Renee, we
6 told you it was going to get more --

7 Innovative Stormwater and Planning Committee
8 Chair Kumor: The drama is getting better here.

9 Acquisition Committee Chair Walser: And in
10 all fairness, we didn't make a recommendation, one,
11 because we didn't have enough information. So it's not
12 that it's -- I don't want you to read that as
13 necessarily negative, but it is -- you know, as we
14 think about, and we talked about this in the committee,
15 precedent setting and wanting to make sure that we
16 don't have all of our applicants applying for grants
17 thinking maybe if the best-case scenario happens, this
18 will happen, but then we're going to go back and just
19 ask for an amendment and change for this to happen.
20 The difference between, as we've already talked about
21 today, state and locally held conservation easements,
22 differences in acreage, difference in scopes, so it's
23 not -- I don't want to imply any negative thing toward
24 Conserving Carolinas, but I do want to say these types
25 of projects are taxing on staff and taxing on us. And

1 we would like and hope that we have -- that we can get
2 to a point where we minimize these conversations in the
3 future. How's that?

4 Ms. Meckman: That sounds
5 good. So I'm going to go through the details on this
6 one. So I will ask if you need, you have questions as
7 we move along. So this is a 2019 project, and it was
8 awarded to Conserving Carolina for a fee simple
9 acquisition of 251 acres buffering Abes Creek and other
10 tributaries to Horsepasture River. And at that time,
11 Conserving Carolina planned to hold a fee simple title
12 and protect the entire property with a State-held
13 easement. This is a beautiful property that is you
14 know -- as you know about the Horsepasture River, it's
15 a wild and scenic river. Abes Creek holds wild trout.
16 It's an outstanding source of water, so this is a
17 beautiful property to -- for us to contribute toward.
18 This is the original map presented to the Board back in
19 2019, and as you can see down at the bottom, there's a
20 kind of a cog shape. We've come up with a lot of
21 different names, gap toothed, you know, other things,
22 but this is the actual tax parcel. So that's the
23 strange shape down at the bottom, and that's where Abes
24 Creek is, and then this is Horsepasture River coming
25 down here. This is the area that is classified as wild

1 and scenic. So in this property, we had planned and
2 understood in the presentation that this would all be
3 protected under a State-held easement and held by
4 Conserving Carolina in fee simple. However, they are
5 unable to hold it in perpetuity and would like to sell
6 the property with conservation easements and covering
7 the property, so this is how this is moving forward for
8 a scope change. As I said, this is a -- they are no
9 longer going to hold the property, that they have a
10 potential buyer who is the adjacent landowner, and they
11 have agreed to purchase the property after the
12 recordation of the State -- the State-held conservation
13 easement. They have signed a purchase agreement. They
14 have agreed -- some stipulations on that purchase
15 agreement as to the restrictions of the area that they
16 will be excluding, and this -- this land swap that
17 we're going to go over in just a second is that they're
18 going to exclude 13 acres from the property, and
19 they're going to swap that acreage with some acreage on
20 Abes Creek down in the southeastern corner. So it's
21 not a perfect swap. It's 13 acres at the top and 9
22 acres at the bottom. I'll show you the maps here. So
23 as you can see from this map, now this was an early
24 map. I know this has changed, and Conserving Carolina
25 can jump in if they'd like to at some point about the

1 details, but if you look up at the top here, there's
2 the exclusion area. So I believe this exclusion area
3 has moved over further to the right to really encompass
4 more of -- I'm sorry, more of the cleared area. And
5 then if you can see down here in the southeastern
6 section, it's kind of rounded out, that cog, so that
7 all of Abes Creek would be covered on both sides of the
8 creek by the conservation easement and then part of
9 that parcel, so 9 acres on the bottom, 13 acres on the
10 top. Now the difference is, and this is why we brought
11 it to the Board; it's a little bit different than
12 brought to -- not only because of this -- the land
13 swap, the fee simple title holder is changing. So it's
14 no longer going to be Conserving Carolina. It's going
15 to be a private landowner. This area down at the
16 bottom that is going to be added to the project is
17 actually going to be under a second conservation
18 easement conveyed from the adjacent landowner to
19 Conserving Carolina, and that is because they already
20 own that land. And they will own all of that land once
21 we have closed on the property. So that's how --

22 Acquisition Committee Chair Walser: Would
23 you review that again, Marie?

24 Ms. Meckman: So the big --
25 biggest piece of the property, the 237 acres, I believe

1 I have that acreage outlined here. The original
2 project was 251 acres, all to be encumbered by a State-
3 held easement. This is now going to be 13 acres
4 excluded from the conservation easement, 237 acres
5 encumbered by a State-held easement, and 9 acres under
6 a Conserving Carolina easement. The entire property
7 will be held by this private landowner in fee simple.
8 Does that make sense?

9 Acquisition Committee Chair Walser: Yeah.

10 Ms. Meckman: Now I do want
11 to bring up, when this was presented to the committee,
12 it was asked of me to come back to the conservancy and
13 ask them, will you consider two things? The first,
14 will you consider balancing those two acreages better
15 so that we have 13 and 13 or 9 and 9, something to that
16 effect. And I know that Tom Fanslow, who's here, has
17 already proposed to the landowner and have talked to
18 the landowner's agent to reduce the exclusionary at the
19 top of the property to 9 acres. And it looks like
20 that's going to be affirmative, but we do not have a
21 confirmation yet. Is that correct, Tom?

22 Mr. Fanslow: That's correct.

23 Ms. Meckman: Okay, the
24 second thing they've asked, the committee asked of me,
25 was to look at why not protect the entire property by a

1 -- oops, I'm sorry, the entire property by a State-held
2 easement, and then Tom reminded me of the bridge that
3 the landowner wants to build over the creek that we
4 would prefer not having in our State-held easement.
5 And that was a discussion that had been had way back in
6 the early days. So that is something that we don't
7 want to do at this point, and I think staff agrees that
8 that would be -- prefer that not be in our easement.
9 And I just wanted to go over just the general decision
10 matrix with all of you because some of the committee
11 members have seen it. But in general as you can see,
12 the percent change -- the percentages are not high.
13 And typically, when staff looks at these decision
14 matrices, that's what's giving us the clue of whether
15 or not this needs to go to a Chair, Board, you know, be
16 elevated. This is not -- these are not high numbers.
17 The score actually goes up by one point because match
18 resources have increased. So for this particular
19 project, it was a very high score of 81. It's actually
20 gone up to an 82. So it's -- you can see that this
21 land swap, this fee change is not represented in the
22 decision matrix, and why I think the committee wants to
23 bring it to the full Board.

24 Acquisition Committee Chair Walser: It's a
25 little bit, I think, apples and oranges. We do get

1 more of a really good water resource protected as a
2 result of this. So, you know, there's some net gains,
3 maybe or maybe not some net loss of acreage, but a lot
4 of it is open land, hay fields that is going to not be
5 protected, which we're okay with. But I think the one
6 thing that we really focused on was as presented, and
7 we, I think, funded this based on the score. I mean,
8 it would've scored high probably no matter what, and we
9 have to be conscious of that. But there is some sort
10 of different feeling of funding projects that we all
11 have that are going to be held by land trust and open
12 for hikes and used for experimental research or
13 whatever, versus properties that are going to be hunt
14 clubs or whatever that are privately owned. And I
15 don't mean to imply it's on hunt club. I don't know,
16 but just the whole would we have funded it differently
17 if it was privately owned and not going to be held by
18 the land conservancy? Maybe not because the score was
19 so high, but we're talking different easements in a
20 little different field. So we just wanted to throw it
21 out there. I will go ahead and show my hand since I
22 have the floor and I'm the Chair. I'm okay doing this,
23 but I think it's worth a conversation. And I think if
24 people feel differently, that's okay, too. I think we
25 need to have that conversation because it is a

1 different project than the one we originally reviewed.

2 Mr. Williams: Jason, I'm
3 curious when staff reviewed this, was it a struggle to
4 support it, or was it fairly easy to come up with your
5 recommendation?

6 Ms. Meckman: I wouldn't say
7 it was a struggle to support it. It was a struggle to
8 understand all the pieces and understand how we got
9 here. And I think that's where staff wants, you know,
10 sometimes some more guidance because we understood a
11 project one way. They evolve; a lot of them do,
12 because the landowners change. You know, they have a
13 purchase contractor or a letter of intent in place, but
14 they haven't sealed the deal. So a lot of things
15 change before we get to the contract phase and even to
16 the closing phase. So this is not uncommon that we get
17 kind of tweaks, but this particular one, yeah, I think
18 it was. It was a little difficult for us. Luckily
19 Conserving Carolina has been very responsive and asked
20 all the questions that we've asked of the landowner,
21 who has also been responsive.

22 Mr. Rusher: I don't quite
23 understand. So the details the scope changed, but are
24 they -- were they just not fully captured in like the
25 scoring reconsideration? Is that what you were saying

1 earlier?

2 Ms. Meckman: About it not
3 being represented in the --

4 Mr. Rusher: Yeah.

5 Ms. Meckman: Yeah, so
6 there's a lot of changes that would not show up in the
7 score, nor would they show up in the decision matrix
8 that we use to tell us whether or not it should come to
9 the Board. But it was something that we felt was big
10 enough that we thought we should bring it to -- at
11 least bring it to the Chair and then recommended to
12 bring it to the Committee and then the full Board. So
13 does that answer your question?

14 Mr. Rusher: I think so. So
15 going off in a time machine to go backwards, it doesn't
16 seem like it would've made much of a difference if this
17 was the way it was as presented originally?

18 Ms. Meckman: Possibly not.

19 Acquisition Committee Chair Walser: That's
20 a fair question and a fair observation. I think it
21 probably would've been funded based on the score, no
22 matter what; my gut feeling.

23 Ms. Meckman: And one of the
24 questions that did come up in the committee was, well,
25 this happens on other projects. We have no control

1 over our partners holding a property in fee. There's
2 just -- you know, there's nothing that we can do
3 legally to require them to hold it. So any property
4 that is held by a land trust or municipality, they
5 could sell it if they want to. So that's just
6 something that we -- you know, we are notified of
7 later, but this is before we close. So this is
8 presented to us before that.

9 Executive Director Summer: Just to
10 clarify, if they did so, our conservation easement
11 would stay on it. Our protection would be the same,
12 but the implications of the fee simple ownership by a
13 conservation organization would be the difference.

14 Ms. Meckman: And one of the
15 reasons that it's difficult to sell is because it's
16 encumbered by a conservation easement, so this is --
17 yeah, it's one of the reasons.

18 Innovative Stormwater and Planning Committee
19 Chair Kumor: So by that statement then I draw the
20 conclusion that the person interested in making the
21 purchase has no problems with the easement on it.

22 Ms. Meckman: Yes, they
23 understand that it is restricted and --

24 Ms. Grissom: I want to just
25 clarify that at the time of our committee meeting,

1 there wasn't a purchase agreement, and I felt some
2 discomfort that we were somehow in the midst of this
3 negotiation between Conserving Carolina and an adjacent
4 property owner. And I guess since then, there is a
5 purchase agreement which helps, maybe helps a bit.

6 Ms. Meckman: No, I'm sorry I
7 -- if I gave you that impression, Amy. I -- there's
8 always been a purchase agreement involved at this
9 level, an intent.

10 Ms. Grissom: An intent, but
11 they hadn't signed a contract at that time? Anyway, I
12 don't mean to --

13 Ms. Meckman: I'm sorry. I
14 understood that there was a purchase agreement in place
15 and that there was also an understanding that this
16 exclusion area up here would be restricted from many of
17 the activities that we have in our easement. And you
18 might be right. Maybe it's not a finalized purchase
19 agreement, but they are -- they have a draft purchase
20 agreement agreed upon.

21 Acquisition Program Manager Hartzler: Would
22 it be okay -- would you like to seek clarification from
23 Conserving Carolina on that?

24 Ms. Grissom: Sure, and I'm
25 sorry if I misunderstood from our committee to --

1 conservation easement. As has been stated, the score
2 improved. We're protecting more riparian acreage, so
3 we have been in communication with LAWF staff through
4 this whole process and thought that we were following
5 the guidance we were given from LAWF staff. I just
6 wanted to make that point.

7 Acquisition Committee Chair Walser: That's
8 helpful; yes, Darrel.

9 Mr. Williams: My question is,
10 what's the risk of doing this or the risk of not
11 supporting it?

12 Acquisition Committee Chair Walser: I think
13 the risk of not supporting it, just as to that
14 question; the risk of doing it, I think, is that we
15 have a project that's conserved and Conserving
16 Carolinas has an easement. They've got to monitor it
17 and enforce, and I guess we would still have some
18 easement, is that correct? Under the scope, we would
19 still have a State easement on some of this?

20 Ms. Meckman: Oh, yeah, on
21 the majority of it, 237.

22 Acquisition Committee Chair Walser: 237.

23 Ms. Meckman: Uh-huh.

24 Acquisition Committee Chair Walser: So we
25 would have an easement, and they would have an

1 easement. And if the land's protected and the
2 outstanding resource waters are protected with the
3 buffer, that's legitimate. So I don't think there's
4 any downside to seeing it happen. If we say no, I
5 think Kieran would say that it's going to complicate
6 their life because it's going to prohibit their ability
7 to sell this property and get out from underneath it
8 with debt that they've got to pay off. So there's a
9 partnership, you know, how we want to work with our
10 partners. I heard what you said, Kieran, and I think
11 that's helpful for us to know that you feel like this
12 was already settled. And I do think that the score
13 speaks for itself because we've worked so hard to get
14 to this objective scoring system, but we all in our
15 committee meetings, and I want you to hear this,
16 Kieran, and I want everybody to do this. In our
17 committee meetings even despite the score, we feel
18 really good about projects that are owned by not just
19 land trusts, but also municipalities and counties,
20 whether or not they have a private conservation
21 easement or not. There's an implication that with the
22 public shame, with the public trust, with all the other
23 things, that there are multiple public benefits that
24 come from that. The idea that no trespassing signs go
25 up on our properties that we fund is tough for all of

1 us, but we do that. We do fund private conservation
2 easements every year, but it has a different feel. It
3 just has a different feel, so that's on us. That's our
4 issue to work for, but your score is the same, and I'm
5 talking with three different audiences.

6 Mr. Roe: The score is
7 better.

8 Acquisition Committee Chair Walser: What's
9 that?

10 Mr. Roe: The score is
11 better.

12 Acquisition Committee Chair Walser: The
13 score is better; excuse me. The score is better. To
14 your point, I believe -- I said earlier, I'm in support
15 of this. I believe the downside risk of us making this
16 alteration is that we have more stream frontage
17 protected, and there's a conservation easement on all
18 of it and originally more or less what we anticipated
19 is going to happen. So it's not that it's a really
20 negative project. It's just different. And that's --
21 we thought it was important to discuss that, different.

22 Chairman Wilson: How is this one
23 scored regarding public access, and will public access
24 change?

25 Ms. Meckman: It does not.

1 Guided hikes will still be provided by Conserving
2 Carolina.

3 Chairman Wilson: Okay, I think
4 there's a bigger issue here that Jason touched upon,
5 and that is the difference between a fee simple project
6 -- acquisition project, and an easement only
7 acquisition project, and the hypothetical that I'm
8 thinking about is, if a project is scored as a fee
9 simple project with public access, and then the
10 property is purchased, and then that property is sold
11 and whoever the new owner is says nobody allowed, I'm
12 putting no trespassing signs up, then a point or two;
13 what's the maximum number of points for public access
14 and like public everything, guidance, scientific
15 research?

16 Mr. Hearne: Five -- five
17 for access, three for scientific research, --

18 Chairman Wilson: Okay.

19 Mr. Hearne: Eight total for
20 those two.

21 Chairman Wilson: So we have to
22 anticipate that worst-case scenario. We've got to do
23 something about this. We've got to change. We've got
24 to modify our policies so that that can't happen, I
25 think. I think it's -- I think it is not okay for us

1 to fund a fee simple acquisition with maximum, with any
2 points given for public access and scientific research,
3 and then that gets sold and, you know, a project that
4 may not have gotten funded if it hadn't gotten those
5 points all of a sudden is a different project. So
6 maybe we have long discussion and we come back and we
7 decide the current system is fine or as good as it can
8 be, but I do think we should discuss that.

9 Acquisition Committee Chair Walser: I think
10 that's --

11 Chairman Wilson: It seems like
12 it doesn't apply here, but it sure as heck could.

13 Chairman Walser: I feel really
14 good about moving forward today, personally. I don't
15 want to influence everybody else, but I feel good about
16 this project. But to your point, three years ago now I
17 guess, it was in the middle of COVID. Maybe it was two
18 years ago. We moved some projects up from the bottom
19 of the provisional list because they provided public
20 access at a time when we wanted more public access and
21 some other projects fell off and didn't get funded. So
22 to your point, I don't think it would have mattered in
23 this, but as we continue to evolve and think about
24 these things, it could. Some day it could, that
25 somebody applies for a project that's going to be owned

1 by whatever land trust or town or county, and then they
2 say, oh, we can't afford to maintain it. We're selling
3 it to a hunt club, and then it changes, but we've
4 awarded points as if it was going to be publicly
5 available.

6 Chairman Wilson: Yeah.

7 Acquisition Committee Chair Walser: So I
8 feel good about today. I don't think we awarded this
9 project and expected this primarily owned public
10 access. I think we looked at it as a water quality
11 project.

12 Ms. Meckman: Right.

13 Acquisition Committee Chair Walser: And it's
14 still going to be that. I feel good about that, but we
15 need to continue this conversation, I think.

16 Ms. Grissom: I've just got
17 one other thing. I guess I'm glad to know that this --
18 there's been a purchase contract for more than a year,
19 but still there's something that makes me a little
20 uncomfortable about the time line of us awarding a
21 grant and things changing in between like a negotiation
22 with an adjacent property owner before our contract is
23 finalized. I assume you know that Conserving Carolina
24 has some sort of guidance or policy about arm's length
25 transactions or how it gets marketed. Am I making any

1 sense about this being a little bit more complicated
2 and slightly ickier for the Fund to get involved in
3 this transaction when we are post-awarding the grant
4 but pre-contract? It's --

5 Ms. Meckman: Well, it is
6 contracted. It's just not closed.

7 Ms. Grissom: Well, it's --
8 yeah.

9 Ms. Meckman: I just wanted
10 to make sure that you knew that, MARRISA.

11 Chairman Wilson: But it sounds
12 like maybe when the extension was granted, the Board --
13 the committee and the Board should have been brought in
14 into the loop, or were we and just don't remember?

15 Ms. Meckman: No, I think
16 what -- and this is something that I think has been
17 tightened up quite a bit in the past year or so, maybe
18 even two years. In the past when there were
19 negotiations going on with landowners prior to closing,
20 there's a lot of flux during that period. So we don't
21 hear a lot of it until it gets to closing time, and
22 it's like we want to pursue this. We want to pursue
23 that. How do you feel about this? How do you feel
24 about that? That sounds like it's okay, and that's
25 going to fit as long as it's written in the

1 conservation agreement. You know, those kind of
2 conversations occur, and I think that's really what was
3 happening with Abes Creek was we're looking at selling
4 it to the adjacent landowner and there will be -- you
5 know, there will be a small exclusion area. You know
6 that kind of conversation was occurring, but we don't
7 have all the details yet. So I believe as the details
8 have kind of been formulated and cleared up and
9 finalized with the landowner, that's when we -- at
10 least for me, that's when I start looking at the
11 decision matrix. Okay, what does this mean to the Fund
12 and what we've awarded? So that's what started my
13 tracking of this and looking into an amendment -- a
14 scope amendment and that kind of thing. Should it have
15 happened earlier; probably. But I really can't speak
16 to that other than to say that it probably should have,
17 you know, sparked our activity a little bit earlier.

18 Chairman Wilson: Well, could we
19 maybe agree today that if an extension is being
20 considered and if it is known at the time of the
21 consideration of the extension that it's going to --
22 that the conservation strategy is going to change from
23 fee simple to easement only then what; then the Board
24 is notified, the committees?

25 Executive Director Summer: Well, the

1 extension is usually there to keep the project alive so
2 that we can have time to get the details and bring it
3 to the Board. You know, I think -- you know, the
4 extension did not grant permission to make any of these
5 changes. And I think if we -- if the details had come
6 together where we said, this feels like something the
7 Board would be interested in, and she's absolutely
8 right and, you know, this is not something you would
9 have wanted us to do without bringing to the committee
10 and to the -- right, even though, you know, most of the
11 parts of the decision matrix would have it not. You
12 know, this is a one where staff went this feels like a
13 Board thing.

14 Chairman Wilson: Yeah.

15 Executive Director Summer: But to your
16 point, the extension just usually buys us enough time
17 to get -- to keep the project alive while we --

18 Acquisition Program Manager Hartzler:
19 Precisely, and there was actually a second amendment
20 request at which point staff said, no, we need to stop
21 here. We need to get more details on what the request
22 entails, what that budget looks like, what the matching
23 resources looks like, and we actually only extended it
24 for about --

25 Ms. Meckman: The summer.

1 Acquisition Program Manager Hartzler: Yeah,
2 I believe only until the end of July.

3 Ms. Meckman: Just to get us
4 through the meetings here.

5 Acquisition Program Manager Hartzler: With
6 that instruction of please, you know, this extension is
7 to get more details, and then, you know, we will
8 consider further extensions after we understand this
9 more fully and in this case bring it to the committee
10 and Board.

11 Chairman Wilson: Okay, so I
12 think it's important that we are all on the same page
13 that the extension that was granted was not an
14 authorization to make this modification.

15 Mr. Roe: Not this exact
16 modification, no.

17 Chairman Wilson: Okay.

18 Mr. Roe: But it was
19 referred to an approval that had previously been
20 granted by the staff for the land swap, and it doesn't
21 specify some of the detail that we've covered right
22 now.

23 Ms. Meckman: I think
24 previous conversations we were having were had about
25 this potential change, and that's what is being

1 perceived as approval because any approvals that I know
2 of are done through an amendment to the scope, to the
3 contract. So a formal approval from NCLWF would come
4 in the form of a signed amendment. There may be verbal
5 conversations that looks good. Why don't you look into
6 that kind of thing, but I don't think that qualifies as
7 staff approval.

8 Mr. Williams: I have a
9 question. I hate to put you on the spot, those of you
10 on the Acquisition Committee. But now that you've
11 heard this twice, is it any easier to say yes or no?
12 Now I don't -- I said Jason's name, and you've already
13 talked. So I want to hear from somebody else.

14 Ms. Grissom: I can also
15 say --

16 Acquisition Committee Chair Walser: I
17 validate that.

18 Ms. Grissom: -- that I
19 appreciate that both sides of Abes Creek would be
20 protected, but I am -- you know, what's good for the
21 land, I'm good with it. You know, I am also way
22 supportive of working out scope changes before we get
23 to contracts, so we don't have to go through that
24 amendment process. So I am all about that too.
25 There's just something that feels a little icky about a

1 land deal at the same time that we're still in this
2 process.

3 Mr. Womack: And I'd like to
4 speak to that also. I mean, after a committee meeting
5 and a pretty decent interim of time to consider it and
6 then this, I feel like Jason. I'm very comfortable
7 with that. I think this brings a higher good to the
8 situation. My issue all along has been, well, what's
9 next? I mean, if we make these changes, then is the
10 next change that someone's going to ask is going to be
11 more situational or more -- you know, more aberrant
12 than this one. And you get the -- you know, the drip
13 by drip, by drip, by drip erosion of the -- of what we
14 are all about and in the -- and you don't know. If I
15 was a conspiratorist, I would say that some people just
16 bring amendments -- bring amendments all along. I
17 don't think that's the case here.

18 Mr. Williams: I understand.

19 Mr. Womack: But it could --
20 it could get to that point. So it's the somewhat
21 radical differential and the fee simple and the private
22 ownership, that -- it's the concept about the project,
23 if that makes more sense. The project's great. Jason
24 nailed it. I mean, this area is -- I mean it's
25 magnificent, and we can't afford to let it go. But I

1 would like to use this opportunity, as Jason subtly
2 alluded to earlier, you know, to encourage our
3 conservation partners don't keep putting us in this
4 position --

5 Mr. Williams: Yeah.

6 Mr. Womack: -- to have to
7 make these decisions, because sooner or later, we're
8 just going to say no.

9 Mr. Williams: Yeah, yeah.

10 Mr. Womack: And it will be,
11 no, may be the default as opposed to the alternative.

12 Mr. Williams: Yeah.

13 Mr. Womack: I'm just
14 saying.

15 Ms. Cawood: And this is
16 something that I'm so appreciative of staff bringing
17 this to us so that we can have this discussion that's
18 on the record that lets them know there's some
19 discomfort in working this way as opposed to the way
20 that 95 percent of the other grants that we've awarded
21 did work. So I appreciate that, and I think that's a
22 very good call.

23 Vice-Chairman Browning: And I would
24 echo the same thing and understand that there's a lot
25 of fluidity from the time of the award to the contract,

1 but this does feel different. I appreciate staff
2 raising it to this level, but I'm in support of it,
3 too.

4 Chairman Wilson: Yeah, I'm
5 supportive of this, also. I think there's work that we
6 can do to communicate with our partners, but also have
7 our own processes in place and improved for a whole
8 host of things that this one has provided sort of a
9 test case for us.

10 Ms. Meckman: I think we all
11 agree that. May we let our partners speak; Tom
12 Fanslow?

13 Mr. Fanslow: Thank you; I'm
14 Tom Fanslow, and I'm Protection Director of Conserving
15 Carolina, and I was involved in the negotiation, not
16 only with the landowner for whom we bought the Abes
17 Creek property, but also the neighbor with whom we're
18 under contract, which is an LLC called Beaver Creek
19 Conservancy, which is owned by the owners of LBM
20 Industries, which is a rock quarry that's next door.
21 So when we were originally negotiating the deal, which
22 was a bargain purchase on our part, from the owner, and
23 that 13 acres that was the golf driving range. Right
24 before the Great Recession, they had started to break
25 around on phase four of the Burlingame Community, which

1 is a high-end subdivision in Transylvania County. They
2 lost their financing, and they shelved their plans. So
3 it's degraded. It's really thick and full of poplar,
4 not so many nowadays. So that's a good thing. We were
5 really concerned that the neighboring rock quarry
6 people would find out that this property was available
7 because we didn't know what they would do with it. We
8 did not want them to find out. So yes, 20-20
9 hindsight, we now know now that we are communicating
10 with them; they would not have intended to quarry it.
11 They're -- what's important to them, and they were
12 learning about conservation easements through us, is
13 that that's buffer for the rock quarry installation,
14 for the rock quarry. Rock quarries have the same need
15 that military bases have, when you have a really strong
16 active program to protect land around military bases,
17 which contribute to the State economy and provide
18 national defense. I'm not promoting -- you can see the
19 rock quarry right there in the East. I'm not promoting
20 -- I'm not advocating on behalf of rock quarries that
21 you have a program for them, but they have that need as
22 well to buffer their operation from nuisance
23 complaints, and people who don't like what they do.
24 And we do need what they do. We need that material.
25 It wasn't until after we'd gotten the grant award and

1 they found out that -- that we are the owner, this was
2 through a mutual acquaintance, our banker. We had the
3 same banker it turned out. We did not know that, that
4 they just wanted it to make sure that -- you know,
5 there are people that just have this need that if I own
6 it, then I know it's going to be protected and that would
7 always be a buffer for the operation. So I'm just saying
8 we didn't have the opportunity that you might be
9 thinking that we did to try to put this project
10 together in the form that's in front of you today. And
11 by the way, thank you so much, staff, for working with
12 Conserving Carolina, and thank you, Board Members, for
13 concerning this. We -- I apologize for what this has
14 put on you. I'm really sorry, but when we started
15 negotiating, and I heard about -- I just wanted to
16 address the fact that we negotiated at arm's length.
17 That's why there is this deal, like there's -- it
18 excluded so many acres, and then we're getting so many
19 acres on Abes Creek. That was arm's length
20 negotiation, and that was bargained for in a hard way.
21 The last point I'll make about that gap tooth, it's way
22 -- it's more potentially destructive on the ground if
23 you see it because the neighbor owns land on the other
24 side of the creek, so the boundary line is the creek.
25 They actually own both banks of the creek in the middle

1 of the LAWF project area. And so this deal that I hope
2 you will vote for, thank you, will remove the threat of
3 someone establishing hunting, fishing camps, cabins, et
4 cetera, you know, insets, little insets into the LAWF
5 project area. So that's why I've been working really
6 hard on this, and we really appreciate staff seeing the
7 merit here and the Acquisition Committee members that
8 saw there was some merit here; thank you. Thank you
9 for giving me this opportunity just to get it off my
10 chest, but yeah, if we had known what that opportunity
11 was, then we would've submitted a different application
12 to you. But we were -- we were nervous about it. We
13 were nervous about that quarry owner and other people
14 finding out the property was available, and that's why
15 we're here today. So I just wanted to give that
16 explanation.

17 Ms. Meckman: Thank you.

18 Chairman Wilson: Let me just
19 take a moment and ask Will and other staff. Tell us
20 about five o'clock and the Bog Tour. It's 4:03 now.

21 Executive Director Summer: Do you want to
22 hear about?

23 Chairman Wilson: Well, I want to
24 know. I just want to know is there going to be
25 somebody standing at the bog waiting for us because we

1 ain't going to be there.

2 Executive Director Summer: This is us, and
3 the Natural Heritage staff doing an informal guided
4 tour. So if we get to the end of this, we can be
5 flexible.

6 Chairman Wilson: Okay.

7 Executive Director Summer: Be flexible,
8 give us a little time to check-in at 5:30 or what have
9 you, so we have flexibility.

10 Chairman Wilson: Okay.

11 Executive Director Summer: Dinner is
12 served until 7:00, yes, but thank you. We've got to be
13 done in time to sit down by 6:30 or so.

14 Chairman Wilson: Okay, I have a
15 question. Are we talking about the scope change as
16 requested, or are we talking about changing nines and
17 thirteens so that they match?

18 Acquisition Committee Chair Walser: That's a
19 good question. I'm not sure. I think we're talking
20 about scope changes requested, right?

21 Chairman Wilson: Where there's
22 thirteen versus nine.

23 Ms. Meckman: We have
24 requested it. We do not have an answer yet. So I
25 would suggest that the committee possibly make the

1 request that it is approved based on the confirmation
2 that the acreage would be a match.

3 Chairman Wilson: Okay.

4 Ms. Meckman: Does that make
5 sense?

6 Chairman Wilson: Yes, but not at
7 the expense of the Sawtooth --

8 Ms. Meckman: Of the whole
9 project.

10 Chairman Wilson: Well, not at
11 the expense of the Sawtooth riverfront.

12 Ms. Meckman: Oh, no.

13 Chairman Wilson: Okay.

14 Ms. Meckman: Right.

15 Mr. Hearne: I don't know
16 how to put those on the Board.

17 Acquisition Committee Chair Walser: I
18 don't either, but I would like to make a motion.
19 Obviously, there's no motion on the table. I'd like to
20 make a motion that we approve the amendment as
21 requested by Conserving Carolina.

22 Chairman Wilson: Okay, so no
23 nine versus thirteen?

24 Acquisition Committee Chair Walser: No nine
25 versus thirteen.

1 Chairman Wilson: Okay, okay.

2 Acquisition Committee Chair Walser: I assume
3 that that is included in their request.

4 Chairman Wilson: All right,
5 motion, second; any more discussion?

6 Acquisition Committee Chair Walser: I'd like
7 to thank Marie for inviting Tom to speak up. That was
8 very helpful.

9 Chairman Wilson: Okay, I'm
10 seeing shaking heads saying no more discussion; all
11 right, all in favor of the scope change involving land
12 swap for this project?

13 Board Members: Aye.

14 Chairman Wilson: Any opposed;
15 thank you; all right, Jason, anything more from the
16 Acquisition Committee?

17 Acquisition Committee Chair Walser: That's
18 all I've got; no, sir.

19 Chairman Wilson: Okay, agenda
20 item number 3 is an update for the Land and Water Fund
21 Project Mapping project from Marissa.

22 Acquisition Program Manager Hartzler: Yes,
23 thank you.

24 Chairman Wilson: I'm very
25 excited.

1 Acquisition Program Manager Hartzler: Yes,
2 so I'm going to stay here, and I'm going to drive from
3 my computer and actually show off a product that we've
4 been producing really over the past five years. The
5 staff has come to the -- the staff has updated the
6 Board over the past several years regarding a project
7 that we started in 2018 to both catalog all of the
8 conservation agreements and deeds and surveys and
9 different legal documents recorded with our projects.
10 And then to turn that into a spatial representation of
11 all of the conservation that the Land and Water Fund
12 and Clean Water Management Trust Fund has touched over
13 the history of the organization. And I am really happy
14 to say that after five years, that project has reached
15 its completion. We have made our way through 100
16 counties. Thank you, North Carolina; that is 100
17 percent of the state, in going back and looking at the
18 history of our completed projects. So I'm going to
19 take over the screen for just one second here.

20 Executive Director Summer: Marissa, while
21 you take over the screen, --

22 Acquisition Program Manager Hartzler:
23 Yeah.

24 Executive Director Summer: -- I'm going to
25 correct you. Your we, it's mostly been Marissa.

1 Ms. Cawood: I was going to
2 say congratulations.

3 Acquisition Program Manager Hartzler: I'll
4 get to all the people involved in a second; don't
5 worry. Could you -- Damon, could you share my screen I
6 have shared? You just have to take that off the
7 screen, so.

8 Mr. Hearne: Yes, Teams;
9 that's right.

10 Acquisition Program Manager Hartzler: Teams,
11 yes.

12 Mr. Hearne: The buttons,
13 the wires.

14 Acquisition Program Manager Hartzler:
15 Fantastic; I know that at this scale it is really hard
16 to see anything. So we're going to zoom in a little
17 bit to this, but I just want to give you a picture of
18 the whole state. You know, if we actually turn the
19 state off, you can actually make out the state with all
20 of the conservation that we have mapped to date. This
21 is everything from acquisitions, donated mini-grants,
22 match easements, restoration easements, some -- even
23 some innovative stormwater projects, wastewater
24 easements; you name it. If there were dollars put into
25 acquiring land or if it was protected as part of a

1 match leveraging Land and Water Funds and it resulted
2 in permanent conservation, you are seeing it on this
3 map right now. This is I think 2,600 different
4 features and 468,000 acres to date. So that is less
5 than the numbers that we have claimed as being funded,
6 because if it has not closed yet, you do not see it on
7 this screen. What we are trying to do here is we are
8 trying to go from the fantastic data that you see at
9 the funding meeting that shows it as applied for what
10 is really closed at the end. Obviously, today we've
11 talked a lot about how projects change and evolve
12 throughout the closing. And so how do we get from that
13 application data to the completed data? This is the
14 end result of that work. So what I want to do is, I
15 want to just zoom in very quickly to actually where we
16 are today. So, gosh, this is very small. Our little
17 logo got lost here, but this is where we are. We are
18 here at Kanuga, and you can see around us these dark
19 green are all properties protected in the area? Yeah,
20 it's every single -- every single label that you see on
21 there is a different Land and Water Fund project. I
22 really want to express my appreciation to a staffer we
23 had on board up until February, Jim Salley. He was
24 here for about four years. While I was mapping
25 property owned by the State, he was mapping all of the

1 conservation easements using the legal descriptions,
2 using surveys. I do want to add that this is not
3 surveyor level data. Obviously, we are always going to
4 defer if there's an issue to a surveyor, but this is
5 really supposed to be illustrative of what was
6 protected. And one of the great features that he
7 brought to this project, I'm just going to zoom in.
8 This is not a project that we will be seeing on this
9 trip, but it's nearby. Within the data -- and I'm
10 sorry you can't see that on this screen, but we get all
11 of the information about this project. This was a 2004
12 project from the City of Brevard. It's known as
13 Bracken Mountain, open to the public. I think they
14 might have some mountain bike -- they do have mountain
15 bike trails on the property. We're actually able to go
16 in and click into the data. And I'm not sharing the
17 full screen; sorry. Let me fix that screen. There we
18 go. It actually links directly to the conservation
19 easement, so we have all of the information there at
20 our fingertips. I think this has a lot of practical
21 applications, especially for Justin in stewardship.
22 Oftentimes people will call and say, I live on such and
23 such road; tell me about this easement on my property.
24 And so we will actually be able to go into this system,
25 type in their address, locate them, understand more

1 about what their easement is, and steer them towards
2 the document and really, you know, have a conversation
3 with them about the restrictions on their property.
4 Obviously, this also helps too with allowing for
5 monitoring, being able to give these to our partners
6 who are monitoring on behalf of the State, enabling us
7 to do aerial monitoring as well, so a lot of practical
8 implications for stewardship. But I do want to add,
9 you know, sort of building on the theme of today and
10 really being able to tell the story of conservation in
11 North Carolina and the impact of this organization and
12 the impact of the dollars. This really helps us tell
13 that story. I think people connect with, you know, a
14 ridiculous number, like 468,000 acres, when they see it
15 spatially on a map, and so that is now possible. I
16 know that there are going to be opportunities to put
17 this on our website and make it available to tell a
18 story. There are great tools that -- called story
19 maps. They let you fly through data and understand the
20 story of the conservation and how it's impacted those
21 around it. But I just know that this is going to open
22 up those opportunities, and I think the other really
23 great piece is that I have to give appreciation to the
24 Natural Heritage Program, and in particular, Meredith
25 Wojcik, who is their data manager for taking all of

1 this information and one by one replacing it in the
2 Natural Heritage data explorer, so that the next time
3 there is a DOT bridge replacement that engineer and
4 that contractor who's, you know, doing that research,
5 they are going to know about this easement. They are
6 going to know the impact. They will contact Justin.
7 So it's really been a huge lift, lots of folks
8 involved, and I really look forward to the fact that
9 this project never ends, right? I said it's at 100
10 percent. No, every day it changes. If we close more
11 projects, we get to add more features to the map. And
12 so this will be something that we will -- we will
13 continue adding to and improving on and finding, I'm
14 sure many ways to leverage this data, so there we are.
15 I'll zoom back to our approximate area. I think this
16 is DuPont. This is where we'll be headed tomorrow,
17 right?

18 Ms. Cawood: Marissa, that
19 is just wonderful for some of us who need visuals. And
20 I think, not to say that Legislators are like me, they
21 need visuals, but presenting them with visuals of this
22 magnitude is just a great way to tell the story, so
23 thank you very much.

24 Mr. Williams: Does this go
25 back as far as -- as long as the fund has been

1 available?

2 Acquisition Program Manager Hartzler: It
3 does, back to our first easement which I think was
4 recorded in 1997.

5 Mr. Hearne: And that means
6 we can answer questions now that it wouldn't have just
7 taken hours to answer before that may not have been
8 answerable without getting someone to go do a special
9 project to digitize a deed. Like I was here when we
10 were answering phones and not being able to answer
11 questions or taking half a day or a week to figure
12 something out where this is doing it in like five
13 seconds. So it's not just doing it faster and more
14 accurately; it's like some of it you couldn't have done
15 at all, which is pretty darn awesome.

16 Executive Director Summer: This is
17 awesome. MARRISA, would you go to the State just one
18 more time? I just -- it really -- I love seeing --
19 even at the State scope you can see the thumbprint of
20 the organization. It's just awesome.

21 Acquisition Program Manager Hartzler: I want
22 to share this one just quickly, too, just to really --
23 before we get back to the State. This is everything
24 from your tiniest restoration easements. This is the
25 Ararat River, so here you go, Terri. It's a project in

1 Mount Airy, all the way to one of our biggest projects
2 out in Eastern North Carolina. This is going to take a
3 second to buffer, but this is Bear Garden. So this is
4 Holly Shelter Game Land. I mean, this is something
5 like 10,000 acres, so every -- and everything in
6 between.

7 Ms. Murray: Ararat only has
8 like 40 or 50, something like that, and I know because
9 I had to find them all.

10 Chairman Wilson: So the goal is
11 to fill in the entire map.

12 Acquisition Program Manager Hartzler: It is
13 an interesting question. What is -- does anybody know
14 the acres of North Carolina, what percentage that we
15 have?

16 Acquisition Committee Chair Walser: Thirty-
17 one and a half million -- 31 million, not thousand,
18 yes, small.

19 Mr. Williams: Let me ask
20 another question. This is just the land related to
21 the fund, right?

22 Acquisition Program Manager Hartzler:
23 Uh-huh.

24 Mr. Williams: What about other -- I
25 mean, I'm probably asking too much, but what about

1 other environmental properties that's been saved about
2 other people.

3 Acquisition Program Manager Hartzler:

4 Absolutely, so two points on that; some of you may
5 remember the Natural Heritage Trust Fund, which the
6 Land and Water Fund is the successor trust fund for
7 that organization. That data is not in here. That is
8 one of the next things that we would like to put in up
9 here. There's a lot of overlap, so we need to deviate
10 a little bit there. But in terms of total conservation
11 across North Carolina, that is that data set that I
12 mentioned that Natural Heritage Program manages. It's
13 called the managed areas layer, and that is available
14 in their online mapper. And it does -- it rely --
15 they're an aggregator of the data. It relies on
16 conservation partners and state agencies and others to
17 submit their conservation data to the Natural Heritage
18 Program. But yeah, it's a very comprehensive data set
19 that shows all sorts of conservation across the state,
20 and it does. It picks up a lot more across the map. I
21 don't have it in here; otherwise, I'd show it to you,
22 but it's an impressive data set.

23 Mr. Williams:

Greer is right.

24 I think this type of information is priceless for State
25 Legislators when you're asking them for funding.

1 Chairman Wilson: So this does
2 not include projects that were funded by the National
3 Heritage Trust Fund that we hold the easement on today?

4 Acquisition Program Manager Hartzler: So if
5 the Clean Water Management Trust Fund was matching
6 that, then it is represented in here.

7 Chairman Wilson: Okay.

8 Acquisition Program Manager Hartzler: Some
9 of our like 2013 end projects when things started to
10 transition, those are in here. But if they were
11 projects that were only solely funded by Natural
12 Heritage Trust Fund, we still need to get those in this
13 data set. Does that make sense?

14 Ms. Cawood: Of which, there
15 are a number?

16 Chairman Wilson: Yeah.

17 Acquisition Program Manager Hartzler: Yes.

18 Chairman Wilson: And a lot and
19 that hold the easements on.

20 Executive Director Summer: Yeah, we're
21 going to take credit for them, yeah. I'm right there
22 where you left off.

23 Chairman Wilson: Well, I mean,
24 but it's also relevant to what we're about to discuss,
25 which is we got to pay for -- we got to steward them.

1 Executive Director Summer: They are unique
2 in that they're almost exclusively owned by state
3 agencies, so they're protected under dedications under
4 the Nature Preserves Act, and Misty's (phonetic) group
5 looks in on them in addition to state agency.

6 Vice-Chairman Browning: This question
7 will show how ignorant I am about GIS, but will this
8 would be a layer that's available to others, or will it
9 just reside on our website, and we'll upload it to
10 National Heritage?

11 Acquisition Program Manager Hartzler:
12 Yeah, so it is currently available the National
13 Heritage as part of that managed areas. You do have to
14 have an account for that. So that's not as widely
15 accessible maybe as we would like it to be. And so we
16 have talked about having something like this on our
17 website so that -- you know, maybe it's embedded
18 through Google Maps or another online product that, you
19 know, anybody can go on and see the area around them,
20 you know, and then coupled with the idea of, you know,
21 showing trails; yeah, and having something that's more
22 publicly available without a login would be really
23 nice.

24 Chairman Wilson: Okay, anything
25 else, Marissa?

1 Acquisition Program Manager Hartzler: No,
2 that's the update.

3 Chairman Wilson: Okay, item 4 on
4 our agenda, Allocation of Monitoring Funds, Justin.

5 Stewardship Manager Mercer: I realize that
6 I'm standing between you all and a bog tour and dinner,
7 so I will be as efficient as -- I'll try to be as
8 efficient as I can.

9 Chairman Wilson: Well, don't
10 shortchange this back half of the meeting, seriously.

11 Stewardship Manager Mercer: All right, so
12 we're good with seven o'clock, right? All right,
13 agenda item 4, Allocation of Monitoring Funds, I don't
14 want to get into this too much, but I will remind you
15 that a year ago at this meeting the Board did allocate
16 an additional \$2,500,000.00 to the Stewardship
17 Endowment to be assigned for the monitoring of projects
18 with unfunded monitoring requirements. You may also
19 recall that back in December, we sort of took our first
20 swing at that with 16 easements that were assigned to
21 Tar River Land Conservancy for monitoring. That was
22 very much a sort of an abnormal situation, having a
23 land trust partner that was willing to take on
24 additional monitoring assignments halfway through their
25 contract periods. But they were willing and able to do

1 it, so we took a swing at it in December. But this is
2 more typical of what I expect is sort of bringing an
3 aggregate list of proposed assignments to you at this
4 May meeting. And I'll admit that it spills onto two
5 slides here, so please bear with me. The first thing I
6 have on the slide, and we don't need a really close
7 look at this, but these are 30 easements that we are
8 proposing to allocate some monitoring funds to that
9 will be monitored by Three Rivers Land Trust, which I
10 will say is a huge undertaking for that organization to
11 be willing to take on 30 more monitoring projects on
12 our behalf in a single year. So that's fantastic. I'm
13 very appreciative of their willingness to do that. On
14 the second slide here, we have additional projects that
15 Foothills Conservancy of North Carolina and Blue Ridge
16 Conservancy have agreed to take on the monitoring on
17 our behalf. All totaled that is 42 additional
18 easements covering 1,600 acres, 340,000 linear feet of
19 perimeter, which is roughly 64 and a half miles of
20 boundary that we are, are now proposing to have
21 monitored by these organizations. The annual
22 monitoring estimate for all 42 of these easements will
23 be \$28,450.00 for a total endowment allocation of
24 \$711,250.00 of that 2.5 million that was assigned a
25 year ago. I just wanted to give a quick spatial

1 representation of this. The outline in pink is Three
2 Rivers Land Trust service area. The orange area is
3 Foothills Conservancy, and the blue is Blue Ridge
4 Conservancy. And so all totaled we're covering 30
5 counties of North Carolina here. And by assigning
6 these -- by assigning funds to these easements and
7 assigning the monitoring to our land trust partners,
8 that will completely eliminate unmet monitoring needs
9 in those 30 counties. So we have a pretty wide range
10 of what we're proposing to allocate here, going from
11 Fayetteville down in Cumberland County all the way out
12 close to the Tennessee border in Watauga County, so
13 really a lot of ground covered here. With that, staff
14 is recommending to assign \$711,250.00 to unallocated
15 principal -- of allocated principal in the stewardship
16 endowment for the monitoring of the conservation
17 easements associated with the projects presented in the
18 preceding slides. My apologies for not listing all 42
19 out here, but if somebody would like me to read them
20 off, I'll be happy to go back to the other slide. But
21 these will be monitored by our contracted partners as
22 listed, and they will be reimbursed through our --
23 through their annual monitoring contract with the North
24 Carolina Land and Water Fund beginning and fiscal year
25 '23-'24. I'm happy to answer any questions about that,

1 and we'll turn it back to the Chair for discussion.

2 Chairman Wilson: And does
3 \$711,000.00 for 42 easements fit as you then project
4 that to the big picture? Does it feel like we're on
5 track and sort of in keeping with how much total you
6 think it's going to take to eventually steward all
7 these?

8 Stewardship Manager Mercer: I think we are.
9 There's a little bit of a range of what things cost. I
10 think if we were to break down -- including these and
11 what we assigned in December, I think we'd be a little
12 bit beyond the numbers there. I think I projected or
13 estimated about \$500.00 per easement last year. I
14 think with everything these 42, as well as what we've
15 already assigned, we'd be right around \$600.00 per
16 easement. But I think a big part of that are these
17 Three Rivers projects where they've got such a large
18 service area. They're based out of Salisbury and going
19 all the way down to Fayetteville for all these
20 easements down here. So those are a little bit more
21 expensive due to the size of them and due to the travel
22 associated with it. So I think as we move forward,
23 we'll get a little bit -- we'll be a little bit more
24 consistent with that \$500.00 per easement estimate.
25 But yes, I think this is relatively in line, and we'll

1 expand on that a little bit more in a later agenda
2 item, but I'm happy to have the conversation or answer
3 more questions now.

4 Vice-Chairman Browning: Terrific
5 progress; thank you for all the work that went into
6 that, and I would move for approval.

7 Innovative Stormwater and Planning Committee
8 Chair Kumor: And I would second.

9 Chairman Wilson: Okay, motion
10 from Ann and a second from Renee to assign \$711,000.00
11 unallocated principal, exactly what's on the screen
12 right there in front of everyone; any more discussion;
13 okay, hearing none, all in favor, please say aye?

14 Board Members: Aye.

15 Chairman Wilson: All opposed,
16 none; all right, thank you; item 5 Stewardship Report,
17 Justin.

18 Stewardship Manager Mercer: All right,
19 thank you; as you may recall, at this May meeting every
20 year I give a report of where the stewardship program
21 is, what we've -- what has been done in the past year
22 in terms of monitoring. So we'll start out here with a
23 summary of our expenses for fiscal year '22-'23. And
24 it's worth pointing out that we are not yet at the end
25 of the fiscal year, which is June 30th. Invoices can

1 continue to be submitted through July 15th, so there's
2 a little bit of attempt here to project what our
3 expenses will be. So these numbers are a combination
4 of what we paid out on contracts so far with what we
5 expect to continue paying out through July 15th. So
6 all totaled we expect to spend \$147,000.00 on
7 monitoring expenses. A further \$20,000.00 has been
8 committed to management projects that our partners take
9 on on our behalf. We've got \$0.00 projected to be
10 spent here on contingency items. So we set aside
11 roughly, I think, \$54,000.00 last year to be spent on
12 other stewardship needs as we sort of got things up and
13 running with a staff monitoring program and other
14 potential management needs. We've got \$0.00 listed
15 here, but that doesn't mean we didn't spend anything.
16 We were fortunate this year to have enough available in
17 general administrative funds for the fund that we are
18 able to cover a lot of those expenses without having to
19 touch the endowment, so funds for equipment to
20 facilitate staff monitoring, funds for temp staff to
21 aid in some of that monitoring were all covered through
22 general administrative funds. This gives us a total
23 anticipated expense of \$167,328.00 this year. I'll
24 remind you here that our approved cap last year was
25 \$236,000.00. So we are roughly projecting to be

1 \$65,000.00 under budget this year in no small part due
2 to that coverage from the administrative funds. So
3 what does that get us? Here we have our breakdown of
4 what we anticipate to be monitored in fiscal year '22-
5 '23. Land and Water Fund now holds 850 easements
6 across the state. 438 of those are monitored by our --
7 by our partners. We have 74 easements that were
8 monitored by, or will -- have been monitored or will be
9 monitored by Land and Water Fund staff before the end
10 of the fiscal year. I've got an asterisk there just to
11 point out I think that's a relatively conservative
12 estimate. I do hope to get out to a handful more
13 myself, as well as other staff members, before the end
14 of the fiscal year. But I feel really good that we're
15 going to be at the 74 at a minimum. I'm hoping that's
16 maybe close to the 90 mark. But for the sake of
17 comparison, staff saw 11 easements in the previous
18 fiscal year. So it's a really big jump in what staff
19 was able to accomplish in monitoring this year.
20 Monitored remotely by Land and Water Fund staff, we're
21 at a zero this year. That doesn't mean we didn't look
22 at anything monitored remotely. It just means we
23 didn't file a report based on any remote work that we
24 did. I will point out that every one of those 74 that
25 was monitored by staff had remote review before we went

1 out. Those 42 easements that we just assigned funds
2 for our monitoring partners had a remote view before we
3 engaged with our partners to monitor those. A lot of
4 those -- a lot of that remote viewing either resulted
5 in reaching out to our partners or an in-person site
6 visit this year when we saw an immediate need to go out
7 there. So we've got this listed at zero, but we really
8 were able to do a fairly significant amount of remote
9 work. It just didn't result in filing a report, which
10 was done based on an in-person visit. In addition, we
11 did fund, or we did allocate funds for 10 management
12 projects this year. I won't go in to the details of
13 every one of them, but in general these are projects
14 that help to prevent trespass and encroachment through
15 gate installation, through boundary markings, and a
16 couple situations through updates to surveys to help us
17 confirm whether or not there was a violation on our
18 easement, control of invasive species, reforestation
19 previously cleared areas. It's important to point out
20 that those activities were not the result of
21 violations, but rather to help address and improve
22 conditions that were present at the time the easement
23 was recorded, and then to help address roadside debris
24 and dumping, that's kind of the opposite. Those are
25 not conditions that are present at the time the

1 easement was recorded, but if there's third-party
2 trespass or roadside dumping, we do occasionally help
3 to address those issues on our easements.
4 Unfortunately, we do have to talk about violations at
5 this meeting. There have been 32 potential and
6 confirmed violations active in fiscal year '22-'23.
7 Admittedly that is an increase over the last fiscal
8 year. That's not totally unexpected. As we go out and
9 see more projects, we're going to see more violations.
10 Twenty-one of those violations were carried over from
11 previous years. That doesn't mean that we haven't made
12 progress on them. It just means that sometimes
13 violations are complicated. They take time to work out
14 to verify that there was a violation to begin with and
15 to reach an agreeable resolution. So we've got 21 that
16 were carried over from previous fiscal years, and 11 of
17 those violations are new reports. Again, that 11 in
18 new violations is up from last year. But it's largely
19 a result of going out and seeing more projects. Of
20 those 32 violations we've got, roughly a third of them
21 are third-party violations. The positive of that is
22 those are not situations where our landowners, our
23 conservation partners, are creating the problem. It's
24 where you have a trespass issue or a road sign dumping
25 issue that needs to be addressed. We've got 13 percent

1 legal, 16 percent procedural, and 6 percent
2 subdivision. I'm kind of lumping those together here
3 to point out that those are not projects that have
4 direct impacts to conservation values. It doesn't mean
5 they're any less -- it's any -- it's worth any less to
6 try to address them, but at least they're not direct
7 impacts or direct negative impacts to those
8 conservation values. We've got 9 percent improvements
9 where somebody built a trail or a structure of some
10 sort and 22 percent vegetation, whether it's -- that
11 can range from minor cutting to a couple -- of a couple
12 of stems to more large scale clear-cut type situations.
13 Of the active violations, seven of them were resolved
14 in fiscal year '22-'23, so that number is up from a
15 year ago. There were -- we were able to make a fair
16 amount of progress on getting some of those violations
17 resolved. Some of those seven were actually violations
18 that were identified in fiscal year '22-'23 that had
19 easy enough resolutions. We were able to get our
20 partners on that immediately and get them resolved
21 within a relatively short time frame. Nineteen of
22 those are -- of the confirmed violations are currently
23 in progress. Again, sometimes violations take time to
24 work out, whether it's identifying what the extent of
25 the violation is, whether it's identifying the

1 resolution, or just giving time to reach that final
2 resolution. So a lot of those 19 have a plan in place.
3 We're just not going to consider them resolved until
4 they're fully resolved, until they've met the deadlines
5 that we've set forth, and then we do have six that
6 remain in the research stage. These are potential
7 violations where we just don't have enough data to know
8 for sure that a violation has taken place. Either
9 we've identified something through review of aerial
10 imagery, or a partner has gone out and seen something,
11 but they're not exactly sure where the boundary line
12 is. I am pleased to say that three or four of those
13 six, our partners have submitted management requests
14 for fiscal year '23-'24 to help address those, to help
15 get surveys so that we can actually identify
16 definitively whether or not a violation has taken
17 place. This part is brand new this year through our
18 conversation with the acquisition committee about
19 amendments. We did decide it was appropriate to sort
20 of present an overview of what amendments have been
21 approved, both by the Board and by Land and Water Fund
22 staff in the last year. All totaled in the fiscal year
23 2022-'23, five amendments to conservation agreements
24 were approved. Three of those were major amendments
25 that the Board saw -- did a full review and saw fit to

1 approve. Two of them were minor amendments that were
2 approved at the staff level. Of those five, we've got
3 40 percent sewer infrastructure and 20 -- sorry, 40
4 percent sewer infrastructure. We've got 20 percent
5 that were recreation projects. You might recall the
6 Wake Forest greenway parking lot project that was
7 approved in December, and then we have 40 percent that
8 are DOT projects. I split them out between DOT and
9 emergency DOT, just for sake of illustration, but they
10 go through the exact same process. So five in total,
11 it's fairly easy to make sense of those. The majority
12 of those are or did go through the Board to review
13 them. It's worth mentioning here there are four
14 additional requests pending. They've not had a
15 decision made yet because we're waiting on more
16 information, but just to sort of give you a preview of
17 what we expect to see in the relatively near future,
18 only one of those is a traditional major amendment
19 request. The other two that I have listed here as
20 major amendments would typically fall under the minor
21 amendment category, but there's something about them
22 the staff's just not quite comfortable enough with. So
23 those will be coming to you as major amendment requests
24 likely in December as well as we gather more
25 information. The one minor amendment is fairly

1 typical, fairly straightforward. We're just waiting on
2 the municipality to basically agree to our terms for
3 offset to the conservation values, and that is -- that
4 concludes the stewardship program report. I'm happy to
5 take any questions before we move on to the endowment.
6 All right, we'll move right along. Agenda item 6, the
7 Endowment Report, so I will say that the endowment has
8 been a bit interesting this year between fluctuations
9 in the market and the addition of that \$2,500,000.00
10 last year. But we can see from March of 2022 when you
11 saw this information last through September of last
12 year, we had a pretty sharp decrease in our endowment
13 value. We lost over \$1,000,000.00 in the endowment
14 between March and September of last year. September,
15 we see that big jump. That's when we initiated the
16 transfer of that \$2,500,000.00 into the endowment. And
17 since then we are back generally on a positive
18 trajectory. So we lost about \$1,100,000.00 the six
19 months preceding the influx of that \$2,500,000.00, and
20 we've rebounded by about \$700,000.00 or so since then.
21 So all totaled, we are down \$318,000.00 over the past
22 12 months. Technically, we're up 2.18, but when you
23 factor in that \$2,500,000.00 of that was added. We
24 technically did lose about \$318,000.00 as of March
25 2023. The great news about this is we still have

1 almost \$2,500,000.00 in investment income. So our
2 principal investment is safe. We've got plenty of
3 money to continue funding operations, and are generally
4 in great shape in terms of what we have available. So
5 that brings us to spending for the upcoming year. The
6 Board does dictate that we base our budget based on a
7 36-month average rather than the -- whatever the total
8 value is in March. So here we have a snapshot of the
9 last 36 months. We really gained a lot of value from
10 April 2020 through December of '21, and then again you
11 can see the downward turn that we took, but still
12 generally on an upward trajectory. Despite our current
13 total value being north of \$9,000,000.00 our 36-month
14 average is 6.7 million. Policy sets a spending cap at
15 4 percent of that 36-month average, which gives us a
16 proposed cap of \$268,890.00 for fiscal year '23-'24. I
17 just realized my colors have changed here, but of that
18 \$210,000.00 will be for monitoring expenses. That's
19 specifically for monitoring expenses associated with
20 our contracted partners. That doesn't include what
21 staff is going to do. \$30,000.00 is set aside for
22 management proposals, and that leaves roughly
23 \$28,000.00 for additional stewardship needs. That's a
24 fairly significant decrease in additional stewardship
25 money available from last year. That's largely due to

1 the increase we have in contracted monitoring expenses,
2 but those funds will be able to go to towards
3 supporting equipment needs and potentially supporting
4 some additional temporary staff to help keep our
5 numbers, our monitoring numbers where we'd like to see
6 them. So all totaled here, I mentioned earlier we were
7 looking at or projecting to come under budget by about
8 \$65,000.00 this year, so that's what we have as our
9 cash reserves. We have \$200,000.00 anticipated in
10 monitoring expenses, \$30,000.00 for management funds,
11 and that \$28,000.00 for additional stewardship
12 expenses, which means we need to withdraw roughly
13 \$204,000.00 more, specifically, \$203,890.00 in
14 investment income to fund operations for the upcoming
15 fiscal year. Beyond that, we've had a lot of projects
16 closed within the last year as our acquisition staff
17 and legal counsel can attest to and are anticipating
18 closing more within the coming months in time to get
19 added to the next round of contracts. All totaled
20 we're expecting \$288,107.00 of newly closed projects to
21 contribute monitoring funds to the endowment as part of
22 this. Those projects are listed here. It's 20
23 projects that will result in 19 new easements. Just as
24 a summary here, the funds that we're looking at here
25 are to go towards the monitoring of 869 State-held

1 easements that cover roughly 133,000 acres. The last
2 piece I added on this slide was just for representation
3 of the allocation of uncommitted funds that we just
4 approved a few minutes ago in the amount of
5 \$711,250.00. All right, so this is where things get a
6 little bit interesting. With the addition of that
7 \$2,500,000.00 into the endowment back in September, in
8 addition to getting some other things cleaned up with
9 closing projects, we were a little bit delayed in
10 making the -- in reallocating funds and getting that
11 money invested this year. So instead of doing this
12 transaction in September, it was -- I believe it was
13 April before we got that reallocation initiated. So
14 transaction has been initiated, but it's not reflective
15 on the statements yet. So I've done my best to give a
16 representation of where we actually were as of March
17 31st of this year and where we anticipate we are based
18 off of the reallocation that was initiated. So we can
19 see in the top chart there. We are pretty far out of
20 balance compared to our targets. We've got 45 percent
21 of our funds in our short-term investment account, 49
22 percent in our equities account, and 5.4 percent in our
23 bond account. We really want to be closer to 70
24 percent in equities, 8 percent in bonds, and 22 percent
25 in short term. I'll point out this is by design.

1 Because of that \$2,500,000.00, we chose to take a
2 relatively conservative approach, invest -- in
3 investing that to make sure that it was protected from
4 market fluctuations. But as of March 31st, we are
5 roughly \$490,000.00 in bonds with the addition of 150
6 or the transfer of \$150,000.00 of that 2.5 million.
7 That brings us to \$640,000.00. We've got 400 -- or
8 \$4,000,000.00 in short term. We added our \$139,000.00
9 from closed projects last year. We withdrew 1.6 for
10 those -- for that reallocation, which left us with a
11 balance of 2.6 million in short term. We started out
12 with just shy of \$4,500,000.00 in equities with an end
13 target of 5.7, almost 5.8 million in equities for a
14 total endowment value of just over \$9,000,000.00. Once
15 that transfer is reflected in our statements, we'll be
16 a lot closer to being in balance with 64 percent of our
17 funds in equities, 29 percent in short term, and 7
18 percent in bonds, but that will be corrected with this
19 next section. So using that as a starting point and
20 recognizing that by the time we actually make this
21 transfer a few more months will have passed and so
22 these numbers will be outdated. This is our proposed
23 sort of reallocation and deposit for fiscal year '23-
24 '24. So starting with that same \$640,000.00, we are
25 going to reallocate \$89,000.00 from our short-term

1 account and bonds to get \$729,000.00 there.
2 We're going to take that 2.6 that is in our short-term
3 account. We're going to withdraw \$604,000.00 to be
4 reallocated for a final short-term balance of
5 \$2,000,000.00. And that 5.8 million that's in our
6 equities fund, we're going to deposit \$800,000.00 from
7 our short-term account. We're going to withdraw
8 \$203,890.00 from our investment income to fund
9 operations for the upcoming year, which result in just
10 shy of \$6,400,000.00 in our equities account. The
11 short of this is that because we have so much money in
12 our endowment right now, and because it's out of
13 balance, we have a great excuse to sort of move
14 everything rather than just simplifying things because
15 something's already really close, and this strategy
16 allows us to end this process in perfect balance with
17 70 percent in our equities fund, 8 percent in bonds,
18 and 22 percent in short term, which as a reminder is
19 based off of investment advice that we've gotten from
20 professionals in the past. This one does come with
21 some actions needed from the Board because our policies
22 and practices require the Board to approve these
23 transfers. Number one, the Board does need to approve,
24 not approve, or amend the staff recommendation to
25 authorize fiscal year '23-'24 stewardship spending up

1 to \$268,890.00 for monitoring contracts, management
2 awards, and other stewardship operating costs. Number
3 two is to approve, not approve, or amend the staff
4 recommendation to deposit up to \$288,107.00 into the
5 endowment principal and withdraw up to \$203,890.00 of
6 investment income to fund program expenses. And number
7 three is to approve, not approve, or amend the staff
8 recommendation to structure the annual transaction
9 between the funds' three investments to meet the target
10 set per the deposit agreement with the Treasurer's
11 office based on the most current available data when
12 the transaction is made. A lot of information there in
13 a relatively short period of time, but I'm happy to
14 answer any questions as I'm able and will turn it back
15 to the Chair for discussion.

16 Acquisition Committee Chair Walser: I have a
17 question.

18 Chairman Wilson: Yes.

19 Acquisition Committee Chair Walser: Have we
20 ever had a finance management committee? Have we ever
21 had a -- do we have one now?

22 Executive Director Summer: We don't. We
23 had one. So the very short history, in 2004 the board
24 decided we should be in the stewardship business. Two
25 or three years later, they got legislation to allow us

1 to have an endowment. We realized that short-term
2 investment funds would never, ever work because that's
3 essentially a checking account interest, you know, less
4 than 1 percent. In 2008 we got the right at the
5 request of what I think may have been an ad-hoc
6 committee or an administrative committee to get
7 legislation to allow us to invest in the bond
8 investment fund in the short -- I'm sorry, the equity,
9 and then over those next four years, I think it was the
10 administrative committee through Frank Bragg, who is an
11 important member, setting up the first deposit
12 agreement and setting the targets that you heard Justin
13 mention. So we don't have that committee. Are you
14 requesting it to digest all this on behalf of the Board
15 and then make a recommendation?

16 Acquisition Committee Chair Walser: I feel
17 comfortable with the first two as proposed. I want to
18 be clear. I work for a foundation that manages a large
19 corpus, and they don't listen to my advice for
20 anything, so. They are all smarter than me. This 70
21 percent, 30 percent is a really generally well-accepted
22 principal, but with the \$10,000,000.00, I think we have
23 a fiduciary obligation with \$10,000,000.00. It's a lot
24 of money to make sure we make a good decision. I'm
25 little concerned about making a decision today. I

1 don't think we're about to fall off a fiscal cliff, but
2 I'm not at all concerned that we have too much money in
3 short-term treasuries. We've been in a low-interest
4 rate environment for a long time, and we need to hedge
5 against inflation, but we should be earning 5 percent
6 on our money market. If we're not, we should be really
7 close or over 5 percent. We -- five years ago there an
8 was an opportunity that cost us a loss of money. But
9 now if we're supposed to be spending 5 percent, earning
10 5 percent short-term treasury is not a loss. It's not
11 a bad thing to be in, to have safe money earning 5
12 percent if we're getting that, and I don't know that we
13 are. I'd like to know these questions before I said
14 I'd move \$1,000,000.00, and there's a chance that we
15 could have a really significant equity blow this
16 summer. There's not a big chance, but it's probably
17 more than 2 percent that things could go janky. And if
18 we can earn 5 percent for a little bit longer, I don't
19 want -- I don't want to spend -- I don't know what I'm
20 talking about. We have \$10,000,000.00, and I don't
21 want to make a bad decision because we want to get to
22 dinner and look back in September saying, wow, I wish
23 we would've thought through this.

24 Executive Director Summer: Here is what --
25 I talked to Frank Bragg about this. After a long time

1 I touched base with him, I think last year. His advice
2 perennially is this is where you should be in the long
3 term. Don't second guess it. Don't try to time to
4 market. He said this is -- he said this is the number
5 and, you know, take a long view. It will be where you
6 want the investment --

7 Acquisition Committee Chair Walser: I
8 don't disagree with him though. We're on the Board,
9 and I think we need to have that discussion. And
10 that's -- the Robertson Family Foundation, that one is
11 going to be the most, we're in the same 75/25. We're
12 in 75 equity, 25 percent, and it's in a Vanguard Fund,
13 and it's public information. You could look at my 990
14 and see that. It's -- that is where we try to be, too,
15 so this is consistent, and I think Frank -- I just -- I
16 would love for our Board to have the conversation, make
17 sure that we feel comfortable with this.

18 Ms. Grissom: We should be
19 getting more than 1 percent on short-term cash, and if
20 you have millions of dollars, you know, you can make
21 money and it should be safe; I mean make more than 1
22 percent.

23 Executive Director Summer: So that number,
24 it fluctuates, but we don't -- we only get to choose
25 between these three options. The Treasurer's office,

1 this is -- these are the same groups I believe that the
2 pension fund and other state investments are in, and
3 our only choice is not between different equity funds
4 and different short-terms. We have short-term bond and
5 equity, and the Treasurer's office manages the rest of
6 it.

7 Innovative Stormwater and Planning Committee
8 Chair Kumor: I think that's the first thing you have
9 to preface this whole discussion with --

10 Acquisition Committee Chair Walser: Yeah, we
11 don't have a lot --

12 Innovative Stormwater and Planning Committee
13 Chair Kumor: -- is that there are a whole list of
14 regulation because of the way we invest our money.

15 Acquisition Committee Chair Walser: That's
16 helpful to hear, yeah. We can't just go buy CDs.

17 Innovative Stormwater and Planning Committee
18 Chair Kumor: Yeah.

19 Chairman Wilson: Those are money
20 marker, and we can't say, my brother-in-law's in the
21 investment business, and he says that he can do better
22 for us, so.

23 Innovative Stormwater and Planning Committee
24 Chair Kumor: Yeah, yeah, yes.

25 Acquisition Committee Chair Walser: Right,

1 yeah, it's funny. John asked me this question on the
2 car ride up, the exact same question about what are our
3 other options, and they are --

4 Ms. Grissom: Allocations,
5 percentage allocations.

6 Acquisition Committee Chair Walser: I tell
7 you what. I'm willing to sit back and be quiet and
8 trust the staff.

9 Chairman Wilson: Well, it was a
10 good question, but here's something that I think is
11 important, and that is we got advice from Frank Bragg.
12 Of our nine Trustees, three of us know Frank.

13 Innovative Stormwater and Planning Committee
14 Chair Kumor: Yes, and one of them is leaving.

15 Chairman Wilson: And so that
16 increasingly -- and one is leaving. So that
17 increasingly is not going to mean anything to anybody.
18 And even if we all knew him, it -- we've got to do our
19 own due diligence and have our own oversight. So I
20 think the point is a good one, and I would suggest that
21 the Executive Committee in the short term, you know,
22 serve that role as the finance committee unless we want
23 to set up another committee. But I do think that this
24 is raising a good question that -- you know, it's --
25 basically what it comes -- we're limited to these three

1 asset classes. The question is what is our asset
2 allocation going to be, and what is the timing of our
3 rebalancing of our portfolio, and what is the timing of
4 our investment of new funds that we may elect to add
5 to, for example, the \$2,500,000.00 that we put in last
6 year over what time frame do we invest at. That is the
7 strategic investment decision. And the Board does need
8 to proactively be involved in that, perhaps more than
9 we are already. So in terms of what action to take
10 now, can you explain your comfort with two and with the
11 first two? I understand, but go ahead and articulate
12 why.

13 Acquisition Committee Chair Walser: I don't
14 know that I can, but it makes sense that these are in
15 line with what we've anticipated doing and that they
16 are consistent with our -- we've discussed it before.
17 It's consistent with what we've done in the past, and
18 it makes sense. The staff needs this to happen. So to
19 me, the first two are business as usual, I guess.

20 Chairman Wilson: Yeah, if -- the
21 third may also be considered business as usual because
22 our asset allocation that this Board has adopted is the
23 70/30 asset allocation. And so we would not be -- you
24 know, for to elect today not to do that for reasons
25 potentially of market timing, I would think maybe would

1 not be something that I would support doing. I think I
2 would support maybe doing all three of these and -- but
3 also recommitting ourselves through the Executive
4 Committee or whatever new finance committee we might
5 want to set up, of being more proactively engaged in
6 these types of decisions.

7 Acquisition Committee Chair Walser: I am
8 fine with that.

9 Vice-Chairman Browning: I'd like to ask
10 what direction do we get from the Treasurer's office?
11 These are the targets they set for the pension funds?

12 Stewardship Manager Mercer: That's a great
13 question. We actually learned this year that the
14 Treasurer's office does not care where we set these
15 allocations. I'll admit I used language from last
16 year's presentation because this has been our
17 understanding up to this point because that's how we
18 set it up to begin with. And this is where we have
19 maintained. But this is -- it's my understanding at
20 this point, and Will may want to add something that
21 this is a Board decision. The Treasurer's office
22 doesn't care one bit how we allocate those funds.

23 Executive Director Summer: And I'll add,
24 you know, Justin's not saying this year I think we
25 should go 70/22/8, like we did last year. Justin is

1 implementing the Board policy that says this is what we
2 shall do until we change the policy. And that may be
3 the thing that a finance committee or the Executive
4 Committee starts on is this still sound. I think that
5 it may be, but I -- you know, I'm coasting on -- I'm
6 fine with this.

7 Acquisition Committee Chair Walser: At some
8 risk of trying to seem like I'm smarter than everybody
9 because I don't think I am, I'm really -- I'm a bad
10 investor, but this market is different than it was a
11 year ago. We've had 14 years of targeted interest
12 rates of below zero so that we would have spending, and
13 we are now looking at -- I just invested for a company
14 I work for at 5.1 percent. We got CDs. That is
15 different than it was a year ago. And it's worth you
16 at your church and in your own life to think about a
17 risk-free investment. 5.1 percent is different than
18 0.007 percent or whatever it was. So it was worth the
19 conversation. I now know that we're limited. I now
20 know that this is consistent with the policy we have.
21 I would like to continue to discuss it in the future,
22 but I feel comfortable with implementing the policy
23 that we have set in the past and getting back to where
24 we say we wanted to be. I'm fine with.

25 Innovative Stormwater and Planning Committee

1 Chair Kumor: Was that a motion?

2 Acquisition Committee Chair Walser: That is
3 a motion to approve. Yes, that is.

4 Ms. Grissom: I will second.
5 And can I ask one follow-up question? So when would
6 the Executive Committee meet again to consider this if
7 we decide that's the right place to have that
8 discussion?

9 Chairman Wilson: Whenever we
10 want to.

11 Ms. Grissom: You could call
12 it whenever you want to call it.

13 Chairman Wilson: That's right,
14 within -- we have to have, you know, notification.
15 What is our advance notice?

16 Executive Director Summer: For standard
17 meeting, seven; for an emergency meeting something like
18 forty-eight --

19 Ms. Grissom: Would you
20 entertain that, for the Executive Committee take a
21 closer look at the allocation procedures and report
22 back?

23 Acquisition Committee Chair Walser: I would
24 like that. I would like that friendly amendment, that
25 we in the near future, within the next month, have that

1 discussion, have the Executive Committee to discuss
2 this. I think -- I just think that -- you know, we
3 were looking at \$5,000,000.00 a couple of years ago.
4 We're looking at \$9,200,000.00. That's real money, and
5 I've got a vote. I've got one of nine votes to help
6 determine how we invest \$9,000,000.00. That's a lot of
7 money, and I feel a responsibility.

8 Ms. Cawood: Okay, would you
9 entertain a second friendly amendment?

10 Acquisition Committee Chair Walser:
11 Absolutely.

12 Ms. Cawood: Couldn't we ask
13 staff to talk to the Treasurer's office, as to if
14 there's any flexibility in allowing additional
15 investment vehicles.

16 Executive Director Summer: I will
17 certainly check, but I don't believe that there is, but
18 I will find out for sure.

19 Ms. Cawood: But is this now
20 a point that they should start, ask them to look at
21 that from their body, and you all can see I do listen,
22 so I do know the verbiage. I don't know if I'm saying
23 it right, but I do know the phrases.

24 Chairman Wilson: Okay, so we
25 have the actions, the three actions listed there with

1 the amendment to have the Executive Committee meet
2 within the next 30 days to pick up on this discussion.

3 Acquisition Committee Chair Walser: Yes,
4 sir.

5 Chairman Wilson: And find out
6 from the Treasurer's office if there are other options
7 for asset -- different asset classes.

8 Ms. Cawood: And if they
9 will consider options.

10 Ms. Browning: And further
11 clarification on what the short-term investment fund
12 is, you know, that would be helpful.

13 Chairman Wilson: If we could
14 have somebody from the Treasure's office join us for
15 the meeting.

16 Executive Director Summer: These are all
17 doable things and we can get a perspective --
18 perspectives on what the interest rate has been in the
19 short term. We will get a follow-up done and do a
20 presentation.

21 Innovative Stormwater and Planning Committee
22 Chair Kumor: Is there a second? Do you want a second
23 to that, John?

24 Mr. Rusher: Are we adding
25 to it?

1 Vice-Chairman Browning: I'm unclear as
2 to what number three are -- we are not expecting the
3 staff to take action until the September meeting. Is
4 that --

5 Chairman Wilson: I think we are.

6 Acquisition Committee Chairman Walser: I
7 think that we're allowing them do what needs to happen.

8 Stewardship Manager Mercer: For what it's
9 worth, this transaction will not take place until at
10 least September anyway.

11 Executive Director Summer: The end of
12 fiscal year pretty much shuts down all of our finance
13 folks that would help us with this.

14 Chairman Wilson: So does us
15 authorizing number three today help you in any way?

16 Stewardship Manager Mercer: It helps us to
17 plan, but I don't -- I think the consequence to waiting
18 would be minimal.

19 Chairman Wilson: And if it
20 waits, it would perhaps be approved at the September
21 funding meeting, which hopefully will mid September.

22 Stewardship Manager Mercer: That is between
23 you and Will in setting that agenda.

24 Executive Director Summer: It is. Could I
25 offer an alternative that may get you to the same

1 place? If the Board is comfortable approving number
2 three today, recognizing that we've got until the end
3 of July to -- for the Executive Committee to go, wait a
4 minute.

5 Chairman Wilson: Okay.

6 Executive Director Summer: Hold and Justin
7 can pause, and then we can bring it back to the Board
8 that way.

9 Chairman Wilson: Okay.

10 Executive Director Summer: If we get into
11 July and like 70/22/8, then we don't -- you know, we
12 don't have to wait for the Board again.

13 Chairman Wilson: Okay.

14 Executive Director Summer: If that works.

15 Chairman Wilson: Yep, okay, so
16 we have the three actions on the screen. We also have
17 an amendment to include that the Executive Committee
18 will meet within the next 30 days to continue these
19 discussions and include it or -- and another amendment
20 is that we will communicate with the State Treasurer's
21 office to find out what investment vehicles and asset
22 classes are available to the Land and Water Fund, is
23 that right?

24 Mr. Rusher: I'll make that
25 motion.

1 Chairman Wilson: Okay, that's a
2 motion from Mike.

3 Ms. Cawood: I second.

4 Mr. Rusher: As stated by
5 John.

6 Chairman Wilson: A second from
7 Greer.

8 Mr. Rusher: With apologies
9 to those who made motions and seconds previously.

10 Chairman Wilson: No, no, no,
11 that sounds great, okay.

12 Mr. Rusher: You said it
13 better.

14 Chairman Wilson: All right, any
15 more discussion?

16 Mr. Womack: Mr. Chairman,
17 just briefly, and I would just encourage the Executive
18 Committee not to get but so far in the weeds of this
19 financial decision-making. It's very, very far away
20 from our mission.

21 Chairman Wilson: Yeah.

22 Mr. Womack: And oversight
23 is exquisite. Helpful discussions like we're having
24 are fine, but getting too deep in the weeds that I've
25 seen a lot of good boards get so wrapped up in the

1 financial aspects that they forget their mission, and
2 they make some big mistakes.

3 Chairman Wilson: Yep.

4 Mr. Williams: Yeah, I too
5 agree with David. I appreciate Jason's, you know
6 comments, and I really appreciate the follow-up
7 discussion. And I do know Frank Bragg as well. So I
8 support this, but I -- yeah, I think David is correct.
9 We shouldn't get too much in the weeds.

10 Chairman Wilson: Okay, any more
11 discussion; all in favor, please say aye?

12 Board Members: Aye.

13 Chairman Wilson: Any opposed;
14 okay, thank you.

15 Stewardship Manager Mercer: This is great.
16 I think this is my eighth May Board meeting, and that's
17 the most discussion I have ever heard about the
18 stewardship endowment.

19 Chairman Wilson: All right, this
20 is item 7, Options for Addressing Unfunded Easement
21 Monitoring.

22 Stewardship Manager Mercer: Yes, and this
23 is largely an update here. We've touched on it a
24 little bit at this meeting already. A year ago we
25 added, or we got approval to add \$2,500,000.00 to the

1 stewardship endowment to start addressing some of the
2 unmet monitoring needs. So what I've got on the screen
3 now is just a snapshot of where things were at the
4 beginning of this fiscal year, July 1st, 2022. At that
5 time, we were responsible for 840 State-held
6 conservation easements. 428 of those were monitored by
7 our partners and/or owned by state agencies, and the
8 remaining 412 easements had no dedicated stewardship
9 funding associated with them. At that meeting, the
10 Board approved a deposit of \$2,500,000.00 into the
11 endowment to address these needs. And what we've got
12 on the screen is what we anticipated that would allow
13 us to address. That \$2,500,000.00 would translate to
14 \$100,000.00 per year and would cover or would fund the
15 monitoring of 188 easements annually. In addition,
16 staff proposed to monitor up to 75 easements per year
17 on a three year rotation. At the end of the day, that
18 would get us 8 -- or 188 easements monitored annually,
19 and the remaining 225 monitored once every three years.
20 All of that was based off of estimated costs of what
21 that \$2,500,000.00 would get us. There were several
22 factors impacting the ability to make progress in
23 fiscal year '22-'23. The \$2,500,000.00 deposit was
24 made in September. So that was reflective of -- as you
25 saw in those charts in October 2022. Board policy sets

1 annual spending at 4 percent of the 36-month endowment
2 average. So adding that \$2,500,000.00 doesn't
3 immediately translate to an availability of \$100,000.00
4 a year because we've got to play catch-up in getting
5 that 36-month average up to that full value.
6 Ultimately, this resulted in a budgetary increase of
7 \$32,720.00 for fiscal year '23-'24. So of that
8 \$100,000.00 that we anticipate having available,
9 resulting from that \$2,500,000.00 edition, \$32,720.00
10 is what we actually have to spend on those projects in
11 the next fiscal year. Full access to those added funds
12 will not be realized until September 2025, which
13 translating that to a budget, which is set in for the
14 next fiscal year, means July 1st, 2026 is when we will
15 actually be able to fully get that \$100,000.00 into
16 monitoring new projects or newly assigned projects.
17 All of that said, here's what we have actually been
18 able to do this fiscal year. Staff was able to get out
19 and monitor 74 easements. I believe on the previous
20 slide, I said our target was 75, so we came pretty
21 close to nailing that right on the head. I think it's
22 important to note on that, and then I'll expand on that
23 in a minute. I think that number may be a bit
24 ambitious going forward. But again, I'll expand there
25 in a minute. 16 were or have been or will be monitored

1 by our partners this fiscal year. So those 16
2 projects, 16 easements that were assigned to Tar River
3 Land Conservancy in December will be monitored this
4 fiscal year. An additional 42 easements will be added
5 to next year's contracts. You'll notice those numbers
6 don't exactly add up to 117, because 15 of those 42
7 that we're proposing to assign to other organizations
8 were actually monitored by staff this year. So 117
9 easements by the time this is all said and done will be
10 -- will have been monitored for the first time by
11 either Land and Water Fund staff or by our partner
12 organizations. All of that results in \$34,964.00 in
13 annual expense to the endowment fund. I'll stop and
14 point out there that we only had \$32,700.00 increase in
15 available spending. So we actually surpassed what had
16 available based on that \$2,500,000.00 addition.
17 Ultimately, we were able to do that because we had the
18 flexibility built in with that additional stewardship
19 expense added into the budget last year. So we're
20 actually exceeding the maximum amount that we projected
21 we could do by a good \$2 or \$3,000.00 per year.
22 Ultimately, that results in \$874,095.00 of that
23 \$2,500,000.00 allocated to monitoring projects within
24 the last year. So I have to admit, I am very pleased
25 with the progress that we were -- we as staff were able

1 to make this year. It would not have been possible
2 without the assistance from our other staff being
3 willing to take on some of this monitoring work. That
4 said I think it is important to kind of consider
5 lessons learned this year. I mentioned that that that
6 75 project estimate for staff might not be feasible
7 going forward. We had a lot -- of a lot of unexpected
8 challenges this year between the -- just the sheer
9 volume of projects that we funded, were able to fund
10 last year, which resulted in additional contracting
11 burdens on staff that thought that they'd be able to
12 get out and do monitoring. We had -- we had a brand-
13 new program implemented in sort of the in-between
14 season in the flood risk reduction program, which took
15 field reps additional time and commitment to be able to
16 get to that instead of doing monitoring work. So there
17 were a lot of things that we didn't anticipate
18 happening when we discussed this in March of last year,
19 but even with that, we were able to make pretty good
20 progress. I have to point out that of those 74
21 easements that we were able to monitor this year, I
22 think about 27 of those were monitored by Nancy
23 Guthrie, who Will mentioned earlier, has come back as
24 part-time temporary staff. So we leaned heavily on the
25 availability of temporary staff this year to meet those

1 targets. And so it's incredibly likely that
2 maintaining similar numbers next year will sort of
3 follow the same trend that we are really going to
4 depend on additional staff members to get that done. I
5 think a more realistic expectation for our current
6 full-time staff will be to get to about 50 projects per
7 year, which unfortunately does put us on a -- closer to
8 a five-year rotation for seeing everything. But we
9 hope to be able to continue taking advantage of
10 availability of additional staff as well to keep those
11 numbers at a more respectable level. The way we
12 approached this year in getting projects assigned to
13 our partners was sort of a volunteer effort. I made
14 our partners aware that the opportunity was there if
15 they had interest. I had several land trusts reach out
16 to me and express interest, which was fantastic. I'd
17 much rather have volunteers than have to twist
18 somebody's arm into doing something. I suspect there
19 are other organizations that if I were to reach out and
20 specifically ask them directly to take this on, I
21 suspect we'd get some more takers. That said, there
22 are other land trusts that I think will be more
23 hesitant to participate because they have their own
24 capacity issues. They have their own projects to work
25 with. So I think going forward we will need to

1 continue to explore other options beyond our land trust
2 partners, whether that be other conservation
3 organizations that are not necessarily land trusts,
4 whether that's engaging potentially for-profit
5 organizations that can take on some of this contract
6 with us and take on some of this work for us, or
7 whether that is taking it upon ourselves to hire
8 additional temp staff to help with this effort. All
9 that to say is our preferred method of engaging our
10 land trust partners is not done, but I'm optimistic
11 that we have other options beyond that to help address
12 our monitoring needs. So where does that leave us in
13 terms of funding? With the allocation approved earlier
14 at this meeting, that leaves us roughly \$1,700,000.00
15 in uncommitted principal remaining. So that's the
16 amount of money that we can continue working to get our
17 land trust partners on board with taking on monitoring
18 projects for us. We are currently left with 354
19 easements that do not have an assigned monitor or funds
20 allocated to them. That's down from 412 a year ago.
21 With that remaining \$1,700,000.00, we anticipate based
22 off of our estimate of \$500.00 per year per easement
23 that covering another 138 projects, which leaves us 216
24 that we still do not have funding available for, and an
25 estimated unfunded endowment need of \$2,700,000.00.

1 This is still on track with what we presented last
2 year, despite some of our -- some of what was approved
3 today being a little bit higher than the average that
4 we projected. So I think we're still on track here.
5 And just as a reminder of the action taken last year,
6 the action was to commit that \$2,500,000.00 with the
7 intent of approving up to an additional \$3,000,000.00
8 based on need over the next few years. So the Board
9 did express an interest in continuing this
10 conversation, which is why we've got the update for you
11 today. And this is largely presented as a -- an
12 informational item, but at its discretion, as I believe
13 has been alluded to already, the Board could elect to
14 approve additional funds if it deemed appropriate. And
15 that is the conclusion of the update. I'm happy to
16 take any questions, or I'll turn it back for
17 discussion.

18 Chairman Wilson: Okay, questions
19 for Justin, or anyone, thoughts, comments; I am feeling
20 like our Executive Committee meeting needs to happen
21 first. Talk to us about timing of fiscal year funds
22 availability. When do unspent funds from this year
23 roll over and become next year's, you know, go to next
24 year?

25 Executive Director Summer: Great question,

1 so because everything we -- our grant funds all come --
2 go into a special fund, they don't revert. So anything
3 you don't spend this year, you get to spend next year.
4 I will note that we have funded all of the provisional
5 projects from the acquisition list. We funded all but
6 I believe one on the restoration list, and I don't
7 think we're going to get enough funds there to get that
8 one.

9 Mr. Bevington: Two.

10 Executive Director Summer: All but two,
11 sorry; thank you, Steve, as well as there's more
12 projects coming in under budget and closing all the
13 time. That said, at the end of this fiscal year with
14 license plate revenues and where I think we'll be, I'm
15 guessing there will be between six and seven hundred
16 thousand dollars at a minimum that will roll into next
17 year. If the Executive Committee were to get together
18 the next month and wanted to say -- I'll throw this
19 out. Say, let's take the money that we're not going to
20 spend this year and put it towards this outstanding
21 unfunded liability. We can get you a better number.
22 And I would certainly endorse doing that, if not more.
23 In terms of timing, when a committee could put money
24 into this, it could happen during the year. You know,
25 you could -- and of course, if it happens after

1 September, you probably will have spent all that money,
2 one of the grant projects. So that's the only issue of
3 timing. But the Executive Committee does meet in the
4 next couple months, and if this is something that you
5 want to take a deeper dive into, staff, be prepared to
6 build on what Justin has just presented and maybe get
7 the recommendation from the Executive Committee.

8 Chairman Wilson: And that action
9 could be taken by direction of the Executive Committee
10 without a full Board meeting.

11 Executive Director Summer: In terms of
12 putting in money into the -- allocating the principal,
13 I think that would need the full Board in September.

14 Chairman Wilson: Okay.

15 Executive Director Summer: Or a special
16 meeting.

17 Chairman Wilson: Okay.

18 Ms. Grissom: Will, when do
19 we get the update on, you know, how many projects have
20 closed, which projects have failed, you know, any money
21 that might --

22 Executive Director Summer: It's continual.

23 Ms. Grissom: Right, but
24 don't -- aren't we updated like in the schedule or just
25 whatever we ask?

1 Executive Director Summer: Whenever you
2 want to know what's open and what's closed and how much
3 is a remaining.

4 Ms. Grissom: Because we've
5 had some big awards, you know, in recent years.

6 Executive Director Summer: We've had some
7 big awards, and that means there's potential. And
8 there's some that haven't closed yet. Yes, there could
9 be at any time.

10 Ms. Grissom: Okay.

11 Executive Director Summer: That sort of
12 thing, relative, I -- if you're asking us, we have on
13 our schedule to update on the awards in September, per
14 the request of the committee that funded some of those
15 projects.

16 Ms. Grissom: Okay.

17 Executive Director Summer: So that's what
18 you're thinking of, yeah, that is --

19 Ms. Grissom: Okay.

20 Executive Director Summer: It will be
21 coming your way at the September meeting. So am I
22 hearing the suggestion that this be in front of the
23 Executive Committee in addition to the other
24 stewardship questions?

25 Chairman Wilson: I would think

1 so. If there's an appetite for doing something today
2 -- you know, I think we should all think back on the
3 conversation that we had. Was it exactly a year ago?

4 Stewardship Manager Mercer: It was exactly
5 a year ago today.

6 Chairman Wilson: You know,
7 regarding the 2.5 million and realizing there's still
8 another 3 million worth of unfunded monitoring that
9 needs to be done. And I think almost to a Trustee, we
10 all realize that we have that commitment to, what's the
11 metaphor we want to use, you know, keep the roof from
12 leaking, you know, hire the security guard. You know,
13 I don't know what the -- but you know, we have a
14 responsibility for this. So I would predict we're
15 going to put that money into and get this job done.
16 The question is when. You know, a case could be made
17 for doing it prior to the September funding meeting,
18 because if it's in the pot in September and we see all
19 those great proposals, boy, we are going to fund them,
20 and we're going to fund a provisional list, and this is
21 going to maybe be pushed to the back burner; anyway
22 enough of me talking.

23 Ms. Cawood: Well, I believe
24 that's why we did it last year in May.

25 Chairman Wilson: Exactly, right.

1 Ms. Cawood: Yeah.

2 Acquisition Committee Chair Walser: That's
3 exactly what we did.

4 Chairman Wilson: That's exactly
5 right and, you know, I would -- if somebody made a
6 proposal and said let's put another \$1,000,000.00 into
7 this, I would vote for it. I'm just -- I'm also kind
8 of feeling the due diligence of maybe the Executive
9 Committee meeting needs to meet first and make sure
10 we're stewarding just double, triple check.

11 Mr. Womack: Mr. Chairman, I
12 -- first off, I agree with the instinct. The initial
13 instinct was to let the Executive Committee meet, and
14 I think everybody here, you said it, wants to help,
15 wants to do this. I would just feel uncomfortable not
16 having a better handle on the true numbers to be quite
17 honestly. And I would prefer for the Executive
18 Committee to meet, look at these numbers, and then
19 bring a recommendation to the Board and just trust us
20 to have the discipline that that money is going to be
21 used for this purpose and not cannibalize it in favor
22 of the projects.

23 Chairman Wilson: Okay.

24 Mr. Womack: If that makes
25 sense.

1 Mr. Williams: I second that
2 motion.

3 Chairman Wilson: Okay, well --

4 Mr. Womack: I'll make it a
5 motion if that's what you prefer, but I think it could
6 just be a form of discussion for the Executive
7 Committee to delve into this.

8 Chairman Wilson: Well, hey,
9 force us to do it.

10 Mr. Womack: All right.

11 Chairman Wilson: There's a
12 motion, and there's the second.

13 Innovative Stormwater and Planning Committee
14 Chair Kumor: Yeah.

15 Chairman Wilson: Now it's on the
16 agenda for the Executive Committee.

17 Stewardship Manager Mercer: If I could just
18 add a couple things, the numbers as presented are as
19 accurate as we're going to get them until we actually
20 have monitors in agreement to do it. I mean, I could
21 go through the remaining 300 and some odd projects and
22 give a project-by-project estimate. That would --
23 that's a tremendous amount of effort to do that, but we
24 can do that if that's the route that we need to go.
25 But I don't know how the numbers are going to get --

1 are going to be much different between now and July or
2 September. The other thing I will add is the -- our
3 budget is based off of the 36-month average. So every
4 month that we wait to add this money is prolonging that
5 three years down the road. That said, like we
6 discussed with the endowment, none of this is going to
7 happen until September at the earliest anyway. So if
8 there -- I mean, there is certainly time to make a
9 decision.

10 Mr. Womack: The numbers I
11 was referring to -- I get just exactly what you said
12 because I was thinking about what we put into there and
13 how that much affects the other aspects of our budget
14 and expenditures. Do we put \$600,000.00? Do we go to
15 \$1,000,000.00? I'd like to look into that a little
16 rather than just make that decision today like that if
17 that makes sense. Does it, I mean?

18 Stewardship Manager Mercer: Yeah,
19 absolutely.

20 Chairman Wilson: Okay, we have a
21 motion and a second; any more discussion on this? We
22 are telling the Executive Committee, those rascals, to
23 add this to their agenda for their meeting, which is
24 going to happen in the next --

25 Mr. Womack: And add a

1 recommendation from us -- if time is imperative, we
2 could do an electronic ballot before the September
3 meeting or we can wait till September, whatever you all
4 recommend?

5 Chairman Wilson: Yep, okay; all
6 right, any more discussion; nope; all in favor?

7 Board Members: Aye.

8 Chairman Wilson: Thank you,
9 Justin; this is improving access to Land and Water Fund
10 funds.

11 Executive Director Summer: A rhetorical
12 question, what kind of person knowing full well how
13 awesome his staff is makes the agenda and still puts
14 himself at the end of it? All right, so I will try to
15 be brief because I'm now in between us and dinner. The
16 purpose of this is as you recall our interest is to
17 ensure that the benefits of what we do is enjoyed by
18 everyone across the state. And in February the Board
19 directed the committees, Acquisition and Restoration,
20 to one, explore adding points for projects that
21 demonstrate impact to underserved communities and two,
22 consider an alternative scoring structure for matching
23 points since that could be a barrier for smaller
24 communities. So the Acquisition Committee and the
25 Restoration Committee kind of took turns taking pieces

1 of this and having staff present information, asking
2 questions, and having us bring it back. I'm going to
3 try to bring it all together so that everybody can see
4 the same information, and then we'll get direction from
5 the Board and go back out into those committees again
6 and continue working as directed. So the first thing,
7 one of the first things we did was had the North
8 Carolina Department of Environmental Quality come and
9 present a little bit about their community mapper, and
10 that's an example of what those areas look like. It's
11 based on census blocks, which are small in census
12 tracks. There's a little over 6,000 in the state, and
13 this is what their potentially underserved census areas
14 look like. That is a combination of poverty with
15 households of poverty being greater than 20 percent and
16 the addition of minority population being greater than
17 50 percent, so that is their mapper. After presenting
18 that, one of the first questions was, all right, we've
19 got to sort out the committee. What do we mean by
20 underserved? What do you mean by disadvantaged? Are
21 they different? And so in one of our subsequent
22 meetings, we took a deep dive into all the programs
23 that use these terms, how they use them, and whether or
24 not Merriam-Webster had a definitive definition for
25 both. And in terms of the work we do, they're not

1 universally understood to mean one thing. You can't
2 just say that and everyone know exactly what you're
3 talking about. Generally speaking, underserved has a
4 broader definition. It includes minority, low-income,
5 rural, tribal, indigenous, homeless. It's very broad.
6 Disadvantaged did tend to be more economic in nature,
7 but they weren't -- not so much that you could say we
8 are interested in underserved, or we are interested in
9 disadvantaged and have it mean anything without you
10 further defining what your mission's interest was. So
11 that's where we were and what I heard from committee
12 members is that they're interested and comfortable kind
13 of refining their purpose for this into specifically
14 economic disadvantage. We also looked at a couple of
15 other tools that are out there that other funding
16 agencies use. The Biden Administration introduced
17 Justice40, and as a result, the EPA developed their
18 climate and economic justice screening tool. This is
19 another one. This one's nationwide. This is what it
20 looks like in North Carolina. It looks at climate
21 change, clean energy, clean transit, affordable and
22 sustainable housing, training, workforce development,
23 reduction and remediation of waste and pollution, a
24 whole slew of things; not a bad data set, although it
25 throws so much into the mix, probably more than half

1 the state is included. So it's not a very good
2 discriminator when you're trying to, you know, pick
3 projects to bring up. It's pretty substantial. It's
4 used by state programs such as the Albemarle-Pamlico
5 National Estuary Partnership, 319 nonpoint source
6 pollution program, several of the water and wastewater
7 funds, and particularly anything that has federal
8 dollars has to kind of consider this and other things
9 into it. Another thing that you're familiar with is
10 county tier. That's a purely economic system that's
11 been around for years. This is what it looks like.
12 Basically, it takes all 100 counties, the most affluent
13 20 counties in yellow there. They're the tier three.
14 They're the least disadvantaged. There's tier two that
15 are the next 40, and tier one that are the next 40
16 after that. This is a system that commerce uses in
17 their consideration of grants. Historically, we've
18 used it in our rating system back in the days when we
19 had wastewater grants. It was part of the common
20 criteria prior to 2013, and it is currently noted in
21 the information that you get on the presentations in
22 the Airtable. What I think the county tier system
23 fails at is at such a core scale. You know, if you
24 look at this map, I can certainly pick out a county
25 there that is marked as affluent with a lot of

1 communities that have need. And I can look at counties
2 on this map that this would show as tier one, but I
3 know full well that many of the areas along the coast
4 and in the mountains also are where people have, you
5 know, \$1,000,000.00, \$2,000,000.00 second homes. So
6 it's such a core scale, I'm not sure that it is a good
7 differentiator. So another one is opportunity zones,
8 and this is another economic tool where basically it
9 says the poverty rates of 20 percent or greater and/or
10 family income is less than 80 percent of the area's
11 median. This is what it looks like. It was created to
12 -- for tax incentives to promote investment, but this
13 is what we used for our flood risk reduction program
14 this first year. And I think it's a good, pretty good
15 tool. It's at the census tract scale, which is a
16 little bit -- I think there may be on the order of just
17 over a thousand of these divisions across the state,
18 and this is 280 something. So it's a medium fine
19 scale. Again, we used it. I think -- I don't know
20 that we had as much issue with the layer as we did,
21 maybe the way we implemented it in the first round for
22 flood risk reduction. But I think -- looking at this
23 map, I could see areas that I think maybe it's missing
24 that ought to be on it. So to that end, one of the
25 other things is just looking at the very first map I

1 showed you, the DEQ opportunity mapper, just looking at
2 the economic portion of that, and that's what this map
3 looks like. You know I think this is one that we have
4 shown in one of the committee meetings, and folks have
5 kind of zoomed around and thought, yeah, this can
6 capture area that -- captures areas that I think should
7 be on it. It's a pretty fine scale. You can see all
8 the divisions. There's probably 6,100 individual
9 divisions of the state in this. I believe it was our
10 last Restoration Committee where the committee said,
11 well, let's take this data set and analyze it against
12 our funded points just for curiosity. So I'm not
13 saying this is the data set we want, but you know, I've
14 got to start somewhere. So I took this just to see
15 where our funded projects would line up if this was the
16 data we were using. So this is a map of our funded
17 applications for the last ten years. Two reasons for
18 that, one, because ten years ago was when we got rid of
19 wastewater and stormwater, and it's a clean data set
20 that didn't have to filter, and two, prior to that we
21 didn't have good enough GIS data for me to know what we
22 didn't fund. We really only tracked what we did fund
23 in terms of point data. You know, all the ones we
24 didn't fund, they didn't have a point for. So it's
25 hard for me to say where we weren't successful

1 geographically. So that's why we're looking at ten
2 years of data on this map. And just looking at this
3 breakdown based on this, again taking the -- just the
4 economic information from DEQ, the portion of the state
5 that is colored blue by area is 28.6. So if we were
6 perfectly equally distributed across the state, then
7 you would expect us to both have requests at 28.6 in
8 those areas and fund projects at 28.6 in those areas.
9 So as you can see, if you follow down that line, and
10 it's not wildly askew, but you know, these areas don't
11 generate quite 28.6 percent of our applications. It's
12 a few percent lower than that, and they don't quite get
13 28.6 percent of the funded projects. You know, and not
14 a two-to-one glaring discrepancy, but there's a little
15 bit of a difference there. I think that's worth noting
16 and thinking about in these areas. So that was one of
17 the homework assignments that I believe the Restoration
18 Committee gave to me for me to share. Another thing I
19 did was just looking at our funded applications for the
20 last ten years, doing what is called a hotspot
21 analysis. So basically just having GIS say show me the
22 areas where there's clusters of our points. You can
23 see -- I don't know if Elizabeth's still here,
24 Conserving Carolina, we're -- I think we're in this
25 area, well done. So certainly there's some areas where

1 we have focused our work and then folks have focused
2 their asks of us. And there's some -- you know,
3 there's some other areas. And I've got -- this is the
4 same slide, but I just moved the hotspot to the back so
5 you could better see how it lines up with the areas
6 that are identified as economic need. I thought that
7 was interesting. And this is basically -- one of the
8 other questions that the committee asked is where
9 haven't we spent our money, independent of who lives
10 there, who doesn't live there or what the economic
11 situation is? I want to know where we haven't spent
12 money. So this is kind of looking at the -- where we
13 have and where we haven't. And finally, this is a map
14 using the background of those 6,000 census blocks.
15 This is every one of those census blocks that is not
16 within a mile of one of our funded points is colored to
17 orange. So orange is where a little census block
18 happens where we haven't funded a project. So that's a
19 map of where we haven't put money on the ground. Now
20 some of this will be -- you know, there's Fort Bragg.
21 Obviously, we haven't put anything in Fort Bragg, in
22 the middle of it. There's probably a little bit of
23 already protected land in some of this orange, but some
24 of its areas where there's not a lot of people or there
25 haven't been a lot of requests. And subsequently, we

1 haven't funded a lot of projects. So this is the
2 answer to the question to where haven't we funded
3 projects. And I think this is the last slide, and it's
4 really the next steps from the Board. Does the Board
5 need more information before the tasking the committees
6 to, you know, take the next step and look into adding
7 points for these projects to demonstrate impact these
8 economically distressed areas? And again, diving into
9 the alternative scoring structure, this is not a very
10 interesting thing to put up there. So I'll put that up
11 there while you think because I know that's what people
12 want to see anyway. So to that end, and I'm looking
13 for direction on, do you need more information? Does
14 this bring up other questions? Are you ready for the
15 next time the Acquisition and Restoration Committees
16 begin to meet to look at this? Can you take the next
17 steps on this or, you know, the Executive Committee? I
18 don't know. What are the thoughts?

19 Chairman Wilson: The Executive
20 Committee is booked solid.

21 Executive Director Summer: We're going to
22 break their back. We'll work hard with them.

23 Ms. Cawood: Will, something
24 on the poverty, not poverty slide, that I found very
25 interesting and it goes against my assumption from

1 being a -- from originally from a county of high
2 poverty. Kind of the assumption's always been that
3 they don't have the staff and the know-how and whatnot
4 to put in applications.

5 Executive Director Summer: I'm glad you
6 asked this because this is something I wanted to talk
7 about. I -- anecdotally, this is not -- I mean, we're
8 still not seeing the small communities put in the
9 applications. This is -- you know, if you look at this
10 is --

11 Ms. Cawood: The trust funds
12 for the small communities.

13 Executive Director Summer: Yeah, yeah,
14 this would be -- you know, Conserving Carolina has
15 probably got a lot of these dots, not the small
16 communities around here. And likewise, I would bet the
17 same sort of thing's going on. So it's -- there are
18 projects being put in the areas of some of these small
19 communities, but I don't think we are seeing as many
20 from them themselves.

21 Ms. Cawood: And that's why
22 I was wondering is there a difference with funded and
23 not funded? Like, of course, I have to look at
24 Northeast North Carolina because that's where I'm from.
25 I'm like, there's a lot more red up there than green.

1 There's green in other areas. And does that make my
2 assumption more right than the percentage shows?

3 Executive Director Summer: No, no, I think
4 it's a great, great point. I've not dived -- I've not
5 taken a dive into it deep enough to know what causes
6 red or not red, but I see exactly what you're pointing
7 at here.

8 Innovative Stormwater and Planning Committee
9 Chair Kumor: So one of the things we did talk about in
10 our committee, and I really feel that when we talk
11 about communities that aren't applying because they
12 don't have staff and they don't have anything, there's
13 a lot of support out there for -- there's a
14 Municipality Association in the State. There's a
15 County Commission Association, there -- the Regional
16 COGS. There's Soil and Water Conservation. There's
17 the RC&D Group. I mean, these are groups that know how
18 to put those grants together if we kind of let them
19 know that they're -- they should be helping out those
20 little communities. And there's not -- I mean, there
21 are excuses why a -- if a community has a need, there
22 should be a help group in this state that they're
23 affiliated with that should give them that hand.
24 Because our local COG would get money, they'll get a
25 piece of the action from writing the grant, and then

1 they monitor the grant, and they help it get done. And
2 that's part of the point of their existence for
3 heaven's sakes.

4 Executive Director Summer: It's true. I
5 understand.

6 Innovative Stormwater and Planning Committee
7 Chair Kumor: Sorry, I was on my soapbox.

8 Executive Director Summer: It's a great
9 point. We used to get a little bit from the Triad COG,
10 whatever that one was called in Greensboro area.

11 Ms. Murray: The Piedmont
12 Triad.

13 Executive Director Summer: Yeah, Piedmont
14 Triad; thank you, Terri, but they're largely silent,
15 and maybe they're working on infrastructure problems
16 and things that are more priorities. But I would love
17 to have seen them using their expertise to help the
18 poorer communities.

19 Innovative Stormwater and Planning Committee
20 Chair Kumor: Well, I would think even the Soil and
21 Water Conservation people and the RC&D crowds, whatever
22 they do, I mean they're the ones that have their finger
23 on the resources.

24 Mr. Hearne: This is not a
25 -- this is also not a not applied map. It's funded and

1 not funded.

2 Innovative Stormwater and Planning Committee
3 Chair Kumor: Yeah.

4 Mr. Hearne: It's not a, we
5 thought about it and never put it in. We spent two
6 years talking with the field rep and couldn't get it
7 together, or we didn't really realize. It could have
8 been a factor here.

9 Innovative Stormwater and Planning Committee
10 Chair Kumor: Yeah.

11 Mr. Hearne: Because there's no dots; you
12 can't tell where the dots never showed up, and that's
13 significant. From the field rep perspective, we hear
14 about that, and we see it. And I don't know what it
15 means for this, but I don't want to -- I hope we cannot
16 get too focused on one version of this data. There's a
17 story in that that the dots can't show.

18 Mr. Rusher: I'd be interested in trying to
19 quantify that, Justin. I mean, I appreciate the
20 direction, but we can't overlook that. But I think
21 we'd like to do our best to consider that as part of
22 the process, too, so it's not as much of an unknown.
23 And if I could go back to Will, a comment that you
24 mentioned, I think it was interesting on what we --
25 when we were talking about the -- some of the -- some

1 of the projects that were funded in the poverty areas
2 on the grid that you showed, which I think was really,
3 really interesting. So you mentioned that some of
4 those projects were coming from like a representative
5 of that area as opposed to a community. Could you
6 explain that a little a bit more? Are you talking
7 about like an actual municipality requesting a project
8 versus a -- you know, a group?

9 Executive Director Summer: Yeah, exactly;
10 so I think, and this is something that we could look
11 into to tell you more about it. Most of these, many of
12 these I believe are going to be the nonprofit that
13 works in that region, you know, like think of all the
14 municipalities and county governments that are here in
15 this area. I'll bet a lot of those dots are connected
16 to Conserving Carolina and Southern Appalachian
17 Highlands Conservancy, and Mainspring working in and
18 around those communities. But the -- you know, your
19 Bryson Cities and your Hendersonvilles and Flat Rocks
20 are not as often applying based on their needs and
21 interest. But that's -- I mean, it's a noble thing.
22 We can tally the number of nonprofits that are in this
23 versus municipal, local government units.

24 Mr. Rusher: Do we treat
25 them differently in any way depending on where it's

1 coming from?

2 Executive Director Summer: Not on the
3 face of it, no.

4 Mr. Hearne: There are built
5 in disadvantages for match to being a municipality
6 compared to a land trust that might get private
7 donations. The match is not worth as much to our
8 score. But that -- I'm not sure that represents the
9 reason why you might see a really big trend. That's
10 just -- I'm looking for any way that we might treat
11 them differently, and that's one.

12 Mr. Rusher: Yeah, you
13 nailed it.

14 Mr. Womack: Well, just to
15 comment, go to the full scale of that map on the upper
16 right. If you look at any math of the demographics of
17 North Carolina, I don't care what the topic or what the
18 data subject is, you're going to see that same gap
19 going -- running right through eastern North Carolina.
20 I mean, yes, you're going to see it on every map that
21 you ever put up there based on that, whether it's
22 economic health, whether it's population health,
23 whether it's -- I don't know. You name it, but you're
24 going to see that and, you know, I mean it's pretty
25 obvious. And maybe for our purposes, it is just all

1 about the education process, to let these people know
2 that this money is there. But so many of those
3 communities, I mean that's -- you know, that's Sampson
4 County. That's -- I mean, those -- that's -- you know,
5 pick a county, Duplin County. They're just barely able
6 to keep their head above water. This is not big on
7 that radar, so to speak. So I just throw that out as
8 an observation. I don't -- you know, I don't know what
9 you do with that information. But it just strikes me
10 that you can put that map of North Carolina up there
11 based on any demographics we want put up there, and I
12 will bet you see that unless it's barbecue consumption.
13 You're going to see that same gap right there, at least
14 in North Carolina for every one.

15 Executive Director Summer: That's a
16 separate map that field reps maintain of all of North
17 Carolina.

18 Chairman Wilson: And that is the
19 best barbecue.

20 Mr. Williams: Will, you know,
21 I wonder if this is related more to coordination and
22 collaboration with other agencies that are already
23 working in these areas and, you know, whether we can
24 get a comprehensive list of who they are, so they can
25 help educate and provide information to those smaller

1 municipalities that really are interested in this but
2 just doesn't know about it. You know, they don't even
3 know how to ask for help.

4 Ms. Cawood: And I think
5 that goes to in particular, you know, Justin and Damon
6 and I'm sure our new field rep are doing the same, how
7 much you all help the applicants. I mean that's one
8 thing. If somebody saw the application, they would go,
9 no way we can do it, but they don't know how much help
10 our staff gives them. And it might not be the first
11 year that they get funded, but the encouragement to
12 look at a few other things and come back again. Am I
13 saying that right, guys?

14 Mr. Hearne: Yeah, that's
15 right. I think where that's -- where our advice can't
16 overcome their issues are getting match on the table to
17 help with the score. If they've got a 10 point deficit
18 on a project and match because they don't have hardly
19 any at all, or are at 7 points, and then they've got a
20 10 point deficit because they've got a real high ORW
21 resource value, then all of a sudden you've got a
22 project that's trailing by 20 points, and it won't rise
23 up on the list. And so I think the idea of a tool that
24 we would have that would support with match offset in
25 the score or support with those areas, it seems like is

1 what Will is trying to find the map. And the idea of
2 match support where we are helping with those issues,
3 there's a chance that it could be a successful project.
4 So we could double the field staff doing that help.
5 But if it's still competing with the score, and you're
6 not getting support on a score from a map, and you're
7 not getting support from match, then I don't know the
8 result would be any more dots in those places. But is
9 something that we can do and do more of and do the
10 education. But I think it's turning an application
11 into a successful project where anyone can benefit from
12 it, where I think the tool that Will's working on's got
13 to be the case or we won't make up -- we won't be able
14 to add any more dots to those places that need them in
15 a real significant way.

16 Executive Director Summer: Yeah.

17 Mr. Hearne: So I'm -- it's
18 not a disagreement. It's a yes and.

19 Ms. Cawood: Sure, yeah.

20 Mr. Roe: John, if it's
21 okay for me to come in, it's just an observation,
22 because what you're talking about is why are those
23 local governments or municipalities not applying. But
24 there's also a question, why aren't those conservation
25 groups, NGOs, not likewise targeting some of those

1 areas in the same way that they might elsewhere? And I
2 just wanted to lift up the work that our colleagues at
3 National -- at the Natural Heritage Program are doing
4 right now where they have worked, and correct me if I
5 say it wrong, Will. But they worked with Duke's
6 Nicholas School to actually take some of their
7 documented natural heritage sites and do some similar
8 layering and compare some of the -- some criteria of
9 disadvantage to basically lift up places of opportunity
10 where we know we have natural areas that are worthy of
11 conservation that might inspire, might motivate some of
12 our conservation groups to focus on some of these
13 underrepresented places. So I just wanted to
14 acknowledge that. So as you're talking with some of
15 them tomorrow, that might be a point of conversation.

16 Executive Director Summer: I think that's
17 a great point. And to that point and to Damon's point,
18 I think as we go out -- and to Darrel's point, as we
19 get these folks and we identify the COGs and the other
20 groups and say, hey, we're a grant program, we exist,
21 and by the way, we're really trying to make sure that
22 you do some work in this area and this area and that
23 area over there. To that end, you know, we've got some
24 considerations built into the scoring system that'll
25 help. So it's not a waste of your time, because the

1 COGs, you know, they've got limited time, and the
2 communities have got limited time, and maybe our land
3 trust partners, they know that a project over here
4 wouldn't score, and they -- you know, they're limited,
5 too. I mean, you know, every land trust partner I talk
6 to says I've got 20 projects and I really only think 5
7 or 10 are going to be competitive. That's where I'm
8 putting my money, my effort and, you know, we're not
9 going to be able to bring them all to you. So I think
10 it would be important as we also do work on our
11 outreach, identify other partners that we -- when we
12 meet these partners and then Damon and staff meet the
13 partners that they've got something to say, hey, we
14 exist, and we are trying to do more work in your area.
15 Here's a thing that will help, and whether it's, you
16 know, assistance with a matching score, which is a big
17 -- it's a big hurdle for folks that don't have money to
18 bring to the table or aren't savvy enough to go and
19 string together. I mean, it's hard enough to get one
20 granting agency. Imagine having to string together two
21 or three or four. You know, I'm sure that's a
22 nightmare for our experienced land trust partners. So
23 I think it's helpful that we continue forward and try
24 to take some steps to make ourselves more user friendly
25 to this purpose.

1 Mr. Williams: I think a lot
2 of this just has to do with priorities. You know, I
3 think it was mentioned earlier. I think some of these
4 areas -- I mean, this is not a priority for them.
5 They're trying to figure out how to put food on their
6 table and put gas in the car, you know, and a lot of
7 them just don't know what they don't know. It's not
8 easy.

9 Chairman Wilson: Will, if we're
10 still considering possible modifications to the rating
11 systems, I think that we saw with creating the flood
12 risk reduction programs rating system from a blank
13 sheet of paper to a full flushed out rating system,
14 which I think is great. But also the previous times
15 that we've done significant modifications to the rating
16 systems, I think that staff feeling free to propose
17 possible tweaks was very beneficial to us as Trustees,
18 because first of all, you all know that rating system
19 inside out because you live it. You score it. You
20 advise regarding it, and you all I'm assuming have some
21 good ideas. And I would encourage you to think about
22 maybe sharing some of them with us. Just because I
23 just remember from those past experiences, I was just
24 like -- you all took the first step with our blessing,
25 of course.

1 Executive Director Summer: Yeah.

2 Chairman Wilson: But I found
3 that very helpful.

4 Executive Director Summer: We have
5 thoughts to be sure. I think getting this first piece
6 of who -- you know, who's in; who's out; where are we.
7 You know, what areas would qualify for these is a part
8 of it, but assuming this is a -- may work as a place to
9 start, a placeholder, and as a what if I'll be happy
10 for at the next committee meeting -- well, the next
11 one's not a funding meeting, bringing forward staff
12 recommendations, a couple of options. So yeah, I hear
13 that as direction from the Board, or at least just --

14 Chairman Wilson: I hear it as
15 proposal. That's just me.

16 Ms. Cawood: I completely
17 agree.

18 Chairman Wilson: Okay.

19 Ms. Cawood: I mean, I think
20 of when -- was that ten years ago that I was a part?

21 Chairman Wilson: Of the complete
22 reworking, yeah, that was.

23 Ms. Cawood: It was ten
24 years.

25 Innovative Stormwater and Planning Committee

1 Chair Kumor: Yeah.

2 Ms. Cawood: A lot can
3 change in ten years.

4 Executive Director Summer: Right.

5 Ms. Cawood: My nine-year-
6 old is 19.

7 Innovative Stormwater and Planning Committee
8 Chair Kumor: I was going to ask you what she's doing.

9 Ms. Grissom: Hey, Will, I
10 also -- like the natural heritage mapping that Jeff was
11 talking about, it would also be interesting to see that
12 as one of these visuals as well.

13 Executive Director Summer: I could propose
14 perhaps to the lunch and learns that we did back when
15 we had what I refer to as free time. But I'll bet
16 Misty would be excited to pull together, and I could do
17 an optional lunch and learn for Trustees to tune in
18 from 12:00 to 1:00 via Teams on a presentation of what
19 they've been working on.

20 Ms. Grissom: Yeah, just
21 because that could be a way to, you know, within the
22 structures that we have and they are so central to our
23 mission, but also incentivize these conservation
24 partners, you know, the nonprofits to really go to
25 those areas and make those connections and help build

1 that capacity if a town isn't able to do it on their
2 own, support conservation resources, you know, because
3 some parts of our state have had botanists roaming the
4 hills for 300 years and some have had maybe a decade or
5 less.

6 Executive Director Summer: I think that
7 was one of the biases that they identified, and what
8 Jeff was talking about is, like, oh, there's nothing
9 down there. Maybe there's nothing down there, or maybe
10 you've just never been there because, you know, your
11 uncle doesn't live there, and your favorite place isn't
12 there. So maybe that was exactly what they kind of
13 hypothesized, and it kind of took a moment to realize
14 that, you know, maybe you're right. You know, what we
15 don't find --

16 Ms. Cawood: What we funded
17 in Bertie County is a great example of that.

18 Executive Director Summer: Yeah, so I
19 think you would find it fascinating. I will go ahead
20 and set that up as soon as I can get the Natural
21 Heritage staff to agree, and I suspect they will.

22 Ms. Cawood: Okay.

23 Chairman Wilson: Do you have
24 enough from us?

25 Executive Director Summer: I heard you and

1 Greer say the same thing, and see Jason is raising a
2 hand, so I'm feeling momentum.

3 Chairman Wilson: All right.

4 Executive Director Summer: I got it.

5 Acquisition Committee Chair Walser: I
6 think it should be staff-driven because it's so broad.
7 It's hard to get my head around, and I think it's an
8 appropriate thing we're all interested in, and I want
9 to commend you, Will. I don't think anybody's
10 complimented you. Those maps were really helpful. So
11 you're obviously on the right track of identifying a
12 lot of the issues. And I like the idea, whoever said
13 it, the maps -- the dots that were no applications that
14 you didn't say no, the natural heritage, like there's
15 more that you guys can figure out. But I already feel
16 like this presentation was really helpful for expanding
17 my mind on the issues. I'm confused. I don't know
18 what to do with it, but it's complex, and it warrants
19 more conversations.

20 Executive Director Summer: All right, I
21 will convene staff, and we will bring something back to
22 the committees.

23 Chairman Wilson: Thank you;
24 Will?

25 Executive Director Summer: That's all I've

1 got, after the -- oh, wait a minute. That's not all
2 that there is, though.

3 Chairman Wilson: That's not all
4 that there is.

5 Executive Director Summer: Thank you.

6 Chairman Wilson: Yeah, and,
7 Greer, I am glad you mentioned that you were around
8 back in 2013 when the --

9 Ms. Cawood: In the dark
10 ages.

11 Chairman Wilson: -- when the
12 fund became much more than when things changed because
13 we have not yet had the opportunity to thank you for
14 your four years of service as Board Chair because we
15 have not all been together in person until today. When
16 we were together in person, you were not able to be
17 there, and we've been mostly virtual. So I just want
18 to thank you for your services as Board Chair and as a
19 Trustee. And you have been an outstanding -- you were
20 an outstanding Board Chair. And the fact that the
21 Governor appointed you and reappointed you, clearly he
22 has faith in you that is based on something. And
23 that's the fact that everybody had such high regard for
24 you. The staff, your fellow Trustees, our partners,
25 you were an excellent leader as Board Chair. You were

1 a great advocate for the Land and Water Fund and the
2 Clean Water Management Trust Fund. You brought a huge
3 amount of experience and knowledge when you came to the
4 Clean Water Management Trust Fund in 2013. And you've
5 also been a great advocate for the Fund with elected
6 officials and beyond. So I just on behalf of myself as
7 your successor, you -- and you've also been a huge
8 resource to me. And I love that you let me know in
9 such a lovely way when you agree and when you disagree.
10 And I just -- I've never worked with anyone who I just
11 -- even after a real complete and total disagreement,
12 I'm like, she's one of the nicest effective
13 communicators I've ever think I've ever met.

14 Executive Director Summer: Damon's going to
15 get a picture with you handing this off to Greer.

16 Chairman Wilson: Oh, okay.

17 Ms. Cawood: No, no, please.

18 Chairman Wilson: Unless there
19 are any more presentations, and we're not saying
20 farewell to Greer by the way.

21 Ms. Cawood: You still have
22 me around.

23 Chairman Wilson: Anything else?

24 Acquisition Committee Chair Walser: Yeah, I
25 bought rum balls from McFarland's downtown. It's first

1 come, first serve. I would encourage you to pick one
2 up on the way out, but if not, they'll be at dinner.
3 There's plenty of them, so, and there are like 24 of
4 us. They are really good.

5 Chairman Wilson: Okay, I will
6 entertain a motion to adjourn.

7 Ms. Cawood: So moved.

8 Ms. Grissom: Second.

9 Chairman Wilson: Greer gets the
10 motion, and Amy gets the second; all right, all in
11 favor?

12 Board Members: Aye.

13 (The proceedings were concluded at 5:58 P.M.)

NORTH CAROLINA

WAKE COUNTY

C E R T I F I C A T E

I, Dona E. Overby, Notary/Reporter, do hereby certify that this Board of Trustees Meeting was taken by me and transcribed under my direction and that the two hundred twenty-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 27th day of August, 2023.

Dona E. Overby

Dona E. Overby
Notary Public
Certificate No.: 19971920107