

NORTH CAROLINA LAND AND WATER FUND
BOARD OF TRUSTEES MEETING

Virtual Meeting

Wednesday, August 28, 2024

9:02 A.M.

Volume 1

Pages 1 through 67

A P P E A R A N C E S

Board of Trustees:

John Wilson, Chairman
Jason Walser, Vice-Chairman
Ann Browning, Chairman Restoration, Innovative
Stormwater and Planning Committee, and Chairman
Flood Risk Reduction Committee
Amy Grissom, Acquisition Committee Chairman
Jimmy Broughton
Clement Riddle
Mike Rusher
David Womack

Staff:

Will Summer, Executive Director
Steve Bevington, Restoration Program Manager
Marissa Hartzler, Acquisition Program Manager
Marie Meckman, Acquisition Project Manager
Christina Benton, Acquisition Project Manager
Justin Mercer, Stewardship Manager
Terri Murray, Executive Assistant
Damon Hearne, Western Field Representative
Chelsea Blount, Central Field Representative
Jill Fusco, Eastern Field Representative
Phil Feagan, DNCR General Counsel

Also present:

Jeff Michael, Deputy Secretary of the Department
of Natural and Cultural Resources
Brad Connell
Chris Dreps
Steve Trinkle
Justin Boner
Bill Holman
Brenna Thompson

P R O C E E D I N G S

9:02 A.M.

1
2 Chairman Wilson: All right, it
3 looks like we are recording. I'd like to call today's
4 meeting of the North Carolina Land and Water Fund Board
5 of Trustees to order. I'm John Wilson, the board
6 chair, and I'd like to welcome everyone who are with us
7 today, whether virtually or in person or some other way
8 that I can't even begin to imagine. I'd like to now
9 call the roll of our nine trustees. Please let us know
10 that you are here by making sure to unmute yourself;
11 Jimmy Broughton?

12 Mr. Broughton: Here.

13 Chairman Wilson: All right, and
14 welcome to Jimmy; Ann Browning?

15 Restoration Committee Chair Browning: Here.

16 Chairman Wilson: Amy Grissom?

17 Acquisition Committee Chair Grissom: Here.

18 Chairman Wilson: Clement Riddle?

19 Mr. Riddle: Here.

20 Chairman Wilson: Mike Rusher?

21 Mr. Rusher: Here.

22 Chairman Wilson: Jason Walser?

23 Vice-Chairman Walser: Here.

24 Chairman Wilson: And my
25 understanding from Will is that Darrel Williams is not

1 with us, has a conflict; David Womack?

2 Mr. Womack: Here.

3 Chairman Wilson: And John Wilson
4 is here. Just indulge me a second, please. I want to
5 especially welcome our newest board member, Jimmy
6 Broughton. I have known Jimmy for years, as have many
7 of you known him in various contexts, but I think
8 especially relevant today is Jimmy's work in land
9 conservation. He has been a stalwart advocate for
10 conservation in North Carolina, for funding of
11 conservation in North Carolina, and has really made a
12 strong case for that to elected officials over years.
13 And most importantly, Jimmy Broughton is just a great
14 guy and really, really wonderful to spend time with, so
15 welcome, Jimmy. And I know that several other trustees
16 and staff members and guests who are on this call no
17 doubt have kind words that they could say about Jimmy.
18 And I'll ask you to save those for another time, but,
19 Jimmy, welcome; anything you want to say to us?

20 Mr. Broughton: No; thank you,
21 Mr. Chairman, and I'm honored to join you all, and I
22 appreciate the warm welcome. And I've enjoyed
23 participating in committee meetings leading up to
24 today, and I'm just grateful for the opportunity and
25 look forward to seeing everybody in October; thank you

1 so much.

2 Chairman Wilson: Thanks, Jimmy;
3 and Jimmy is a member of the Restoration, Innovative
4 Stormwater, and Planning Committee and is off to the
5 races in his understanding of the North Carolina Land
6 and Water Fund, which he already understood anyway.
7 All right, moving on then, I'd like to talk with
8 §138-A, which mandates that the chair inquire as to
9 whether any trustee knows of any conflict of interest
10 or the appearance of a conflict of interest with
11 respect to matters on the agenda. I also want to point
12 out that we are required to record some potential
13 conflicts of interest identified by the State Ethics
14 Commission, record those into the minutes during
15 today's meeting. Those are the routine annual reviews
16 by the State Ethics Commission of all connections and
17 affiliations and ownerships that trustees make known in
18 our annual reports to the Ethics Commission. There
19 were no confirmed conflicts of interest identified, but
20 there were three trustees, myself, John Wilson, Ann
21 Browning, and Amy Grissom, who have potential for a
22 conflict according to the Ethics Commission. The
23 potential for a conflict of interest for me was
24 associated with membership in non-publicly owned
25 companies that have real estate assets. The potential

1 for a conflict for Ms. Browning was associated with her
2 role on the Board of Directors of the Blue Ridge
3 Conservancy. And the potential for a conflict for Ms.
4 Grissom was associated with her interest in a couple of
5 limited partnerships and limited liability companies.
6 Any trustees with a potential conflict will be expected
7 to announce them as they arise in future meetings and
8 to recuse themselves from any discussion or action
9 related to those matters. That's not just for a
10 potential conflict, but for an actual conflict. The
11 letters from the State Ethics Commission regarding
12 these three particular trustees are hereby incorporated
13 into the minutes by reference. And so now let me ask
14 if any trustee knows of a conflict of interest or the
15 appearance of one, please state so at this time. Okay,
16 I'm not hearing anybody. If you're trying to say
17 something, make sure you're not muted, but I'm going to
18 move on then. Now let me ask everyone to please make
19 sure that your phones, computers, et cetera, won't make
20 any noise, and if you're a guest joining us remotely,
21 please mute your audio and turn off your video unless
22 you're called upon to speak. Now I'll ask the trustees
23 if there are any suggestions of revisions or additions
24 to today's agenda. If not, I'll entertain a motion to
25 adopt our agenda for today's meeting.

1 Restoration Committee Chair Browning: So
2 moved, Ann.

3 Chairman Wilson: Thanks, Ann.

4 Vice-Chairman Walser: I'll second,
5 Jason.

6 Chairman Wilson: Jason with the
7 second; any discussion; okay, how do you vote, please;
8 Jimmy?

9 Mr. Broughton: Aye.

10 Chairman Wilson: Ann?

11 Restoration Committee Chair Browning: Aye.

12 Chairman Wilson: Amy?

13 Acquisition Committee Chair Grissom: Yes.

14 Chairman Wilson: Clement?

15 Mr. Riddle: Yes.

16 Chairman Wilson: Mike?

17 Mr. Rusher: Yes.

18 Chairman Wilson: Jason?

19 Vice-Chair Walser: Yes.

20 Chairman Wilson: David?

21 Mr. Womack: Yes.

22 Chairman Wilson: And John's a
23 yes, also, so we have adopted our agenda; thanks,
24 everyone. Now moving on to minutes from our May 2024
25 board meeting, is there any discussion regarding the

1 minutes from that meeting? I've got one very small
2 change. Page 56, line 1, the minutes read me saying
3 frisbee gold course, and I said frisbee golf course.
4 So that's a very, very important correction to the
5 minutes. We cannot have a frisbee gold course.

6 Acquisition Committee Chair Grissom: I
7 have one as well. John, I just have one as well. I
8 mean, I saw like a few dropped words here and there,
9 but nothing particularly significant. But on page 27,
10 line 8, I think I just misspoke. I meant to say
11 something about us working with the town, but I said
12 with the board, so I'd like to change the word board to
13 town, and this was in our discussion about Emerald Isle
14 and their amendment request.

15 Chairman Wilson: Okay, anything
16 else; okay, we've got my change, page 56, line 1, gold
17 to golf; Amy's change, page 27, line 8, board to town;
18 any other changes, corrections? If not, I'll entertain
19 a motion to adopt with those two changes.

20 Mr. Rusher: So moved, Mike
21 Rusher.

22 Chairman Wilson: Thanks, Mike.

23 Mr. Riddle: Second,
24 Clement.

25 Chairman Wilson: Thank you,

1 Clement; any more discussion on the May 2024 board
2 meeting minutes; all right, please let me know how you
3 vote on the minutes; Jimmy?

4 Mr. Broughton: Aye.

5 Chairman Wilson: Ann?

6 Restoration Committee Chair Browning: Aye.

7 Chairman Wilson: Amy?

8 Acquisition Committee Chair Grissom: Yes.

9 Chairman Wilson: Clement?

10 Mr. Riddle: Yes.

11 Chairman Wilson: Mike?

12 Mr. Rusher: Yes.

13 Chairman Wilson: Jason?

14 Vice-Chairman Walser: Yes.

15 Chairman Wilson: David?

16 Mr. Womack: Yes.

17 Chairman Wilson: And John is a

18 yes. We've adopted the minutes from our May 2024
19 meeting with those two changes. All righty, now we'll
20 move on to an update from the Deputy Secretary of the
21 North Carolina Department of Natural and Cultural
22 Resources, our friend Jeff Michael.

23 Deputy Secretary Michael: Thank you, Mr.

24 Chairman, and it is great to see all of you. I think
25 for many of you this the first time I have seen you

1 since we were together in Randolph County back in the
2 spring, and once again that was a wonderful visit, and
3 thanks to everyone who made that possible. On behalf
4 of Secretary Wilson, I send you greetings from the
5 North Carolina Department of Natural and Cultural
6 Resources, and in particular, Jimmy, I know Secretary
7 Wilson wanted me to welcome you, and you're, as
8 everyone else has said, a longtime friend of the work
9 we all do, and so we're really thrilled and pleased to
10 have you in this role with all of these other dedicated
11 servants. I'm looking forward to working with you.
12 You know, when we were together in April, we were
13 coming on the heels of Governor Cooper's announcement
14 of Executive Order 305, his Natural Working Lands
15 Executive Order, where as I shared and others shared
16 with you at that time, there were a number of goals
17 that Governor Cooper set forth for all of us in state
18 government and state agencies, including preserving and
19 protecting another million acres by the year 2040,
20 restoring an additional million acres also by the year
21 2040, and then in recognition of the importance of
22 urban tree canopies, planting an additional million
23 trees in urban contexts, and so, you know, we were
24 excited about that. For those of us that remember the
25 old million-acre initiative during Governor Hunt's

1 administration, anytime you have that kind of strategic
2 vision and a set of goals set forth, it becomes a
3 rallying cry for all of us to, you know, come together,
4 to collaborate, and really work toward common goals.
5 I'm pleased to share with you since that -- since then,
6 a number of exciting things have sort of fallen into
7 place, and you may have seen some of these
8 announcements in the news. The most significant one
9 was in July. It was announced that the State of North
10 Carolina, along with our friends in Virginia, Maryland,
11 and South Carolina, were awarded a \$421 million dollar
12 EPA grant through their Climate Pollution Reduction
13 Grant Program to begin to focus through a combination
14 of conservation and restoration initiatives to begin to
15 really tackle carbon, the issue of carbon in our
16 atmosphere through a combination of strategies,
17 everything from reduction in emissions, but also carbon
18 sequestration, and so we're pleased to say that the
19 North Carolina Department of Natural and Cultural
20 Resources will be the lead agency, not only for the
21 partners here in North Carolina, but for all four
22 states. It's a tremendous responsibility and task that
23 we've been asked to take on, but we're excited to take
24 on that challenge. Just a little bit about the details
25 of that, one of the significant partners in that along

1 with the four states is the Nature Conservancy, who
2 will be getting about \$200 million of that \$421 million
3 to be distributed across all four states with a primary
4 focus on Pocosins and Peatlands in the eastern coastal
5 areas of our state and neighboring states. You'll
6 likely be hearing much more about their strategy for
7 that, but then each of the states is receiving \$50
8 million each to support various initiatives, again,
9 around conservation and restoration. Just real quickly
10 the highlight of North Carolina funds, there will be
11 \$10 million coming to state parks to acquire additional
12 lands, primarily in eastern North Carolina, again,
13 where the primary focus of this grant is. We are
14 looking at a list of strategic priorities for state
15 parks and then working with Duke University to analyze
16 their carbon value. Of course, as you all know in the
17 work that you do, which tracts we actually pursue will
18 depend in a large part upon willing landowners, but
19 once we know who those are, who are willing to
20 participate in this, we'll be working with our friends
21 at Duke to identify the highest value from a carbon
22 perspective in terms of prioritizing where we spend
23 those funds. We'll also be working with the North
24 Carolina Forest Service on some forest restoration work
25 as well as some urban tree planting. Our friends at

1 the North Carolina Coastal Federation will be working
2 with us as part of that grant, and part of that \$50
3 million coming to North Carolina on some shoreline
4 coastal landscapes, some of their living shoreline
5 work, nature-based solutions for addressing carbon
6 issues there. So just across the board, also the Black
7 Family Land Trust, but this is a really exciting
8 development for us. It was really built upon the
9 Natural and Working Lands Work Plan that was at the
10 heart of the Executive Order 305, and I want to give a
11 shout-out to Will and Misty Buchanan and the team at
12 the Natural Heritage Program who played -- over the
13 last several years have played a really important role
14 in terms of establishing and setting forth the goals of
15 that Natural Working Lands Work Plan that this grant is
16 going to be building upon. Included in that grant,
17 that EPA grant, is a new position at the Natural
18 Heritage Program to focus on natural working lands.
19 So, you know, we can't do this work without capacity.
20 There's also some funds there for the department to
21 administer this grant, but it's a five-year grant.
22 You'll be hearing more about it. My guess is some of
23 the proposals you will receive over the next five years
24 will be referencing that. So I know we can't get into
25 it now, but perhaps at a future meeting that's more of

1 an informational meeting, maybe we can bring our team
2 in to educate you a little bit more about what's in
3 that for North Carolina so that you are even more
4 familiar with it as you start considering proposals and
5 applications that may make reference to it. Moving on
6 from that, the last week has been particularly exciting
7 because we have seen the award announcement of nearly
8 \$35 million for conservation and parks here in North
9 Carolina through a combination of our Parks and
10 Recreation Trust Fund meeting last Friday, and then
11 just yesterday we were with U.S. Secretary of Interior
12 Deb Haaland, who is visiting North Carolina, to
13 celebrate the recent award of approximately \$17 million
14 here in North Carolina for new parks in Raleigh and
15 Garner as part of the Federal Outdoor Recreation Legacy
16 Partnership, or LAP, is how they refer to that. That
17 is a program of the Land and Water Conservation Fund.
18 I know there are a number of people on this call who
19 played a central role a few years back to help get the
20 Land and Water Conservation Fund reauthorized, and
21 we're now beginning to see indeed some of those funds
22 beginning to come to North Carolina as people
23 envisioned. Going back to part of -- I think there
24 were my notes here. They awarded, let's see, close to
25 \$18 million at 45 projects across the state. About

1 \$9.5 million of that was through their local grants
2 program that they provide every year as part of the
3 grant cycle, just like Land and Water Fund does, but
4 also in this year's decision-making was about \$12.5
5 million that were made available on a non-recurring
6 basis by the Legislature in the long session for
7 accessibility grants in parks. We were able to award
8 \$8.3 million also to about 23 local governments for
9 that. We still have about \$4.2 million left over in
10 that \$12.5 million, and the Division of Parks and
11 Recreation will soon be opening up this fall for round
12 two of that. So if you know of any local governments
13 that are looking for opportunities to provide more
14 accessible parks, let them know that there will be
15 additional funds there. Speaking of part of, this past
16 summer we celebrated the 30th anniversary of the Parks
17 and Recreation Trust Fund here in Raleigh. It was well
18 attended and, you know, just another example of the
19 incredible partnerships that we have here in the state
20 and the legacy of conservation, both through our
21 private partners in the conservation community, but
22 also through state government and state funding. I'm
23 going to defer to Will. I think he's going to talk a
24 little bit more about the new conservation tax credit
25 that was passed in this session, one more tool in our

1 toolbox to do the work that we all are trying to do.
2 And just a few other minor things, this Friday I'll be
3 down at Hammocks Beach State Park for the ribbon
4 cutting of our newest campground there, so I'm really
5 looking forward to that. And if you are coming down
6 Jones Street here in Raleigh between the Legislature
7 and the Governor's mansion, I hope you'll pay attention
8 to the little planter area between our building and the
9 sidewalk, and you will see a new native plant meadow
10 that was installed this past spring with signs. That
11 is our way of demonstrating to the public and helping
12 to educate the public about the importance of native
13 plants. Just, I think, one more example of Secretary
14 Wilson's leadership in the department across many
15 fronts to help educate the public about the importance
16 of natural resources to our state. So I'll stop there.
17 I'll be happy to answer any questions, Chairman Wilson,
18 that anyone might have. But also, I'm going to have to
19 step out at 9:30 for another meeting, but I hope to
20 rejoin you later in the morning and listen in on your
21 productive conversation this morning.

22 Chairman Wilson: Thank you,
23 Jeff; that only leaves us 10 short minutes to grill
24 Jeff and tell him how we think he should do his job,
25 so. I'm teasing; any comments or questions for Jeff?

1 I will state the obvious. It sounds like that's an
2 exciting huge amount of work you all have going on
3 right now.

4 Deputy Secretary Michael: Well, I'm
5 looking forward to your October meeting and hearing
6 even more success there; sounds like someone was
7 getting ready to ask a question.

8 Vice-Chairman Walser: Yeah, Jason; I
9 was going to say in the six years or seven years I've
10 been on this board, that's probably the most exciting
11 and positive report from the department that we've
12 gotten in a single quarter. That's a lot of federal
13 funds. That's a lot of new projects and a lot of new
14 initiatives in a summer, so kudos to the department;
15 well done.

16 Deputy Secretary Michael: Well, thank
17 you, Jason, but as I said earlier, you were one of
18 those people I was thinking about in terms of the
19 reauthorization of the Land and Water Conservation
20 Fund, along with a number of other folks on this call
21 and across the state who really played an important
22 role there. So it is exciting now to see some of these
23 funds starting to, you know, come to North Carolina.
24 Of course, the EPA funds are not part of that, but that
25 likewise is exciting for us here in North Carolina, and

1 I think a demonstration of our leadership across the
2 board, you know, the Governor, the Legislature, and
3 everyone who have over the last couple of years really
4 made a commitment to conservation. And then I think
5 that went a long way, too, with that EPA grant of
6 demonstrating to them that we are serious about this,
7 so thank you.

8 Vice-Chairman Walser: I doubt there
9 are many southern states that could give a report like
10 that. I mean, that is truly remarkable what -- where
11 North Carolina stands. It's awesome.

12 Deputy Secretary Michael: And thank you.

13 Chairman Wilson: Well said,
14 Jason; thank you; anything else for Jeff; all right,
15 thank you so much, Jeff; it was just wonderful.

16 Deputy Secretary Michael: Thank you, Mr.
17 Chairman, and you all have a good meeting, and I'll
18 join you a little bit later; take care, thank you.

19 Chairman Wilson: Moving on to
20 the executive director's update from Will Summer.

21 Executive Director Summer: Thank you, Mr.
22 Chair and good morning, committee members, staff, and
23 guests, and I'd like to echo John in welcoming our
24 newest trustee to his first official board meeting.
25 Jimmy, we're thrilled for you to bring your experience

1 and perspective to the board, glad to have you here
2 today. The purpose of today's meeting is to handle
3 some regular business and minor adjustments to our
4 practices before the October meeting, so we can clear
5 the decks and focus only on grant review and funding at
6 that meeting. We'll have three committee reports with
7 action items in each today, but before we get into
8 those, let me catch up on budget and a few other items
9 of interest. The General Assembly left town in July
10 without approving any changes to last year's biannual
11 budget and our recurring appropriation of \$28 million.
12 While they could return later this fall and surprise
13 us, as of today we're making the assumption that that's
14 what you'll be working with in October, plus any
15 additional revenue and other funding. We'll provide
16 some exact figures to you all for your respective
17 funding committee meeting, but as of today, I expect
18 that you will have around \$41 million to award this
19 fall with another \$5 million in anticipated license
20 plate revenue through the remainder of the fiscal year.
21 The main driver for that increase in funds is that some
22 large projects are no longer viable and have withdrawn
23 returning funds. Unfortunately, that includes a large
24 project from the last grant cycle near Wilmington, the
25 Conservation Funds-Sledge Forest Tract, about which you

1 may have been expecting an update at this meeting.
2 We're always disappointed when a great project is
3 unable to make it across the finish line, but the
4 silver lining is that you'll all in turn take those
5 funds and invest them in another great conservation
6 opportunity soon. In May I told you that we're
7 watching for the return of the conservation tax
8 credits. North Carolina was the first state to enact
9 the credit in 1983 and the first to eliminate it during
10 tax reforms in 2013. I am very pleased to report that
11 it did pass as part of the Farm Act this session.
12 While I think the language needs a little adjustment to
13 be optimal, including an extension of the planned
14 sunset in 2027, I am tickled to see its passage. I
15 want to give credit and appreciation to our Assistant
16 Secretary for Government Affairs, Deans Eatman, as well
17 as our advocates in the conservation community,
18 including Will Morgan, Will Robinson, and Bill Holman,
19 who have been working on this issue every year since
20 2013. In other good news, several committee actions
21 today will involve consideration of an additional \$9
22 million in funding from the Department of Environmental
23 Quality that they would like us to put into action on
24 their behalf. I consider this an endorsement of the
25 deliberative and open process that you as our trustees

1 ensure, as well as the responsible administration of
2 funds that my staff stewards. So when an agency
3 approaches me and takes an action that implies they
4 trust the North Carolina Land and Water Fund to help
5 them spend funds they're accountable for because of
6 your reputation, it validates the time and effort that
7 we all put into that process, and we get to do more
8 good work. So on that positive note, I will conclude
9 my report; thank you, Mr. Chair.

10 Chairman Wilson: Thank you,
11 Will; any questions or comments for Will; any
12 discussion of his report?

13 Mr. Womack: Yeah, Will,
14 just quickly, that \$9 million, are there collars around
15 that? Are they for specific purposes?

16 Executive Director Summer: There are, and
17 we'll talk about that. There are going to have --

18 Mr. Wommack: What kind?

19 Executive Director Summer: Two groups will
20 talk about them a little later today, but they are
21 administratively. It's going to be very minimal extra
22 effort for us, which is a positive and something that's
23 important to me that as we take on those additional
24 funds that we not swamp ourselves with the burden of
25 it. But we've engineered it such that it's going to be

1 a very light lift for us to get those monies on the
2 ground quickly for DEQ. So it's going to be a win-win,
3 and we'll talk more about that in the committee reports
4 coming up.

5 Chairman Wilson: All right, any
6 more discussion with Will; all right, thank you very
7 much, Will; we will move on to the public comment
8 section of our meeting. Before I open the floor to
9 public comments, I just want to remind our guests that
10 Land and Water Fund Guidelines Procedures Manual states
11 that comments shall be limited to subjects of business
12 falling within the jurisdiction of the North Carolina
13 Land and Water Fund. The fund welcomes public comments
14 on general issues, but comments will not be allowed on
15 individual projects before the Land and Water Fund for
16 funding during the regular meeting. Comments will be
17 limited to three minutes per person. So with that, are
18 there any public comments? If so, please make yourself
19 known, raise your hand, unmute yourself, unmask
20 yourself. And, Will, did you hear from anyone who said
21 they might want to make a comment?

22 Executive Director Summer: No, sir, we do
23 have a few guests today, but I think they are, as far
24 as I know, just there for their own enjoyment.

25 Chairman Wilson: All right;

1 okay, then we will move on, hearing no public comment,
2 to the business section of our meeting. And we will
3 begin with the Acquisition Committee with consideration
4 of that committee's recommendations, and I'll hand it
5 over to Acquisition Committee Chair Amy Grissom.

6 Acquisition Committee Chair Grissom: Okay,
7 thank you, John; the Acquisition Committee met on
8 August 14th, and we were happy to welcome Mr. Williams
9 to our committee. So we're back up to five members,
10 and everyone was present at that meeting. We have two
11 recommendations for the board that were approved
12 unanimously by the committee. The first one Marie will
13 be presenting. It's technically listed as a
14 stewardship request change, and I'll just preview by
15 saying that it was a really kind of wonderful
16 discussion, in-depth discussion, that we had as a
17 committee. Almost a mini case study in some of our
18 policies and procedures because of changes to acreage,
19 changes to conservation strategy, changes to the
20 budget, but we all felt really good about where we
21 ended up. And with that, I'll turn it over to Marie.

22 Ms. Meckman: Thank you,
23 Madam Chair; good morning, everyone, so I'm going to
24 discuss this 2021 grant that was awarded to North
25 Carolina Coastal Land Trust. And it is the Cashy Land

1 and Timber, or the Hoggard's Mill Run project. It's
2 referred to Hoggard's Mill Run. That's the name of the
3 pond, the historic pond. So the North Carolina Coastal
4 Land Trust was awarded \$250,000.00 out of a total
5 \$935,000.00 to protect 348 acres. The property
6 features exceptional wetlands, two natural areas, and
7 an old grist and sawmill. The property will be
8 acquired by Coastal Land Trust and transferred to the
9 Town of Windsor as a new park. The original
10 conservation strategy involved two Declarations of
11 Covenants and Restrictions on the entire property. The
12 park improvement area would encompass approximately 50
13 acres. That area was designated or estimated, and the
14 very southern tip, as you can see that yellow line,
15 everything from that line on was going to be the
16 improvement area. No stewardship was included in the
17 original application and contract. At the time, we
18 used DCRs, or Declarations of Covenants and
19 Restrictions, for local government projects and
20 greenways, things like that. Since then we've shifted
21 to Conservation Easements as the preferred instrument
22 of protection because it establishes the land trust as
23 the monitor, and they are also enrolled in the
24 stewardship program. Our staff requested a change in
25 strategy to provide a higher level of conservation

1 protection. Coastal Land Trust agreed with the
2 proposed strategy to include one Conservation Easement
3 to be held by the State on the largest area of the
4 property, and one improvement area to be protected by a
5 Declaration of Covenants and Restrictions to be held in
6 favor of the Town of Windsor. Our staff requests
7 stewardship funding be added to the contract budget.
8 The award amount will increase from \$250,000.00 to
9 \$280,695.00. I just want to note here that this
10 additional funding will be funded by the acquisition
11 budget, not the stewardship endowment. Other changes
12 that occurred, as Madam Chair mentioned, were that so
13 during this whole analysis of this conservation
14 strategy, we found other changes had occurred. They
15 would normally be approved by staff or executive
16 director level, but we want to go ahead and mention
17 them because they are going to be rolled into this
18 change. A survey was conducted in 2023 revealing that
19 total real acreage was 313 acres, rather than the
20 approximated 348. The addition of stewardship funds
21 and reduction of protected acreage increases our total
22 cost per acre to \$894.00, an increase of 24 percent.
23 The change in acres results in a decrease in scope of
24 9.77 percent on paper, but it's not a true reduction in
25 scope. We say that because these were not real acres.

1 These acres were estimated based on old legal
2 descriptions and deeds, and they had a very difficult
3 time surveying that property, even now in modern times,
4 because of the swampy terrain. The addition of
5 stewardship funds and reduction of protected acreage
6 decreases match by 4.17 percent. The positive outcomes
7 are that the Conservation Easement will provide a
8 higher level of conservation protection, including
9 monitoring and the oversight from the stewardship
10 program. The State-held easement will protect more
11 natural area. The intensively used park improvement
12 area will be 22 acres less than originally estimated.
13 And lastly, the NCLWF contribution to this project
14 remains low, just 30 percent of the purchase price.
15 The committee recommendation is to adopt the proposed
16 conservation strategy and resulting addition of
17 stewardship funds to the 2021-019 award. And if there
18 are any questions, I'd be happy to answer them at this
19 time.

20 Acquisition Committee Chair Grissom: So
21 anything for Marie; I guess I would just like to add
22 that, you know, the decision matrix we went through in
23 great detail as well and, you know, I was reassured
24 that there is a really fantastic system in place when
25 there are inevitable changes once we award a grant

1 during our funding meeting for certain changes to be
2 handled at the staff level, the executive director, the
3 chair, and then to the full board. None of these
4 really rose to the level of the full board, but because
5 of so many changes, I think it was great the staff
6 brought this to the full committee and is being brought
7 to the board as well. But the big changes are the
8 reduction in acreage due to the survey and the change
9 in conservation strategy. Okay, so procedurally, where
10 do we go, Mr. Chair?

11 Chairman Wilson: Yeah, so now we
12 have a unanimous recommendation from the Acquisition
13 Committee coming to the full board, so we do not need a
14 second on that. We can discuss this before we vote.
15 So, Trustees, please let us know if you have any
16 comments on this. I think it's a great thing. I love
17 seeing the DCR move to a State-held easement on this.
18 I love the idea of Justin getting out there in a swamp.
19 I am curious, like how swampy do they get when they
20 survey a property like this? How much are the
21 surveyors really going out there in the swamp?

22 Ms. Meckman: Well, we didn't
23 hear complaining from the partner, and I can tell you
24 that I visited this site with Justin, and Justin will
25 agree with this situation. We -- I actually got stuck

1 in the swamp, and my boots got stuck, and I couldn't
2 move and had to call him from, you know, 500 feet away
3 to come back and pull me out, so it is quite swampy. I
4 can say that personally.

5 Acquisition Committee Chair Grissom: I
6 hope he didn't leave your boots in the swamp, Marie.

7 Ms. Meckman: No, we pulled
8 them out, and I was very embarrassed, but yeah.

9 Chairman Wilson: Okay, any more
10 discussion on this?

11 Vice-Chairman Walser: Yeah, I'm ready
12 to move forward with the vote, but I thought other
13 trustees who weren't on the call -- we spent probably
14 45 minutes on this a couple weeks ago. It was really
15 sliced and diced upside down and sideways and, you
16 know, I just want to echo what Amy said. Yeah, I think
17 staff did a great job bringing it to us, describing
18 what we were doing, and at the end of the day, I think
19 we're ending up with a really good project as John
20 said, but Marie did a great job presenting it very
21 quickly. I was afraid we were going to spend another
22 20 minutes on this, but I'm ready to move forward. I
23 feel good about it.

24 Acquisition Committee Chair Grissom: Thank
25 you.

1 Chairman Wilson: All right, any
2 other discussion; I will ask you how you vote on this
3 committee recommendation to adopt the proposed
4 conservation strategy and the resulting addition of
5 stewardship funds to award 2021-019. Please let me
6 know how you vote; Jimmy?

7 Mr. Broughton: Yes.

8 Chairman Wilson: Ann?

9 Restoration Committee Chair Browning: Yes.

10 Chairman Wilson: Amy?

11 Acquisition Committee Chair Grissom: Yes.

12 Chairman Wilson: Clement?

13 Mr. Riddle: Yes.

14 Chairman Wilson: Mike?

15 Mr. Rusher: Yes.

16 Chairman Wilson: Jason?

17 Vice-Chair Walser: Yes.

18 Chairman Wilson: David?

19 Mr. Womack: Yes.

20 Chairman Wilson: And John is a
21 yes, also; all right, Amy, back to you for item B.

22 Acquisition Committee Chair Grissom: Okay,
23 thank you; so the second and last recommendation the
24 committee brings to the board today is updating
25 guidelines and practices for appraisals. Marissa's

1 presenting that, and I'm just so happy that Marissa and
2 staff continue to update these. Many haven't changed
3 in, you know, around 20 years, so it's certainly time
4 to take a look at those again, and over to you,
5 Marissa.

6 Acquisition Program Manager Hartzler:

7 Great, thank you so much; good morning, everyone; so,
8 of course, appraisals are a very important component of
9 acquisition program projects, and in acquisition, of
10 course, Land and Water Fund is paying to acquire land
11 or interest in land, and we cannot participate if the
12 landowner is paid over fair market value. So you can
13 see how the determination of value is incredibly
14 critical for the acquisition program. And the
15 acquisition appraisal process is guided by Acquisition-
16 001, the Appraisal Guidelines and Practices, which as
17 Amy mentioned was first adopted in 2001. So these have
18 largely remained the same for over 20 years, save for
19 some minor exceptions and clarifications made to the
20 language over the years. You can see that existing
21 document is on the screen right now. It is just a very
22 short guideline document, and this is that original
23 text -- the current text as it stands right now. And
24 broadly speaking, it is here to set the number of
25 appraisals that are required for a project, as well as

1 to establish that the State Property Office is the
2 determiner of value for each of our projects. So we
3 are very fortunate to work with the State Property
4 Office, as I mentioned, and to have their support in
5 this work. They are the ones who perform the highly
6 technical work of reviewing the appraisals that our
7 partners commission and submit to us; we send on to
8 them. They review the quality of the appraisal and
9 appropriateness of it, that it conforms with standards.
10 They reconcile multiple appraisals as needed, and they
11 conclude the value. And sometimes they will request
12 additional appraisals when they are needed. So we
13 could not do any of our work without their skilled eye
14 looking at appraisals and land valuation. And it is
15 because of their recommendations that we are here
16 today, and that we took this Guidelines and Procedures
17 document to the Acquisition Committee just a few weeks
18 ago. There were four main recommendations, two really
19 stemming from conversations with the State Property
20 Office, and two additional that staff identified as
21 being worthwhile to review at the same time. So I will
22 just go over those recommendations at a high level
23 here, and then show you red line corrections of a
24 proposed policy, Guidelines and Practice document, and
25 walk you through those changes. But first, our two

1 recommendations from the State Property Office; first
2 of all, to align the Land and Water Fund procedure, our
3 two appraisal threshold, with that of the State
4 Property Office at one million. So right now, if a
5 land interest is expected to be more than \$500,000.00,
6 we require two appraisals. The State Property Office
7 only requires two appraisals above one million. And so
8 the recommendation is to update this 20-year-old
9 valuation threshold to one million dollars to be in
10 line with their own practices. Secondly, the
11 recommendation came out to align Land and Water Fund
12 language to the State Property Office practice of
13 contracting outside appraisal review when needed. I
14 won't dive into the specifics here too much, but they
15 are -- there are certainly instances where --
16 especially when there's federal funds leveraging the
17 project, and there's federal review standards, it is
18 appropriate and necessary for the State Property Office
19 to contract with an outside appraisal reviewer, or
20 instances where the workload was too much and so we
21 need to go to an outside contractor. I do want to note
22 that the recommendation here is to give the State
23 Property Office and the Land and Water Fund the ability
24 to outsource this work, not for our partner or grant
25 recipient to be able to do that. The recommendations

1 from the Land and Water Fund are building on that. The
2 first is to increase, to really double, the allowable
3 tax value from \$100,000.00 to \$200,000.00 when
4 purchasing fee simple or conservation agreement. And
5 this is an exception that says for our smaller
6 properties that are worth \$100,000.00, they can use tax
7 value instead of going through the process of
8 commissioning appraisals and submitting them and
9 reviewing them, that they are low-dollar projects.
10 They can use that tax value in lieu of a full-blown
11 appraisal review. So the recommendation here is to
12 follow suit, double that to \$200,000.00, and allow
13 \$200,000.00 of tax value to be used in lieu of an
14 appraisal, and then finally, recommendation from staff
15 to align the substantiation of donations of
16 conservation interests with that of the donation mini-
17 grant program, so allowing 100 percent or 80 percent
18 tax value, depending on the interest that's being
19 donated, in lieu of appraisal. This is not for
20 instances where the Land and Water Fund is paying for
21 that interest. It is just for the purpose of
22 substantiating match, so allowing them to use tax
23 value, again, in lieu of going through an appraisal
24 process, having those reviewed when it is just a
25 donation. The Land and Water Fund is not spending a

1 dime on that acquisition. So what does that look like
2 when you look at the document and incorporate these
3 recommendations in? I'll walk through each section and
4 then show you the full document that was in your packet
5 at the end. To the background, we just see a minor
6 revision to strike donations from the introduction.
7 And again, this is to align the Acquisition Program
8 procedures with that of the Donation Mini-Grant
9 Program. So again, to allow the tax value to be used
10 in lieu of appraisals. Next, our document says that a
11 minimum of one appraisal is required to determine that
12 fair market value of all real property interest being
13 acquired. The first edit here notes that for Land and
14 Water Fund requested funds now up to \$200,000.00 in tax
15 value will be accepted in lieu of an appraisal. The
16 other changes you see here, replacing fee transactions
17 with fee simple absolute acquisitions; this is just a
18 minor revision to align our language across all of our
19 documents. But again, the heart of this change here is
20 to increase the allowable tax value in lieu of an
21 appraisal from \$100,000.00 to \$200,000.00. Also under
22 that same heading, we have an exception for matching
23 funds. And this revision is addressing aligning our
24 practices with that of the Donation Mini-Grant Program.
25 So when a fee simple absolute interest is donated, 100

1 percent of the tax value may be used as substantiation
2 of the value. When a conservation easement is donated,
3 80 percent of the tax value may be used as
4 substantiation of value, but this does not apply to
5 bargain sales. And again, this is to just simplify the
6 process when a landowner is making a very generous
7 contribution, a pure donation, 100 percent donation, to
8 remove that appraisal barrier and allow them to use tax
9 value for substantiation. Next, this edit is small,
10 but this is the biggest one. A second appraisal is
11 required when the real value -- when value of a real
12 property interest, irrespective of any bargain sale,
13 exceeds or is expected to exceed \$1 million. Again,
14 this is to align our practices with that of the State
15 Property Office, who has been using \$1 million for I
16 believe now several years. And finally, in number
17 three, this now notes that appraisals will be reviewed
18 by the State Property Office or another reviewer
19 approved by the State Property Office, and also
20 clarifies that if any appraisal is not satisfactory to
21 the State Property Office or its designated reviewer,
22 or if the reviewer cannot reach a conclusion of value,
23 additional appraisals may be required. These are just
24 clarifications and alignment to the State Property
25 Office practice of contracting outside appraisal review

1 when necessary. This makes it clear that this is an
2 appropriate route and that the State Property Office
3 can outsource this when necessary. I'll show the full
4 text in just a second, but the Acquisition Committee
5 did recommend this unanimously. And so this is the
6 board action required today, and here is just the full
7 text. I did go through that quickly. Appraisals are
8 very complex items, especially at 9:49 in the morning.
9 So I'm happy to answer any questions on this process or
10 what these changes mean for the program; thank you.

11 Acquisition Committee Chair Grissom: Any
12 questions for Marissa?

13 Chairman Wilson: All right, so
14 we have these proposed changes having been discussed
15 and voted on unanimously from the Acquisition
16 Committee; any more discussion of these before we vote
17 on modification of Acquisition Guideline-001? All
18 right, hearing none, I will ask you how you vote on
19 these, please -- on this from the Acquisition
20 Committee. We don't need a second; Jimmy?

21 Mr. Broughton: Yes.

22 Chairman Wilson: Ann?

23 Restoration Committee Chair Browning: Yes.

24 Chairman Wilson: Amy?

25 Acquisition Committee Chair Grissom: Yes.

1 Chairman Wilson: Clement?

2 Mr. Riddle: Yes.

3 Chairman Wilson: Mike?

4 Mr. Rusher: Yes.

5 Chairman Wilson: Jason?

6 Vice-Chairman Walser: Yes.

7 Chairman Wilson: David?

8 Mr. Womack: Yes.

9 Chairman Wilson: And John is a

10 yes, also. All right, Amy, anything -- that passes
11 unanimously; anything else from the Acquisition
12 Committee?

13 Acquisition Committee Chair Grissom:

14 That's all for now. I'm looking forward to seeing
15 everyone in October for our big funding meeting.

16 Chairman Wilson: All right,
17 thank you, Amy and Marie and Marissa; we will now move
18 on to our second business agenda item, and that is
19 recommendations from the Executive Committee, which I
20 chair as board chair. We've got a couple of matters to
21 discuss. The first is consideration of additional
22 funding through NCDEQ, and I will hand this off to Will
23 to set the table.

24 Executive Director Summer: Thank you, Mr.
25 Chair; so let me start with a little bit of background.

1 In 2021, the same year that we were directed to
2 establish a Flood Risk Reduction Grant Program, the
3 General Assembly also directed the North Carolina
4 Department of Environmental Quality to develop a
5 Statewide Flood Resiliency Blueprint to inform their
6 flood planning at the state level. They appropriated
7 \$96 million to DEQ to be used for flood mitigation
8 projects after the initial draft of the Blueprint was
9 completed. That phase was completed this spring, and
10 in May DEQ staff reached out to us to inquire about our
11 ability to help them get some funds on the grant and do
12 so quickly. Given their timeline and our capacity,
13 trying to put out a new RFP, review applications, and
14 make awards this calendar year just wasn't feasible.
15 However, we approached them with a few options. The
16 first was to take another look at some of the unmet
17 needs from our first round of Flood Risk Reduction
18 Grants, and you'll hear more about that later during
19 the Flood Reduction Committee report. The second was
20 to see if any of our 2024 grant applications met their
21 criteria. They were directed to work in the Cape Fear,
22 French Broad, Lumber, Neuse, Tar-Pamlico, and White Oak
23 River basins, so we sent them a complete list of all
24 the projects in those areas. DEQ identified four 2024
25 grant cycle projects that met their criteria for flood

1 resiliency projects, and they have offered up to
2 \$800,000 towards each of those projects. They are on
3 the bottom of the screen here. So if you support the
4 committee recommendation to consider these funds, it
5 does not obligate you to spend them. However, when
6 your funding committee meets and consider any of these
7 four projects if you choose to fund them, we'll put the
8 DEQ funds toward them first, which makes our other
9 funding go further. From the applicant's perspective
10 virtually nothing changes. Their award would stay the
11 same, and they wouldn't need to enter into an
12 additional contract with DEQ. Funds would be
13 transferred between DEQ and us via an MOA, which would
14 be drafted and executed later, and we would spend those
15 funds in the same way as other funds. Aside from a
16 very minimal administrative burden on our part, which
17 we are fully ready to accept in return for the
18 additional funds, there's no downside to supporting
19 this recommendation. It's a very efficient way for us
20 to partner with DEQ and get these funds to work
21 quickly. So the committee recommendation is to
22 consider these funds at the October funding meeting,
23 and I'll be happy to take any questions.

24 Chairman Wilson: Okay, thanks,
25 Will; any questions for Will before we vote on this

1 from the Executive Committee, which recommended to the
2 board that DEQ funds in the amount of \$3.2 million be
3 considered at the October funding meeting?

4 Restoration Committee Chair Browning: It's
5 a great opportunity that we appreciate from DEQ.

6 Chairman Wilson: All right, then
7 hearing no discussion, let me ask you how you vote.
8 This -- again, this comes from the committee. We don't
9 need to second it. How do you vote, please; Jimmy?

10 Mr. Broughton: Yes.

11 Chairman Wilson: Ann?

12 Restoration Committee Chair Browning: Yes.

13 Chairman Wilson: Amy?

14 Acquisition Committee Chair Grissom: Yes.

15 Chairman Wilson: Clement?

16 Mr. Riddle: Yes.

17 Chairman Wilson: Mike?

18 Mr. Rusher: Yes.

19 Chairman Wilson: Jason?

20 Vice-Chairman Walser: Yes.

21 Chairman Wilson: David?

22 Mr. Womack: Yes.

23 Chairman Wilson: And John is a
24 yes. That is unanimous, approved; thank you, and we'll
25 move on to --

1 Mr. Wommack: John, can I
2 ask --

3 Chairman Wilson: Yeah.

4 Mr. Wommack: Excuse me. Can
5 I just ask Will a quick ancillary question about this?
6 This \$9 million, what portion of the total funds that
7 the DEQ is allowed to spend here, does that represent?
8 Do you know? Is it 100 percent? Is it -- they were
9 allocated funds for this purpose, correct?

10 Executive Director Summer: Yes, sir.

11 Mr. Wommack: All right, but
12 is this all? Is this 100 percent of what they were
13 allocated that they're giving us? Is it --

14 Executive Director Summer: No, it's --

15 Mr. Wommack: Do you know?

16 Executive Director Summer: Their total was
17 a little over \$96 million, and they've got other state
18 agencies they're working with as well as some of their
19 own internal grant programs. So between this and what
20 you'll see later today, we're in round numbers \$9
21 million, so 10 percent of their funds, give or take.

22 Mr. Wommack: Thanks.

23 Chairman Wilson: Okay, thank
24 you; moving on to the second Executive Committee
25 recommendation relating to allocation of funding for

1 2024 applications, and back to you on this one, Will.

2 Executive Director Summer: Thank you, Mr.
3 Chair; so each year the Executive Committee reviews
4 program demand and recommends funding allocations for
5 the grant program committees. That gives the
6 committee's direction about how much funding they'll
7 have on the day of the meeting, and it directs staff
8 how to handle any funds received after the board
9 meeting. Before I put up the official committee
10 recommendation, let me explain it a little bit in plain
11 speak. The biggest part is determining what percentage
12 of available funds go to each committee. The demand by
13 amount requested, shown in the last column, is
14 surprisingly consistent, and I'll also note that the
15 allocation for Restoration, Innovative Stormwater, and
16 Planning projects, shown separately here, are lumped
17 for the allocation in the committee motion since
18 they're all within the same funding committee. And
19 this year the demand by amount requested is within a
20 few percentage points of 80-20, as it has been for the
21 last three years, and the allocation has also mirrored
22 that for as long. So the committee has again
23 recommended that revenue and funds be split 80 percent
24 to the Acquisition Program for grants and 20 percent to
25 the Restoration, Innovative Stormwater, and Planning

1 Program. So the 80-20 allocation dictates how all the
2 funds in hand up until the funding meeting are divided,
3 and it also dictates how any new revenue received after
4 the funding meeting, such as from license plates, are
5 divided to go towards projects that you all put on the
6 provisional list. The only real exception is that
7 funds that come back from previously funded projects
8 after the board meeting instead return to the committee
9 from whence they came. So for instance, if an
10 acquisition project falls through and returns funds or
11 is withdrawn after October 2nd, those funds are not
12 split between the program. They go back into the
13 acquisition pot, likewise the same for anything from
14 the restoration program. The recommendation also
15 charges the Acquisition Committee with setting aside
16 funds for the Donation Mini-Grant Program, and they do
17 that at the funding meeting in October. And finally,
18 the Restoration, Innovative Stormwater, and Planning
19 Committee bears responsibility of allocating funds
20 between its three program areas based on project merit,
21 and again, that's done at the funding meeting in
22 October. So that said, here is the official committee
23 recommendation, which is the same as last year and
24 follows an 80-20 allocation between the two funding
25 programs. And I will leave that up and be happy to

1 take any questions.

2 Chairman Wilson: Will, will you
3 please jump back to the previous slide?

4 Executive Director Summer: Yes.

5 Chairman Wilson: And just make
6 clear to everyone what happens with returned funds
7 after the end of the fiscal year.

8 Executive Director Summer: Yeah, so this
9 motion that I'm putting before you basically applies
10 through the end of this fiscal year, so through June
11 30th, 2025. Anything before that gets put into
12 projects towards the provisional list. On July 1st of
13 next year, we stop funding anything from the 2024 grant
14 cycle and begin setting those funds aside for the next
15 funding cycle. Is that what you were getting at, John?

16 Chairman Wilson: Well, and also
17 that they don't go back to the specific program from
18 which they came. They go into the overall pot.

19 Executive Director Summer: That's true.
20 Everything from July 1st until the funding meeting gets
21 put into one pot and then divided 80-20.

22 Chairman Wilson: Okay, all
23 right, thanks; do you want to go back to the
24 recommendation from the committee? All right, this is
25 a committee recommendation for the 2024 grant cycle

1 that all available funds be allocated as follows, 80
2 percent of the funds to the Acquisition Committee, 20
3 percent to the Restoration, Innovative Stormwater, and
4 Planning Committee. The Acquisition Committee will be
5 charged with allocating funding for the Donation Mini-
6 Grant Program. The Restoration, Innovative Stormwater,
7 and Planning Committee will be charged with allocating
8 funding for each of their three program areas based on
9 the merit of the applications during project review.
10 All returned or unspent grant funds received after the
11 funding meeting will revert to their respective
12 programs to be used for provisional awards for the
13 remainder of the fiscal year; any discussion of this?
14 It comes to us from the Executive Committee; any
15 comment, any discussion before we vote? All right,
16 hearing none, I'll ask you how you vote, please;
17 Jimmy?

18 Mr. Broughton: Yes.

19 Chairman Wilson: Ann?

20 Restoration Committee Chair Browning: Yes.

21 Chairman Wilson: Amy?

22 Acquisition Committee Chair Grissom: Yes.

23 Chairman Wilson: Clement?

24 Mr. Riddle: Yes.

25 Chairman Wilson: Mike?

1 Mr. Rusher: Yes.

2 Chairman Wilson: Jason?

3 Vice-Chair Walser: Yes.

4 Chairman Wilson: David?

5 Mr. Womack: Yes.

6 Chairman Wilson: And John is a

7 yes. That passes unanimously. That concludes the
8 recommendations from the Executive Committee, and we'll
9 now move on to the Flood Risk Reduction Committee,
10 which is seeing wonderful new life. I will pass it
11 over to the chair of that committee who, just so you
12 don't forget, also chairs our Restoration, Innovative
13 Stormwater, and Planning Committee, but she's wearing
14 her Flood Risk Reduction Committee hat today, Ann
15 Browning.

16 Mr. Riddle: Excuse me, Mr.
17 Chair. Before we start that, I need to backtrack, and
18 I apologize. I should have recused myself from
19 discussion and voting on Project 2022-FRR24, the City
20 of Hendersonville, for a potential conflict of
21 interest, so sorry I didn't disclose that at the
22 beginning.

23 Chairman Wilson: Thank you,
24 Clement, and no problem and great precedent or example
25 for any trustee, even if you forget right at the very

1 beginning, as long as you make it known during the
2 meeting, and in this case in Clement has done so before
3 we actually voted on this, so thank you very much;
4 never too late to speak out about that.

5 Restoration Committee Chair Browning: Yeah,
6 we're delighted to have Clement having joined the
7 committee. He brings a lot of expertise and when we
8 voted on these different projects, he recused himself
9 then as well. So we'll take the vote in two different
10 tranches, but I know I speak for all our committee
11 members to say that we were really happy to reconvene
12 with this opportunity to put some more resources to
13 work for some great projects that we funded last year.
14 We met back on August 14th, and I just want to add to
15 Will's comments. We so appreciate DEQ entrusting these
16 resources to us, and it is quite an endorsement of the
17 hard and smart work that this committee and
18 particularly our staff, I'll point to Steve
19 specifically, did to develop this program. So I'm
20 excited to bring these recommendations to you, and with
21 that, I'll turn it over to Steve.

22 Mr. Bevington: Thank you,
23 Madam Chair; happy to see you all here and I'm really
24 happy, as you pointed out, Madam Chair, to be part of
25 the Flood Risk Reduction Committee group again. This

1 is fantastic. Let me share my screen here quickly.
2 All right, we had some very nice background information
3 about this earlier from our Executive Director Will
4 Summer and Madam Chair had mentioned it as well. Today
5 we're here to -- you are here to consider the
6 supplemental funding to the Flood Risk Reduction
7 Program of extra funds being allocated for the North
8 Carolina Flood Resiliency Program, and I'd just like to
9 take a quick moment to go over really the Flood Risk
10 Reduction Program since it was kind of initially a one-
11 off. It was an appropriation that came to this group
12 potentially to be funded more in the future, but it was
13 a one-time allocation. And I'll just go through the
14 history of that very quickly and then some of the
15 shared objectives between that program and DEQ's Flood
16 Resiliency Blueprint Program, which is ongoing at this
17 moment, and then quickly go over the summary of the 11
18 projects that the committee reviewed in detail. So
19 that's what I'm going to cover today. I want to point
20 out the first bullet there that's highlighted, project
21 results to be tracked by the volume of floodwaters
22 detained. This was the new bit of focus that was
23 injected into our program with the \$15 million from the
24 legislation that created us. So all the other natural
25 resource values are the same for this program, except

1 we're also supposed to report and keep track of
2 floodwaters detained by volume, so a new metric in this
3 case. Interestingly, this program tackles both
4 restoration and conservation activities. That's true
5 for DEQ as well. The match was encouraged in the
6 program, but recognizing a lot of the smaller
7 communities facing flooding issues may not have access
8 to match, especially on a sudden new program that
9 wasn't a known quantity. It sort of came up on small
10 communities quickly, this opportunity. Match was
11 encouraged but not required, and actually there's a way
12 to get points in lieu of match based on economic need.
13 And projects were capped at \$2 million, so just point
14 that out. And something to keep in mind is that the
15 awards we're talking about today that would be coming
16 through DEQ would also be capped in this case at
17 \$800,000.00, and again, we'll just review 11 projects.
18 The committee reviewed in detail 11 projects. I'm just
19 going to give you the summaries of the totals of those
20 today. So just very quickly, the session law was in
21 2021, directing the Division of Land and Water
22 Stewardship to provide grants to counties,
23 municipalities, and nonprofits, our standard partners,
24 and other state agencies for projects addressing and
25 purposes specified in existing legislation. We already

1 do have the right to protect and restore floodplains at
2 the bottom of the slide here, to protect -- this is an
3 existing activity, ongoing activity in the restoration
4 program to protect and restore -- acquisition as well,
5 excuse me, protect and restore floodplains and wetlands
6 for the purpose of storing water, reducing flooding,
7 improving water quality, providing wildlife and aquatic
8 habitat, and providing recreation opportunities. Kind
9 of our bailiwick, this is our major natural resource
10 protection program on the restoration side and as well
11 in acquisition. What's new, again, is that they were
12 really asking us to consider storing water and
13 reporting on that. So criteria were needed to be
14 developed to get that first bullet, continue to do all
15 the water quality, habitat, recreation opportunities.
16 The other natural resources benefits you as a
17 committees and board have been so important in
18 promoting over the years, but now a new metric, again,
19 storing water to alleviate flooding issues in North
20 Carolina communities. I can't really get through a
21 presentation without really presenting this slide. I
22 know there's a lot of information on it, but there was
23 an incredible amount of work that took place. The
24 state budget in 2021 was not ratified until December
25 18th, and this new charge came to our committee and our

1 chair of the board established this Flood Risk
2 Reduction Committee chaired by Ann Browning. But the
3 charge was to establish and chart the course of this
4 new charge and to identify and fund projects to reduce
5 flood risks in our state, and a really amazing group of
6 people came together. We had experts from other
7 agencies testifying and providing information to us,
8 experts from universities, folks from other agencies.
9 But the key really, I think, to me in here was that
10 this quick turnaround from having no program on the
11 ground at all in 2021 to actually having funded
12 projects, giving applicants time to come to grips with
13 this opportunity as well, was really an amazing
14 turnaround. And I was just really excited that within
15 two years we were able -- less than two years really
16 able to produce a program and have it actually funding
17 \$15 million worth of valuable projects across North
18 Carolina. Very quickly, the major difference in the
19 scoring system was two things. The effectiveness is
20 measured 50 percent is quite a high load compared to
21 what we see -- a high weight of the ranking system.
22 But a lot of that is to again add into the scoring
23 criteria, this ability to hold water back and to keep
24 it out of harm's way during a flood. And then value,
25 we had this in lieu of concept where communities in

1 economically disadvantaged areas could receive points
2 in lieu of match if they simply didn't have it
3 available and were in the right part of the state as
4 defined by mean annual income. We received initially
5 61 applications requesting over \$82 million. Remember,
6 we only had \$15 million. There was a huge need. We
7 did this in a two-step process with letter of intents,
8 which was about 50 percent of our standard application.
9 And the request range from over \$11 million to
10 \$42,000.00. Forty counties were represented, really
11 representing -- acknowledging the need for many
12 communities across the state to address flooding
13 issues. I'm sure every single county in the state has
14 flooding concerns. The board -- the committee actually
15 worked with us to narrow this down to 19 applications
16 that identified a really strong alignment with local
17 needs and our flood risk reduction program as later
18 identified. Several of those were actually withdrawn
19 later due to local constraints. That request came in
20 at \$18 million and -- but importantly, I think twenty
21 -- even though we didn't emphasize match much, \$27
22 million was still proposed as match. The final
23 applications were from all of our regular partners. As
24 you might imagine, we had requests from \$3 million to
25 around \$100,000.00, and 16 counties were still

1 represented in this subset of applicants that our --
2 the committee and then board felt was the most closely
3 aligned with the program. Just very quickly, I'll just
4 say that in February of 2023, the -- 17 of these
5 projects were funded, and it would total exactly \$15
6 million. No administrative monies were spent on this.
7 All projects were capped at \$2 million, and they fell
8 into really four different categories. The first was
9 sort of flood storage, where you either acquire a
10 floodplain that was under some threat to allow natural
11 processes to retain water on the floodplain or enhance
12 an existing floodplain that had been drained or damaged
13 in some way and return it to its natural flood sponging
14 activities. Water farming was three projects that
15 proposed this, mostly as a pilot project. They're
16 relatively small, but this is where water is stored on
17 agricultural or semiculture lands to allow normal
18 productive activities to continue, but during times of
19 flood, flash flood risers or other structures are put
20 in place to trap water and hold it back for several
21 weeks to alleviate downstream flooding -- flooding;
22 excuse me. And it would also be done -- you know, the
23 whole idea is to either enhance or maintain the
24 productivity of that land for other activities.
25 Nature-based stormwater projects were also proposed as

1 was infrastructure relocation, essentially getting
2 folks and equipment out of harm's way. As Will
3 mentioned earlier, in May of this year, again very
4 recently, DEQ approached our staff to discuss potential
5 use of DEQ funds to further the results of the Flood
6 Risk Reduction Program, and they had it specifically
7 listed in the six basins Will mentioned earlier, being
8 the Cape Fear, French Broad, Lumber, Neuse, Tar-
9 Pamlico, and White Oak basins. I'll have a map of
10 those in just a second. And staff worked closely with
11 NCDEQ staff to identify opportunities where
12 supplemental funding could really enhance the projects,
13 and it sort of fell into several groups. One is we had
14 capped, if you remember, projects. So there was
15 unfunded need where they had proposed almost -- for
16 example, the City of Lumberton had proposed almost a
17 three million dollar project that had been capped at
18 two million. So there's an opportunity to restore full
19 funding to those. Another area to really help bring
20 this back was in areas where people had discovered they
21 could -- now have conceptual designs in place they
22 could easily scale up and prepare and save more water.
23 And then we had one project where it was -- we simply
24 ran out of funds. Well, there was one project we ran
25 out of funds that it was only partially funded.

1 Another project that was not funded but was considered
2 eligible by the board, we just literally ran out of our
3 \$15 million before they were funded. These are the 19
4 completed applications across the state. And here is
5 the amazing overlap I find between the six basins DEQ
6 has identified in their first series. They will
7 eventually -- of course, the DEQ Blueprint is going to
8 be a statewide program, but I don't think it's a
9 coincidence. I think some of the recent flooding
10 histories both alerted communities to the importance of
11 addressing flooding in their communities as well as
12 DEQ's focus on basins that have been hit by hurricanes
13 or severe flooding out west with heavy rains. Not to
14 say any of the part of the state isn't eligible --
15 can't expect to be eligible in the future and have
16 equally important needs, but there is an interesting
17 overlap between our funded projects and the six basins
18 that were selected by DEQ for supplemental funding in
19 this round. I will point out that not all of these
20 overlaps were eligible. We had several projects for
21 supplemental funding that were not eligible. Either
22 they withdrew their own consideration because they had
23 limited capacity, or they simply were doing activities
24 the DEQ didn't seem -- didn't feel was an appropriate
25 immediate use of their money. For example, a planning

1 activity in Goldsboro, it's a great activity, but the
2 DEQ expected to see money essentially placed on the
3 ground rather than just in planning while we continue
4 planning. So with that long introduction, I just
5 wanted to say here is sort of the results of where we
6 are today for not the whole 17, but the 11 -- 17 funded
7 projects in the flood risk reduction program, but this
8 is the 11 that we really saw a fantastic match between
9 DEQ's interests and our interests in getting more
10 floodwaters and natural resources protection done at
11 these sites. You'll notice the top one, the Town of
12 Aurora, was not funded originally. So they have a zero
13 contracted flood storage because there is no contract
14 for that, but it was eligible. Just, we literally ran
15 out of money, but the 11 projects together sum to about
16 a thousand acre-feet of water. I know that sounds
17 likely an unusual currency to describe it. It's one we
18 need to talk back to the State Legislature about and
19 put in some of our reports in acre foot. But
20 essentially that thousand acre feet, another way to
21 think of it is it's about 325 million gallons of
22 floodwater or 440 million cubic feet of water. I don't
23 know if either of those help anyone imagine how much
24 water it is. This it's a significant amount of water,
25 but more importantly, it's targeted to areas where that

1 flood relief would do the most good. With supplemental
2 funding, we can get almost -- well, almost another 500.
3 This is predicted by the engineers and their designs
4 when they were approached about these projects. If
5 they had extra money, they could get almost an extra
6 500 acre feet of water also protected during flooding
7 events. So that's what we're talking about for a total
8 price of \$5.8 million, around 500 acre feet of
9 additional flood storage in important parts of the
10 state which are vulnerable to flood risk. So with
11 that, I'm happy to go through this material and go back
12 and let you know any details you want to know. The
13 committee did review these 11 projects with photos and
14 see actually what the opportunities were. But at this
15 point, since the committee has reviewed them quite
16 carefully, Madam Chair, I'm going to put it back to
17 you. We have two motions as you pointed out earlier.
18 The first is all -- well, 10 of the projects in which
19 there I have heard no recusal yet today, and at this
20 point, Madam Chair, I'll put it back to you.

21 Restoration Committee Chair Browning: Yeah,
22 and just one other thing I'd point out is Steve and the
23 team worked really closely not only with DEQ to make
24 sure that these projects aligned with their objectives,
25 but also, you know, with these grant recipients, you

1 know, who grants are in motion. And I felt really good
2 about how they're able to deploy this additional funds
3 and get a lot of bang for the buck, so a lot of great
4 work by the team making that happen. But this was
5 enthusiastically supported by unanimous vote of the
6 committee. And as we've said, we pulled out the one
7 project where Clement had a conflict, so, Mr. Chair,
8 I'll turn it back to you.

9 Mr. Bevington: And do let me
10 know if you want me to stop sharing the screen.

11 Chairman Wilson: Okay, thank
12 you, Ann, and thank you, Steve; any discussion on these
13 projects before us, which are all except for one,
14 correct?

15 Mr. Bevington: Yes, it's all
16 except for project 2022-FRR24.

17 Chairman Wilson: And so we are
18 -- go ahead, David.

19 Mr. Womack: Yeah, Mr.
20 Chair, I just -- first I want to compliment the
21 committee on their embracing the new terminologies that
22 we've discovered during this concept. I mean, the
23 concept of an acre foot of water, which I'd never heard
24 of before is -- I'm trying to figure the right
25 adjective for it, but it's awesome when you think, you

1 know, the quantity involved and some other new
2 terminology that we've just been exposed to. So my
3 hat's off to the committee for being able to embrace
4 and register recognition of these new aspects of what
5 we're doing. It's magnificent.

6 Chairman Wilson: It's a foot of
7 water on a football field.

8 Mr. Bevington: Yes, I'll just
9 tease us all by saying it's one chain by ten chains by
10 one foot, the British have left us with this, 66 feet
11 by 660 feet times one foot high. I'm happier with
12 gallons myself, but there you are. Imagine a quarter
13 acre lot four feet deep is another way to think of it.

14 Chairman Wilson: Excellent, and
15 so we are -- would not only be accepting and adding
16 this funding to our projects, but, Steve, you would
17 continue to administer these newly expanded projects
18 including making sure the additional acre feet are
19 achieved.

20 Mr. Bevington: That's correct,
21 and the committee was able to see the actual red line
22 versions of our summary document, which was used to
23 develop the contracts for all these projects, except
24 for the Town of Aurora which doesn't have one yet. And
25 we -- those would be modified so that the contract

1 amendment will actually have the new acre feet
2 expected, and we'll pay on that basis, you know,
3 towards the completion of that. And it would be, you
4 know, a new item in the contract, again, totaling an
5 additional almost 500 acre feet. Now the reason that
6 term -- I'm throwing it around so well, flood retention
7 during rainstorm events, yes. They're in the -- it
8 will be in the contract amendments, yes.

9 Chairman Wilson: So what; we
10 need to budget for longer chains for you, Steve, so you
11 can actually go out and measure this?

12 Mr. Bevington: I think our
13 Executive Director is the only one who regularly uses a
14 chain to measure tree heights. I -- it's very new
15 terminology to me. I -- my grandparents had a pond, so
16 I sort of knew what an acre foot was, but I had not
17 heard of a chain until pretty recently. And why 400 --
18 let's see. 43,560 square feet is important to us. I
19 don't know, but there it is. That's the acre -- square
20 foot of an acre. And --

21 Chairman Wilson: All right, any
22 more -- sorry, go ahead.

23 Mr. Bevington: No, I apologize
24 for throwing random numbers at you, but the bottom line
25 is 500 extra acre feet of water in these projects we

1 see before you.

2 Chairman Wilson: Okay, so we
3 have 10 projects before us now with dollar amounts for
4 the supplemental DEQ funds that we would add to these
5 projects, nine of which were previously funded. The
6 Town of Aurora was not; any more discussion of these
7 before we vote on these recommendations from the Flood
8 Risk Reduction Committee? Okay, hearing none, please
9 let me know your vote; Jimmy?

10 Mr. Broughton: Yes, yes.

11 Chairman Wilson: Ann?

12 Restoration Committee Chair Browning: Yes.

13 Chairman Wilson: Amy?

14 Acquisition Committee Chair Grissom: Yes.

15 Chairman Wilson: Clement; I
16 can't hear you Clement. I think you're muted.

17 Mr. Riddle: Yes.

18 Chairman Wilson: Thank you;
19 Mike?

20 Mr. Rusher: Yes.

21 Chairman Wilson: Jason?

22 Vice-Chairman Walser: Yes.

23 Chairman Wilson: David?

24 Mr. Womack: Yes.

25 Chairman Wilson: And John is a

1 yes, also. That carries unanimously. All right, Ann
2 and Steve, back to you all for the one that Clement is
3 recusing on.

4 Restoration Committee Chair Browning: Yes,
5 this is the City of Hendersonville. I don't -- Clement
6 recused himself from the discussion and the vote, but
7 the other members voted unanimously to recommend it.

8 Chairman Wilson: All right, any
9 discussion of this; all right, I'm going to ask you for
10 your vote then, please; Jimmy?

11 Mr. Broughton: Yes.

12 Chairman Wilson: Ann?

13 Restoration Committee Chair Browning: Yes.

14 Chairman Wilson: Amy?

15 Acquisition Committee Chair Grissom: Yes.

16 Chairman Wilson: Mike?

17 Mr. Rusher: Yes.

18 Chairman Wilson: Jason?

19 Vice-Chairman Walser: Yes.

20 Chairman Wilson: David?

21 Mr. Womack: Yes.

22 Chairman Wilson: And John is a
23 yes, and Clement has recused on this one, and so that
24 carries also unanimously; Ann, back to you for anything
25 else you might want to say.

1 Restoration Committee Chair Browning: Thank
2 you; nothing else from us, and we hope there'll be some
3 more funds headed towards Flood Risk Reduction in the
4 future.

5 Chairman Wilson: And at the
6 committee meeting, a couple of us on this committee
7 shared some thoughts about just what this program has
8 meant to the Fund and the State and to us personally,
9 and, Jason, I think you shared some thoughts on that.
10 Let me defer to you if you want to say anything first.

11 Vice-Chairman Walser: I don't know
12 what I said, but yeah, this is just a remarkable
13 opportunity, and I'm really excited to be a part of
14 this. I think it's -- I don't know. What did I say,
15 John?

16 Chairman Wilson: We just both, I
17 think, felt that this was an extraordinary opportunity
18 that was created.

19 Vice-Chairman Walser: It is.

20 Chairman Wilson: Really created
21 from scratch, and, Steve, your leadership on this has
22 in addition --

23 Vice-Chairman Walser: Yeah.

24 Chairman Wilson: -- to your day
25 job of staffing the Restoration, Stormwater, and

1 Planning Committee has just been really mind-blowing,
2 and you've done it so effectively.

3 Vice-Chairman Walser: This is a vote
4 of confidence, yeah.

5 Chairman Wilson: Yeah.

6 Vice-Chair Walser: This is a vote
7 of confidence in the work we did to have this kind of
8 money come to us and have professionals who do this as
9 a day job coming to us. I think it's just a -- it's
10 manna from heaven. It's just a great opportunity, and
11 kudos to Steve and the team and Ann for leading us to
12 this point.

13 Chairman Wilson: And thanks to
14 the trustees that responded to the request to be on
15 this committee in addition to your other committee
16 assignments.

17 Restoration Committee Chair Browning: Yes.

18 Chairman Wilson: All right, so
19 before we adjourn, I know that Will and Terry have
20 some logistical discussions regarding upcoming
21 meetings, and also, if any trustees or staff have
22 anything else that you'd like to say about anything,
23 please speak up. But, Will, you want to take it from
24 here first?

25 Executive Director Summer: Well, for our

1 part, I think it's fine for you all to adjourn, gavel
2 out. You know, I don't think that discussion about
3 hotels needs to be on the record, so we can --

4 Chairman Wilson: Okay.

5 Executive Director Summer: But if folks
6 will just stick around right after -- for a few minutes
7 after, that would be great.

8 Chairman Wilson: Okay, any
9 other --

10 Vice-Chair Walser: Jason moves to
11 adjourn.

12 Chairman Wilson: Jason moves to
13 adjourn. All right, is there a second?

14 Restoration Committee Chair Browning: Ann
15 seconds.

16 Acquisition Committee Chair Grissom:
17 Everyone seconds that.

18 Chairman Wilson: Before we
19 adjourn, is there anything else anybody wants to say on
20 the record? All right, hearing none, you can all just
21 vote all at the same time on this. All in favor of
22 adjourning, state so.

23 (Trustees say Aye.)

24 Chairman Wilson: All right,
25 anybody opposed; sounds like that carried unanimously.

1 All right, we are adjourned.

2 (The proceedings were concluded at 10:28
3 A.M.)

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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 sixty-seven pages which constitute this Board of Trustees Meeting are a true and accurate transcript.

IN WITNESS THEREOF, I have hereunto set my hand this 23rd day of September, 2024.



Dona E. Overby
Notary Public
Certificate No.: 19971920107