

NORTH CAROLINA LAND AND WATER FUND
BOARD OF TRUSTEES MEETING

Virtual Meeting

Tuesday, December 10, 2024

9:01 A.M.

Volume 1

Pages 1 through 95

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
Jimmy Broughton
Clement Riddle
Darrel Williams
Mike Rusher
David Womack

Staff:

Zoe Hanson Burnet, DNCR Assistant General Counsel
Will Summer, Executive Director
Steve Bevington, Restoration Program Manager
Marissa Hartzler, Acquisition Program Manager
Marie Meckman, Acquisition Project Manager
Justin Mercer, Stewardship Manager
Terri Murray, Executive Assistant
Jill Fusco, Eastern Field Representative
Nicolle Montero

Also present:

Jeff Michael, Deputy Secretary of the Department
of Natural and Cultural Resources

P R O C E E D I N G S

9:01 A.M.

1
2 Chairman Wilson: Okay, I would
3 like to call today's meeting of the North Carolina Land
4 and Water Fund Board of Trustees to order. I am John
5 Wilson, the board chair. I want to welcome everyone
6 who is with us today, mostly virtual, but some in
7 person. I guess everybody's in person, wherever they
8 are, so. I want to now call the roll of our nine
9 trustees. Please indicate that you are here; Jimmy
10 Broughton?

11 Mr. Broughton: Here.

12 Chairman Wilson: Ann Browning?

13 Restoration Chair Browning: Here.

14 Chairman Wilson: And Amy Grissom
15 is not here; correct, Will?

16 Executive Director Summer: That is
17 correct.

18 Chairman Wilson: Okay, Clement
19 Riddle?

20 Mr. Riddle: Here.

21 Chairman Wilson: Mike Rusher?

22 Mr. Rusher: Here.

23 Chairman Wilson: Hey, Mike,
24 good; Jason Walser?

25 Vice-Chair Walser: I'm here.

1 Chairman Wilson: Darrel
2 Williams; okay, I don't think Darrel is with us yet;
3 correct, Will?

4 Executive Director Summer: I do not see
5 him.

6 Chairman Wilson: Okay, keep us
7 posted, please, when -- when Darrel joins us, if you
8 can.

9 Executive Director Summer: Will do.

10 Chairman Wilson: David Womack is
11 unable to join today, correct?

12 Executive Director Summer: That is
13 correct.

14 Chairman Wilson: Okay, and I,
15 John Wilson, am here also. General Statute 138A-15
16 mandates that the chair inquire as to whether any
17 trustee knows of any conflict of interest or the
18 appearance of a conflict with respect to matters on the
19 agenda. If any trustee knows of a conflict of interest
20 or the appearance of one, please state so at this time.
21 Okay, I am not hearing of any conflicts or appearance
22 of conflicts. Now let me last ask everyone to please
23 make sure that your phones and computers and noisy
24 things won't make any noise unless you are recognized
25 to speak. And if you are a guest joining us remotely,

1 please mute your audio and turn off your video unless
2 you are called upon to speak. Now I will ask the
3 trustees if there are any suggestions of revisions or
4 additions to today's agenda.

5 Restoration Chair Browning: I move adoption
6 as presented.

7 Chairman Wilson: Okay, thanks,
8 Ann; is there a second?

9 Mr. Riddle: I second that.

10 Chairman Wilson: And that is
11 Clement, correct?

12 Mr. Riddle: Yes.

13 Chairman Wilson: Okay, thanks;
14 any discussion; all right, please let me know how you
15 vote on adopting our agenda; Jimmy?

16 Mr. Broughton: Yes.

17 Chairman Wilson: Ann?

18 Restoration Chair Browning: Yes.

19 Chairman Wilson: Clement?

20 Mr. Riddle: Yes.

21 Chairman Wilson: Mike?

22 Mr. Rusher: Yes.

23 Chairman Wilson: Jason?

24 Vice-Chair Walser: Yes.

25 Chairman Wilson: And Darrel's

1 not with us yet; is that correct still?

2 Mr. Williams: I'm here.

3 Chairman Wilson: Yeah; oh,
4 Darrel, hey, Darrel; Darrel, how do you vote on the
5 agenda?

6 Mr. Williams: Yes.

7 Chairman Wilson: Thank you, and
8 John is a yes, also. All right, we've adopted our
9 agenda. Let's move on to our minutes from our last
10 board meeting. Is there any discussion regarding
11 minutes from our October 2nd board meeting? If not,
12 I'll entertain a motion to adopt those minutes.

13 Mr. Williams: So moved.

14 Mr. Broughton: So moved.

15 Chairman Wilson: All right,
16 Darrel, I think you got the nod. And, Jimmy, was that
17 you? Can you be the second?

18 Mr. Broughton: I'll second;
19 yeah, sure.

20 Chairman Wilson: All right,
21 thank you; any discussion; all right, how do you vote
22 on adopting the October 2nd meeting minutes, please?
23 Jimmy?

24 Mr. Broughton: Yes.

25 Chairman Wilson: Ann?

1 Restoration Chair Browning: Yes.
2 Chairman Wilson: Clement?
3 Mr. Riddle: Yes.
4 Chairman Wilson: Mike?
5 Mr. Rusher: Yes.
6 Chairman Wilson: Jason?
7 Vice-Chair Walser: Yes.
8 Chairman Wilson: Darrel?
9 Mr. Williams: Yes.
10 Chairman Wilson: And John is a

11 yes, also. Thanks everybody; we have adopted our
12 agenda. We've approved our minutes from the last
13 meeting. And we'll now move on to an update from our
14 Deputy Secretary of the Department of Natural and
15 Cultural Resources, Jeff Michael.

16 Deputy Secretary Michael: Well, thank
17 you, Chairman Wilson; can you hear me okay?

18 Chairman Wilson: Yes.

19 Deputy Secretary Michael: All right,
20 well, it's good to see all of you. And as I always
21 begin, when I'm here representing the department
22 without Secretary Wilson, I send you greetings from
23 Secretary Wilson. And as always, a deep-felt thanks
24 for the work you all do and the level of commitment and
25 time that you give this really important work, so thank

1 you; not a whole lot new in terms of, you know, when we
2 were last with you. Of course, the big news now is we
3 are in a period of transition between administrations.
4 And there's still a lot of decisions to be made by
5 Governor-elect Stein, including decisions about the
6 leadership of his executive branch, and I don't have
7 anything to report there. And if I did, I, you know --
8 I couldn't get ahead of the Governor on any of that --
9 or the Governor-elect, but I will tell you that we have
10 all been very busy really going back to July and April
11 and preparing for this transition. Will and his team
12 at Land and Water Stewardship contributed, along with
13 all of our divisions, a transition plan or contribution
14 to our transition plan, which highlighted what we
15 consider the priorities for our department going into
16 the new year. And I won't get ahead of Will, in case
17 he wants to share some of those with you, but, of
18 course, the new conservation tax credit is on that as
19 we look to Hurricane Helene recovery and what that
20 means for all of us. We actually sort of had to update
21 our transition plan that we had been working on earlier
22 to make sure that we captured what the unique needs are
23 now for our divisions post-Helene. Speaking of Helene
24 recovery, we have been busy with that. The initial
25 work was working with FEMA's public assistance program.

1 Well, first thing was response for our employees. And
2 I think at our last meeting, Secretary Wilson was able
3 to give you an update. We were fortunate all of our
4 employees were reported safe. Some did experience
5 losses to their property and their homes, but we still
6 are working through some of the impacts on our sites.
7 On the natural resources side, all of our state parks
8 are now reopened except for four and those are Chimney
9 Rock, Mount Mitchell, Elk Knob, and South Mountain
10 State Park. We're continuing to work on what it takes
11 to get those back open to the public. I think the
12 biggest challenges are likely to be Mount Mitchell and
13 Chimney Rock because of access questions. But as we
14 continue to do that work and make sure that our parks
15 and our historic sites and other DNCR sites in western
16 North Carolina are safe for the public, we are also
17 working with FEMA, knowing their public assistance
18 program, which is the immediate response where we
19 assess damages and provide information as it relates to
20 the potential for disaster recovery funds. We are also
21 now working with a longer term program of FEMA called
22 the Recovery Support Function Program for FEMA. This
23 is something they have done in past storms. I know
24 they had a recovery support function presence here in
25 North Carolina following some of the earlier storms

1 along the coast from the last five years. There is one
2 of those teams focused entirely on natural and cultural
3 resources and I -- I was able to sit in on one of their
4 meetings, really their first meeting last Friday, to
5 talk about who in our department they needed to be
6 working with in terms of long-term recovery and what
7 are the needs, where they can help us within the
8 federal government to identify ways to get the
9 resources, the expertise we need. And so Will is one
10 of those individuals that I have already connected them
11 with. So as you all continue to have conversations
12 about what the long-term impacts of Helene have been in
13 your work in western North Carolina, he'll be able to
14 convey that to them. Just a couple of other updates;
15 previously we reported on the big EPA grant, the
16 Climate Pollution Reduction Grant, that we received on
17 behalf of four states and the Nature Conservancy. We
18 are in the process of not only finalizing all of the
19 paperwork for that, but also recruiting our first
20 director for that program. Written into the grant were
21 a number of positions here at DNCR to help us
22 administer that program. Not only on behalf of North
23 Carolina and what it will get, but we will be playing
24 that role on behalf of all four states and the Nature
25 Conservancy. So it's going to be a big focus of our

1 work for the next five years. There's going to be a
2 lot of alignment, I know, with the work that you do
3 with Land and Water Fund. So as we continue to proceed
4 with that project, we'll continue to make you aware of
5 who the players are, what are some of the priority
6 initiatives, particularly as they relate to land
7 acquisition and restoration work, where you may see
8 that particularly in the eastern part of the state.
9 That grant dovetails really nicely with some other
10 initiatives that we will be playing a leadership role
11 on. We are continuing to gear up for the
12 implementation of the goals set forth by Governor
13 Cooper in Executive Order 305, which was the Natural
14 Working Lands Executive Order that he announced last
15 February. I don't want to get ahead of Will, but his
16 team, particularly Misty Franklin with Natural
17 Heritage, has been working on the update of the Natural
18 Working Lands plan that will inform a lot of that work.
19 The conservation tax credit that he may talk a little
20 bit about as well will be a really important tool as we
21 try to achieve those goals that set forth by Governor
22 Cooper, such as the Million Acre -- Million Acres
23 Conserved and Million Acres Restored goals. There's
24 another partnership that we -- a number of other
25 partnerships that we are a part of, but one in

1 particular that is still in the development phase, and
2 it's a partnership with the U.S. Fish and Wildlife
3 Service with what they're referring to or what they're
4 calling their Albemarle-Pamlico Nature-Based Solutions
5 Project. This is, right now, a little bit further
6 along than concept. They just found out recently that
7 the Department of Defense is willing to commit some
8 resources to this partnership and the goal there is to
9 really focus on some of the areas in eastern North
10 Carolina near military bases. Some of you may be
11 familiar that there is an initiative called the Eastern
12 North Carolina Sentinel Landscape Initiative that DNCR
13 is a part of, along with other state agencies. We come
14 together -- we just had our meeting yesterday. We come
15 together to share what we are doing to try to help
16 protect areas around military installations here in
17 North Carolina and the eastern part of the state.
18 Will, yesterday, gave an update on the great work you
19 all have done with that being one of the key focus
20 areas you have and where your recent awards have gone
21 to support that work. So this new initiative that the
22 U.S. Fish and Wildlife Service is going to be leading
23 with, it appears, additional funding from the
24 Department of Defense will dovetail with some of the
25 goals and objectives of Sentinel Landscape. They very

1 much identified the new EPA grant, the Climate
2 Pollution Reduction Grant, that we're getting as a
3 timely initiative for what they would like to do and we
4 think there are going to be a lot of opportunities to
5 leverage these various programs. And once again, I
6 think, I'm sharing this with you right now for no other
7 reason than to make you aware of those initiatives, to
8 put them on your radar screen so that in the future, if
9 you have projects that come before you and people are
10 making reference to those programs because people are
11 going to be looking for that synergy between various
12 programs, that you'll at least be aware of that. And
13 I'm sitting in a meeting later today on that program.
14 Hopefully, after that, I'll have more information to
15 share with you. The last -- I'll wrap up by just
16 sharing with you some other funding success stories
17 within our department over the last couple of months.
18 I know that a number of projects come to you with
19 matching funds from some of our other programs here
20 within DNCR. A couple of weeks ago, the Parks and
21 Recreation Trust Fund met to award the state parks
22 portion of their funding. Those of you that are not
23 familiar, part of -- funds both local parks around the
24 state that local governments can apply for, but there
25 is also a significant portion of that that comes to

1 state parks for both land acquisitions and for capital
2 projects. When they met a couple of weeks ago, they
3 awarded 7.6 million dollars for state parks; 1.2
4 million dollars of that was for land acquisition. I
5 believe Will, at least one of those, might have been
6 related to a project that you all have funded in the
7 past. Will can clarify that for me if I'm wrong on
8 that. You've also heard a lot about trails funding,
9 coming out of the Year of the Trail and the great work
10 of the Great Trails State Coalition. Back in 2021, the
11 legislature funded 29.25 million dollars for our trails
12 here in North Carolina. They added an additional 5
13 million dollars in 2023, and some of that money was
14 earmarked specifically for certain projects in North
15 Carolina, but we were able to stand up a program called
16 the Complete the Trails Program. Just back in
17 November, an additional set of grants were awarded from
18 the Complete the Trails Program. 6.6 million dollars
19 for 17 projects around the state, and those 17 were the
20 land acquisition projects that benefited state trails
21 here in North Carolina. Now there are several buckets
22 of funding in that Complete the Trails Program. Those
23 awards were specific to land acquisition, but we also
24 have funding from that program for land -- not only
25 land acquisition, but capacity building, trail

1 development, and small community grants. So once
2 again, you'll begin to hear, probably if you aren't
3 already, how some of your partners are tapping into
4 those funds to do land acquisition for state trails and
5 -- and looking for opportunities where they can also
6 support protection of water resources across the state.
7 In 2023, those Complete the Trail funds were non-
8 recurring. We're continuing to get those funds out the
9 door. But in 2023, the legislature funded another non-
10 recurring fund called the Great Trails State Fund. I
11 believe there was in total 25 million dollars in non-
12 recurring funds that were awarded for that. I'm here
13 to report today that the applications for that closed
14 on, I believe, around November 11th. And they will be
15 looking to award those grants in April of this year.
16 So just an exciting time across the board for getting
17 trail projects on the ground, working with our partners
18 across the state. But once again, to put those trails
19 on the ground across the state, people are going to be
20 looking for opportunities to do other types of
21 conservation, where we have this opportunity to bring
22 different goals together in -- in the same project. So
23 I've probably spoken too long, Chairman Wilson, but I'm
24 happy to entertain any questions that anyone has, but
25 once again, thank you all for the incredible work that

1 you do.

2 Chairman Wilson: Thank you,
3 Jeff; wow, that was really inspiring and interesting;
4 and questions, comments from trustees for Jeff?

5 Vice-Chair Walser: So this is
6 Jason, and I just got to say, it's weird. It's kind of
7 surreal knowing that next time we meet, you may or may
8 not be in this job, Jeff, and it may be a completely
9 different team. Will may not be in this job, you know.
10 We have no control, and I don't want to opine on that,
11 but it does seem appropriate to thank you for the good
12 work you've done, Jeff. And I guess, Will, although I
13 think we'll be talking more to Will, I would assume so,
14 and hopefully. I don't know how this works, but Jeff
15 -- and I think most people on this call would not know,
16 Jeff buried his brother on Sunday and immediately left
17 directly from the cemetery to go back to Raleigh to do
18 the transition work that he's working on with his team
19 right now. You've been a consummate employee. I hope
20 we get to work with you four more years, or at least
21 whoever's in these chairs. We appreciate all that
22 you've done for the cause; thank you so much.

23 Deputy Secretary Michael: Well, you're
24 kind to say that, Jason, and I've never been through
25 this before. This is my first stint, other than with

1 the university system and state government. And, you
2 know, I certainly hope I'll have an opportunity to
3 continue to work with you in a meaningful way, in
4 whatever capacity that is. But you're a great group,
5 and I just really feel good about where you are, so
6 thank you. If there are no other questions, I'm going
7 to -- Chairman Wilson, I'm going to turn off my screen
8 and mute myself, but I'm going to continue to listen in
9 on your meeting until I have to step away for another
10 meeting.

11 Chairman Wilson: Thank you very much,
12 Jeff, and sorry to hear about your loss; okay, we will
13 now move on to the update from our Executive Director,
14 Will Summer.

15 Executive Director Summer: Thank you,
16 Mr. Chair; good morning, trustees, staff, and guests;
17 following up on one of Jeff's comments, I did report to
18 the Eastern Sentinel Landscape Committee yesterday, and
19 the stat that I reported to them was that in the 31
20 counties that they consider their working area for
21 military buffer protection, our 2024 grant cycle funded
22 roughly \$17.6 million that would eventually protect
23 over 2,800 acres. So really great to be able to talk
24 about those huge numbers in the area of the state that
25 protects the military mission; wonderful that Jeff gave

1 me a leeway on that. Following up on Deputy Secretary
2 Michael's comments on transition, this will be our last
3 meeting under this administration, and I would like to
4 make two points on that subject. The first is that
5 I've now worked in state government under four
6 administrations and even more permutations of
7 secretaries, deputies, directors, et cetera, and there
8 have been some really great folks in there, and without
9 taking anything away from them, I can say that we've
10 never had a chain of command with more experience and
11 dedication to conservation than this one. Two of them
12 have been in land conservation since the '90s, and the
13 other one recently signed an executive order setting a
14 goal of another million acres of conservation in North
15 Carolina by 2040. So it's a pretty light lift for me
16 to try to convince them to support what we do. The
17 second thing is that while there will inevitably be
18 changes with the new administration, I'm confident that
19 my team will continue to have excellent support in the
20 Stein administration. This is a good time to note one
21 of our victories in recent years. All North Carolina
22 Land and Water Fund staff, excluding me, are no longer
23 exempt from protections of the State Human Resources
24 Act, and this is the first transition since that change
25 was made, and I don't take that for granted. I mean,

1 we're going to have to update our letterhead, I'm sure,
2 but the NCLWF will have stability and continue to do
3 its work uninterrupted. I think that's worth noting.
4 Regarding the impact of Helene on our projects, we
5 continue to gather information both from our partners
6 and staff. We're focusing our primary survey efforts
7 on restoration projects right now, both because they're
8 more likely to be impacted and because changes on the
9 landscape from Helene can be -- can substantially
10 affect the design and cost for restoration projects.
11 While Helene may have impacted land and landowners in
12 the acquisition world, we don't anticipate this driving
13 project changes that need immediate board action. In
14 either case, we'll continue to work with our partners
15 to identify and address any project issues, as we
16 always do, and bring any project changes to you, as
17 necessary. At this time, we don't have any action
18 items for you as a direct response to Helene impacts.
19 Even where potential issues have been identified, the
20 appropriate solutions will take a little time to sort
21 out. Now I'd like to share a few items of positive
22 news from our organization. As Steve reported in the
23 Restoration Committee, two projects were recently
24 completed that over delivered on the benefits. The
25 Mountain Valleys RC&D Shade Your Stream project was

1 able to more than double the number of sites they
2 expected to complete. And the Conserving Carolina
3 Pleasant Grove floodplain restoration near Asheville
4 finished with roughly 30 percent more floodplain
5 storage than expected. These sorts of project wins are
6 often happening quietly in the background, and I think
7 it's important to recognize and highlight them when we
8 can. I looked at my notes for this meeting last year,
9 and I reported to you then that the acquisition program
10 completed a total of 32 closings to that point. As we
11 sit today, the same total for this year is 40 closings
12 for more than 12,000 acres, and we may have a few more
13 before the end of the month. I'm thrilled with the
14 continuing trend in the right direction, and I hope to
15 report an even larger number to you next year. One
16 more piece of great news to share, Will Price and his
17 wife Adrienne welcomed a baby girl, Laurel -- Laurel
18 Gray, to the world recently, and everyone is healthy
19 and happy, and Will's back working on the call today.
20 Looking ahead, we're gearing up for the 2025 grant
21 cycle, and I'm in the process of setting our board
22 meeting schedule for the year. We will largely follow
23 the same schedule as last year, with two in-person
24 meetings in May and October, and three virtual meetings
25 in March, August, and December. I can share that our

1 board retreat in May will be in Salter Path, and I'm
2 looking forward to seeing some of the work we've done
3 out there on the coast soon. I'll share dates on these
4 meetings soon. Today, we have an even dozen items
5 coming from three committees, so it's a pretty full
6 agenda. Our goal is to strike the right balance
7 between just reading the committee recommendation and
8 redoing hours of in-depth discussion, so staff is going
9 to present a slightly higher-level overview of these
10 items from the committee meeting, but we'll be prepared
11 to have as much discussion as you need. That's it.
12 Let's move forward, and, Mr. Chair, that concludes my
13 report.

14 Chairman Wilson: Okay, thanks, Will;
15 any questions, comments for Will before we get going;
16 all right, hearing none, we will now move on to the
17 public comment section of our meeting. Before I open
18 the floor to public comments, I want to remind our
19 guests that North Carolina Land and Water Fund
20 Guidelines and Procedures Manual states the comments
21 should be limited to subjects of business falling
22 within the jurisdiction of the North Carolina Land and
23 Water Fund. We welcome public comments on general
24 issues, but comments will not be allowed on individual
25 projects before the Land and Water Fund for funding

1 during the regular meeting. Comments limited to three
2 minutes per person. With that, are there any public
3 comments?

4 Executive Director Summer: Mr. Chair, I've
5 not been made aware of anybody that wanted to speak
6 today.

7 Chairman Wilson: Okay, all
8 right, then we will move on to the business portion of
9 our agenda, and we will start with the Restoration,
10 Innovative Stormwater, and Planning Committee, which
11 has recommendations, and I'll turn it over to Chair Ann
12 Browning.

13 Restoration Chair Browning: Yes, thank you,
14 Mr. Chair; I'll just say as a preamble that our
15 committee met on November 15th and had a third
16 discussion of the four items that we bring as
17 recommendations to the board today. So there was
18 resounding support for these items, and I will get over
19 to Steve to walk us through them.

20 Mr. Bevington: Thank you, Madam Chair;
21 I'll share a screen. I have a PowerPoint. If I hit
22 the right button, share this one down, there we go. I
23 hope everyone can see my screen at this point. All
24 right, the first item one the -- that the committee
25 considered last month was construction contract

1 extensions. I think most of you know that for our
2 projects by state law, any projects involving
3 construction funds, when we establish a contract, has
4 one year within that to enter into a subcontract for
5 construction work. Obviously, the idea is to not allow
6 grantees to park money for long periods of time before
7 getting down to work. Occasionally, a few projects do
8 sort of drift off the edge of that for what we hope is
9 reasons beyond their control. But it does allow you
10 the chance to review these projects, and unless you
11 give permission a word is withdrawn, again by state
12 law, and your mandate is given to you in the enabling
13 legislation for the North Carolina Land and Water Fund.
14 That said, there are two in front of us today, two
15 requests to extend construction contract deadlines.
16 The first is from the -- from Audubon, North Carolina,
17 a project out on Pine Island on the coast. They
18 experienced some difficulties getting their permits.
19 They do have their permits in hand now. And the
20 concerns were about very sensitive coastal wetlands
21 that are out there in the project area, and I'll show
22 you a quick map of that in just a second. The issue
23 has been resolved, but did result in a delay. So they
24 are unable -- were unable, within a year, to get their
25 contractor online under a contract. They're requesting

1 an extension that's from -- essentially allows them to
2 continue the project. And they expect to have that and
3 would be in a contract, if you so approve, to get a
4 subcontract established before June 30th of next year.
5 Very quickly, the project, the small pond off to the
6 right, upper end of the project area, is right now is a
7 square waterfowl impoundment that is very unnatural.
8 They're converting it to a more natural marsh. And the
9 blue line connecting the two is what their intended
10 design was to sort of connect to the estuary, the upper
11 pond. Agencies felt that was overly disturbing, so
12 they're actually going to use, you may see, I'm not
13 sure if you can see my mouse, but there's an existing
14 ditch. And they're going to drain this pond through
15 the existing ditch and therefore avoid any
16 complications. So that -- that permit is now
17 proceeding and if you chose to go on, that would be --
18 they'd be on schedule to finish the project that was
19 originally contracted. Second project with the same
20 extension request, similar extension request, is the
21 City of Raleigh, just north of where I'm sitting right
22 now in the urban part of Raleigh. The Upper Durant
23 Lake Watershed, excuse me, Wetland Restoration Project,
24 and they essentially had project managers left for
25 other opportunities. They now have a new engineer in

1 place who's picking up the project, but they did miss a
2 bid deadline, and again, extension request to June 30th
3 of 2025 to get subcontractors under contract. And this
4 actually is a fantastic project. They looked at many
5 different options to connect these two lakes again.
6 And they've decided instead of maintaining the upper
7 lake as an impoundment, they're actually going to
8 convert it into a wetland. So that would be -- go
9 forward if you so choose. So both projects would be on
10 track to be completed despite their delays in
11 permitting and securing a contract -- subcontract for
12 construction. The committee did recommend to accept
13 both extensions as requested. So what's in front of
14 you today is the motion to accept both contracts'
15 extensions. And I've written out a detailed list of
16 the two motions there for your action. Madam Chair,
17 that's my report on this one. And I can stop sharing
18 if you'd like or leave this up as you wish.

19 Restoration Chair Browning: Okay, nothing
20 else to add from me; these were unanimously supported
21 by our committee.

22 Chairman Wilson: Okay, thanks, Steve
23 and Ann; this comes to the full board from the
24 committee. So as a motion, so we do not need a second
25 on this, but any discussion? And we can take both of

1 these at the same time; any discussion of this before
2 we vote? Okay, hearing none; these are motions to
3 extend projects -- oh, go back in your email.

4 Mr. Bevington: Sorry, John;
5 I'll go right back.

6 Chairman Wilson: I'm sorry.

7 Mr. Bevington: Sorry about
8 that.

9 Chairman Wilson: Okay, that's
10 fine.

11 Mr. Bevington: Beautiful
12 timing.

13 Chairman Wilson: Motions to
14 extend those -- motions to extend those two projects
15 that were just presented, and that's 2020-404 and 2022-
16 436. How do you vote, please; Jimmy?

17 Mr. Broughton: Yes.

18 Chairman Wilson: Ann?

19 Restoration Chair Browning: Yes.

20 Chairman Wilson: Clement;
21 Clement, I'm not hearing you. You might be muted.

22 Mr. Riddle: Sorry about
23 that.

24 Chairman Wilson: Oh, you are
25 muted.

1 Mr. Riddle: Yes.

2 Chairman Wilson: Okay, thanks;

3 Mike?

4 Mr. Rusher: Yes.

5 Chairman Wilson: Mike, how do --

6 oh, good, okay; Jason?

7 Vice-Chair Walser: Yes.

8 Chairman Wilson: Darrel?

9 Mr. Williams: Yes.

10 Chairman Wilson: And John is a
11 yes also; okay, back to you, Ann and Steve.

12 Mr. Bevington: Next item is going
13 upstream to our executive director through Madam Chair.

14 Restoration Chair Browning: Take it away,
15 Will.

16 Executive Director Summer: Let me share
17 the proper screen here. All right, so this item is for
18 the Restoration, Innovative Stormwater, and Planning
19 Committee, but I will be bringing you a very, well, in
20 fact, an identical item for the Acquisition Committee
21 later. So we'll discuss it a little now and much less
22 in the next round. So 20 percent of the score in each
23 of our funding programs comes from matching funds,
24 which is based on two properties. One is the amount of
25 match in relation to the total budget, and two is the

1 source of match, be it private, state, or federal
2 funds. The way this works is that we incentivize a
3 higher match; more match is better, and we incentivize
4 the source to be private funds over federal funds over
5 state funds. So we like other money better than state
6 money. So if you have a lot of match from private or
7 nonprofit sources, our system incentivizes that. And
8 this is an excerpt from our current rating system.
9 Private funds are given a multiplier of 0.22. Federal
10 or local government funds are given a slightly lower
11 multiplier of 0.18. And other state funds are given a
12 still lower multiplier of 0.14. And this is an example
13 from the rating system, so you can see that the 30
14 percent of match coming from private funds in the first
15 match source column results in 6.6 points, but the same
16 30 percent coming from federal or local governments
17 results in slightly fewer 5.4 points. So what staff
18 and the committee are recommending is that we specify
19 that the points for funding type are only awarded if
20 the match is secured, and that non-secured match be
21 given a slightly lower multiplier of 0.1. So we've
22 modified the first three to simply add secured in front
23 of the fund source and then added a fourth tier of
24 unsecured match with a multiplier of 0.1. And in this
25 case, you can see that 30 percent match from the

1 highest bin of private funds gets you 6.6 points, as it
2 did in the previous example, but an unsecured match at
3 the same 30 percent would get you 3 points, resulting
4 in a lower score. The reason for this is really to
5 better align the rating system with the intent and
6 perhaps reduce the incentive for gaming the system a
7 little. So as it is today, if you don't have secured
8 funds, you might be incentivized to say they were
9 private, even though the most likely source was state
10 or federal and maybe you had a grant application into
11 those sources. And if that did turn out to be the
12 case, two things would happen; one, that the score
13 would drop later in the project, and then two, the
14 eventual likely funding source would have been obscured
15 from staff. And that's a little important because it
16 prevents us from being able to proactively address
17 complications when we're working with certain federal
18 or state programs. It's good to know right up front.
19 It impacts the strategy for paying for design and
20 construction restoration projects. It impacts the
21 strategy of how to appropriately divide up the
22 conservation strategies on the landscape for
23 acquisition projects. So we believe this system is
24 more appropriate to give credit only when the matching
25 source is secured. So just to kind of see what this

1 would do, we ran last year's applications through this
2 proposed change just to see what would happen. As you
3 can see, most of the projects, 19 out of 26, did not
4 change. Three projects lost one point. Two lost two
5 points. And two lost three points. It did result in a
6 shuffling of the list. Some projects moved up. Some
7 projects moved down. But in 2024 in the restoration
8 program, it actually didn't move anything across the
9 funding line, so it wouldn't have changed the funding
10 results. So the committee recommendation is to change
11 the value system of the application rating system for
12 Restoration, Innovative Stormwater, and Planning
13 applications so that only secured matches are given the
14 additional points associated with source and that a
15 lower multiplier of 0.1 be used for any unsecured
16 match; and with that, I'll take any questions.

17 Restoration Chair Browning: I'll just add
18 that we did have a long discussion about this. We
19 looked at a number of different examples. There have
20 been some on-the-fly sort of adjustments, and we felt
21 like this fixes something that is helpful, to kind of
22 make clear for the sources of matching funds, and also
23 the perspective changes in the points felt appropriate
24 from our perspective. So we did have a thorough
25 discussion.

1 Chairman Wilson: All right,
2 thank you, Will and Ann; this committee-recommended
3 change is before us to vote on; any more discussion?
4 This is to change the value section of the ARS for
5 Restoration, Innovative Stormwater, and Planning
6 applications so that only secured matches are given
7 additional points associated with the source and that a
8 lower multiplier of 0.1 be used for any unsecured
9 match.

10 Stewardship Manager Mercer: I was just
11 going to say I think we're overdue doing this. I
12 wholeheartedly support it.

13 Chairman Wilson: Thank you,
14 Jason; I feel the same way. Any more comments before
15 we vote; okay, and I've got my voting list here. How
16 do you vote, please, Jimmy?

17 Mr. Broughton: Yes.

18 Chairman Wilson: Ann?

19 Restoration Chair Browning: Yes.

20 Chairman Wilson: Clement?

21 Mr. Riddle: Yes.

22 Chairman Wilson: Mike?

23 Mr. Rusher: Yes.

24 Chairman Wilson: Jason?

25 Vice-Chair Walser: Yes.

1 Chairman Wilson: Darrel?

2 Mr. Williams: Yes.

3 Chairman Wilson: And John is a
4 yes also. Thanks, everybody; all right, going now to
5 the application rating system update, cost construction
6 table, that's back to Steve and Ann.

7 Mr. Bevington: Thank you;
8 Madam Chair, I'll jump in if it's okay with you or you
9 have comments ahead of me.

10 Restoration Chair Browning: Please do.

11 Mr. Bevington: Thank you; all
12 right, let me share my screen again. So we have two --
13 the next two items I'll present, this one and the next
14 one are both further adjustments that are proposed to
15 the application scoring system, application rating and
16 ranking system, I should really say. And for
17 restoration projects only, applications receive points
18 for effectiveness for several reasons, but one is
19 defined the total cost of construction or design per
20 linear foot, and they get up to ten points awarded
21 really just to look for efficiencies. I think it's an
22 important part of any construction project, just to
23 make sure it's cost effective. This cost table we used
24 to sort of put things into different bins of how many
25 points they get from 0 to 10, obviously it needs to

1 reflect current costs, and it was last adjusted in
2 2018. However, as some of you may believe and
3 experience personally, it has been with different
4 social economic reasons, some major increase in
5 construction costs recently, which we believe is sort
6 of a more or less, I don't want to say permanent, but
7 the current state of affairs in terms of construction
8 costs in North Carolina as it relates to restoration
9 projects. And that may have been around 30 percent is
10 what we're seeing in different statistics. Just to
11 give it very quickly, there is no -- I don't have
12 fantastic numbers on restoration projects in
13 particular, although we are seeing increased demands in
14 our application budgets that come in every year, but
15 looking at the cost of earth moving equipment related
16 to housing, through '19 through '23, seeing about a 33
17 percent as reported in North Carolina by home builders
18 in terms of cost to site development. Another example
19 from Department of Commerce is increased in materials
20 and components, again, related to different kinds of
21 construction activities is much more generic than just
22 ours, but again, seeing sort of about a 30 percent, 33
23 percent increase in costs. And our applicants have
24 certainly shown that in what they're presenting to us.
25 The upshot of that is in the last three cycles, our

1 applications as they come in and are scored have
2 received really very low scores out of the 10
3 available. So the average in the last three cycles has
4 only been three points of the 10 available, with the
5 most frequent score being 0. In other words, a lot of
6 projects are just proposing costs that are outside of
7 the bounds of any of our cost bins. For points, that's
8 fine. The most expensive ones probably shouldn't get
9 any points. But it does seem like there's an awful lot
10 of projects getting a zero these days, just reflecting
11 that maybe perhaps our cost range is out of balance.
12 And the average efficiency score last year was just a 2
13 for costs, which I think really points out, again, with
14 10 available, points are distributed pretty far down
15 towards the low end of the table. Interestingly, it's
16 really bimodally. So if you see, there are quite a few
17 projects that's got 0, but there are also quite a few
18 that get, like four projects got 10s. And this really
19 reflects that we see two big kind of projects. We see
20 full-on earth-moving restoration projects that are
21 establishing new floodplain benches. And then we see
22 projects that are simply enhancement projects that are
23 doing some plantings, and the costs actually are quite
24 low. And they were awarded with a 10, and I think that
25 should continue. What has been proposed is to look at

1 this table. I know it's a bit messy. We're not
2 proposing any changes to design costs. For design-only
3 projects, they score in the first two columns. But we
4 are proposing that we sort of reexamine these, again,
5 just bring them up by about 30 percent from a maximum
6 of \$500.00 per linear foot, which is quite expensive,
7 but to allow at least one point, if you're below
8 \$600.00 per linear foot. I will point out that other
9 agencies do pay these large amounts. It seems kind of
10 shockingly expensive, I know, but for full delivery,
11 which includes monitoring for five years and
12 everything, Division of Mitigation Services is paying
13 over \$700.00 per linear foot of stream restoration
14 projects in specific basins of North Carolina. So
15 these are completely out of range of what other
16 agencies see in terms of justifiable costs. Anyway,
17 this is what we're proposing to adjust. The upshot of
18 that would be the graph on the left is sort of showing
19 the distributions we scored last year, and potentially
20 a more balanced scoring. There's still some small
21 numbers sort of jumping around in the histograms of
22 getting 0 points to 10 in the -- if we went with a
23 modified cost table, but a more even distribution, I
24 think, sort of spreading the points out to reward
25 people's intermediate efforts in achieving efficiency.

1 So the committee did see this as a valuable idea to
2 explore. Their recommendation is in front of you and
3 I'd be happy to answer any questions about this
4 committee recommendation. Again, it refers back to
5 that red line version that I can flip back to if
6 anybody would have questions about how the actual
7 application ranking system would be changed in the red
8 line version that was in your materials. With that,
9 Madam Chair, --

10 Chairman Wilson: Yeah, Ann,
11 anything you want to say?

12 Restoration Chair Browning: No, just that
13 the committee felt that this adjustment better aligns
14 with current realities and makes this element of the
15 scoring more effective, so we were all supportive.

16 Chairman Wilson: All right,
17 thanks to you all; the committee is recommending
18 increasing the cost brackets by approximately 30
19 percent upward as described in agenda materials to
20 restore a balanced distribution of scoring points. Any
21 discussion of this before we vote; okay, hearing none,
22 how do you vote, please, Jimmy?

23 Mr. Broughton: Yes.

24 Chairman Wilson: Ann?

25 Restoration Chair Browning: Yes.

1 Chairman Wilson: Clement?

2 Mr. Riddle: Yes.

3 Chairman Wilson: Mike?

4 Mr. Rusher: Yes.

5 Chairman Wilson: Jason?

6 Vice-Chair Walser: Yes.

7 Chairman Wilson: Darrel?

8 Mr. Williams: Yes.

9 Chairman Wilson: And John is a

10 yes. All right, thank you very much, and we will go
11 back to Steve for the final item on our committee's
12 agenda, application rating system update, consideration
13 of wetlands and resource significance score.

14 Mr. Bevington: All right,
15 Madam Chair, with your permission, I'll proceed
16 straight to the slides about this one.

17 Restoration Chair Browning: Yes.

18 Mr. Bevington: All right,
19 thank you; this one is considering wetlands and the
20 resource significance score of our application systems
21 for planning and restoration. Innovative stormwater
22 does not score for resource because it's sort of --
23 weirdly we pay for the idea in innovative stormwater
24 projects. But for these two areas that do have
25 important natural resource improvements as part of

1 their charter, restoration and planning, we propose to
2 examine wetlands in particular. Right now the system
3 allows for exceptional wetlands and unique wetlands as
4 described by agencies in North Carolina to be scored,
5 but not general wetlands -- not general wetlands. I
6 think many of you are probably aware there was a
7 Supreme Court case that has somewhat limited the
8 regulatory ability of agencies such as DEQ or EPA to
9 regulate wetlands across North Carolina. And so with
10 wetlands receiving less protection through regulatory
11 action potentially in coming years, it seemed
12 appropriate to at least look at the application rating
13 system to see if there was a place to put in wetlands
14 to recognize their importance as a natural resource in
15 the landscape, where in the past we had sort of assumed
16 it was being -- those wetlands being protected as sort
17 of a backstop by regulatory action that may or may not
18 be there in the future. So while we do -- staff really
19 propose that we do look at that and incorporate into
20 the application rating systems, and the points that
21 really recognize the significance that wetlands do play
22 in preserving and enhancing water quality across our
23 state. And so we're looking at wetlands that are
24 either on or hydrologically connected to project areas,
25 and the resource significance score be set at a value

1 of about 5 points, which is a low score, but I'll show
2 sort of the context of why that score is not at the
3 top, even though wetlands are essential to the habitats
4 that produce resources and water quality for North
5 Carolina. So this is the application ranking system
6 for projects at present. Is it with a red line
7 addition, highest points out of 15 for restoration
8 applications being really for outstanding resource
9 waters or waters that are actively described as
10 impaired by the state, and shellfish waters as well,
11 that are producing oysters for delicious dinners. All
12 the way down to 3 points for projects that are sort of,
13 you know, important features, but maybe not as dramatic
14 as outstanding resource waters. You may see
15 highlighted at 9 points are the two unique and
16 exceptional wetlands scoring, the place that previous
17 committees and boards felt that they should score, and
18 those would remain. So we sort of thought something
19 below that to recognize their importance in the
20 landscape, wetlands in general, understanding that
21 wetlands are pretty common. There's 17 percent of our
22 landscape in North Carolina is a wetland, a lot of that
23 on the eastern part of the state, obviously, but
24 they're a prominent feature and they need to stay
25 there. So anyway, we're proposing, and the committee

1 reviewed this as well, to consider adding wetlands or
2 hydrologically connected wetlands. In other words, if
3 you change the water level on your project area, do you
4 change the level on your adjacent wetlands, to give
5 those five points to really allow them to describe
6 important natural resources of the project being
7 preserved? It's a little bit different for planning
8 application as they sort of define an entire watershed
9 with 17 percent, maybe 5 percent to 10 percent of land
10 cover being wetlands in most of the state that isn't
11 coastal. We sort of just really wanted to highlight
12 project areas that are targeting or where wetlands are
13 prevalent receive some intermediate points as well for
14 natural resource score, so that's how that is written,
15 and the materials are provided to you ahead of time.
16 So I think the committee and Madam Chair can -- can put
17 her own spin on this, but did feel that this importance
18 in protecting wetlands remains and with potentially
19 less regulatory action available to resource agencies
20 in the future, it might be important to acknowledge
21 them in our scoring system. So their recommendation
22 was to add wetlands that are hydrologically connected
23 to or on the project area to the resource significance
24 section for both restoration and, again, that 20
25 percent of project area for planning projects be

1 included into our new version of the planning
2 application rating system. That's my report. I'm
3 happy to answer any questions about exactly why we
4 ended up on 5 points or how you feel about this in
5 general.

6 Restoration Chair Browning: And I'll just
7 echo Steve's comment about how important the committee
8 felt and how timely they thought it was to address this
9 in our scoring system. We did have a lengthy
10 discussion about what hydrologically connected meant,
11 and our staff and committee member Clement were very
12 helpful in helping us all kind of wrap our heads around
13 that.

14 Chairman Wilson: That said,
15 Steve, can you go back to the previous slide?

16 Mr. Bevington: This one, you
17 believe? This is what you want to see?

18 Chairman Wilson: No, go back.
19 I'm sorry. Go back to the one that you just showed us.

20 Mr. Bevington: Oh, I'm sorry.
21 I'm not -- tell me, --

22 Chairman Wilson: No.

23 Mr. Bevington: -- what are you
24 looking for?

25 Chairman Wilson: That one.

1 Mr. Bevington: Okay.

2 Chairman Wilson: That one; I'm
3 looking for the one that's got the red line on it.

4 Mr. Bevington: Oh, I think
5 there's a good way --

6 Chairman Wilson: Okay, right
7 there.

8 Mr. Bevington: Great.

9 Chairman Wilson: You've got the
10 word hydraulically, but then on the --

11 Mr. Bevington: Oh,
12 hydrologically --

13 Chairman Wilson: -- on the --

14 Mr. Bevington: Exactly
15 correct; I've inserted the wrong slide. I had another
16 one with hydraulically. We did, Clement and others
17 brought this difference between hydraulically and
18 hydrologically connected, and I will take your
19 advisement in all of my other materials under the
20 proper slide I did put in hydrologically. I think both
21 words actually work technically, but it was felt by the
22 committee, and I agree with them. It's much more clear
23 to describe as wetlands that are on or hydrologically
24 connected to the project area. So I apologize. That
25 is an error. It may have gone on your materials as an

1 error. I apologize about that. This -- the committee
2 recommendation was, as it's written here, I believe,
3 and, Ann and Clement, please make your own committee
4 recommendation clear, but this is the language that
5 should have been there in the red line, and I would
6 certainly include that as part of the motion, the board
7 action to use the word hydraulically --

8 Chairman Wilson: Hydrologically.

9 Mr. Bevington: --

10 hydrologically. You know, I'm not an engineer.
11 Obviously, at this point I've exposed that and there
12 are engineers who identify hydrologically as a better
13 word to communicate this, yes.

14 Restoration Chair Browning: Thanks, John,
15 for picking up on that.

16 Chairman Wilson: Okay, any more
17 discussion; this slide, the committee recommendation
18 slide, is what we are voting on. Any more discussion
19 of this; this is coming from the committee to add
20 wetlands that are on or hydrologically connected to the
21 project area to the resource significance section at a
22 value of 5 points to the restoration ARS and add
23 wetlands that make up more than 20 percent of the
24 project area to the resource significance section at a
25 value of 5 points to the planning ARS. Any more

1 discussion; all right, I will ask for you to vote then,
2 please, on this motion from the committee; Jimmy?

3 Mr. Broughton: Yes.

4 Chairman Wilson: Ann?

5 Restoration Chair Browning: Yes.

6 Chairman Wilson: Clement?

7 Mr. Riddle: Yes.

8 Chairman Wilson: Mike?

9 Mr. Rusher: Yes.

10 Chairman Wilson: Jason?

11 Vice-Chair Walser: Yes.

12 Chairman Wilson: Darrel?

13 Mr. Williams: Yes.

14 Chairman Wilson: And John is a
15 yes, also. I think that does it for the Restoration,
16 Innovative Stormwater, and Planning Committee. Ann, is
17 there anything else that you or Steve or Will want to
18 say?

19 Restoration Chair Browning: Nothing from
20 me; thank you, guys.

21 Mr. Bevington: Thank you, all,
22 yeah.

23 Chairman Wilson: Thank you, all
24 right; we are going to move on to consideration of
25 recommendations from the Acquisition Committee. And

1 our chair, Amy Grissom, is unable to be with us today.
2 But fortunately, we have a former chair of the
3 Acquisition Committee, Jason Walser, who is also the
4 vice chair of the board. So, Jason, I'm going to hand
5 it over to you to run this committee, these
6 recommendations, please.

7 Vice Chair Walser: Thank you,
8 John; I appreciate that. And with no further ado, I'll
9 call Marie to come up and talk to us about the Topsail
10 Island Project.

11 Ms. Meckman: Thank you, Mr.
12 Walser, and good morning to everyone; the item I'm
13 going to be discussing this morning is a scope change
14 request from the North Carolina Coastal Land Trust and
15 this is related to our 2024 project, South Topsail
16 Beach that many of you will remember awarding back in
17 October. This is related to a change in acreage. And
18 at the original presentation, we did reveal that there
19 were about 147 acres available on this property. And
20 as you can see in the red line, that is the southern
21 tip of this island. The yellow rectangle there is an
22 outparcel that we're using for the Coastal Land Trust
23 will be using for parking, and that will be transferred
24 to the town of Windsor. Otherwise, this property will
25 be transferred to the state and managed by the Division

1 of Coastal Management. What happened is a new survey
2 was done this late summer, early fall, and it showed
3 the property area to actually be 97 acres, so we lost
4 about a third of the acreage on the island. They do
5 believe that this erosion was related to two hurricanes
6 in late '23 and '24 and dredging in the inlet area,
7 that occurred in 2024. This is unusual, and they did
8 go -- Coastal did go and visit with some experts on
9 this. This is very unusual because in typical
10 patterns, that end of the island was seeing accretion,
11 and they looked at all the way back 100 years, and
12 there was always accretion on that end of the island
13 rather than erosion. So they do believe that this --
14 these events did adversely affect that land area. But
15 over time, that would increase again and, of course,
16 there's no proof of that. But overall, for our
17 concerns, we look at when the acreage is dropped, you
18 know, what are we talking about? And so the increase
19 -- and there is an increase in unit costs. They did
20 have an appraisal reviewed again to say, you know, the
21 acreage has dropped, so what is going on with the land
22 value? The reviewer came in early September to look at
23 the appraisal, looked at the survey, and determined
24 that the land value only dropped by \$300,000.00, which
25 seems unusual with that much acreage. But as we talked

1 about in the committee, and I'm sure others may want to
2 discuss this, the land value that was lost was
3 primarily the land area that was really not developable
4 all along the coastal area. As you can kind of see
5 here with this image, if you compare it to the original
6 image, you can see that the land area that's cut off is
7 all of that on the coastal side of the island. So the
8 property did decrease in value. We reduced the award
9 by \$158,000, I believe, and that's about half of what
10 the value dropped, so Coastal took half of that as
11 well. So the committee recommendation unanimously
12 approved the reduction of scope from 147 acres to
13 approximately 97 acres. We do have, as I said, a small
14 reduction in the award, and the board action needed is
15 to approve, amend, or deny the committee
16 recommendation; any questions?

17 Vice-Chair Walser: Thank you,
18 Marie; I think you said Windsor in there, and I saw
19 Jimmy light up. I think you meant the Town of Topsail
20 Island will receive the parking area, is that right?

21 Ms. Meckman: Yes, thank you;
22 I'm working on another project.

23 Vice-Chair Walser: I know which
24 project you're talking about. And this project did
25 receive a lot of discussion in the Acquisition

1 Committee, and obviously there's, I just want to say
2 it, there's going to be, or there will be more of these
3 types of projects on the coast. Hopefully, there will
4 be plenty more of these where the dynamic shorelines
5 just can change dramatically and quickly, and I guess
6 that's true for the mountain landscape now, too, now
7 that I think about it. But the recommendation was
8 unanimous, and I think it's still worthy of some
9 questions and discussion for the full board to go from
10 147 to 97, but it's still effectively the same project,
11 I think, as where we all came down, just less of it.

12 Restoration Chair Browning: Marie, can you
13 go back to the score? So can you help us understand
14 why the score went up?

15 Ms. Meckman: Oh, yes; sorry
16 about that; I did want to tell you that, so go back
17 here. I don't have really a description of the score.
18 What happened with the score was they did change a
19 match source, and it went from federal to private, so
20 their score actually went up two points, which is
21 unusual. But as we were talking about earlier with the
22 -- with the matching sources changing, they do change
23 quite a bit, and so they did actually go up in score.
24 You know, that doesn't affect our ability to change
25 unit price or anything like that, but it does change

1 the score.

2 Chairman Wilson: So when we
3 consider a reduction in scope, do we also allow it to
4 be rescored?

5 Ms. Meckman: Yes, actually,
6 any kind of scope change that comes in, the first thing
7 I do is look at, did we lose natural area? Did we lose
8 riparian linear footage? You know, all of those things
9 are addressed. And one of the things that did come up
10 was historic area. We don't know where the ship is, so
11 there was no -- there was really no address -- we did
12 not address that. However, even if we did take away
13 the historic score, it would only be a 77, which would
14 definitely have been funded. So to answer your
15 question, we do look at all of the different elements
16 within the score when we have a scope change, just to
17 make sure.

18 Chairman Wilson: Okay, and one
19 more quick question, should the committee
20 recommendation also include that the amount of the
21 grant -- the amount of the award is going to change or
22 is that not necessary? Do we just need full board
23 action on the reduction of scope in the acreage?

24 Ms. Meckman: That's a good
25 question. What do you think, Will?

1 Executive Director Summer: I'll chime in.
2 I think in the longer presentation of the committee, I
3 think, if I'm not mistaken, this is one where there are
4 some staff level changes. And if I'm not mistaken,
5 this scope change is the only one that's at the full
6 board level. Please correct me if I'm misremembering
7 that, but that's my understanding of the case.

8 Ms. Meckman: Oh, you're
9 correct, yes, --

10 Executive Director Summer: Yeah.

11 Ms. Meckman: -- and that's
12 why.

13 Vice-Chair Walser: So, John, what
14 you're saying is we should approve the committee
15 recommendation, which includes scope change and the
16 grant award change? Is that what you're saying?

17 Chairman Wilson: No, it was just
18 a question, and they answered it. The only thing that
19 rises to board level in terms of decision matrix
20 changes is this reduction of scope in acreage. The
21 award change would be so minimal that it actually is a
22 staff level decision. So all the board needs to do is
23 do the reduction of scope in acreage.

24 Vice-Chair Walser: Okay, thank
25 you.

1 Ms. Meckman: I was just
2 showing briefly the decision matrix to show those --
3 those three percentages and what is required by the
4 full board. So that percentage change is what we are
5 concerned about, and the unit cost and total project
6 scope.

7 Chairman Wilson: So, Jason,
8 we're good with the --

9 Ms. Meckman: I hope that
10 helps.

11 Chairman Wilson: That does help.
12 Yeah, we're good with the committee recommendation
13 here.

14 Vice-Chair Walser: Any other
15 comments or questions?

16 Mr. Riddle: Yeah, I have a
17 question, and I'm not sure if it changes my vote, but
18 what happens as this island expands and new land
19 accumulates on the southern end of that, who becomes
20 the owner of that?

21 Ms. Meckman: I believe the
22 boundary as it expands, you know, stays with that
23 property owner unless it's, you know, expanding
24 elsewhere outside of that. I believe that we talked
25 about this a little bit and Zoe was kind enough to

1 speak up a little bit about boundary markers and how
2 that works on the coast, and if she wouldn't mind,
3 maybe she can jump in on that.

4 Ms. Burnet: Hi, everybody;
5 I think that it will really depend on how this
6 description is actually phrased. Oftentimes, if it is
7 phrased and connected to the property inland, then yes,
8 as the land expands, that would still be considered
9 under that same legal description, especially based on
10 the shape of this tract. I think that's how it's going
11 to be built without looking at the exact legal. I
12 can't tell you for sure, so.

13 Chairman Wilson: Yeah.

14 Mr. Riddle: Yeah, it's just
15 good to know who the long-term owner of any new land
16 would be, so, yeah.

17 Vice-Chair Walser: I'm going to
18 sound a little pretentious in saying this, but I took
19 real estate law in law school with a guy named Joseph
20 Calo, who literally has written a book on this and many
21 law review articles. And I will say it -- the question
22 is a much deeper question than probably we're going to
23 answer on this board call today, but I think generally
24 the answer you have is the right one, that it accretes
25 to generally the people that own the high ground, but

1 there is a public trust doctrine that gives the coastal
2 frontage access to the people, to the public. So
3 there's a lot more there that I don't fully remember,
4 but it's a much more complicated question than just if
5 land accretes, you get to keep acquiring more land.
6 It's nuanced.

7 Mr. Riddle: Thank you.

8 Vice-Chair Walser: Any questions
9 or thoughts?

10 Chairman Wilson: This is helping
11 me with the question that I asked during the committee
12 meeting, and just to think about it briefly again,
13 let's imagine you own a square, a perfect square of
14 land, and it's an acre. But imagine that there is so
15 much movement in the position of, you know, accretion,
16 et cetera, that literally your little island moves
17 completely outside of that one acre square. Do you
18 still own an acre of, let's call it sand, or did it
19 move out of those four corners that were clearly
20 identified by longitude and latitude, and therefore you
21 don't own anything anymore because it completely moved?
22 Something that helps me as I think about it more is we
23 would never buy or put state funds into a project that
24 is potentially going to completely move because there's
25 got to be something to anchor it and keep it in place,

1 at least the valuable part that has conservation
2 resources, like on this project, where the valuable
3 part of the land is high enough above sea level to
4 where it ain't going to move. And that's really what
5 we're buying and has the majority of the value in this
6 case. But it did raise potential conversation for a
7 future day of how deeply do we want to go in evaluating
8 proposals of what's going to happen in 20, 50, 100
9 years in terms of sea level rise, potential movement.
10 You know, how do we -- how do we remain wise stewards
11 of state money with projects, particularly in the
12 coast, that are going to be moving around a lot? So I
13 don't know if that amounted to anything, but it's just
14 sort of me working this out in my own head.

15 Mr. Riddle: Well, it's
16 definitely an important question. It definitely will
17 shift, maybe not in our time, but I was just curious
18 how that had been thought out and how do you protect
19 that in the long-term?

20 Vice-Chair Walser: I --

21 Mr. Riddle: And I don't
22 know the answer to it either, of course, but I'm
23 just --

24 Vice-Chair Walser: Go ahead,
25 Jimmy.

1 Mr. Riddle: -- plenty of
2 thought in it.

3 Mr. Broughton: I was just
4 going to say, those sands shift. You get a certain
5 kind of storm, a certain direction of wind, and, you
6 know, I've seen that firsthand, and that's just what's
7 going to happen. That's a very good question and
8 something we ought to really think about in the future.

9 Vice-Chair Walser: I was going to
10 proffer that, you know, it's really not just a beach
11 issue and hasn't been. We have changes in streams and
12 rivers every day, accretion and erosion, and have for a
13 lot of the projects that we have. I can think of some
14 that when I worked at the land trust, we had some
15 projects that had changes in the shoreline, and either
16 the centerline or the stream bank was the defining
17 survey boundary, and they do change. They do change
18 with storms. Usually it's a matter of feet, not miles,
19 but they do change constantly. So it would be a fun
20 conversation to have with someone from school of law or
21 institute of government at some point to really think
22 about what we're getting when we buy these properties,
23 but, you know, right now I guess we're relying on
24 common law and how the ebbs and flows of property
25 ownership, you know, wander with the stream bank and

1 shoreline. But anyway, I will say this in our
2 conversation, and I think everybody knows this, this
3 project has gotten a lot of steam. I mean, we're lucky
4 at some level to be able to participate with it. It's
5 politically popular. It's raised a lot of private
6 funding. It's raised funding from other agencies. It
7 seems to have a lot of public support. I just wanted
8 to say that. I don't think that's a reason why we
9 should or shouldn't approve this scope of change, but
10 in talking about it, for those that aren't aware of it,
11 it's a pretty popular project in the eastern part of
12 the state. I think David Womack would be happy with me
13 saying that.

14 Mr. Riddle: I like the
15 project. I'm not trying to throw any monkey wrench in
16 it, just big picture --

17 Vice-Chair Walser: Yeah.

18 Mr. Riddle: -- thinking
19 about those issues.

20 Chairman Wilson: Well, speaking
21 of that big picture, let's -- hey, Will and Marie and
22 staff, let's put a pin in this -- or a bookmark, and
23 let's schedule perhaps in the next year or so a session
24 where, you know, if we were able to figure out how to
25 create a flood risk reduction program out of a blank

1 page, let's figure out how to begin at least a
2 conversation on this potentially huge and complicated
3 topic of how do we, as the Land and Water Fund Board,
4 look at projects that could have significant change in
5 terms of what water and other forces of nature can do
6 in terms of land movement, land change, et cetera.
7 Let's figure out who some of the experts are that we
8 can hear from and schedule a session or two. If only
9 in reviving those wonderful lunchtime -- what did you
10 call them, Will, lunchbox sessions? Those were great.

11 Executive Director Summer: Will do; so
12 noted, Mr. Chair.

13 Mr. Williams: Yeah, --

14 Chairman Wilson: Okay.

15 Mr. Williams: -- one comment;
16 this has been a good conversation, and I don't want to
17 drag it out, but the only question I have is the amount
18 that has changed within a short amount of time, is the
19 funds that's going to go in it going to slow it down
20 from drastically changing a lot in the future? I mean,
21 is that -- it goes back to what John said earlier
22 about, I mean, is it five years from now it's going to
23 be 30 acres? How is the money going to impact, you
24 know, slowing that down?

25 Ms. Meckman: I'll just

1 say --

2 Mr. Williams: I know we can't
3 answer that right now, but, yeah.

4 Ms. Meckman: Well, I would
5 just say from, you know, not being an expert, but just
6 from what a barrier island's purpose is to protect the
7 shoreline, the other part of the island is all
8 developed, and, you know, we are now leaving this in
9 its natural state and hopefully doing what it needs to
10 be doing to protect the coastline. Hopefully, we will
11 be gaining acreage over time, but we don't know for
12 sure.

13 Chairman Wilson: That was a good
14 question, Darrel.

15 Mr. Williams: It is.

16 Chairman Wilson: Yeah, that's
17 really -- you -- Darrel, you hit the nail on the head.
18 That was exactly the question before us here. All
19 right, Jason and Marie, any more leadership on this
20 discussion; and, trustees, any more questions on this
21 before we vote? Okay, this is coming from the
22 Acquisition Committee, a recommendation to approve
23 reduction of scope from 147 acres to approximately 97
24 acres for 2024-027. Hearing no more discussion, please
25 let me know how you vote; Jimmy?

1 Mr. Broughton: Yes.
2 Chairman Wilson: Ann?
3 Restoration Chair Browning: Yes.
4 Chairman Wilson: Clement?
5 Mr. Riddle: Yes.
6 Chairman Wilson: Mike?
7 Mr. Rusher: Yes.
8 Chairman Wilson: Jason?
9 Vice-Chair Walser: Yes.
10 Chairman Wilson: Darrel?
11 Mr. Williams: Yes.
12 Chairman Wilson: All right, and

13 John is a yes, also. We will go back to you, Jason.
14 This is 2023-071 Conservation Fund Winter Star Ridge,
15 you and Marissa.

16 Vice-Chair Walser: I will just
17 call Marissa up to the stage. Marissa, please make
18 your presentation on the 2023-071.

19 Ms. Hartzler: Thanks so much;
20 good morning, everyone; in 2023, the board funded the
21 Winter Star Ridge project to the Conservation Fund off
22 of the provisional list, and this award was for the
23 protection of approximately 216 acres to be protected
24 under a determinable conservation easement with the
25 goal of transferring the property eventually to the

1 state for management by a state agency. And that
2 original project scope is shown here on the map in red.
3 You can see this is the 216 original proposed acres
4 just north of Mount Mitchell State Park and sort of
5 north and west of Pisgah National Forest. The change
6 in scope today comes from a new proposal for the
7 conservation strategy, and that is instead of the
8 entire property conveying to the state, the
9 Conservation Fund is proposing to now transfer half of
10 the property to the United States Forest Service for
11 inclusion in Pisgah National Forest. These are the
12 acres that you see here in blue. It's the eastern
13 portion of the property. Because of U.S. Forest
14 Service procedure, these acres cannot be part of our
15 project scope as they will not accept the land with a
16 permanent conservation agreement recorded on those
17 acres, which is one of the requirements for matching
18 resources in the acquisition program. So instead, the
19 Conservation Fund would like to focus on just the
20 western portion of the property, which you'll see now
21 here in red. That is approximately 103 and 1/2 acres.
22 They also would like to protect it under a standard
23 conservation easement as transfer to the state for
24 ownership is uncertain and unlikely. So these two
25 changes, the change to the conservation strategy along

1 with the change to the project spatial bounds, does
2 reduce the score slightly. It was a 67, was on the
3 provisional list, funded off the provisional list. The
4 -- I'm sorry. It was a 70. This would reduce it to a
5 67. The lowest funded that year was a 61. So even
6 with these changes as presented, it likely still would
7 have been funded off the provisional list. And you can
8 see these are the full impacts, about half reduction in
9 scope, minor reduction in public access, a decrease in
10 a small patch element occurrence protection, so
11 basically a reduction in the natural heritage
12 protected. There were some element occurrences on this
13 forest -- land to be conveyed to the Forest Service
14 that now would not be part of this project. But
15 subsequently they have also proposed to reduce the
16 budget by about half, which you can see here on this
17 slide. The original project cost in round numbers was
18 about \$1.2 million, and \$615,000 of that was to be
19 provided by the Land and Water Fund for acquisition.
20 Now the total project cost is \$560,000.00 for
21 acquisition, \$289,000.00 coming from Land & Water Fund.
22 I do want to note that there are some other changes to
23 the budget, that if the board approves this reduction
24 in scope and the change in conservation strategy,
25 similar on the Topsail project, these other adjustments

1 to the budget are approvable by staff, executive
2 director. And so if the board approves this reduction
3 in scope and change in conservation strategy, we will
4 also make those changes to the budget. They were
5 presented in the agenda item. I'd be happy to
6 summarize them if the board wishes to hear them in more
7 detail. But otherwise, the committee unanimously
8 recommended the reduction in scope from 216 acres to
9 approximately 103.5 acres, and the change of the
10 conservation strategy from state ownership to
11 conservation nonprofit ownership; happy to take any
12 questions.

13 Vice-Chair Walser: I would like to
14 add, we have to treat the, you know, subdivision and
15 gift or sale to the National Forest Service in Pisgah
16 as not protected for purposes of looking at natural
17 heritage and whatnot, but in my mind, you know, Pisgah
18 National Forest next to Mount Mitchell State Park is
19 probably not going to be an active timber management
20 area; who knows. But I wouldn't say it's not
21 protected. It's going to be available to the public.
22 It's going to be maintained, managed by the Forest
23 Service. So it is a shame to lose the state ownership
24 of the park that we are losing not going to Mount
25 Mitchell, but I still see the entire parcel being

1 conserved in my mind. I just wanted to say that.
2 Conserved is a loose word, relative word, but;
3 questions, thoughts?

4 Restoration Chair Browning: I'm just
5 curious as to the sort of driving factor to these
6 changes. Was it that the state was not interested in
7 holding it, or what really precipitated the amendment;
8 thanks for that question.

9 Vice-Chair Walser: Good question.

10 Ms. Hartzler: Thanks for that
11 question; I -- I believe it was a couple of factors, in
12 that it was a little bit of a negotiation from the get-
13 go. I think being adjacent to both Pisgah and Mount
14 Mitchell, there was some question as to, you know, who
15 -- who was the best final organization to manage each
16 acre on the project. And I think with the interest of
17 the U.S. Forest Service in -- in half of it, that, I
18 think -- I think, happened first. And then, yes, I
19 think that State Parks was a little wary of taking on
20 additional acreage in this section. We heard in the
21 Acquisition Committee meeting from Damon, the field rep
22 on the project, that the western portion is pretty
23 steep. It's pretty inaccessible terrain, might not be
24 the easiest addition to a state park at this time. So
25 I think those two factors is really what drove it in

1 concert.

2 Restoration Chair Browning: That's helpful;
3 thank you.

4 Chairman Wilson: All right; even
5 though I would like to suggest that we all personally
6 go out there and scope this out before we vote on it, I
7 think maybe we ought to just go ahead and vote on this,
8 unless there's any more questions for Marissa or Jason
9 or anybody. Okay, hearing none; this is coming from
10 the Acquisition Committee, approving the reduction of
11 scope from 216 acres to approximately 103.5 and the
12 change of conservation strategy from state to
13 conservation nonprofit ownership. This is on project
14 2023-071. How do you vote, please; Jimmy?

15 Mr. Broughton: Yes.

16 Chairman Wilson: Ann?

17 Restoration Chair Browning: Yes.

18 Chairman Wilson: Clement?

19 Mr. Riddle: Yes.

20 Chairman Wilson: Mike?

21 Mr. Rusher: Yes.

22 Chairman Wilson: Jason?

23 Vice-Chair Walser: Yes.

24 Chairman Wilson: Darrel?

25 Mr. Williams: Yes.

1 Chairman Wilson: And John is a
2 yes. Okay, we will now move on to the application
3 rating system update, matching resources. Jason, do
4 you want to hand it over to Will? I'll hand it over to
5 Will. Will, please come up.

6 Executive Director Summer: All right,
7 thank you all very much; I think this is going to be a
8 fairly light lift. This is identical to the item you
9 already approved from the Restoration Committee, so I
10 don't think we need to cover everything again. I'm
11 just going to skip ahead to the one slide specific to
12 acquisition projects in 2024; again, the same exact red
13 line changes that were already proposed and approved
14 for restoration. So just for the sake of putting some
15 real data against this, we applied this change to the
16 2024 acquisition applications. Again, 34 out of 54,
17 most of the projects saw no change. Seven lost one
18 point; six lost two points; four of them lost three
19 points; and then one each lost four, five, and six
20 points, respectively. Again, it did result in a shift
21 in the funding order, not drastic changes in the
22 results. One project would have been elevated enough
23 to move it from provisional to funded at the board
24 meeting. Two projects would have moved from funded at
25 the board meeting down to provisional, and then two

1 that were on the provisional list would have fallen
2 below the line and probably not made it to the
3 provisional list. So despite the number of that
4 change, the actual results wouldn't have been terribly
5 drastic in this case. So that said, this is the exact
6 same committee recommendation as for the restoration
7 committee, and that was with some intention. For our
8 purposes, it's great to keep these things, which are
9 currently identical -- identical moving forward so that
10 the math, the way that we calculate it as staff,
11 remains the same. So this is the committee
12 recommendation, exactly the same as the restoration
13 committee recommendation, and I'll take any questions.

14 Chairman Wilson: Any questions;
15 all right, thank you, Will; here is the committee
16 recommendation to change the value section of the
17 application rating system for acquisition applications
18 so that only the secured match is given additional
19 points associated with this source, that a lower
20 multiplier of 0.1 be used for any unsecured match. Any
21 more discussion; all right, how do you vote, please;
22 Jimmy?

23 Mr. Broughton: Yes.

24 Chairman Wilson: Ann?

25 Restoration Chair Browning: Yes.

1 Chairman Wilson: Clement?

2 Mr. Riddle: Yes.

3 Chairman Wilson: Mike?

4 Mr. Rusher: Yes.

5 Chairman Wilson: Jason?

6 Vice-Chair Walser: Yes.

7 Chairman Wilson: Darrel?

8 Mr. Williams: Yes.

9 Chairman Wilson: And John is a
10 yes, also; all right, back to you, Jason, for item D on
11 the agenda.

12 Vice-Chair Walser: I was going to say,
13 I believe I need to call up somebody else. Is it
14 Marissa?

15 Chairman Wilson: It is.

16 Vice-Chair Walser: Application
17 rating system --

18 Chairman Wilson: Yeah.

19 Vice-Chair Walser: -- riparian
20 buffer resources; Marissa, please.

21 Ms. Hartzler: Yes, thank you,
22 so continuing on the application rating system and the
23 acquisition program, and similar as you heard from the
24 restoration committee report by Steve, the acquisition
25 committee looked at a proposal to amend the riparian

1 buffer resources, really for two purposes. In order to
2 recognize wetlands, again, in light of that Sackett
3 decision that limited protections for some wetlands,
4 and also to standardize and clarify some terminology
5 used in the current acquisition application rating
6 system, so just quickly, we did discuss that under the
7 current rating system, there are wetlands that do not
8 receive any riparian buffer credit at current, and a
9 few of those are pictured here from project examples
10 from the past. I won't go in-depth on these, but I
11 just want to highlight that these wetlands, isolated
12 wetlands if you will, they exist across the state.
13 They range from coastal soils and dune systems to the
14 forested wetlands and upland depression swamps in the
15 Piedmont and to bogs and mountains and many other
16 wetland types, all across the state. So to address
17 this, staff recommended looking at the riparian buffer
18 section of the acquisition application rating system,
19 and first using the phrase surface water a little bit
20 more consistently throughout the riparian buffer
21 section. This does align with our statutory purposes,
22 which say that the funds from the monies provided will
23 protect and conserve surface waters. So you'll see
24 that that surface water phrase has been here in sort of
25 the preamble to the riparian buffer section, and the

1 first red line edit provided here is to give examples
2 of surface waters, just to provide some context that we
3 mean creeks, streams, rivers, lakes, wetlands, and salt
4 waters. Certainly, we're not going to list every word
5 here, just give some illustrative examples of what we
6 mean by surface waters. Then in the rest of this
7 section, the red line that you'll see is really geared
8 toward making that change, replacing other words with
9 the phrase surface water. So you'll see the property
10 must border the stream, that's replaced with surface
11 water. Unnamed tributaries, here it's unclassified
12 surface water. This change is really to make sure that
13 when there is a surface water on the property, if it is
14 connected to another rated surface water, it will
15 inherit that rating, that classification, and I'll show
16 you that on the next slide in just a second. And then
17 again here in this header it said water body
18 classification, replacing this with surface water
19 classification just to continue that terminology
20 throughout. The next section of the rating system for
21 riparian buffer scoring, you'll see the actual point
22 buckets, if you will. They are the categories for the
23 different types of surface waters. You'll see the
24 section for 40 points, 35, and on. And in the 25 point
25 section, you'll see, as Steve highlighted, the unique

1 wetland and the exceptional wetland categories,
2 determined by the Division of Water Resources and the
3 Division of Coastal Management, respectively. So far
4 that is the first mention of wetlands as a scoring
5 bucket within the riparian buffer section. And so if a
6 wetland is not classified as either unique or
7 exceptional, under this ranking system, it will not
8 receive points, unless it is specifically connected to
9 another ranked downstream surface water, so again, the
10 isolated wetlands not receiving points under this
11 current system. That is where we see the edit for the
12 15 point section come in and really benefit these
13 isolated wetlands, again striking streams and using the
14 phrase surface water. So any surface water that is not
15 otherwise receiving one of these higher scoring
16 classifications will now receive 15 points. If you
17 have a wetland that is connected to another downstream
18 classified surface water, maybe it's a 303D stream, it
19 can inherit that classification and then be scored 40
20 points. But if it's an isolated wetland and not
21 connected to anything, now it can receive 15 points.
22 The committee unanimously recommended amending the
23 riparian buffer section of the application rating
24 system to include those red line edits that you saw on
25 the screen and were also in your agenda included in

1 that packet; happy to take any questions on that.

2 Chairman Wilson: Thanks,
3 Marissa; Jason, anything to add?

4 Vice-Chair Walser: I don't have
5 anything to add. I think she did a good job presenting
6 it.

7 Chairman Wilson: Any questions; yeah,
8 you all ready to vote; how about any objection to vote?
9 That's a better way to say it. All right, let's vote
10 on this motion from the Acquisition Committee that
11 Marissa read so I won't read it again. How do you
12 vote, please; Jimmy?

13 Mr. Broughton: Yes.

14 Chairman Wilson: Ann?

15 Restoration Chair Browning: Yes.

16 Chairman Wilson: Clement?

17 Mr. Riddle: Yes.

18 Chairman Wilson: Mike?

19 Mr. Rusher: Yes.

20 Chairman Wilson: Jason?

21 Vice-Chair Walser: Yes.

22 Chairman Wilson: Darrel?

23 Mr. Williams: Yes.

24 Chairman Wilson: And John is a
25 yes also; thank you very much; okay, Jason, back to you

1 to hand it over to Justin.

2 Vice-Chair Walser: Yeah, Justin
3 will come up and tell us about the City of Raleigh
4 greenway easement amendment request.

5 Stewardship Manager Mercer: Absolutely,
6 thank you; just to -- just to get us started off here,
7 this will be a very much abbreviated version of what
8 the committee was given, but please do stop me if
9 anybody has any questions as we go on here, so agenda
10 item 2E, 1998A-104, City of Raleigh Greenway amendment
11 request. Just to start with a little bit of background
12 here, in 1998, a grant in the amount of 2.85 million
13 dollars was awarded by the Land and Water Fund for
14 acquisition of 41 easements along the Neuse River. In
15 2003, conservation greenway easements -- or a
16 conservation greenway easement was acquired by the City
17 of Raleigh through condemnation of 12.84 acres of the
18 Holden Tract. It's worth pausing there and noting that
19 there were, again, 41 easements acquired as part of
20 this project, but 33 of those were done through
21 traditional acquisition means. There were 8 easements
22 that were acquired through condemnation by the City of
23 Raleigh. One of the rare cases that the Land and Water
24 Fund was involved with easements acquired in that
25 manner, and I'll touch on why that's important here in

1 just a minute. In 2005, the easement was assigned to
2 the State of North Carolina through the Land & Water
3 Fund, and here in 2024, the City of Raleigh has
4 requested amendment to facilitate upgrade of sewer
5 infrastructure. So the key piece to this here is that
6 those 33 easements acquired through traditional means
7 included specific language that contemplated future
8 public needs and allowed for those activities to happen
9 without amendment. Because the other eight projects
10 were acquired through condemnation, the City of Raleigh
11 determined that our standard easement template was not
12 a suitable tool to use for that type of acquisition.
13 And as a result, the language -- the language allowing
14 for future public needs was not included. So staff has
15 very much viewed this request as a request to correct
16 an earlier oversight. Moving forward here to the
17 actual request at hand, the City of Raleigh is
18 requesting amendment of this conservation easement to
19 facilitate the Upper West Neuse River Interceptor
20 Project that will upgrade the city's sewer
21 infrastructure. That amendment, if approved, would
22 facilitate a 0.21-acre new sanitary sewer easement, a
23 0.38-acre temporary construction easement, and the in-
24 place replacement of an existing 48-inch pipe with a
25 larger diameter 60-inch pipe. In addition to this,

1 kind of through this review process, it was realized
2 that through this oversight, or as a result of this
3 oversight, the City did acquire additional sewer right-
4 of-way and installed sewer infrastructure in 2009 after
5 the original easement was reported. So technically
6 speaking, that 2009 installation was inconsistent with
7 the terms of the conservation easement deed based on
8 that omission of the language allowing for future
9 public needs. So what is being asked here is to
10 incorporate the approximately 2.18 acres of existing
11 sewer infrastructure to allow that and recognize that
12 initial oversight for a total impact area of 2.77
13 acres. We'll not go through the entirety of the
14 conservation agreement amendment guidelines and
15 practices, but we'll stop here briefly on the
16 conservation benefit analysis and point out that though
17 this does follow along the Neuse River, there are
18 natural heritage values on this property. There is the
19 Greenway value on this property. Staff did review the
20 project, did review potential impacts, consulted with
21 the National Heritage Program, and ultimately
22 determined that this project will have no impact to the
23 conservation value. So it is -- in a sense, it is a
24 net zero impact. But if you were to consider the
25 overall benefit of increasing that sewer diameter,

1 which ultimately will prevent future failures or
2 overflows, it could be viewed as a net positive for
3 conservation. This is a very quick overview. We'll be
4 happy to share more information if anybody would like,
5 but ultimately the committee recommendation was to
6 approve the request and waive the requirements for
7 additional offset to impact, given that this is viewed
8 as a correction of that earlier oversight. With that,
9 I will turn it back to the chair for any questions or
10 discussion.

11 Vice-Chair Walser: This did
12 receive a decent amount of conversation, but it also
13 got unanimous support. I think we all wanted to be
14 good partners on this and thought about the options,
15 alternatives not to approve it and didn't feel great
16 about any of those. I hope I'm stating that
17 appropriately, but any questions or thoughts? It's
18 worthy of consideration any time we look at amendment.
19 We do need to think through this, but this feels like
20 something that should happen to me.

21 Chairman Wilson: Yeah, I agree
22 with that.

23 Vice-Chair Walser: Unless there's
24 some heartburn, I would entertain that you entertain a
25 vote, John, --

1 Chairman Wilson: Okay.

2 Vice-Chair Walser: -- Chairman.

3 Chairman Wilson: Yep, any
4 questions, discussion for Justin or Jason; this is
5 coming from the committee to approve the request and
6 waive the requirements for additional offset of impact
7 on 1998A-104 for City of Raleigh. Hearing none, please
8 let me know how you vote.

9 Mr. Broughton: Yes.

10 Chairman Wilson: Ann?

11 Restoration Chair Browning: 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: Darrel?

19 Mr. Williams: Yes.

20 Chairman Wilson: And John is a
21 yes, also; all right, Jason, back to you to tee up
22 Justin.

23 Vice-Chair Walser: Absolutely, one more
24 under the Acquisitions Committee, the 1997-023C, the
25 Gastonia Greenway, another amendment request; Justin,

1 you're up again.

2 Stewardship Manager Mercer: Thank you;
3 we'll get this one shared quickly. This is a little
4 bit of a more standard request than the last one, but
5 we'll go through quickly here. Item 2F-1997B-023, City
6 of Gastonia Greenway DOT amendment request; in 1997, a
7 grant of \$347,000.00 was awarded by Land and Water Fund
8 to the City of Gastonia for acquisition of 14 easements
9 along Catawba Creek and Avon Creek. In 2005,
10 conservation easements were acquired on a 1.477 acre
11 parcel and a 9.971 acre parcel along Union Road and
12 Catawba Creek. Currently, the Department of
13 Transportation is requesting amendment of both of these
14 easements to facilitate the widening of Union Road.
15 The request to amend both easements would facilitate
16 the following, approximately a 0.11 acre temporary
17 construction easement on easement 1 on the west side of
18 Union Road here, this being easement 1, this purple
19 area being the temporary construction easement, a 0.15
20 acre right-of-way on easement one shown here in pink,
21 and then 0.22 acres right-of-way on easement 2 here on
22 the east side of Union Road. That gives us a total
23 impact of approximately 0.26 acres on easement 1 and
24 0.22 acres on easement 2. One quick thing to point out
25 here is ordinarily these would both fall under minor

1 amendment requests and would be staff-level decisions.
2 In fact, the request for easement 2 does meet the
3 requirements for a staff-level decision. However, the
4 0.26 acre impact to easement 1, because that is a less
5 than 1.5 acre easement, that surpasses the threshold
6 percentage-wise to come to the board. So that is why
7 these are in front of you instead of being staff-level
8 decisions. So similarly, we'll skip the bulk of the
9 discussion or the overview of the amendment guidelines
10 and focus on the conservation benefit analysis here.
11 There are two conservation resources on this site, the
12 riparian buffer on Catawba Creek, and the Avon and
13 Catawba Creek's greenway. DOT will be impacting the
14 greenway, but they will be fully mitigating that by a
15 slight reroute. So it was determined that there really
16 is no lasting impact to that greenway resource. There
17 is, however, an impact of approximately 75 linear feet
18 of Catawba Creek. So that does represent a negative 50
19 point differential for the scoring on Catawba Creek,
20 given that we are being asked to give up that little
21 bit of buffer. However, as is typical for DOT
22 projects, they are offering us -- or they will offer us
23 a one-to-one reimbursement based on current fair market
24 value to offset those impacts to conservation values.
25 With that, the committee recommended the following;

1 authorize the NCDOT and the State Property Office to
2 terminate up to 0.264 acres of the 1.477 acre
3 conservation easement and up to 0.22 acres of the 9.971
4 acre conservation easement to facilitate the widening
5 of North Carolina 274 Union Road. The North Carolina
6 Land and Water Fund shall be compensated for the value
7 of the entire area of impact proportionate to the
8 original funding contribution. With that, I will turn
9 it back to the Chair for any questions or discussion.

10 Chairman Wilson: Thank you,
11 Justin; go ahead, Jason.

12 Vice-Chair Walser: That's it; open
13 it up for discussion.

14 Chairman Wilson: All right,
15 Justin read that complicated motion from the committee,
16 so I don't have to. Any more discussion before we
17 vote; all right, how do you vote, please; Jimmy?

18 Mr. Broughton: Yes.

19 Chairman Wilson: Ann?

20 Restoration Chair Browning: Yes.

21 Chairman Wilson: Clement?

22 Mr. Riddle: Yes.

23 Chairman Wilson: Mike?

24 Mr. Rusher: Yes.

25 Chairman Wilson: Jason?

1 Vice-Chair Walser: Yes.

2 Chairman Wilson: Darrel?

3 Mr. Williams: Yes.

4 Chairman Wilson: And John is a
5 yes also. And by my math, that concludes the
6 Acquisition Committee recommendations. Is that right,
7 Jason?

8 Vice-Chair Walser: That's my
9 understanding as well.

10 Chairman Wilson: All right,
11 anything more, Justin or Marissa or Marie or Will; are
12 we good to move on?

13 Vice-Chair Walser: You are.

14 Chairman Wilson: Okay, great;
15 this is the last item on our business agenda,
16 consideration of Executive Committee recommendations.
17 This was proposed changes for STW-002, the stewardship
18 endowment fund use. And I'm going to ask Justin to
19 lead the discussion of this proposed change that the
20 Executive Committee approved and is bringing to you as
21 a motion.

22 Stewardship Manager Mercer: Thank you, so
23 agenda item 3A, the proposed changes to STW-002,
24 Stewardship Endowment Fund Use; just start with a
25 little bit of background here and a brief overview of

1 the existing guidelines that they have written. These
2 guidelines were created to outline the process for
3 setting annual expenses from the stewardship endowment
4 and to formalize all board-approved uses of the
5 endowment. It's worth noting here that the proposed
6 changes do not necessarily address how the annual
7 budget is set. That largely remains the same. What is
8 being asked with these changes is to sort of adjust and
9 sort of modernize the way staff goes about approving
10 those individual expenses after the board has approved
11 the overall budget. So at current the board has
12 delegated authority to staff to use funds for the
13 following expenses, first being annual monitoring and
14 associated incidental expenses, management projects
15 that will protect or enhance conservation values
16 subject to a \$5,000.00 per event per year cap, and
17 miscellaneous stewardship management and administrative
18 activities that may fall outside of annual contracts.
19 And I'll expand a little bit on the following slide on
20 what each of those means. So just as a reminder for
21 how this process of setting the annual budget works and
22 a reminder of action that this board took earlier this
23 year, in May the Land and Water Fund Board authorized
24 fiscal year '24-'25 stewardship spending up to a total
25 of \$328,256.00 for monitoring contracts, management

1 awards, and other stewardship operating costs. That
2 \$328,000.00 figure falls just under the established 4
3 percent cap for -- for annual authorized budget. And
4 that's broken down as you see on the screen here with
5 the top line being monitoring expenses, at just over
6 \$218,000.00. That only represents the monitoring
7 expenses for our annual monitoring contracts. So those
8 funds are encumbered in contracts for our partners to
9 go out and monitor and does not include the funding
10 needed for our own staff to conduct the monitoring that
11 we are currently doing. Next slide, we have management
12 funds. This year was set at \$10,000.00. That's a
13 result of a request for proposals that I typically put
14 out in the spring ahead of the May meeting to get
15 feedback from our partners on projects that they have
16 in line that they'd be willing to take on, on behalf of
17 the state for our conservation easements. So those are
18 proposed as part of this budget package in May and
19 wrapped into those annual monitoring contracts. This
20 last line here, additional stewardship expenses, this
21 year was set at \$100,000, which is a bit larger than it
22 has been in the past, but that is a product of the
23 growing -- the growing 36 month value of our
24 stewardship endowment. That \$100,000 was intended as
25 additional operational funds, which could include

1 emergency management projects, those being projects
2 that come up throughout the year that require more
3 immediate action than waiting for the next round of
4 contracts. That also includes projects that our staff
5 identifies as we're going out in the field and
6 identifying new problems, whether that be a needed
7 survey or boundary markings or whatever else. That
8 could also include needed equipment, other
9 miscellaneous expenses, mail-in fees, signage, any
10 number of things that the stewardship program needs to
11 operate on an annual basis. We've been fortunate in
12 recent years to have administrative funds that Will has
13 been willing to spend on staffing, on equipment, on
14 signage, those things. So we've not really had to dip
15 into those funds for those operating costs, which has
16 allowed us to do more of those kind of, quote,
17 emergency management-type projects, so that is not
18 necessarily the norm. So jumping forward into our
19 guidelines, as you'll see the screenshots here, there's
20 a lot of red on these screens. That's a little bit
21 misleading. A lot of changes are not really
22 substantial. I'll try to focus on those substantial
23 changes here, but happy to show a clean version of the
24 updated guidelines for this -- this updated proposal
25 after I finish, if that is helpful. But just the

1 background section here, there's really not a whole lot
2 here substantive. Most of the red you see is language
3 that was cleaned up for consistency and style. And we
4 did add one sentence here to acknowledge Land and Water
5 Fund staff's larger role as of 2022, or more active
6 role, rather, in monitoring and managing our
7 conservation agreements. Into the body of the
8 guidelines and practices, again, no real substantive
9 changes here. The manner in which we set the annual
10 budget remains the same as it always has, requiring
11 board approval not to exceed 4 percent of the total --
12 of the 36-month average of the total endowment value.
13 One thing I will point out here is a change in the very
14 last line, instead of referring to conservation
15 easements, referring to conservation agreements, which
16 is a change we've made in other guidelines and
17 practices and have not yet updated these guidelines to
18 reflect the same. And that's just a recognition that
19 the stewardship program is responsible for other types
20 of agreements beyond just conservation easements. This
21 also sets the stage for the following few sections in
22 sort of defining what specifically staff has been
23 authorized to use approved funds for. So starting with
24 number one here, these are our first real substantive
25 changes, annual monitoring and associated incidental

1 expenses. This has always been number one. This is
2 the bulk of what we do here. But previously, this
3 section allowed us to enter into or to spend money and
4 enter into contracts with organizations that were
5 identified by the conservation easement as obligated to
6 monitor on the state's behalf. As we've realized over
7 recent years, we have lots of easements that don't have
8 monitors identified in the easement itself. And we
9 have been able, with board approval, to assign the
10 monitoring of those easements to some of our land trust
11 partners. And so this change to remove a reference to
12 those organizations identified in the conservation
13 easement and instead identify organizations that are
14 qualified to monitor on the state's behalf brings these
15 guidelines consistent with our current board approved
16 practices. The last change that is being proposed here
17 is the addition of the very end and/or through the
18 direct employment of NCLWF staff. We've talked in
19 recent years, at particularly the May meetings, about
20 long-term plans for monitoring -- or for meeting our
21 annual monitoring obligations. And part of that does
22 have to do with the employment of Land and Water Fund
23 staff and having our staff actually go out and monitor
24 some of those easements. And we've already begun that.
25 Not only through my own efforts, but through the

1 addition of Nicole to our staff this year, we've been
2 able to make some real headway on that. As I mentioned
3 earlier, a lot of things in the stewardship program are
4 currently being funded through other programmatic
5 administrative funds without having to come from the
6 endowment. But there is a recognition long-term that
7 staffing will have to be funded from the stewardship
8 endowment. And this last addition here is a vital part
9 of those long-term plans. Moving forward to section
10 two here, this section has to do with those stewardship
11 management funds that end up getting wrapped into
12 annual monitoring contracts. So previously, or rather
13 currently, this is capped at a maximum of \$5,000.00 per
14 conservation agreement per year. And what we've found
15 is that these days, unfortunately, \$5,000.00 doesn't go
16 very far, particularly when you're talking about
17 surveys and boundary mark. It's not been enough to
18 actually get the work done, and it's not typically been
19 enough to entice our partners into taking this work on
20 behalf of the Land and Water Fund. So what we are
21 proposing instead is to remove that reference to a
22 \$5,000.00 cap and instead add in a couple of different
23 approval thresholds, backstops, if you will. So the
24 new proposed language states that individual expenses
25 in excess of \$20,000.00 must seek prior approval from

1 the board chair. So this is proposing staff authority
2 to approve expenses up to \$20,000.00 for those eligible
3 projects, and anything over that must consult with
4 board chair before they can be approved. As an
5 additional backstop, the proposal indicates that
6 expenses in excess of \$50,000.00 must seek approval of
7 the executive committee. It's worth pointing out here
8 that the decision was made to consult the executive
9 committee rather than the full board, just in an effort
10 to maintain some flexibility with these funds. If
11 something is coming to us outside of the typical cycle
12 and being included in annual monitoring contracts,
13 there's likely some sense of urgency or some tighter
14 time frame that doesn't allow us to wait until a May
15 funding meeting or potentially to get the full board
16 together. It's much easier to get three members of the
17 executive committee together than it is nine board
18 members. Last section here, section three, previously
19 was classified as miscellaneous stewardship management
20 and administrative activities. Changes just to other
21 stewardship management and administrative activities;
22 again, this can cover some of those emergency
23 management projects, but also equipment, signage,
24 mailing expenses, all of those other operational items.
25 And the changes here are largely the same as the last

1 section, where we've removed a reference to a \$5,000.00
2 cap and instead proposed an approval process beyond
3 \$20,000.00 by the board chair and in excess of
4 \$50,000.00 by the executive committee. Very last
5 section here, rounding out the guidelines and
6 practices, just sort of reaffirms that in the event
7 that there are insufficient funds to cover all
8 activities, that monitoring -- our annual monitoring of
9 state-held conservation agreements will be prioritized.
10 That's always going to be the first thing that we seek
11 to fund out of what is available from the endowment.
12 With that, that was a very -- very abbreviated version
13 of the discussion that took place, but the committee
14 recommendation was to amend the guidelines and
15 practices as proposed, and I will turn it back to the
16 chair for any further discussion.

17 Chairman Wilson: Thank you,
18 Justin; let me ask a couple of quick questions, and
19 then other trustees have at it also. Justin, can you
20 go back to your screens and go to number 1? When you
21 get into the three substantive changes, show the slide
22 with number 1 on it; yeah. The monitoring on the
23 state's behalf through direct employment of Land and
24 Water Fund staff, would that -- with the expenditure
25 for Land and Water Fund staff, would that come from

1 these funds, or do those funds come from elsewhere?

2 Executive Director Summer: Do you mind if
3 I take that?

4 Vice-Chair Walser: So the -- go
5 ahead, Will.

6 Executive Director Summer: I was going to
7 say, speaking just on behalf of the administrative
8 funds outside of the stewardship endowment, currently
9 we're using some of our time-limited administrative
10 funds to cover additional staff outside of that. So
11 today the answer is yes. In the future, when the
12 endowment's at full interest, we do anticipate a
13 specific stewardship position being funded from that,
14 probably three-plus years out.

15 Chairman Wilson: Okay, thank
16 you; and then, Justin, go to number 2, please. So
17 we've got a variation in language here in the last two
18 sentences as compared with number 3. And I'm sorry I
19 didn't catch this in committee, but you say individual
20 expenses in excess of \$20,000.00, and then in the next
21 sentence, expenses in excess of \$50,000.00. And then
22 can you just jump to number 3 real quick? Yep; it says
23 individual expenditures in excess of \$20,000.00 and
24 expenses in excess of \$50,000.00. Is there any reason
25 that all four of these places should not have the exact

1 same language?

2 Stewardship Manager Mercer: Not that I am
3 aware of; I think it's a matter of preference. If you
4 prefer one over the other, we can make that change.

5 Chairman Wilson: Yeah, and I
6 think the word individual is important so that we're
7 not talking about cumulative expenditure. So an
8 expenditure cannot seek approval. So the subject of
9 the sentence is expenditure, and it says it must seek
10 approval. An expenditure actually can't do that. So
11 individual expenditures must be approved -- individual
12 expenditures in excess of \$20,000 must be approved by
13 the board chair. Individual expenditures in excess of
14 \$50,000 must be approved by the executive committee. I
15 would like to propose those two changes to number 3,
16 which we're looking at right now, and then jumping back
17 to number 2, I'd like to propose the exact same
18 language. Individual expenditures must -- in excess of
19 \$20,000 must be approved by the board chair.
20 Individual expenditures in excess of \$50,000 must be
21 approved by the executive committee. Otherwise,
22 everything looks great to me, but I just want to
23 propose those, I guess, four changes to the wording of
24 this.

25 Stewardship Manager Mercer: Sure, and I

1 will work on getting those changes incorporated as the
2 discussion continues here.

3 Chairman Wilson: Okay, and I'll
4 be quiet now and encourage other trustees to ask
5 questions or speak up, however.

6 Vice-Chair Walser: I think those
7 are good suggestions, John; well done.

8 Chairman Wilson: Okay, and I
9 also want to thank Justin and Will for bringing this to
10 our attention. It seems like it would always be a good
11 idea for us to amend this, as we see here, but I think
12 the timing of this is not coincidental that we have
13 some extraordinary situations before us; any more
14 discussion on this before we vote? Let's see. I think
15 I need to make a motion that we amend this the way I
16 suggested. Is everybody clear on what I suggested,
17 because I'm just going to say make a motion to do what
18 I said?

19 Mr. Williams: Yes, and I second the
20 motion.

21 Chairman Wilson: Okay, yeah, Darrel's --
22 Darrel's got that, and any more discussion of that?
23 All right, we are voting on my motion to amend before
24 we vote on the full motion. All right, is Jimmy still
25 with us? I don't think he is. Jimmy had to drop off,

1 but we still have a quorum. Ann, how do you vote on
2 the --

3 Restoration Chair Browning: Yes.

4 Chairman Wilson: -- motion to
5 amend; okay, yes; Clement?

6 Mr. Riddle: Yes.

7 Chairman Wilson: Mike?

8 Mr. Rusher: Yes.

9 Chairman Wilson: Jason?

10 Vice-Chair Walser: Yes.

11 Chairman Wilson: Darrel.

12 Mr. Williams: Yes.

13 Chairman Wilson: All right, and

14 John is a yes, and now we are ready to vote on this.

15 And I can't even remember my Robert's Rules. If we've
16 amended the committee recommendation, let's just go
17 ahead and ask for a motion and a second. I'll make the
18 motion that we approve the amended changes.

19 Restoration Chair Browning: I second.

20 Chairman Wilson: Okay, a second
21 from Ann; any discussion before we vote; all right,
22 Ann, how do you vote, please?

23 Restoration Chair Browning: Yes.

24 Chairman Wilson: Clement?

25 Mr. Riddle: Yes.

1 Chairman Wilson: Mike?
2 Mr. Rusher: Yes.
3 Chairman Wilson: Jason?
4 Vice-Chair Walser: Yes.
5 Chairman Wilson: Darrel.
6 Mr. Williams: Yes.
7 Chairman Wilson: And John is a

8 yes, also. We have approved those changes with
9 amendments; thank you, Justin. And are we good, Will
10 and Justin and Steve and Marie and Marissa and anybody
11 else; trustees, anything else to talk about?

12 Executive Director Summer: On behalf of
13 staff, I can say you have completed our agenda; thank
14 you all very much.

15 Chairman Wilson: Thank you to
16 our staff; thank you to our trustees; happy soon-to-be
17 holidays from everyone, even though I know that you
18 feel like they started right after Labor Day this year,
19 now that we're in December, mid-December. All right,
20 I'll entertain a motion to adjourn.

21 Mr. Willlliams: So moved.

22 Chairman Wilson: All right,
23 Darrel, thanks.

24 Restoration Chair Browning: I'll second.

25 Chairman Wilson: Second from

1 Ann; any discussion; all right, all in favor, just say
2 it?

3 Board Members: (Affirmative
4 response.)

5 Chairman Wilson: All right, anyone
6 opposed; all right, we're adjourned; thank you, all.

7 (The proceedings were concluded at 11:06
8 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 ninety-five pages which constitute this Board of Trustees Meeting are a true and accurate transcript.

IN WITNESS THEREOF, I have hereunto set my hand this 11th day of February, 2025.

Dona E. Overby

Dona E. Overby
Notary Public
Certificate No.: 19971920107