

MINUTES

**NORTH CAROLINA
SOIL AND WATER CONSERVATION COMMISSION
TELECONFERENCE**

Ground Floor Hearing Room
Archdale Building
512 N. Salisbury Street
Raleigh, NC
May 20, 2009

MEMBERS PRESENT

Don Cox
Manly West
Richard Smith
Bobby Stanley
James Ferguson
William Pickett, Jr.

OTHERS PRESENT

Pat Harris	Ed Gavin
David Williams	Vernon Cox
Dick Fowler	Mary Combs
Michelle Raquet	Ken Parks
Lisa Fine	Julie Henshaw
Shelly Baird	William Byrum
Dewitt Hardee	Sandra Weitzel
Michelle Lovejoy	Jerry Dorsett
Davis Ferguson	David Cash
Kristina Fischer	Bill Dunlap
Danny Edwards	Natalie Woolard
Jeff Harris	Cathy Winstead
Lynn Whitehurst	Bonnie Bendell
Chester Lowder	Ralston James
Bill Dunlap	Danny Edwards
Warren Daniel	Randall Guthrie
Jeff Joyner	Myers Waddell
Vilma Mendez	Anthony Hester
Carroll Coleman	

Summary of Actions Taken by the Commission

1. The following supervisor appointments were **approved**:
 - Debbie Cullers of Montgomery SWCD filling the un-expired term of Jesse McCaskill.
 - Trey Liverman of Tyrrell SWCD filling the un-expired term of Claud Jones.
 - Dennis R. Waller of Wayne SWCD filling the un-expired term of S. Keith Waller

2. The Commission **approved** supervisor contracts for the following supervisors:
 - George Teague of Guilford SWCD -Contract # 41-09-28-02
BMP: Cropland Conversion to Grass - \$2,885.
 - Jeffery Tyson of Nash SWCD – Contract # 64-09-09-13
BMP: Sediment Removal from Agricultural Pond - \$3,000.
 - John Finch of Nash SWCD – Contract # 64-09-10-13
BMP: Sediment Removal from Agricultural Pond - \$3,000.
 - William Freeman of Nash SWCD – Contract #64-09-11-13
BMP: Sediment Removal from Agricultural Pond - \$3,000.
 - William Freeman of Nash SWCD – Contract 64-09-51-13
BMP: Heavy Use Area - \$7,241.
 - Dick Bragg of Transylvania SWCD – Contract #88-09-19-05
BMP: Trout Mortality Composter - \$15,000.
 - Ronald Parks of Wayne SWCD – Contract #96-09-65-09
BMP: In-line Water Control Structure - \$1,623..
 - Bryant Worley of Wayne SWCD – Contract #96-09-66-09
BMP: In-line Water Control Structure - \$1,082.
 - Randy Smith of Lenoir SWCD – Contract #54-09-08-09
BMP: Manure Transfer - \$6,531.

3. The Commission **approved** the following CCAP JAA Requests:
 - Mike Bowman of Forsyth SWCD
 - Linda Birdsong of Forsyth SWCD
 - Teresa Hice of Wake SWCD

4. The Commission **approved** the post-approval contracts and request for payments for the Granville SWCD for Contracts #39-09-129-09, #39-09-130-09, and #39-09-131-09 for Cropland Conversion to Trees.
5. The Commission **approved** the post-approval contract and Request for Payment for Roy McDonald of Richmond SWCD for Contract #77-08-02-16 for a Waste Management Facility – Dry Stack.
6. The Commission **approved** the request from the Wilson SWCD for cost share funds to repair the damages that were sustained from thunderstorms and tornadoes to the recently graded and shaped grassed waterway of Contracts #98-09-07-09 and #98-08-28-09. This approval is contingent upon available funds.
7. The Commission **approved** Supervisor Contract # 44-09-33-05 of Commission Member James Ferguson for Pasture Renovation in the amount of \$5,625.

Preliminary Items

The May 20, 2009 meeting of the North Carolina Soil and Water Conservation Commission was held in the Ground Floor Hearing Room of the Archdale Building, 512 N. Salisbury Street, Raleigh, NC. It was conducted as a teleconference.

Vice Chairman Richard Smith called the meeting to order at 9:10 a.m. He welcomed everyone to the meeting and asked that they introduce themselves.

Vice Chairman Smith charged the Commission members to declare any conflict of interest or appearance of conflict of interest that may exist for agenda items to be considered by the Commission as mandated by Executive Order Number One.

Commissioner James Ferguson advised he had a potential conflict due to a supervisor contract of his that needed to be considered. His contract would be handled separately as Item #12 on the agenda. No others were noted.

Approval of Agenda

Commissioner William Pickett offered a motion to approve the agenda. Commissioner Manly West provided a second. The motion carried.

Approval of the Minutes

Commissioner Bobby Stanley made a motion to approve the minutes as presented and Manly West provided a second. The motion carried.

INFORMATIONAL ITEMS

Division Report

Division Director Pat Harris presented the Division Report stating the following points regarding the budget situation:

- FY09 shortfall at \$1.7 billion (11% decline)
- State Revenues down 21% (April 08 to 09)
- State employees taking 0.5% reduction
- Projected \$4.6 billion deficit to start FY10
- Governor (\$22.1 billion) and Senate (\$20 billion) have provided their budgets
- It's now up to the House to craft final budget
- House target budget is \$17.6 billion

Director Harris spoke about the following points regarding the budget situation with the Clean Water Management Trust Fund (CWMTF):

- May 5: Admin pulled \$12.9 million from CWMTF
- Placed "Hold" on five division contracts
- Impacted CCAP, CREP & Swine Buyout
- May 7: notified districts to apply brakes
- DENR & DSWC working to secure alternative funding to honor contractual agreements
- Suspend approval of all new CCAP contracts
- Suspended policy allowing districts to begin ACSP contracting on 2010 funds based on presumed allocation

Director Harris presented other impacts on the budget situation:

- Additional spending restrictions were enacted such as all travel not approved for public safety, public health and economic development reasons.

The Water Quality Monitoring Rules, Public Comment Period are May 15, 2009 thru July 14, 2009. Workshop Locations were the following:

- June 9 – Iredell County Extension Center, Statesville
- June 11 – James Sprunt Community College, Kenansville
- June 15 – Archdale Ground Floor Hearing Room, Raleigh
- June 18 – Martin Community College, Williamston

Director Harris reported on three bills that were recently introduced in the House and Senate:

- S907 – Enact the Water Resource Policy Act of 2009
- H1337 – Create a Water Resources Cost-Share
- H846 – Create a Legislative Study Commission on Water and Wastewater Infrastructure

Director Harris stated that the following items were sent to the Commission members for their review:

- General Statutes Chapter 143B – Part 7 – Soil and Water Conservation Commission
- General Statutes Chapter 143B-296 – Soil and Water Conservation Commission Officers
- By-Laws of the Commission (effective July 21, 1999).
- Policy for Paying Supervisor’s Travel and Per Diem (effective Nov. 18, 1998).

Director Harris spoke about the function of the Agriculture Task Force which is to advise and make recommendations to the Commission.

The next meeting will be held in June 2009.

On a positive note, Director Harris talked about the 2009 Annual Report and how proud the Division and their partners should be of this work.

Association Report

William Pickett, Jr., President of the NC Association of Soil and Water Conservation Districts, reported that the Executive Committee had voted to move forward regarding the Executive Director position. The first step would be to hire a consultant. That position would be advertised in the early part of June 2009. It is hoped that an Executive Director could be hired by February 2010. The President of the District Employees Association (DEA) has been asked to serve on the Steering Committee for this position.

Regarding the Leadership Initiative, President Pickett reported that 20 supervisors had been chosen to participate in this program. A meeting would be held on June 3-4, 2009 at the Sheraton Imperial Hotel in RTP.

The By-Laws Committee is being chaired by Mr. Marvin Cavanaugh. Any recommendations should be sent to Mr. Cavanaugh by June 1, 2009.

President Pickett stated that the State Speech Contest was well attended.

NRCS Report

State Conservationist, Ms. Mary Combs, presented the NRCS report. She reported on the following items:

- ✓ Environmental Quality Incentives Program (EQIP) – Applications will be accepted until April 24, 2009 to be considered in the next ranking pool. Funds are to be obligated by August 15th. Additional funding has been received bringing the total EQIP funding available for 2009 to approximately \$14 million.

- A major change in the program requires that similar crop and livestock applications be ranked together. North Carolina will use ranking pools as follows: Cropland, Pastureland, Forestry, Animals (Confined)/Headquarters. In addition, pools for Air Quality, Socially Disadvantaged Farmer, Beginning Farmer, and Organics are also being offered. The organic ranking pool will be conducted at the national level.
- ✓ Agricultural Water Enhancement Program (AWEP) – This is a new program that replaces the old Ground and Surface Water Conservation Program (GSWC) and it is part of the EQIP program. There are 4 applications that were received from within the state, including one from the Division.
 - ✓ Wildlife Habitat Incentives Program (WHIP) – The 2009 funding level for WHIP is \$1,069,731. As with EQIP, the obligation date for WHIP contracts is August 15, 2009.
 - ✓ Cooperative Conservation Partner Initiative (CCPI) - CCPI offers a unique opportunity to work cooperatively with partners such as the Division of Soil and Water Conservation or Conservation Districts to accomplish common conservation goals. In North Carolina, approximately \$1 million of EQIP and \$62,000 of WHIP funds have been designated for use by new contracts. The Division has been selected for the Lagoon Conversion Project.
 - ✓ Farm and Ranch Lands Protection Program (FRPP) – For FY 2009, FRPP funding is \$2,941,337. Sub-committees have met with the Department of Ag and NRCS. A May 18, 2009 deadline was set for receiving proposals.
 - ✓ Emergency Watershed Protection Program – Floodplain Easement (EWPP-FPE) – Nationally, \$145,000,000 (stimulus funding) was made available through the American Recovery and Reinvestment Act (ARRA) for NRCS to purchase and restore floodplain easements on eligible land. North Carolina received nine eligible applications, most in Haywood and Henderson Counties.
 - ✓ Wetland Reserve Program (WRP) – There are over 40,000 acres in easements in WRP.
- Watersheds – Construction on the Deep Creek Watershed multipurpose structure in Yadkin County is well underway. Bids for Phase 12 of the Swan Quarter Watershed Project in Hyde County were received and came in above the engineer's estimate. Phase 13 is in the design phase and funds for construction have been secured with \$5.28 million from stimulus funding. This is the final phase of the project.
- ✓ Conservation Innovation Grants (CIG) – North Carolina submitted six proposals to this program. The maximum amount allowed per grant is \$75,000.
 - ✓ New EQIP and WHIP Practices – The 2009 Farm Bill is leaning toward private lands and forestry. Some of the new practices are as follows:

- Precision farming
- Control invasive exotic plants on pastures and forests
- Establish beneficial insect and pollinator habitat
- Improve livestock grazing efficiency and sustainability
- Improve stream habitats
- Increase soil quality and atmospheric nitrogen capture using cover crops
- Manage forest health and productivity
- Restore declining forest ecosystems

Potential New BMP for Consideration for CCAP: Draft Marsh Sills Comment Period

Ms. Shelly Baird, Community Conservation Assistance Program Advisor, presented the Marsh Sills BMP which was introduced by the Onslow SWCD. A workgroup met on April 28 to discuss cost and design approval procedures for marsh sills. The proposal is to base payments on 75% of actual cost with a cap set at a \$5,000 per project. Job approval authority will not be required for this BMP since every application must be permitted and approved by the Division of Coastal Management.

The CCAP Advisory Committee was presented this proposal on May 4th. They requested a 30-day comment period. A conference call is scheduled for June 22 to finalize a recommendation.

Marsh sills protect estuarine shorelines from erosion, combining bioengineering or engineered structures with natural vegetation to also maintain, restore, or enhance the shoreline's natural habitat. Sills may be constructed from a variety of materials, including granite, marl, wood, timber, vinyl, steel or bagged oyster shells.

ACTION ITEMS

Consent Agenda

Commissioner Manly West offered a motion to approve the consent agenda. Commissioner William Pickett, Jr. provided a second, and the motion carried. The following items were approved as part of the consent agenda.

Appointment of Supervisors

Ms. Debbie Cullers was appointed to fill the un-expired term of Jesse McCaskill of Montgomery SWCD.

Mr. Trey Liverman was appointed to fill the un-expired term of Claud Jones of Tyrrell SWCD.

Mr. Dennis R. Waller was appointed to fill the un-expired term of S. Keith Waller of Wayne SWCD.

Approval of NCACSP Contracts for Supervisors

George Teague of Guilford SWCD -Contract # 41-09-28-02
BMP: Cropland Conversion to Grass - \$2,885.

Jeffery Tyson of Nash SWCD – Contract # 64-09-09-13
BMP: Sediment Removal from Agricultural Pond - \$3,000.

John Finch of Nash SWCD – Contract # 64-09-10-13
BMP: Sediment Removal from Agricultural Pond - \$3,000.

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BMP: Heavy Use Area - \$7,241.

Dick Bragg of Transylvania SWCD – Contract #88-09-19-05
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Ronald Parks of Wayne SWCD – Contract #96-09-65-09
BMP: In-line Water Control Structure - \$1,623.

Bryant Worley of Wayne SWCD – Contract #96-09-66-09
BMP: In-line Water Control Structure - \$1,082.

Randy Smith of Lenoir SWCD – Contract #54-09-08-09
BMP: Manure Transfer - \$6,531.

CCAP – JAA

CCAP- JAA Requests for May 2009 were approved for the following district employees who have all successfully completed the CCAP Design Training:

Mike Bowman – Forsyth SWCD
Linda Birdsong – Forsyth SWCD
Teresa Hice – Wake SWCD

Revised CCAP Grant Contract Deadlines

Ms. Shelly Baird reported that due to the State budget crisis and the uncertainty of the Clean Water Management Trust Fund (CWMTF) funds, all contracts are on hold. She is hopeful that CWMTF will honor committed funds. At a later date, we are proposing to recall any encumbered funds and with the Commission’s approval to reallocate these funds at a later date when there is official word from CWMTF that these funds are available.

Commissioner Don Cox made a motion to recall the unencumbered CCAP CWMTF grant funds and reallocate when they became available. Commissioner Manly West provided a second, and the motion carried.

ACSP Post-Approval Contract and Request for Payment for the Granville SWCD.

Ms. Michelle Raquet reported that representatives from the Granville SWCD were in attendance by telephone. It was requested that the representatives from the Granville SWCD introduce themselves. Mr. Warren Daniel and Mr. Randy Guthrie introduced themselves as representatives from the Granville SWCD.

Ms. Raquet stated that Commission policy dictates that BMP installation cannot begin until the District receives approval from the Division.

The Division received three requests for payments (RFPs) for three contracts from the Granville SWCD. The RFPs were submitted before the Division approved the following contracts: #39-09-129-09, #39-009-130-09, and #39-09-131-09. All three contracts were written for the Cropland Conversion to Trees BMP.

Ms. Raquet stated that the ACSP staff had reviewed and approved these contracts as of April 28, 2009. ACSP staff recommends that these post-approval contracts be approved by the Commission for payment.

Commissioner Don Cox made a motion to approve these post-approval contracts for payment Commissioner Bill Pickett provided a second. The motion carried.

ACSP Post-Approval Contracts and Request for Payment for the Richmond SWCD.

Ms. Michelle Raquet reported that representatives from the Richmond SWCD were in attendance by telephone. It was requested that the representatives from the Richmond SWCD introduce themselves. Mr. Jeff Joyner, Mr. Myers Waddell and Ms. Vilma Mendez introduced themselves as representatives from the Richmond SWCD.

Ms. Raquet stated that Commission policy dictates that BMP installation cannot begin until the District receives approval from the Division. Ms. Raquet stated that the Division received the request for payment (RFP) for contract #77-08-02-16 from the Richmond SWCD. The contract was pended for design approval authority on June 2, 2008. The RFP was submitted before the Division approved the contract for \$28,098 for a Waste Management Facility – Dry Stack.

The ACSP staff contacted Richmond SWCD requesting a copy of the NRCS design approval letter (dated November 19, 2008). This letter was not received by the Division until May 4, 2009.

The ACSP staff recommends that this post-approval contract be approved by the Commission for payment.

Commissioner Manly West made a motion to approve this post-approval contract for payment. Commissioner Bill Pickett provided a second, and the motion carried. To avoid future post approval contracts from the Richmond SWCD, the Commission also requested that the ACSP staff review how the District is tracking Division approval of contracts.

Approval of Payment for ACSP Practice Destroyed by Tornado-Wilson SWCD

Ms. Michelle Raquet reported that representatives from the Wilson SWCD were in attendance by telephone. It was requested that the representatives from the Wilson SWCD introduce themselves. Mr. Anthony Hester and Mr. Carroll Coleman introduced themselves as representatives from the Wilson SWCD.

Ms. Raquet stated that contracts #98-09-07-09 and #98-08-28-09 from the Wilson SWCD involved the grading and shaping of grassed waterways and diversions that were completed the week of April 20th. The practices were ready for a preliminary construction check before seeding began. The grading and shaping construction inspection was completed the week of April 27th, and it was determined that all BMPs were ready for seeding.

Before the contractor could start seeding, Wilson County was hit by severe thunderstorms and tornados the first week of May. The contractor inspected the area and advised that the bottoms of all the practices had sustained heavy damage and would need re-grading and re-shaping.

The Wilson SWCD requests that they be allocated extra cost share funds to repair the damages sustained to the BMPs during the adverse weather events.

Ms. Raquet stated that if funds are available at the end of PY2009, the ACSP staff would like to provide cost share funds to the Wilson SWCD to repair these contracts. The cost share funds would be written into repair contracts for PY2009.

The ACSP staff recommends that the Commission allocate 2009 cost share funds to the Wilson SWCD to cover the repair costs for these two contracts. Total estimated cost for the repairs is \$1,750.

Commissioner Manly West made a motion to approve these repair contracts if funds are available. Commissioner Bobby Stanley provided a second. The motion carried.

Approval of ACSP Contract for Commission Member

Ms. Raquet presented supervisor Contract #44-2009-33-05 for pasture renovation in the amount of \$5,625 for Commissioner James Ferguson. Due to Mr. Ferguson being a Commissioner, the approval must be approved by the Commission prior to being signed by DENR- Secretary Dee Freeman.

Commissioner Bobby Stanley made a motion to approve this contract and Commissioner Bill Pickett provided a second. The motion carried.

Attorney Ed Gavin requested that the record show that Commissioner Ferguson did not vote or otherwise participate in regard to this item.

Comments by Commissioners

Commissioner Bobby Stanley asked why so many post-approval contracts were showing up on the Commission Agenda. Mr. Ken Parks stated that ACSP and CCAP staff encourages Districts to use a spreadsheet to track their contracts, money amounts, approvals by the board and approval by the Division. A spreadsheet tracking tool assists the Districts to keep on top of their contracts and the status of each.

Mr. David Williams stated that this has been exceptional year in the number of contracts that were developed due to the Drought Response Grant Program. He also stated that the ACSP and CCAP staff has been working with DENR ITS to develop an on-line database that will include a tracking system for contracts and the status. The on-line database will be accessible to all Districts.

Commissioner Stanley recommended that an email be sent to all districts stating the Commission's policy on post-approval contracts. Mr. Williams stated that an email related to the policy can be sent through the email listserve from the ACSP staff. Mr. Parks also indicated that the ACSP staff can review of this policy during future ACSP trainings. Mr. Parks also stated it would be beneficial if the ACSP staff was notified of new District employees. Being notified of new District employees will allow the ACSP staff to provide examples and recommendations for tracking contracts and contract procedures.

Commissioner Manly West attended the Vick Family Farm Celebration and reported that it had a good turn out and everything went very well. The *Southeastern Farm Press* has an article on Lynwood Vick, the son of Jerome Vick, and how Lynwood took over the entire farm operation after his dad's critical illness.

Commissioner West stated that the farm was a "class act" operation and the award was a well deserved recognition.

Public Comments

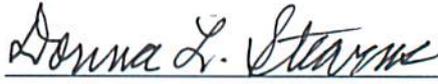
Mr. Dewitt Hardee of the Department of Agriculture and Consumer Services stated that his office passed a resolution totally against Senate Bill S907 because of the issue of all the waters of the state (private wells and ponds, etc.).

Note: S907 – Enact the Water Resource Policy Act of 2009...The Waters of the State are a natural resource owned by the State in trust for the public....State to plan, regulate, and control the withdrawal and use of those waters....

Approved July 15, 2009

Vice Chairman Smith adjourned the meeting at 10:32 a.m.


Patricia K. Harris, Director


Donna L. Stearns, Hearing Clerk

These minutes were approved by the North Carolina Soil and Water Conservation Commission on July 15, 2009


Patricia K. Harris, Director