



Steve Troxler
Commissioner

**North Carolina Department of Agriculture
and Consumer Services**
Division of Soil and Water Conservation

David Williams
Director

THE NORTH CAROLINA AGRICULTURAL WATER RESOURCES ASSISTANCE PROGRAM
AgWRAP Review Committee: Monday, July 13, 2026: 1:00 pm

Attendees: Lorien Deaton, Darren Layton, Shelby Kaplan, Michael Thaggard, Bryan Evans, Sarah Cope, Rusty Collins, Dustin Brewer, Jacob Peele, Julie Henshaw, Johnny Rogers, Elizabeth Spence, Mitch Peele, Rachel Smith, David Williams, John Beck, Caleb Lippard, Jim Kjelgaard

Agenda

- I. Welcome and introductions
- II. FY26 Supplemental Allocation Summary
 - a. An overview of the supplemental allocation process was provided, 74 requests were made, totaling \$691,458. \$297,708 in total were reallocated, funding 37 contracts.
- III. Ag Water Storage BMP Policy Discussion and Payment Changes: Action Item
 - a. An informational item was presented that will be voted on at the next ARC meeting. Phrasing has been added to #6 from the Ag Water Storage BMP policy that incorporates avian influenza concerns with using surface water for washing/cooling livestock. "Ag water used for washing/cooling livestock may be at risk for spreading avian influenza. Additional biosecurity measures may need to be established, and water may need to be treated before use." It was suggested that the "water may need to be treated before use" be a stand alone sentence so it applies to both the produce safety rule and biosecurity measures. An updated version of this policy will be presented to the committee for approval at the December ARC meeting.
 - b. The BMP Payment Option for the Ag Water Storage/Collection System was presented. 3 options were provided. The floor was open for discussion. Concerns were voiced about contractor rates increasing to meet cost share maximum payments, regardless of the size of the system needed. It was asked if Wilkes staff were in attendance and what their preference was. They were not on the call, but with prior meetings held throughout the process, Lorien noted that their preference was for Option #1, just increasing the overall cap, not splitting the BMP into tiers.

Bryan Evans made a motion to vote to approve option #1, increasing the BMP cap to \$30,000 and \$36,000. Mitch Peele seconded.

Yes votes for Option 1: Dustin Brewer, Bryan Evans, Rusty Collins, Sarah Avery, Jacob Peele, Johnny Rogers, Mitch Peele.

No votes for Option 1: Rachel Smith, Jim Kjelgaard.

Motion passes, the committee selected Option 1 to be presented to the SWCC for approval on FY27's Cost List.

It was asked if smaller systems would be able to be funded locally under Option 1. Lorien replied that smaller systems that fell within a district's current allocation amount and one supplement have been allowed under the previous cap, so it makes sense that smaller systems not have to compete with larger systems or ponds regionally. David Williams stated that districts could set local caps and could do so to fund these projects locally if they wanted.

IV. AgWRAP Regional Application Changes for FY27: Action Item Ranking points for pond repairs vs other BMPs

- a. The committee needed to vote to approve changes made to the ranking forms for Pond Repairs and New Ponds for FY27. Pond Repairs have up to a 10pt advantage over new ponds due to the environmental hazard they present. The committee discussed whether this priority should favor Pond Repairs over Conservation Irrigation Conversions and Ag Water Storage applications as well.

The floor was open for discussion. Support for favoring pond repairs over all regional applications was voiced.

Rusty Collins made a motion to vote for Option 2 (giving Pond Repairs a high score of 110 and other BMPs a high score of 100), Rachel Smith seconded.

Yes votes for Option 2: Dustin, Bryan, Sarah, Jacob, Johnny, Jim, Mitch

Motion passed, the ranking form for new ponds will be adjusted to allow for a 100pt max and pond repairs will have a 110pt max. This item does not have to go to the commission for final approval and will be posted on the website following the July 29th commission meeting.

V. FY27 Allocation Strategy: Action Item

- a. AgWRAP received it's recurring allocation this year.
- b. Three minimum allocation options were presented, \$9,600 (75%/25%), \$10,250 (80/20), and \$10,500 (85/15). Historically, the ARC tried to get \$10,000 for the district minimum in the assumption that it would cover the cost of one well. With wells averaging over \$14,000 across the state, the minimum allocation isn't going as far. It was stated that keeping the district minimum similar to last year and making as many regional projects available was preferred, but engineering is concerned that the number of regional projects may become a workload issue with the block grant work on the horizon.
- c. A motion as made to vote for Option 2, \$10,250 district minimum: Dustin Brewer, Jacob Peele seconded
Yes votes for Option 2: Bryan, Rusty, Sarah, Johnny, Jim, Rachel
Not available to vote: Mitch Peele.
Motion passes, this choice will create the annual allocations that will be presented to the SWCC.

VI. AgWRAP Detailed Implementation Plan for FY27: Action Item

- a. The Regional Application details and the Supplemental Allocation details had grammatical changes to them, but the processes remain the same. Outside of the text updates, there aren't any changes to the DIP.
- b. Open the floor for discussion: None held. Motion to hold a vote: Jacob, Rachel second to accept the changes as presented. Votes yes: Dustin, Bryan, Rusty, Sarah, Johnny, Jim. Not available to vote: Mitch. Motion passes, these changes will be presented to the SWCC.

VII. AgWRAP FY27 Cost Estimate List: Action Item

- a. Based on the decision made at the beginning of the meeting, the Ag Water Storage BMP will see a payment increase on the Cost Estimate List. Outside of that, the footnotes were edited to remove duplicating information and to clarify what the \$25,000 cap for the well means and to state which BMPs could be contracted using items from ACSP's cost estimate list.

- b. Motion to vote, Bryan, Rusty. Votes Yes: Rachel, Dustin, Sarah, Jacob, Johnny, Jim, Mitch. Motion passes, these changes will be presented to the SWCC.

VIII. Meeting Dates for FY27:

- a. December 14, 2026 at 1pm
 - We are moving the October meeting to occur on the 2nd Monday in December instead. This will allow all regional applications and their scores to be presented and will give the committee a chance to choose a minimum score if needed.
- b. Feb. 8, 2027 at 1pm

IX. Open Discussion & Conclusion

- a. In prior meetings, the option of moving the Regional Application timeline back was discussed and districts completed a survey offering their opinions as well. Given the leadership changes coming and the block grant to aid in Hurricane Helene relief, it was decided that this idea would be reconsidered in the future.

Motion to Adjourn the meeting: Bryan Evans, 2:38pm

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