

AGENDA

Lower Neuse Basin Association, Inc.[®] Neuse River Compliance Association, Inc.[®]

**September 7, 2017
Dupont - Kinston, Inc., Kinston, N.C.
10:00 a.m.**

- **Welcome, Roll Call, and Introduction of Guests**
- **Approval of Minutes for May 4, 2017 – Dan, Haywood (pages 2 – 4)**
- **Member Reports –**
- **LNBA/NRCA Treasurer’s Report –**
 - * **June, July, and August 2017 Treasurer’s Reports – Donald, Haywood (pages 5 – 7)**
 - * **FY 2017-18 Membership Fees Update (pages 8, 9)**
- **LNBA Sampling Report, May, June, July, and August, 2017 – Haywood (page 10)**
- **LNBA/NRCA Annual Training Workshop Update – Haywood**
- **NRCA Midyear Report – Haywood (pages 11, 12)**
- **Financial Policy for LNBA & NRCA – Haywood (emailed)**
- **Rules Review Schedule and Update - Dan, Haywood**
- **Atlantic Sturgeon Update - Dan, Haywood (pages 13, 14)**
- **Smithfield Agreement Lawsuit – Dan, Glenn, & Haywood (pages 15, 16)**
- **Legislative Updates - Dan, Haywood (emailed)**
- **Next Meeting and Adjourn – Location/Date: Johnston County, November 2, 2017**

Lower Neuse Basin Association®/Neuse River Compliance Association®
May 4, 2017, Meeting Minutes
City of Kinston, N.C.

Attending:

| | | | |
|------------------|--------------------|-------------------|--------------------------|
| Donald Smith | Town of Cary | Dan McLawhorn | City of Raleigh |
| John Cratch | Town of Apex | Jeff White | Dupont - Kinston |
| Fred Dancy | SGWASA | Emily Elmore | City of Kinston |
| Paul Allen | Town of Benson | Barry Parks | City of Wilson |
| Tim Webb | City of Havelock | Brian Leavitt | Town of Benson |
| T. J. Lynch | City of Raleigh | Danny Lassiter | CWS, Inc. |
| James Warren | Town of Clayton | Chuck Smithwick | Contentnea MSD |
| Dan Wall | Johnston County | Julie Grzyb | DEQ DWR Permitting |
| Bing Bai | DEQ DWR Permitting | Matthew Stillwell | DEQ DWR Permitting |
| Rusty Hayes | Craven County | Tim Broome | Johnston County |
| Hans Pearl | UNC-CH IMS | Mary Sadler | Hazen & Sawyer |
| Martin Lebo | AquAeTer | Peter Raabe | American Rivers |
| Kenny Stevens | City of Kinston | Glenn Dunn | Poyner & Spruill |
| Craig Hoover | DEQ DWR Permitting | Jay Sauber | Water Quality Consultant |
| John Craft | Town of LaGrange | Mark Oliveria | Environment I |
| Mike McAllister | Town of Kenly | Mike Wagner | City of Goldsboro |
| Haywood Phthisic | LNBA/NRCA | | |

The Chair, Dan McLawhorn, called the meeting to order and welcomed everyone. The roll was called and there were 14 of 18 members present representing the LNBA and 17 of 22 members present representing the NRCA. There was a quorum present for both association. Guests were introduced and recognized.

Board Minutes – The Board Minutes from the February 2, 2017 meeting were presented for approval. With no revisions, John Craft made a motion to approve, seconded by Rusty Hayes, and approved by the Boards.

Proposed By-Law Revision – The By-Laws Committee (James Warren, Tim Webb, and Haywood Phthisic) reported on a revision for the Board’s consideration:

Officers: The committee recommends the Board consider allowing the Alternates to serve as officers (currently only Directors may serve as officers).

Following discussion by the Board, T. J. Lynch made a motion to accept the committee’s recommendation, seconded by John Craft, and approved by the Board.

Officer Selection Committee Report – The Officer Selection Committee (T. J. Lynch, Kenny Stevens, and John Cratch) reported to the Board their recommendations for Officers to serve the next two-year term.

Chairman – Dan McLawhorn, City of Raleigh
 Treasurer – Donald Smith, Town of Cary

Vice-Chair – Barry Parks, City of Wilson
 Secretary – James Warren, Town of Clayton

The floor was then opened for additional nominations. Being none, a motion was made to accept the committee's recommendation, seconded by T. J. Lynch, and approved by the Board.

Treasurer's Report - The Treasurer's Report for February, March, and April, 2017, were presented by Donald Smith, Treasurer. As of April 26th the LNBA account balances were \$115,190.58 and NRCA account balances are \$155,216.19. Chuck Smithwick made a motion to approve the report as presented, seconded by T. J. Lynch, and approved by the Board.

Contract renewals for the following contractors were presented:

Sauber Water Quality Consulting – Amount, \$3,500.00 (one each LNBA & NRCA)
MFG Consulting, LLC – Amount, \$1,500.00 (one each LNBA & NRCA)
ModMon Funding UNC-CH IMS - \$5,000.00 (NRCA)

Following discussion, T. J. Lynch made a motion to approve the contracts as presented, seconded by Barry Parks, and approved by the Board.

LNBA Sampling Committee Report – Work on the Lower Neuse River Monitoring Service Contract No. 5 with Environment I continues. All sampling was completed by Environment 1 in February, March, and April, 2017. Data sets have been received through February, 2017 and loaded on the website. All invoices through March, 2017 have been processed and paid.

February, 2017 – All samples collected, analyzed, and reported per MOA.

March, 2017 - All samples were collected and analyzed per MOA requirements. Results are in the data review stage.

April, 2017 - All samples were collected per MOA requirements. Results are in the data review stage.

LNBA/NRCA Annual Training Workshop – The dates for the annual operator training workshop will be July 18, 2017 in Raleigh and July 20, 2017 in Kinston. Registration will begin on June 7, 2017 and information will be emailed to the members in early June.

LNBA and NRCA Annual Reports – The annual reports for both associations have been prepared and submitted to DEQ Division of Water Resources as required.

Letter to Secretary Regan – A letter to the newly appointed Secretary of the Department of Environmental Quality was presented to the Board for consideration by the Board. The letter introduced the associations to the secretary and expresses concern about the lack of success in the Neuse Management Strategy and requests the Division closely examine this fact in the next Neuse River Plan evaluation. Following discussion, Barry Parks made a motion to approve sending the letter, seconded by Dam Wall, and approved by the Board.

NRCA Nitrogen Projections – Haywood presented the total nitrogen projections based on historical values achieved by the NRCA members and showed projected growth in nitrogen discharged. Growth rates of 2.0%, 2.5%, and 3% were presented indicating that in 2035 the NRCA will reach its permitted allocation. T. J. presented projected growth in total nitrogen for the City of Raleigh which had similar results of reaching total nitrogen limits. Click on these links to view this information: [NRCA and City of Raleigh Total Nitrogen Projections](#) . Johnston County made a presentation on the work they are doing related to dissolved organic nitrogen to determine if it readily biodegradable. To view this presentation click on this

link: [Johnston County's DON Project](#)

Dissolved Organic Nitrogen Presentation – Hans Pearl with UNC-Ch, IMS made a presentation to the Board summarizing his work on dissolved organic nitrogen and the relationship with algal growth. To view that information click on this link: [Dissolved Organic Nitrogen Presentation](#) Hans is hopeful that they will receive funding to move this work forward.

Yellow Lance Report – The Yellow Lance mussel is designation of habitat is out for public review and it could affect areas in the Neuse River. Comments may be submitted if time permits.

Comments on the Rules Review – After a considerable amount of idle time the Rules Review process is starting to move forward. Dan presented draft comments for consideration in submitting to DWR as this process progresses and ask all to review. A meeting with DWR will be arranged in the near future.

The next meeting is scheduled for September 7, 2017 at 10:00 hosted by the Dupont-Kinston. With no further business, the meeting was adjourned.

Lower Neuse Basin Association, Inc. / Neuse River Compliance Association, Inc.

Treasurer's Report

8/28/2017

LNBA

| | | | |
|---|-----------------------------------|-----------|---------------------------------|
| Balance Forward: (checking per bank statement - 7/25/17) | Checking | \$ | 61,975.42 |
| | Savings | \$ | 70,392.58 |
| Debits: | | \$ | - |
| Environment 1 (July 17 Inv) | | | |
| Phthisic Consulting, Inc. (July 17, Inv) | | | 1,633.90 |
| City of Raleigh (lunch for Raleigh workshop) | | | 749.21 |
| Bank Charges (checks & maintenance fees) | | | 1.00 |
| | | | <hr/> |
| | | | 1.00 |
| | Total Debits | \$ | 2,384.11 |
| Credits: | | \$ | 15.92 |
| Interest (checking) | | | 15.92 |
| Interest (savings) | | | 13.98 |
| Membership Fees | | | 88,318.94 |
| Transfer to Savings | | | - |
| Checking Account Balance (per bank statement - 8/23/17) | | \$ | 147,926.17 |
| LGCU Share Account Balance (savings account) | | | 70,406.56 |
| | | | <hr/> |
| | | | 70,406.56 |
| | Total LNBA Account Balance | \$ | <u><u>218,332.73</u></u> |

NRCA

| | | | |
|--|-----------------------------------|-----------|---------------------------------|
| Balance Forward: (per bank statement - 7/25/17) | Checking | \$ | 56,518.99 |
| | Savings | | 111,817.84 |
| Debits: | | \$ | 100.00 |
| MFG Consulting, LLC (July 17 Inv) | | | 100.00 |
| Phthisic Consulting, Inc. (July 17, Inv) | | | 3,033.00 |
| City of Kinston (snacks Kinston workshop) | | | 268.54 |
| Poyner & Spruill (July 17 Invoice) | | | 61.05 |
| Bank Charges (checks & maintenance fees) | | | 1.00 |
| | | | |
| | Total: | \$ | 3,463.59 |
| Credits: | | \$ | - |
| Transfer to Savings | | | - |
| Interest (Savings) | | | 22.21 |
| Interest (Checking) | | | 10.95 |
| Membership Fees | | | 45,914.80 |
| Account Balance (per bank statement -8/23/17) | Checking | \$ | 98,981.15 |
| LGCU Share Account Balance (savings account) | Savings | | 111,840.05 |
| | | | <hr/> |
| | | | 111,840.05 |
| | Total NRCA Account Balance | \$ | <u><u>210,821.20</u></u> |

Lower Neuse Basin Association, Inc. / Neuse River Compliance Association, Inc.

Treasurer's Report

8/1/2017

LNBA

| | | | |
|---|--------------|-----------|-------------------|
| Balance Forward: (checking per bank statement - 6/22/17) | Checking | \$ | 46,187.76 |
| | Savings | \$ | 50,379.00 |
| Debits: | | \$ | |
| Environment 1 (June 17 Inv) | | | 7,289.58 |
| Phthisic Consulting, Inc. (June 17, Inv) | | | 1,183.88 |
| Poyner & Spruill (May 17 Inv) | | | 1,000.00 |
| MFG Consulting LLC (June 17 Invoice) | | | 100.00 |
| Sauber Water Quality Consulting (June 17 Invoice) | | | 980.00 |
| Raleigh Workshop Snacks | | | 144.30 |
| Bank Charges (checks & maintenance fees) | | | 1.00 |
| | | | <hr/> |
| | Total Debits | \$ | 10,698.76 |
| Credits: | | \$ | |
| Interest (checking) | | | 5.37 |
| Interest (savings) | | | 13.58 |
| Membership Fees | | | 46,481.05 |
| Transfer to Savings | | | 20,000.00 |
| Checking Account Balance (per bank statement - 7/25/17) | | \$ | 61,975.42 |
| LGCU Share Account Balance (savings account) | | | 70,392.58 |
| | | | <hr/> |
| Total LNBA Account Balance | | \$ | 132,368.00 |
| | | | <hr/> <hr/> |

NRCA

| | | | |
|--|----------|-----------|-------------------|
| Balance Forward: (per bank statement - 6/22/17) | Checking | \$ | 93,618.73 |
| | Savings | | 53,799.32 |
| Debits: | | \$ | |
| Sauber Water Quality Consult. (Jan 17 Inv) | | | 980.00 |
| Phthisic Consulting, Inc. (June 17, Inv) | | | 2,199.00 |
| McCall's Restaurant | | | 667.28 |
| Poyner & Spruill (May 17 Invoice) | | | 1,039.20 |
| Bank Charges (checks & maintenance fees) | | | 1.00 |
| | | | |
| | Total: | \$ | 4,886.48 |
| Credits: | | \$ | |
| Transfer to Savings | | | 58,000.00 |
| Interest (Savings) | | | 18.52 |
| Interest (Checking) | | | 9.18 |
| Membership Fees | | | 25,777.56 |
| Account Balance (per bank statement -7/25/17) | Checking | \$ | 56,518.99 |
| LGCU Share Account Balance (savings account) | Savings | | 111,817.84 |
| | | | <hr/> |
| Total NRCA Account Balance | | \$ | 168,336.83 |
| | | | <hr/> <hr/> |

Lower Neuse Basin Association, Inc. / Neuse River Compliance Association, Inc.

Treasurer's Report

7/1/2017

LNBA

| | | | |
|--|----------|-----------|------------------|
| Balance Forward: (checking per bank statement -4/26/17) | Checking | \$ | 64,831.24 |
| | Savings | \$ | 50,359.33 |
| Debits: | | \$ | |
| Environment 1 (April, & May 17 Invs) | | | 14,579.16 |
| Phthisic Consulting, Inc. (April & May 17, Invs.) | | | 3,006.90 |
| Poyner & Spruill (May 17 Invs) | | | 1,068.50 |
| Bank Charges (checks & maintenance fees) | | | 2.00 |
| | | | <hr/> |
| Total Debits | | \$ | 18,656.56 |
| Credits: | | \$ | |
| Interest (checking) | | | 13.08 |
| Interest (savings) | | | 19.67 |
| Membership Fees | | | - |
| Checking Account Balance (per bank statement - 6/22/17) | | \$ | 46,187.76 |
| LGCU Share Account Balance (savings account) | | | 50,379.00 |
| | | | <hr/> |
| Total LNBA Account Balance | | \$ | 96,566.76 |
| | | | <hr/> <hr/> |

NRCA

| | | | |
|--|----------|-----------|-------------------|
| Balance Forward: (per bank statement - 4/26/17) | Checking | \$ | 101,437.84 |
| | Savings | | 53,778.32 |
| Debits: | | \$ | |
| Sauber Water Quality Consult. (Jan 17 Inv) | | | - |
| Phthisic Consulting, Inc. (April & May 17, Invs.) | | | 5,581.00 |
| Poyner & Spruill (May 17 Inv) | | | 1,984.00 |
| MFG Consulting, Inc. (April & May 17 Invs.) | | | 275.00 |
| Bank Charges (checks & maintenance fees) | | | 2.00 |
| | | | <hr/> |
| Total: | | \$ | 7,842.00 |
| Credits: | | \$ | |
| Transfer to Checking | | | - |
| Interest (Savings) | | | 21.00 |
| Interest (Checking) | | | 22.89 |
| Membership Fees | | | - |
| Account Balance (per bank statement -6/22/17) | Checking | \$ | 93,618.73 |
| LGCU Share Account Balance (savings account) | Savings | | 53,799.32 |
| | | | <hr/> |
| Total NRCA Account Balance | | \$ | 147,418.05 |
| | | | <hr/> <hr/> |

LNBA Membership Dues for FY 2017-18

Date: 8/14/17

| Member | FY 2017-18 Amount | Date Payment Received/Deposit | Check # | Amount |
|-----------------------|----------------------|-------------------------------|---------------------|----------------------|
| Town of Fuquay-Varina | \$ 1,100.63 | 7/24/2017 | 87528 | \$ 1,100.63 |
| City of Havelock | 1,696.91 | 7/17/2017 | 30141 | 1,696.91 |
| Duke Energy Progress | 1,815.70 | 7/27/2017 | 1000031419 | 1,815.70 |
| Dupont - Kinston | 2,991.51 | 7/31/2017 | 2002815568 | 2,991.51 |
| City of Kinston | 9,274.13 | 7/31/2017 | 168648 | 9,274.13 |
| Jounston County | 7,484.53 | 7/17/2017 | 93871 | 7,484.53 |
| City of Goldsboro | 11,063.72 | 7/24/2017 | 134967 | 11,063.72 |
| Town of LaGrange | 821.15 | 7/21/2017 | 19266 | 821.15 |
| Contentnea MSD | 2,915.35 | 7/12/2017 | 2903 | 2,915.35 |
| Town of Kenly | 729.76 | 7/13/2017 | 27033 | 729.76 |
| City of Wilson | 10,911.41 | 7/24/2017 | 368558 | 10,911.41 |
| Town of Benson | 1,696.91 | 7/25/2017 | 71313 | 1,696.91 |
| Town of Farmville | 2,915.35 | 7/21/2017 | 80715 | 2,915.35 |
| Town of Cary | 19,135.93 | 7/31/2017 | 284345 | 19,135.93 |
| City of Raleigh | 49,901.73 | 7/31/2017 | 175023 | 49,901.73 |
| City of New Bern | 5,199.94 | 8/2/2017 | 211844 | 5,199.94 |
| Town of Apex | 2,991.51 | 7/25/2017 | 223218 | 2,991.51 |
| Town of Clayton | 2,153.82 | 7/24/2017 | 115408 | 2,153.82 |
| TOTAL: | \$ 134,799.99 | | | \$ 134,799.99 |
| | | | Outstanding: | \$ - |

NRCA Membership Dues for FY 2017-18

Date: 8/25/17

| Member | FY 2017-18 Amount | Date Payment Received/Deposit | Check # | Amount |
|------------------------|-------------------|-------------------------------|--------------|--------------|
| City of Havelock | \$ 1,259.27 | 7/13/2017 | 30150 | \$ 1,259.27 |
| Duke Energy Progress | 250.31 | 7/31/2017 | 1000031414 | 250.31 |
| Dupont - Kinston | 345.37 | 7/31/2017 | 2002815607 | 345.37 |
| City of Kinston | 3,153.88 | 7/24/2017 | 168518 | 3,153.88 |
| Jounston County | 3,044.04 | 7/17/2017 | 93875 | 3,044.04 |
| City of Goldsboro | 4,511.32 | 7/24/2017 | 134977 | 4,511.32 |
| Town of LaGrange | 744.81 | 7/17/2017 | 19273 | 744.81 |
| Contentnea MSD | 682.25 | 7/12/2017 | 2911 | 682.25 |
| Town of Kenly | 575.59 | 7/13/2017 | 2703 | 575.59 |
| City of Wilson | 3,754.16 | 7/24/2017 | 368582 | 3,754.16 |
| Town of Benson | 929.81 | 7/24/2017 | 71316 | 929.81 |
| Town of Farmville | 801.32 | 7/21/2017 | 80722 | 801.32 |
| Town of Cary | 4,803.04 | 7/31/2017 | 284354 | 4,803.04 |
| City of Raleigh | 34,869.86 | 7/31/2017 | 175008 | 34,869.86 |
| City of New Bern | 3,496.25 | 8/2/2017 | 211855 | 3,496.25 |
| Town of Apex | 1,107.45 | 7/25/2017 | 223230 | 1,107.45 |
| Town of Clayton | 1,232.01 | 7/24/2017 | 115413 | 1,232.01 |
| SGWASA | 3,731.65 | 7/17/2017 | 26063 | 3,731.65 |
| Aqua, N.C. | 716.93 | 7/26/2017 | 811266 | 716.93 |
| MCAS - Cherry Point | 1,433.04 | 8/14/2017 | 1095 | 1,433.04 |
| Carolina Water Service | 807.62 | 8/25/2017 | 1037951 | 807.62 |
| Craven County | 250.00 | 7/17/2017 | 376178 | 250.00 |
| TOTAL: | \$ 72,499.98 | | | \$ 72,499.98 |
| | | | Outstanding: | \$ - |

Lower Neuse Basin Association®

TO: Board Members

FROM: Water Sampling Contract Coordinator

SUBJECT: Sampling/Monitoring Report for September 07, 2017 Board Meeting

DATE: September 6, 2017

Work on the Lower Neuse River Monitoring Service Contract No. 5 with Environment 1 continues. All sampling was completed by Environment 1 in May, June, July, and August, 2017. Data sets have been received through June, 2017 and loaded on the website. All invoices through July, 2017 have been processed and paid.

May, 2017 – J5250000, J5410000 and J5500000 were inaccessible due to road flooding. As a result, the second set of field parameter readings could not be done for these 3 locations. Full sample collection was done at each of these later in May. The final data results have been received. All samples collected, analyzed, and reported per MOA.

June, 2017 - All samples were collected and analyzed per MOA requirements. The final data sets have been received and posted on the LNBA website.

July, 2017 - All samples were collected per MOA requirements. Results are in the final data review.

August, 2017 - All samples collected with the following exception: J5410000 (8/13 & 8/29) unable to sample due to bridge construction.

NEUSE RIVER COMPLIANCE ASSOCIATION

Total Nitrogen Mid Year Report (July 1, 2016 thru June 30, 2017) for 2017

Date: September 05, 2017

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| FACILITY | NPDES Permit # | END OF PIPE | | | | ESTUARY | | | | | |
|--------------------------------|----------------|-------------------|----------------------|--------------------------------|-------------------------------|----------------|---------------------|---------------------------|---------------------------------------|----------------------------|-------------------------|
| | | Permit Flow (MGD) | 2017 Avg. Flow (MGD) | Member TN Allocation (Lbs/Yr.) | Member TN Discharge (Lbs/Yr.) | Transport Zone | Annual Lease Amount | Member Estuary Allocation | Adjusted TN Allocation 2017 (Lbs/Yr.) | 2017 TN Delivery (Lbs/Yr.) | % of Estuary Allocation |
| SGWASA | NC0026824 | 5.500 | 1.880 | 22,420 | 16,348 | 10% | 0 | 5,860 | 0 | 1,635 | 28 |
| Town of Apex | NC0064050 | 3.600 | 1.079 | 40,547 | 11,482 | 50% | 0 | 20,274 | 0 | 5,741 | 28 |
| Town of Benson | NC0020389 | 1.900 | 1.008 | 33,070 | 9,599 | 50% | 0 | 16,535 | 0 | 4,799 | 29 |
| Town of Cary ~ North | NC0048879 | 12.000 | 5.819 | 143,246 | 42,102 | 50% | 0 | 71,623 | 0 | 21,051 | 29 |
| Town of Cary ~ South | NC0065102 | 12.800 | 5.028 | 180,211 | 34,908 | 50% | 0 | 90,105 | 0 | 17,454 | 19 |
| City of Raleigh ~ Smith Creek | NC0030759 | 3.000 | 1.919 | 70,814 | 23,939 | 50% | 0 | 35,407 | 0 | 11,969 | 34 |
| City of Raleigh ~ Neuse | NC0029033 | 60.000 | 46.322 | 682,483 | 340,623 | 50% | 0 | 341,242 | 0 | 170,311 | 63 |
| Raleigh ~ Ground Water | NA | NA | NA | NA | 86,915 | 50% | 0 | NA | 0 | 43,458 | |
| City of Raleigh ~ Little Creek | NC0079316 | 2.200 | 0.796 | 26,660 | 4,949 | 50% | 0 | 13,330 | 0 | 2,474 | 19 |
| Town of Clayton | NC0025453 | 2.500 | 1.515 | 22,832 | 23,192 | 50% | 0 | 11,416 | 0 | 11,596 | 102 |
| Neuse Colony, (Aqua NC) | NC0064564 | 0.350 | 0.241 | 8,447 | 6,241 | 50% | 0 | 4,224 | 0 | 3,120 | 74 |
| Johnston County | NC0030716 | 9.500 | 4.537 | 71,476 | 50,894 | 50% | 0 | 35,738 | 0 | 25,447 | 71 |
| Town of Kenly | NC0064891 | 0.630 | 0.327 | 7,096 | 2,859 | 50% | 0 | 3,548 | 0 | 1,430 | 40 |
| Town of Farmville | NC0029572 | 3.500 | 1.838 | 42,211 | 6,552 | 50% | 0 | 21,106 | 0 | 3,276 | 16 |
| City of Wilson | NC0023906 | 14.000 | 9.037 | 157,886 | 66,301 | 50% | 0 | 78,943 | 0 | 33,150 | 42 |
| Duke Energy ~ H F Lee Plant | NC0003417 | NA | 0.027 | 3,260 | 29 | 70% | 0 | 2,282 | 0 | 21 | 1 |
| City of Goldsboro | NC0023949 | 14.200 | 9.473 | 199,822 | 67,442 | 70% | 0 | 139,876 | 0 | 47,209 | 34 |
| Town of LaGrange | NC0021644 | 0.750 | 0.471 | 8,447 | 6,630 | 70% | 0 | 5,913 | 0 | 4,641 | 78 |
| City of Kinston (Regional) | NC0024236 | 11.850 | 5.469 | 126,711 | 37,216 | 70% | 0 | 88,697 | 0 | 26,051 | 29 |
| Contentnea MSD | NC0032077 | 3.500 | 1.843 | 37,100 | 10,353 | 70% | 0 | 25,970 | 0 | 7,247 | 28 |
| Dupont-Kinston, Inc. | NC0003760 | 3.600 | 0.299 | 25,493 | 1,028 | 70% | 0 | 17,845 | 0 | 720 | 4 |
| City of New Bern | NC0025348 | 6.500 | 3.958 | 64,210 | 47,248 | 100% | 0 | 64,210 | 0 | 47,248 | 74 |
| MCAS Cherry Point | NC0003816 | 3.500 | 1.717 | 39,421 | 26,661 | 100% | 0 | 39,421 | 0 | 26,661 | 68 |
| City of Havelock | NC0021253 | 2.250 | 1.255 | 21,400 | 11,367 | 100% | 0 | 21,400 | 0 | 11,367 | 53 |
| CWS Systems, Inc. | NC0033111 | 0.600 | 0.346 | 11,263 | 13,877 | 100% | 0 | 11,263 | 0 | 13,877 | 123 |
| | | 178,230 | 106,203 | | | | | 1,163,946 | | 541,954 | |

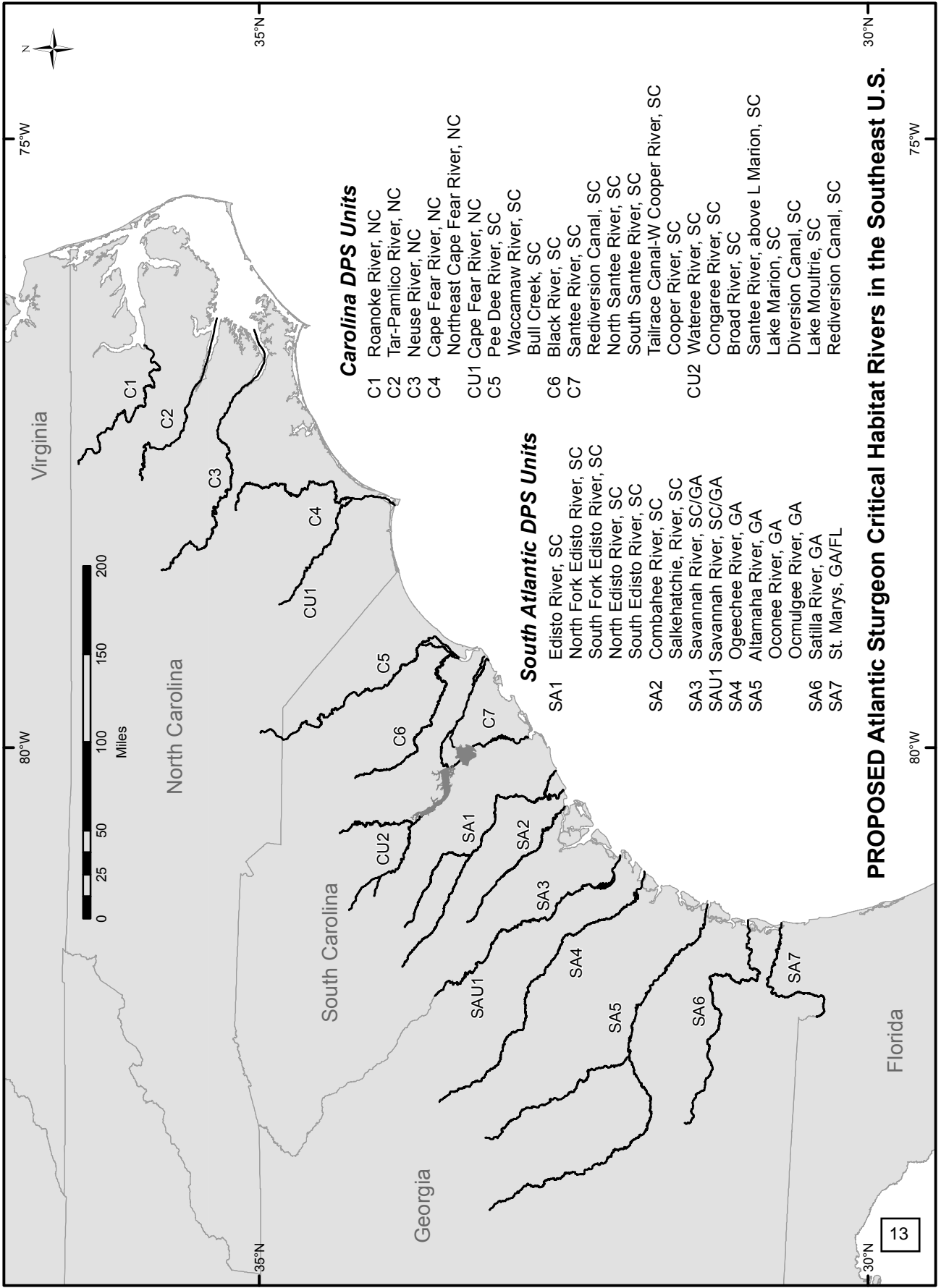
NEUSE RIVER COMPLIANCE ASSOCIATION

Total Nitrogen Mid Year Report (July 1, 2016 thru June 30, 2017) for 2017

Date: September 05, 2017

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| FACILITY | Total Q (MG) | EOP Total Nitrogen (Lbs) | EOP Avg Conc. (mg/L) | Avg Q (MGD) |
|---|-----------------|--------------------------------|----------------------------|----------------|
| SGWASA | 686.041 | 16,348 | 2.86 | 1.880 |
| Town of Apex | 393.952 | 11,482 | 3.49 | 1.079 |
| Town of Benson | 367.824 | 9,599 | 3.13 | 1.008 |
| Town of Cary ~ North | 2,124.050 | 42,102 | 2.38 | 5.819 |
| Town of Cary ~ South | 1,835.130 | 34,908 | 2.28 | 5.028 |
| City of Raleigh ~ Smith Creek | 700.378 | 23,939 | 4.10 | 1.919 |
| City of Raleigh ~ Neuse Raleigh ~ Ground Water | 16,907.665 | 340,623 86,915 | 2.42 | 46.322 |
| City of Raleigh ~ Little Creek | 290.721 | 4,949 | 2.04 | 0.796 |
| Town of Clayton | 552.812 | 23,192 | 5.03 | 1.515 |
| Neuse Colony (Aqua NC) | 87.912 | 6,241 | 8.51 | 0.241 |
| Johnston County | 1,655.959 | 50,894 | 3.69 | 4.537 |
| Town of Kenly | 119.339 | 2,859 | 2.87 | 0.327 |
| Town of Farmville | 670.851 | 6,552 | 1.17 | 1.838 |
| City of Wilson | 3,298.540 | 66,301 | 2.41 | 9.037 |
| Duke Energy ~ H F Lee Plant | 9.780 | 29 | 0.00 | 0.027 |
| City of Goldsboro ~ Pipe 01 | 3,217.834 | 64,389 | 2.40 | 8.816 |
| City of Goldsboro ~ Pipe 02 | 239.830 | 3,052 | 1.53 | 0.657 |
| Town of LaGrange | 171.761 | 6,630 | 4.63 | 0.471 |
| City of Kinston (Regional) | 1,996.110 | 37,216 | 2.24 | 5.469 |
| Contentnea MSD | 672.817 | 10,353 | 1.85 | 1.843 |
| Dupont-Kinston, Inc. | 108.990 | 1,028 | 1.13 | 0.299 |
| City of New Bern | 1,444.594 | 47,248 | 3.92 | 3.958 |
| MCAS Cherry Point | 626.740 | 26,661 | 5.10 | 1.717 |
| City of Havelock | 458.219 | 11,367 | 2.97 | 1.255 |
| CWS Systems, Inc. | 126.331 | 13,877 | 13.17 | 0.346 |
| Operating Totals | 38,764.180 | 861,838 | 2.67 | 106.203 |
| Association Totals | 38,764.180 | 948,753 | 2.93 | 106.203 |



Carolina DPS Units

- C1 Roanoke River, NC
- C2 Tar-Pamlico River, NC
- C3 Neuse River, NC
- C4 Cape Fear River, NC
- CU1 Northeast Cape Fear River, NC
- CU2 Cape Fear River, NC
- C5 Pee Dee River, SC
- C6 Waccamaw River, SC
- C7 Bull Creek, SC

South Atlantic DPS Units

- SA1 Edisto River, SC
- SA2 North Fork Edisto River, SC
- SA3 South Fork Edisto River, SC
- SA4 North Edisto River, SC
- SA5 South Edisto River, SC
- SA6 Combahee River, SC
- SA7 Salkehatchie River, SC
- SAU1 Savannah River, SC/GA
- SAU2 Savannah River, SC/GA
- SAU3 Ogeechee River, GA
- SAU4 Altamaha River, GA
- SAU5 Oconee River, GA
- SAU6 Ocmulgee River, GA
- SAU7 Satilla River, GA
- SAU8 St. Marys, GA/FL

PROPOSED Atlantic Sturgeon Critical Habitat Rivers in the Southeast U.S.

Table 1. Proposed Critical Habitat Units and Extents of the Units.

| Critical Habitat Unit Name | DPS Nomenclature | Water Body | State | Upper extent | River kilometers | River miles |
|----------------------------|---|---|-------------------------------|--|------------------|-------------|
| Roanoke | Carolina Unit 1 (C1) | Roanoke River | North Carolina | Roanoke Rapids Dam | 213 | 132 |
| Tar - Pamlico | Carolina Unit 2 (C2) | Tar - Pamlico River | North Carolina | Rocky Mount Mill Pond Dam | 199 | 124 |
| Neuse | Carolina Unit 3 (C3) | Neuse River | North Carolina | Milburnie Dam | 345 | 214 |
| Cape Fear | Carolina Unit 4 (C4) | Cape Fear River | North Carolina | Lock and Dam #2 | 151 | 94 |
| Cape Fear Unoccupied | Carolina Unoccupied Unit 1 (CU1) | Northeast Cape Fear River | North Carolina | Upstream side of Rones Chapel Road Bridge | 218 | 136 |
| Pee Dee | Carolina Unit 5 (C5) | Cape Fear River | North Carolina | Huske Lock and Dam (a.k.a. Lock and Dam #3) | 37 | 23 |
| | | Pee Dee River | North Carolina/South Carolina | Blewett Falls Dam | 310 | 192 |
| | | Waccamaw River | South Carolina | Bull Creek (a.k.a. Big Bull Creek) | 35 | 22 |
| | | Bull Creek (a.k.a. Big Bull Creek) | South Carolina | Pee Dee River | 17 | 11 |
| Black | Carolina Unit 6 (C6) | Black River | South Carolina | Interstate Highway 20 | 253 | 157 |
| Santee - Cooper | Carolina Unit 7 (C7) | Santee River | South Carolina | Wilson Dam | 114 | 71 |
| | | Rediversion Canal | South Carolina | St. Stephens Dam | 8 | 5 |
| | | North Santee River | South Carolina | Confluence of Santee River | 29 | 18 |
| | | South Santee River | South Carolina | Confluence of Santee River | 27 | 17 |
| | | Tailrace Canal - West Branch Cooper River | South Carolina | Pinopolis Dam | 29 | 18 |
| | | Cooper River | South Carolina | Confluence of the West Branch Cooper and East Branch Cooper Rivers | 48 | 30 |
| Santee - Cooper Unoccupied | Carolina Unoccupied Unit 2 (CU2) | Wateree River | South Carolina | Wateree Dam | 124 | 77 |
| | | Broad River | South Carolina | Parr Shoals | 43 | 27 |
| | | Congaree River | South Carolina | Confluence of Saluda and Broad Rivers | 84 | 52 |
| | | Santee River (up river of Lake Marion) | South Carolina | Confluence of Congaree and Wateree Rivers | 13 | 8 |
| | | Lake Marion | South Carolina | Santee River (upstream of Lake Marion) | 50 | 31 |
| | | Diversion Canal | South Carolina | Lake Marion | 8 | 5 |
| | | Lake Moultrie | South Carolina | Diversion Canal | 16 | 10 |
| | | Rediversion Canal | South Carolina | Lake Moultrie | 8 | 5 |
| Edisto | South Atlantic Unit 1 (SA1) | North Fork Edisto River | South Carolina | Cones Pond just north of I-20 (approximately 33.8035 N, 80.4702 W) | 155 | 96 |
| | | South Fork Edisto River | South Carolina | State Hwy 121 | 175 | 109 |
| | | Edisto River | South Carolina | Confluence of the North Fork Edisto and South Fork Edisto Rivers | 163 | 101 |
| | | North Edisto River | South Carolina | Edisto River | 29 | 18 |
| | | South Edisto River | South Carolina | Edisto River | 31 | 19 |
| Combahee - Salkehatchie | South Atlantic Unit 2 (SA2) | Combahee - Salkehatchie River | South Carolina | Confluence of Buck and Rosemary Creeks with (Approximately 33.2906 N, 81.4326 W) | 185 | 115 |
| Savannah | South Atlantic Unit 3 (SA3) | Savannah River | South Carolina/Georgia | New Savannah Bluff Lock and Dam | 338 | 210 |
| Savannah Unoccupied | South Atlantic Unoccupied Unit 1 (SAU1) | (S) Savannah River | South Carolina/Georgia | Augusta Diversion Dam | 33 | 20 |
| | | Ogeechee River | Georgia | Confluence of North Fork and South Fork Ogeechee Rivers (Approximately 33.5200 N, 82.9095 W) | 448 | 278 |
| Altamaha | South Atlantic Unit 4 (SA4) | Ogeechee River | Georgia | Sinclair Dam | 227 | 141 |
| | | Oconee River | Georgia | Juliette Dam | 363 | 226 |
| | | Ocmulgee River | Georgia | Confluence of Oconee and Ocmulgee Rivers | 216 | 134 |
| | | Altamaha River | Georgia | Confluence of Satilla and Wiggins Creeks (Approximately 31.5041 N, 83.0818 W) | 378 | 235 |
| Satilla | South Atlantic Unit 6 (SA6) | Satilla River | Georgia | Confluence of Middle Prong St. Marys and St. Marys Rivers (Approximately 30.4233 N, 82.2094 W) | 203 | 126 |
| St. Marys | South Atlantic Unit 7 (SA7) | St. Marys River | Georgia/Florida | | | |

MEMORANDUM

To: Neuse River Compliance Association
Lower Neuse Basin Association

From: H. Glenn Dunn

Date: August 28, 2017

Re: Lawsuit Challenge to Smithfield Agreement

A lawsuit has been filed challenging the Agreement between the Attorney General of North Carolina and Smithfield Foods and its subsidiaries and Prestige Farms (the “Smithfield Agreement”). Under the Smithfield Agreement, the two companies agree to fund grants for water quality improvement projects and for development of environmentally superior waste management technologies for use on the companies’ North Carolina swine farms. The lawsuit was filed by Francis X. DeLuca (Director of the Civitas Institute) against Roy Cooper, Attorney General. So far, the Attorney General has filed a motion to have the lawsuit dismissed, however the Court denied the motion and ordered the Attorney General not to distribute any more funds until there is a further ruling by the Court.

The Smithfield Agreement has been in effect since 2000. The grants for water quality improvement projects are administered by the Attorney General and up to \$2 million in grants may be awarded annually through 2025. Of particular importance to reducing nitrogen impacts from swine operations, the funding for environmentally superior waste treatment technologies involves swine farmers working cooperatively with North Carolina State University and the Attorney General to develop and implement such technologies. The Smithfield Agreement specifies that a “designee” is to decide whether a technology is environmentally superior. The designee for 15 years has been Dr. Mike Williams, formerly Director of NCSU’s Animal and Poultry Waste Management Center, now retired. So far, new technologies have been developed with help of funding provided under the Smithfield Agreement, but none has yet been determined environmentally superior. Although all the funds for this purpose have been expended, according to Dr. Williams new technologies continue to be developed and could eventually be determined by the designee to be superior.

The complaint filed in the lawsuit claims that the funds used for water quality project grants are, in effect, civil penalties and asks that the Attorney General be preliminarily and permanently enjoined from distributing payments made pursuant to the Smithfield Agreement to anyone other than the Civil Penalty Forfeiture Fund, to then be distributed to school boards. If the Court agrees, funds would clearly be directed away from grants for water quality projects. Furthermore, there is a very real possibility that the Court could rule that the entire Smithfield Agreement is invalid and therefore the possibility of determining that a process is environmentally superior would be terminated, which would be a setback to development of better processes for treating hog waste.

The case is scheduled to be heard in Superior Court on September 13, 2017. If the Court rules that the Smithfield Agreement is invalid and the Attorney General appeals, the NRCA could consider supporting continuation of the environmentally superior technology process by filing an amicus brief in the appeal. The brief particularly could clarify and amplify the importance of development of new technology from the viewpoint of the NRCA members, the major NPDES permit holders in the Neuse River Basin that together have spent approximately \$450 million making major improvements in human waste treatment while swine operations continue to treat 10 times the volume of waste through an antiquated process. The amicus brief could emphasize that these major expenditures were for technology that greatly exceeds current regulatory requirements and were not forced by threat of penalties. This could help make the legal point that the funds dedicated by the companies to the superior technology process were not forced by threat of penalties but rather were in their own best interest in adapting to likely future regulations, particularly from the federal level.