

AGENDA

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

**February 6, 2020
City of Raleigh, N.C.
10:00 a.m.**

- **Welcome, Roll Call, and Introduction of Guests**
- **Approval of Minutes for November 7, 2019 (AI) – Dan or Haywood (page 2 – 3)**
- **Nutrient Loading in the Neuse River Basin – Dr. Dan Obenour, N. C. State Univ.**
- **LNBA/NRCA Financials –**
 - * **December, 2019 & January & February, 2020 Treasurer’s Reports (AI) – Donald (page 4)**
 - * **Year to Date Expenditures for FY 2019-20 – Donald (page 5)**
 - * **LNBA/NRCA Finance Committee Recommendation on FY 2020-21 Budget and Membership Dues (AI) – Finance Committee (pages 6 -8)**
- **LNBA Sampling Report – November, December, 2019, & January 2020 – Haywood (page 9)**
- **Town of Clayton Support on Nutrient Offset Credits -**
- **Nutrient Rules & Rules Review Commission –**
- **Staff Changes at DWR -**
- **Member Reports**
- **Next Meeting and Adjourn – Location/Date: Contentnea MSD, Grifton, N. C. - May 7th, 2020**

Action Items (AI)

Lower Neuse Basin Association®/Neuse River Compliance Association®
November 7, 2019 Meeting Minutes
City of Goldsboro, N.C.

Attending:

Fred Dancy	SGWASA	Kenny Stevens	City of Kinston
Jimmy Pridgen	City of Wilson	Emily Elmore	City of Kinston
Barry Parks	City of Wilson	Brian Leavitt	Town of Benson
Nicola Hill	HDR	Tony Hawkins	City of New Bern
David Hardin	Town of Apex	Dan Wall	Johnston County
Dan McLawhorn	City of Raleigh	T. J. Lynch	City of Raleigh
Chuck Smithwick	Contentnea MSD	Mike Wagner	City of Goldsboro
Donald Smith	Town of Cary	James Warren	Town of Clayton
Mike McAllister	Town of Kenly	Robert Krueger	Aqua, N.C.
Michelle Daw	City of Goldsboro	Timothy Lawrence	MCAS-CH
David Huffman	DWR Water Science	Mike Graham	Duke Energy
Mark Oliveira	Environmental I	Robert Sherman	City of Raleigh
Mark Vander Borgh	DWR Water Science	Quai Benihani	DEQ DWR Permitting
Reginald Hicks	City of Durham	Erica Bailey	City of Raleigh
Dana Hill	CWSNC	Jay Sauber	Water Quality Consultant
Kathy Hill	City of Goldsboro	John Kiviniemi	City of Raleigh
James Carter	Town of LaGrange	Jeff White	Dow-Dupont, Kinston
Haywood Phthisic	LNBA/NRCA	Peter Raabe	American Rivers

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 18 of 22 members present representing the NRCA. There was a quorum present for both associations. Guests were introduced and recognized.

Board Minutes – The Board Minutes from the September 19, 2019 meeting were presented and approved as submitted by both Boards.

Financials – *Treasurer's Report* - The Treasurer's Reports for September and October, 2019 were presented by Donald Smith. As of September 25th, the LNBA account balance was \$237,614.27 and NRCA account balance was \$243,362.83. T. J. Lynch made the motion to approve the reports as presented, seconded by Barry Parks, and approved by the Boards.

Haywood Phthisic reported the bank accounts for both the LNBA and NRCA had been transitioned to Civic Federal Credit Union (to replace LGFCU). Donald noted the check issuance process had been streamlined and is more efficient from a time perspective than manual check writing.

Haywood presented an example membership dues table illustrating the NRCA dues with the City of Durham and the Town of Hillsborough joining the NRCA. A proposed budget will be presented at the February Board meeting.

Contractor Agreements – Haywood presented two contractors for the Boards consideration, Sauber Water Quality Consulting (\$3,500 each association) and MFG Consulting, LLC (\$2,000 each association; these

contracts are renewals). Following discussion, Barry Parks made the motion to approve both agreements and authorizing the Chair to execute them, seconded by T. J. Lynch, and approved by the Boards.

990 Tax Returns – Haywood reported the 2018 990 tax returns were emailed to the Board members for review. If there were any questions to please let him know as the reports are due November 15th.

NRCA Total Nitrogen Compliance Summary – Haywood presented a summary of the member's compliance with their individual total nitrogen allocation. The report summarizes compliance from 2003 through 2018. Overall, compliance is outstanding for the membership but may be an item the Board may want to consider additional requirements of its members in the future.

LNBA Sampling Report – Work continues with the Lower Neuse River Monitoring Service Contract No. 5 with Environment I. All sampling was completed by Environment 1 in September and October, 2019. Data sets have been received through August, 2019 and loaded on the website. September sampling results are in data review. All invoices through September, 2019 have been processed and paid.

Dissolved Metals Sampling Request from the Division of Water Resources (DWR) – The Division made a presentation on presented its request for the LNBA to sample and analysis dissolved metals at September Board meeting. Mark Vander Borgh with DWR was at this meeting to answer questions and concerns regarding the Division's request. The Dissolved Metals Committee (Erica Baily, City of Raleigh; Donald Smith, Town of Cary, and Mike Wagner, City of Goldsboro) presented their recommendation to the Board (a map of the sites is included in the agenda package). The recommendation of the committee was:

- * Not to proceed as requested by the Division.
- * The information gained would not benefit the coalition members as a group because the sites were located in a small portion of the basin.
- * The committee would recommend proceeding with sampling for the impaired metals under certain conditions.

Jay Sauber, water quality consultant to the associations, presented additional information for the Board's consideration on the dissolved metals request. Following Jay's presentation and discussion by the Board, Barry Parks made the motion to decline the request from the Division to test the dissolved metals, seconded by James Warren, and approved by the Board.

Meeting with Division of Water Resources – The DWR Director, Linda Culpepper, requested to meet with several associations to introduce the newly appointed Planning Director, Karen Higgins. The UNRBA also attended this meeting. Dan noted the Neuse Plan is behind in its scheduled preparation (2018).

Nutrient Rules and Rules Review Commission (RRC) – Dan reported the nutrient rules went to the RRC and were returned with multiple comment pages. Depending on DWR's response time the rules will return to the RRC in November or December.

The next meeting is scheduled for February 6, 2020 at 10:00 to be hosted by the City of Raleigh. With no further business, the meeting was adjourned.

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

Treasurer's Report

2/3/2020

LNBA

Balance Forward: (checking per bank statement - 11/01/19)	Checking	\$	165,446.47
	Savings		72,167.80
Debits:		\$	
PCi, Inc. (Oct, Nov, & Dec 19 Invs)			5,572.72
Environment I, Inc. (LNBA Oct, Nov, & Dec 19 Invs)			4,255.65
Environment I, Inc. (Raleigh Oct & Nov, 19 Invs)			22,962.18
Poyner & Spruill (September 19 Invoice)			473.94
Jewell Wiggins (2018 990 Tax Return)			630.00
MFG Consulting LLC (Oct, Nov, & Dec 19 Invs)			400.00
Sauber Water Quality Consult. (Nov 19 Inv)			840.00
			<hr/>
Total Debits		\$	35,134.49
Credits:		\$	
Interest (checking)			56.35
Interest (savings)			409.79
Membership Fees			-
Checking Account Balance (per bank statement - 2/03/2020)		\$	130,368.33
			72,577.59
			<hr/>
Total LNBA Account Balance		\$	202,945.92
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NRCA

Balance Forward: (per bank statement -11/01/19)	Checking	\$	129,349.72
	Savings		114,013.11
Debits:		\$	
PCi, Inc (Oct, Nov, & Dec, 19 Invs)			9,582.00
Poyner & Spruill (September 19 Invoice)			473.93
Jewell Wiggins (2018 990 Tax Return)			630.00
NC DEQ NPDES Permit Renewal for 2020			3,440.00
			<hr/>
Total:		\$	14,125.93
Credits:		\$	
Membership Fees			-
Interest (Savings)			647.54
Interest (Checking)			46.49
Account Balance (per bank statement - 2/03/2020)	Checking	\$	115,270.28
LGCU Share Account Balance (savings account)	Savings		114,660.65
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Total NRCA Account Balance		\$	229,930.93
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YTD Expenditures for FY 2019-20

Date: 1/21/2020

LNBA	Monitoring	ED Services	Training	Admin	Legal	Web Services	Consultant	Total	Raleigh
July, 2019	\$ 7,654.06	\$ 1,626.98	\$ -	\$ 1.00	\$ -	\$ -	\$ -	\$ 9,282.04	\$ 1,418.55
August	7,654.06	2,131.84	1,073.55	1.00	-	-	420.00	11,280.45	1,418.55
September	7,654.06	1,655.04	-	1.00	-	-	490.00	9,800.10	1,418.55
October	7,654.06	1,426.12	-	1.00	-	-	630.00	9,711.18	1,418.55
November	7,654.06	1,732.84	-	630.00	473.94	100.00	-	10,590.84	1,418.55
December	7,654.06	1,690.54	-	-	-	150.00	840.00	10,334.60	1,418.55
January, 2020	-	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-
Total	\$ 45,924.36	\$ 10,263.36	\$ -	\$ 630.00	\$ 473.94	\$ 250.00	\$ 2,380.00	\$ 59,921.66	\$ 8,511.30
Budget	\$ 94,800.00	\$ 21,500.00	\$ 1,500.00	\$ 1,000.00	\$ 10,000.00	\$ 2,500.00	\$ 3,500.00	\$ 134,800.00	44%

NRCA	Permit/Grant	ED Services	Training	Admin	Legal	Web Services	Consultant	Total	Mod/mon
July, 2019	\$ -	\$ 3,020.00	\$ -	\$ 1.00	\$ -	\$ 120.00	\$ -	\$ 3,141.00	\$ -
August	-	3,960.00	961.77	1.00	-	100.00	-	5,022.77	-
September	-	3,075.00	-	1.00	-	130.00	-	3,206.00	-
October	-	2,647.00	-	1.00	-	100.00	-	2,748.00	-
November	-	3,217.00	-	630.00	473.93	-	-	4,320.93	-
December	3,440.00	3,140.00	-	-	-	-	-	6,580.00	-
January, 2020	-	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-
June	-	-	-	-	2,500.00	-	-	2,500.00	-
Total	\$ 3,440.00	\$ 19,059.00	\$ 961.77	\$ 630.00	\$ 2,973.93	\$ 450.00	\$ -	\$ 27,514.70	\$ -
Budget	\$ 3,500.00	\$ 42,500.00	\$ 1,500.00	\$ 2,500.00	\$ 22,500.00	\$ 1,500.00	\$ 3,500.00	\$ 77,500.00	36%

FY 2020–21 Budget and Finance Committee Recommendation

2/04/2020

Finance Committee Members - Barry Parks, City of Wilson; Chuck Smithwick, Contentnea MSD; and Donald Smith, Town of Cary; and Haywood Phthisic, Executive Director.

The committee (through email discussion and conference call) reviewed the draft budget for FY 2020-21 for the LNBA and NRCA.

LNBA Budget:

* No increase in the proposed budget from FY 2019-20. Membership dues will remain constant for the upcoming.

NRCA Budget:

* No increase in the proposed budget from FY 2019-20. Membership dues will vary due to two new members, the City of Durham and the Town of Hillsborough for FY 2020-21. Members may also see their NRCA dues change due to fluctuations in discharged nitrogen pounds. Budget includes funding of the ModMon Program at the same level as the previous year (\$5,000 from fund balance).

After review and discussion, the committee recommends the following for consideration by the Board:

LNBA - Recommends the approval of the proposed FY 2020-21 budget and membership fees as presented.

NRCA - Recommends the approval of the proposed FY 2020-21 budget and membership fees as presented.

Proposed LNBA/NRCA FY 2020 -21 BUDGET

Date: 2/03/2020

LNBA BUDGET			
Expenditures	FY 18-19 Actual	Current FY 19-20 Budget	Draft FY 20-21 Budget
Water Sampling Contract	\$ 96,104.37	\$ 92,000.00	\$ 92,000.00
Consultant Services	25,006.99	34,900.00	34,900.00
Administrative Costs/Website	1,301.00	2,500.00	2,500.00
Educational Training	880.64	1,500.00	1,500.00
Metals Monitoring	-	3,900.00	3,900.00
Total	\$ 123,293.00	\$ 134,800.00	\$ 134,800.00
Revenues			
Membership Dues	\$ 134,800.00	\$ 134,800.00	\$ 134,800.00
Member Assessment	4,255.65	17,022.60	17,022.60
Fund Balance	-	-	-
Total	\$ 139,055.65	\$ 151,822.60	\$ 151,822.60
NRCA BUDGET			
Expenditures	FY 18-19 Actual	Current FY 19-20 Budget	Draft FY 20-21 Budget
Consultant Services	\$ 41,371.74	\$ 65,000.00	\$ 65,000.00
Administrative Costs/Website	1,321.00	2,500.00	2,500.00
Educational Training	948.89	1,500.00	1,500.00
MODMON Research	5,000.00	5,000.00	5,000.00
DWQ Permit Fee	3,440.00	3,500.00	3,500.00
Total	\$ 52,081.63	\$ 77,500.00	\$ 77,500.00
Revenues			
Membership Dues	\$ 72,500.00	\$ 72,500.00	\$ 72,500.00
Fund Balance	-	5,000.00	5,000.00
Total	\$ 72,500.00	\$ 77,500.00	\$ 77,500.00
Total for LNBA/NRCA	\$ 175,374.63	\$ 229,322.60	\$ 229,322.60

Proposed LNBA/NRCA Membership Dues for Fiscal Year 2020 -2021

Date: 2/03/2020

MEMBER	Permitted Flow (MGD)	2020-21 LNBA Base Fee	2020-21 LNBA (Q)	2020-21 Total LNBA Dues	2020-21 NRCA Base Fee	19 - MidYear EOP Pounds of TN	2020-21 NRCA (\$/lbs.)	2020-21 Total NRCA Dues	Special Assessment	Total Dues FY 2020-21
Town of Fuquay-Varina*	3.117	\$ 250.00	\$ 2,153.96	\$ 2,403.96	\$ -	0	\$ -	\$ -		\$ 2,403.96
City of Havelock	2.250	250.00	1,554.83	1,804.83	250.00	17,076	1,114.09	1,364.09		3,168.92
Duke Energy Progress	2.160	250.00	1,492.64	1,742.64	250.00	120	7.83	257.83		2,000.47
Dupont-Kinston, Inc.	3.600	250.00	2,487.74	2,737.74	250.00	1,996	130.22	380.22		3,117.96
City of Kinston	11.850	250.00	8,188.80	8,438.80	250.00	43,657	2,848.31	3,098.31		11,537.10
Johnston County	9.500	250.00	6,564.86	6,814.86	250.00	51,011	3,328.10	3,578.10		10,392.96
City of Goldsboro	14.200	250.00	9,812.74	10,062.74	250.00	106,879	6,973.09	7,223.09		17,285.82
Town of LaGrange	0.750	250.00	518.28	768.28	250.00	14,007	913.86	1,163.86		1,932.13
Contentnea MSD	3.500	250.00	2,418.63	2,668.63	250.00	14,424	941.06	1,191.06		3,859.69
Town of Kenly	0.630	250.00	435.35	685.35	250.00	6,464	421.73	671.73		1,357.08
City of Wilson	14.000	250.00	9,674.53	9,924.53	250.00	54,911	3,582.55	3,832.55		13,757.08
Town of Benson	1.900	250.00	1,312.97	1,562.97	250.00	13,049	851.35	1,101.35		2,664.33
Town of Farmville	3.500	250.00	2,418.63	2,668.63	250.00	4,563	297.70	547.70		3,216.34
Town of Cary	24.800	250.00	17,137.74	17,387.74	250.00	72,499	4,730.04	4,980.04		22,367.78
City of Raleigh	80.200	250.00	55,421.23	55,671.23	250.00	410,056	26,753.22	27,003.22	\$ 17,022.26	99,696.70
City of New Bern	6.500	250.00	4,491.75	4,741.75	250.00	32,660	2,130.83	2,380.83		7,122.58
Town of Apex	3.600	250.00	2,487.74	2,737.74	250.00	14,765	963.31	1,213.31		3,951.05
Town of Clayton	2.500	250.00	1,727.59	1,977.59	250.00	20,761	1,354.51	1,604.51		3,582.10
SGWASA**	5.500				250.00	10,617	692.68	942.68		942.68
City of Durham	20.000				250.00	67,856	4,427.12	4,677.12		4,677.12
Town of Hillsborough	3.000				250.00	6,709	437.71	687.71		687.71
Neuse Colony, Aqua, NC	0.300				250.00	13,395	873.93	1,123.93		1,123.93
MCAS Cherry Point**	3.500				250.00	23,766	1,550.56	1,800.56		1,800.56
Carolina Water Service	0.600				250.00	13,117	855.79	1,105.79		1,105.79
Craven County	0.860				250.00	4911	\$ 320.41	570.41		570.41
Total Flow NRCA	219.200	\$ 4,500.00	\$ 130,300.00	\$ 134,800.00	\$ 6,000.00	1,019,269	\$ 66,500.00	\$ 72,500.00	\$ 17,022.26	\$ 224,322.26
Total Flow LNBA	188.557			\$ 134,800.00				\$ 72,500.00		\$ 207,300.00

* indicates LNBA member only

** indicates NRCA member only

Lower Neuse Basin Association®

TO: Board Members

FROM: Haywood Phthisic, Executive Director

SUBJECT: Sampling/Monitoring Report for February 6, 2020 Board Meeting

DATE: February 4, 2020

Work continues on the Lower Neuse River Monitoring Service Contract No. 5 with Environment I. All sampling was completed by Environment 1 in November, December, 2019, and January, 2020. Data sets have been received through November, 2019 and loaded on the website. December sampling results are in data review. All invoices through September, 2019 have been processed and paid.

There were sampling exceptions in November due to dry streams.

J4080000 (Poplar Creek at Bethlehem Road, Wake County)

J4690000 (Middle Creek at Holly Springs Road)