

# **North Carolina General Assembly**

## **ENVIRONMENTAL REVIEW COMMISSION MINUTES**

March 18, 2008

The Environmental Review Commission was scheduled to meet at 9:30 a.m., Tuesday, March 18, 2008 in Room 544 of the Legislative Office Building. Co-Chairperson Lucy Allen presided. The meeting was called to order at 9:37 a.m.

### **Welcome and Attendance**

Members present were Co-Chairman Charlie Albertson, Co-Chairman Pryor Gibson, III, Senator Stan Bingham, Senator Katie Dorsett, Senator James Forrester, Senator Ellie Kinnaird, Senator A. B. Swindell, Senator David Weinstein, Representative Jim Harrell, Representative Carolyn Justice, Representative Ruth Samuelson, Representative Edith Warren, and advisory members Senator Fletcher Hartsell and Representative Russell Tucker. Commission staff present were Commission Counsel George Givens, Assistant Counsel Jeffrey Hudson, Assistant Counsel Jennifer McGinnis, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Clerk Jessica Kozma Bennett.

A meeting notice was distributed to staff, members and outside parties via regular mail and electronically and is included as an attachment to the minutes as **Exhibit A**. A reminder was sent electronically March 17. The meeting agenda and visitor's registration sheets are attachments to these minutes and referred as **Exhibit B and Exhibit C**, respectively.

Co-Chairwoman Allen recognized co-chairs of the Commission; she then recognized staff, thanking them for their work for the Commission.

### **Report to the Commission and Explanation of Agenda Items**

Mr. Givens noted that there were three packets of reports, read only, for distribution and those held. He added for the record that a public staff planning meeting was held March 7 at 10 a.m. in Room 605 of the Legislative Office Building. Mr. Givens reviewed the day's agenda, including two items on low level waste, and three agenda items on the drought, among other items. He also said that the Commission would continue to work on a flame retardants issue as well as House Bill 1756, the Safe Artificial Slope Construction Act. The April meeting will be both a Commission meeting and field trip to Hammock's Beach State Park, and Mr. Givens said that staff was

currently working on a meeting notice for the two-day trip. He lastly announced upcoming meetings regarding pervious pavement and underground storage tank cleanup.

### **Approval of the January 23, 2008 and February 14, 2008 Minutes**

Senator Kinnaird moved for approval of the January and February minutes and asked if it was necessary for hard copy distribution of minutes at Commission meetings. Mr. Givens said that there were differing opinions on whether to send solely electronically or distributing both in hard copy and electronically. Minutes were approved by unanimous vote.

### **Report on the Management of Low-Level Radioactive Waste in North Carolina**

Co-Chairwoman Allen recognized Mr. Walter “Lee” Cox, III, manager of the Radioactive Material Branch, Radiation Protection Section (DENR). A copy of his report is included in the minutes as **Exhibit D**. According to his report, because of the scheduled closure of the Barnwell Facility it may be necessary for a small amount of the State’s generators to develop long term on-site storage contingency plans. This is to deal with Class B and C level radioactive waste, Class A waste is still accepted from the State by a Utah facility. After the Barnwell closure to outside states, on June 30, the facility will only accept waste from South Carolina generators. There had been 56 cubic feet of storage previously. According to Mr. Cox, commercial producers of radioactive waste—in the short term—the disposal issue is not yet detrimental. However, he said, producers are very concerned about the long terms consequences of “no-disposal.” Producers are concerned with both costs and security of sources to use.

Mr. Cox then said that in the wake of the closure a new strategic plan had to be developed . A position to help licensees was created to inform changes in low-level radioactive waste “landscape” and works hand-in-hand with other branches. He added that the position had been very effective. To date, it is reported that there is 100 percent compliance.

Senator Kinnaird asked what has happened with the “compact,” of which Mr. Cox answered that the State is not in a compact. Senator Kinnaird followed up that it is a “myth that they are functioning.” Mr. Cox agreed. Senator Forrester asked if producers will start storing “on site.” Mr. Cox said that producers would.

### **Update on Pending Litigation: State of Alabama, State of Florida, State of Tennessee, Commonwealth of Virginia and the Southeast Interstate Low-Level Radioactive Waste Management Commission v. State of North Carolina**

Mr. John F. Maddrey, Assistant Solicitor General for the Department of Justice was recognized by Co-Chairwoman Allen to discuss litigation pending against North Carolina regarding the construction of a facility to house low level waste in North Carolina. He began saying that he was here on the fifth anniversary of the litigation and noted that there had not been a “whole lot of progress” toward ruling on litigation. The United States Supreme Court approved for the plaintiffs in the case five years ago.

During the 1980s and 1990s the State was developing a plan for a site. During that period South Carolina withdrew from the Southeastern Compact and constructed Barnwell. After South Carolina's withdrawal the compact, the compact withdrew funding for the North Carolina site. In July 1999, the Legislature also withdrew the State from the compact, begetting litigation. The lawsuit was filed in July 2003, and a special master is appointed to make recommendations on the case. The suit alleges that the State should return \$85 million to the compact and plaintiff states. Currently, the compact sought summary enforcement of a sanctions order, and the special master has agreed with the State that the sanctions order has no effect.

Senator Kinnaird was recognized and said that in Chatham County there was not a suitable place to construct a site. She then questioned how long it would take for a resolution. Mr. Maddrey said there were complex legal issues and that most other jurisdiction cases involve water rights, and primarily in the western United States. He added that he is aware of one case that lasted 40 years, but there is no time table as the Supreme Court is in charge of the process. The special master, he continued, has proceeded cautiously. Co-Chairman Gibson asked if we were heading toward lessening liability as the State answers seven questions posed in the case. Maddrey answered said that liability would come from contractually or equitable responsibility.

#### **Report on the Controlled Releases from Falls Lake in Wake County**

Co-Chairwoman Allen recognized Mr. Terry M. Brown, Water Control Manager for the Wilmington District of the United States Army Corps of Engineers. A copy of his report is included in the minutes as **Exhibit E**. Co-Chairwoman Allen said this agenda item would get into "some very timely issues."

Mr. Brown began profiling Falls Lake, saying that the Corps tracks both water supply storage and water quality storage. He then showed river basin levels starting in April, 2007 and projecting to January 2009. On Christmas Day only 19 percent of water supply in the lake remained. Because of this, the City of Raleigh asked the Corps to cut back on releases.

Reviewing deviation requests, flow targets in April dropped to 100cfs for Falls Dam and 254 for Clayton. Stakeholders met and created suggested Clayton Target flows. Benefits from the proposed course of action kept Falls Lake from falling to nine week levels. He then reported that because of recent rain events the City of Raleigh's water supply was at 73 percent.

During this presentation House Speaker Joe Hackney was recognized and was in attendance during the meeting.

Several utilities directors that have inflows to their communities from Falls Dam have responded that they did not experience any water quality or treatment issues from the deviations, including Smithfield, Johnston County and Goldsboro.

Mr. Brown then asked for questions. Co-Chairwoman Allen said that the presentation sounded like "good news." Mr. Brown thanked Co-Chairwoman Allen. Representative Samuelson was recognized and asked if the Commission was only seeing a presentation on one lake because others were okay. Mr. Brown said that levels at Jordan Lake had improved, but that it is difficult to predict what will happen in the future.

Representative Samuelson followed up asking whether the rest of the State is “okay.” Mr. Brown deferred the question to Thomas Fransen, the next speaker.

### **Update on Current Drought Conditions in Light of Conservation Efforts and Recent Rain Events**

Co-Chairwoman Allen recognized Mr. Thomas C. Fransen, Chief of the River Basin Management Section with the Division of Water Resources (DENR). A copy of his report is included in the minutes as **Exhibit F**. Mr. Fransen began saying that he was happy to have a good message rather than one of “doom and gloom.” To note: for the first time since August of last year drought maps showed improvement. What was a 30 day rainfall deficit had returned to normal, and is actually at 102 percent of normal. However, the State is 14.36 inches below its average annual rainfall, making it the driest year in State history for rainfall averages.

Although there is improvement, the drought continues to persist, Fransen said. Among public water supply systems, 44.59 percent (280 systems) are not under restrictions and 27.87 percent (175 systems) remain under mandatory conservation restrictions. No public water systems are in a state of emergency, and 27.55 percent are under voluntary conservation (173).

Predictions from the National Weather Service show that from March 6 until May, 2008 the State remains in two categories, either for the drought to persist or intensity or that the drought is ongoing and may have some improvement. In asking for questions, Senator Forrester asked about restrictions on wells. Mr. Fransen said those are localized issues.

### **Presentation of the Governor’s Recommendation to Respond to the Current and Future Droughts**

Co-Chairwoman Allen recognized Mr. Franklin Freeman, Senior assistant for Governmental Affairs in the Governor's Office to discuss a package by the Governor regarding drought management. He introduced Secretaries Bill Ross from DENR and Brian Beatty of the Department of Crime Control and Public Safety. Mr. Freeman then reviewed a timeline of the Governor’s work with drought issues, noting that all 100 counties had been directed by the Governor to conserve by August 23, one day before the Governor requested an agricultural State of Disaster declaration due to the loss of 30 percent of crops in 85 counties. The declaration was granted in early September. The Governor then asked local governments to activate their drought plans, and also asked the League of Municipalities to work to end outdoor water use, including a statewide burning ban. During the month of October, the Governor’s office began working with a legislative program, and have spent six months working to create the plan.

One part of the Governor’s legislative plan is for vulnerable water systems has made progress, Mr. Franklin continued, and work is currently underway to reconnect those systems to other water suppliers. As part of the Governor’s plan, public systems are

also not conducting audits to detect and repair leaks as well as adopting water conservation pricing for customers.

Mr. Freeman recalled a drought of the 1950s, saying he remembered when his grandfather's farm well dried and when his grandfather took a mule and a sled to a spring to retrieve water for washing. In telling this story, Mr. Freeman said that we learn lessons from crisis. The Drought Management Advisory Council was created in response to the 2002 drought, but the current 2007/2008 drought "has shown us that we must have additional tools to cope with water shortages and manage our resources." He added that he hoped to prepare for future droughts, not just the current drought.

Mr. Freeman then announced the Governor's legislative package, adding that the governor said that the State can no longer be satisfied "to use a 19<sup>th</sup> century water system resources and equipment to serve 21<sup>st</sup> century communities."

Co-Chairwoman Allen then recognized Crime Control and DENR Secretaries Brian Beatty and Bill Ross to discuss the governor's plan. Secretary Ross thanked the Commission for their interest and time.

The Governor's plan, he said, was a three-part plan to improve a community's ability to manage water during the drought. Among concepts included in the plan are inner-connections between water systems, leak detection programs, metering systems and reuse facilities. He then said that the governor's office had realized that there was a need to do a better job of water use. Also included in the plan, he said, are guidelines to better report industrial water use and to identify large water users.

A copy of the press release is included in minutes as **Exhibit G**.

Co-Chairwoman Allen then recognized the Department of Crime Control and Public Safety Secretary Bryan E. Beatty to further discuss the Governor's plan. **Exhibit G** may be referred to as an attachment regarding his discussion.

Secretary Beatty told Commission members that steps needed to be taken before there is a crisis. He added that there are no proposals to meter wells, but that local governments can impose water restrictions within their respective planning and zoning jurisdictions.

Co-Chairwoman Allen clarified the Secretary's comments noting that the proposal suggests to restrict the use of well water rather than the metering of well water. Co-Chairman Gibson said that he was "100 percent" convinced that water issues needed to be addressed through the legislative process. He added that in the previous drought rains came and quelled public concern. But in this drought "tens of thousands of people were laid off and millions were lost." Co-Chairman Gibson followed up asking about rule timelines, which Ms. Smith answered that she did not know as details were still being worked on. Ms. Smith also said that she expected a draft prepared for review by early April.

Senator Clodfelter noted a water allocation study underway at the UNC School of Government, saying that two categories needed to be addressed regarding water allocation: one, short term drought measures and improvement of drought management response. Mr. Freeman said that he had been in touch with Mr. Richard Whisnant and Mr. Bill Holman, two principal investigators charged with the study, and that he did "not want to trespass on their work." Senator Albertson asked Ms. Smith about a state inspector who visits animal facilities and the potential health hazards of the inspector not

being able to wash his state issued truck. Ms. Smith said she would look into the matter and follow up. Senator Albertson thanked Ms. Smith and asked that she please follow up.

Representative Samuelson asked if consideration was given to ensure certain industries do not suffer because of drought restrictions. Ms. Smith said that concerns about the Green Industry were considered.

Regarding funding, Mr. Freeman said some funding may come through the Golden Leaf Foundation.

Co-Chairman Gibson asked that the issue not be “talked to death.” Senator Hartsell commented that the governor’s recommendations seemed like a “very useful framework from where we can begin,” adding that he was glad to see an emphasis on interconnection.

The Commission recessed at 12 noon and reconvened at 12:59 p.m.

### **Discussion of changes to the federal ozone standard and the implications for North Carolina**

After the Commission reconvened, Mr. Brock M. Nicholson, Deputy Director of the Division of Air Quality (DENR) was recognized by Co-Chairwoman Allen to report on changes to the federal ozone standard and the implications for North Carolina. A copy of his power point presentation is included in the minutes as **Exhibit H**.

Mr. Nicholson began explaining the two types of ozone—stratospheric which blocks UV radiation, and tropospheric, which causes lung irritations—and noted that this type of ozone is highest in the summer. Ozone is formed in the presence of “precursor pollutants” and “sunlight”.

Discussing how ozone affects a person, Mr. Nicholson said that ozone can worsen acute respiratory problems, aggravate asthma, decrease lung capacity from 15 to 20 percent in some healthy adults, and impair immune systems. These factors contribute to increased hospital admissions and emergency room visits. Effects of repeated ozone exposure can create permanent “airway remodeling” in people, children may experience slower lung growth and quality of life for a person may be compromised. Persons most at risk are children and adults who are active outdoors and people sensitive to ozone, such as persons with asthma or bronchitis.

Currently, the ozone standard is set at .08 parts per million and is based on a 3-year average of the fourth highest daily maximum 8-hour average. Levels at or above .09 are a violation of the standard, and note that .085 rounds up to .09 ppm.

Mr. Nicholson then reviewed a state map that specifies what counties have ozone monitors in place. Currently the Charlotte area is the only area officially exceeding the ozone standard in the State. In reviewing the next two maps, which projected ozone in 2009 and in 2018, no counties showed excessive ozone. Regarding the new rules, the effective date of rule was March 12, 2008 and final designations are set for no later than March 12, 2010.

**Report by the Utilities Commission on Implementation of the Promote Renewable Energy/Baseload Generation, the Swine Farm Methane Capture Pilot Program, and an Update on the Save-a-Watt proposal at Duke Energy**

Mr. Jim Kerr, Commissioner of the North Carolina Utilities Commission was recognized to discuss Senate Bill 3, an act according to session law reads:

*An act to promote the development of renewable energy and ENERGY EFFICIENCY in the state through implementation of a renewable ENERGY and ENERGY Efficiency portfolio Standard (REPS), (2) allow recovery of certain nonfuel utility costs through the fuel charge adjustment procedure, (3) provide for ongoing review of construction costs and for recovery of costs in rates in a general rate case, (4) adjust the public utility and electric membership corporation regulatory fees, (5) provide for the phaseout of the tax on the sale of energy to North Carolina farmers and manufacturers, and (6) allow a tax credit to contributors to 501(c)(3) organizations for renewable energy property.*

A copy of Senate Bill 3 is included in the minutes as **Exhibit I.**

Mr. Kerr thanked the Commission and said the commission had been busy subsequent to the new legislation and that the commission was currently in process of monitoring the impact of the drought on utilities among other projects.

He reviewed the major provisions of the Senate Bill 3, including the bill's establishing an energy "portfolio" for renewable sources to be used by retail utilities, looking at solar energy, the use of swine and other waste. With the adoption of the bill, North Carolina became the first state in the southeast to ratify such legislation, though 25 other states have passed similar legislation. Upon enactment the bill begins in 2008 and "ramps up over time." By the year 2021, 12.5 percent of energy should come from a renewable source, and is only applied to retail electric companies. Also included are cost caps beginning in 2008 at \$10 per customer to \$12 in 2012 and in 2018 \$34 per customer. By 2018, Mr. Kerr said, more than \$330 million should be invested in renewable sources of energy. Both energy and cost define the market, he added.

All three major public utilities have filed requests for renewable energy programs and the Utilities Commission is currently in the process of reviewing those applications. Mr. Kerr also added that 250 megawatts of renewable energy are expected to be produced in the east by 2018.

Rule making began in August of 2007, and final rules have been issued. More than 100 rules issues. Highlights of rule include that all major utilities must file compliance plan and reports. Also, when it is implemented there will be third party renewable tracking systems, principally so not double counting generation more than once.

Mr. Kerr then discussed implementation of House Bill 1465, the Swine Farm Methane Capture Pilot Program. A copy of the bill is included in the minutes as **Exhibit J.** Fifty swine farm owners are allotted to participate in the program. The program, administered jointly by DENR and the Utilities Commission, has opened up registration for farmers. DENR and the Utilities Commission will report back to the Commission in January 2009.

Co-Chairwoman Allen asked the Commission for questions. Representative Samuelson said she hoped for incentives. Mr. Kerr said that Senate Bill 3 is an evolution, and a bill that gave the Utilities Commission discretion to provide incentives. Current discussion, he said, is to define what incentives should exist.

Senator Bingham asked whether there would be a strong rebuttal against wind energy at the coast and in the east. Mr. Kerr said that wind was popular in places where the building is acceptable, citing west Texas. He continued that there may be complications with this in North Carolina, concerning aesthetic and other issues. For example, Carteret County has placed a nine month moratorium on wind.

### **Discussion of the implementation of energy conservation programs as directed by the Energy Conservation in State Building legislation**

Co-Chairperson Allen recognized Leonard Hoey, program manager for the State Energy Office of the Department of Administration to discuss recent legislation implementing conservation programs. A copy of Mr. Hoey's presentation is included in the minutes as **Exhibit K**.

This legislation requires reductions in energy use in existing state building of 20 percent by 2010 and 30 percent by 2015. He noted a \$5 million energy reserve for projects or products to "move the process along." Mr. Hoey's office queried state agencies with 34 responses for projects initially totaling more than \$110 million. Mr. Hoey noted that this far exceeds the \$5 million reserve funding. Working with the State Construction Office, projects were culled and roughly \$100 million was cut, leaving a total of \$18 million in project costs.

Among requests from agencies include 3000 LED exit signs, 7700 CFL lamps, 4500 sink aerators and 1600 low flow shower restrictors. Two hundred energy projects were reviewed, including 40 retro-commissioning projects, 72 new lighting systems, 16 boilers and steam traps, 10 water conservation projects, 18 HVAC projects and 44 other projects. Projects are reviewed on basis of cost, payback time and diversity of geographical location. The total was reduced again, and 55 total projects were approved for funding within the \$5 million threshold. Monitoring and verification of the of the approved projects is important, he said. Remaining funds are earmarked to be used to survey community colleges for their energy improvement plans.

To achieve the 30 percent reduction by 2015 there will have to be a capital investment among state agencies. Currently there is \$32 million under contract, including the Museum of Art, legislative buildings and the University of North Carolina at Greensboro and the Department of Administration. Three agencies and 11 universities have expressed interest in beginning the Performance Contracting process. With no questions from the Commission, Co-chairperson Allen thanked Mr. Hoey and recognized the next speaker.

### **Report on the development of a proposed recycling program for fluorescent lamps**

Co-Chairperson Allen recognized Mr. Scott Mouw, chief of the Community and Business Assistance Section of Division of Pollution Prevention and Environmental Assistance (DENR). A copy of Mr. Mouw's presentation is included in the minutes as



**Exhibit L.** A second report is included as **Exhibit M.** Mr. Mouw began saying that his report was from a legislative request to look into potential recycling of fluorescent lights.

All fluorescent lights contain some amount of mercury and the two main types of lights are tube lamps and compact fluorescents. Fluorescent lights are more energy efficient than incandescent bulbs and also have a much longer life, he said. Use of CFLs is growing among businesses and homeowners. Among large retailers, Wal-Mart sold 100 million in 2007 and a Progress Energy program through Home Depot sold an additional 200,000 in the same year. Tube lamps remain the majority of LCMs in use and CFLs currently hold 20 percent of the lighting market.

Among recycling rates, only two percent of residential LCMs are recycled, and 29 percent among commercial users. Effects from the low recycling rate include potential mercury release in the collection, hauling, and disposal of bulbs; landfill liners help controls mercury effects on groundwater. The presentation noted that LCMs are only one source of potential mercury air releases from landfills.

Addressing whether LCMs result in overall mercury emissions, Mr. Mouw reviewed that most CFLs contain three to four milligrams of mercury and that level is dropping but that tube lamps have twice as much mercury. He noted that it is imperative to recover as many tube lamps as possible.

Currently, Mr. Mouw added, households may dispose of LCMs as solid waste, but for non-households, disposal becomes more complicated. Fluorescent lights cannot be disposed of in solid waste landfills unless it is proven they are not hazardous. For industries and other non-household establishments, it is expensive to prove lights to be non-hazardous, so Mr. Mouw concluded this slide saying that recycling is the only practical option.

Twenty counties currently have household hazardous waste programs that accept LCMs and among recycling options for non-households Mr. Mouw noted that LCM recycling is highly feasible for all non-household generators.

Mr. Mouw's recommendations to the Commission included requiring the use of LEDs in state-owned facilities, eliminating or temporarily suspending sales taxes on LEDs, providing tax credits for businesses and industries that switch to LEDs and providing economic incentives to manufacturers of LEDs to develop Led products for the mass home market.

**Presentation of the results of the study of the need for further regulation of hazardous waste transfer facilities, including whether to require the facilities to obtain a permit, pay permit fees, provide contingency plans, and demonstrate financial responsibility**

Ms. Elizabeth W. Cannon, Chief of the Hazardous Waste Section of the Division of Waste Management (DENR) was recognized by Co-Chairperson Allen. A copy of a report received by the Commission is included in the minutes as **Exhibit N.**

Currently there are 35 transfer facilities in North Carolina located in 17 counties. Two are in Durham and Robeson counties, three in Randolph County, seven in Guilford County and nine are located in Mecklenburg County. More than 33,000 tons of waste was estimated to be managed over the past year. Estimated waste at one transfer facility ranges from one ton to 7090 tons, due to varying facility sizes and varied activities.

Seventy-two percent of tonnage managed by transfer facilities were in “sensitive land use” areas, areas near residential housing, churches, places of assembly, schools and day cares. Retail businesses are not considered as sensitive land use areas.

Twenty percent of transfer facilities have experienced an emergency incident, not including the EQ Apex facility that is no longer in operation and is therefore not included in the survey. Among incidents, five facilities have had at least one fire and three reported spills. Fires included one catastrophic fire, two vehicle engine fires, an arson office fire, a smoldering roll off fire and a dump trailer fire.

Ms. Cannon then reviewed inspections performed on facilities. Fifty percent of inspections are documented, she said, and 27 are performed daily.

For Ms. Cannon’s department, future actions to continue fulfilling the requirement of the study include continued review of survey findings, involving external stakeholders in review and evaluation, investigating possible sources of revenue and providing specific statutory recommendations prior to the 2009 session.

Co-Chairperson Allen thanked Ms. Cannon.

#### **Annual report on the previous year’s activities, findings and recommendations of the North Carolina Water Quality Workgroup**

Dr. William J. Showers, Associate Professor and RiverNet Program Director for North Carolina State University was recognized by Co-Chairperson Allen to discuss the North Carolina Water Quality Workgroup’s annual report.

A copy of his presentation is included in the minutes as **Exhibit O**. Dr. Showers’ program was designed to measure nitrogen flux in the Neuse River basin, a pilot project to see how water quality is measured over a series of years.

Dr. Showers noted that there is a challenge to find mechanisms to accurately measure nitrate flux, given that nitrate concentrations are not a good predictor of nitrate flux. He then reported that El Nino events were synchronous and that nitrate flux surges patterned themselves with El Nino events through the Gulf Stream.

No discussion ensued among members concluding Dr. Showers presentation and Co-Chairperson Allen called on the last presenter.

#### **Annual report on the effectiveness of projects funded under the Agriculture Cost-Share Program for Nonpoint Pollution Control**

Mr. David B. Williams, Chief of the Nonpoint Source Programs Section of the Division of Soil and Water Conservation (DENR) presented to the Commission on the Agriculture Cost Share Program for Nonpoint Pollution Control and a copy of his presentation is included in the minutes as **Exhibit P**.

The program was initiated in 1984 to address water quality concerns for Jordan and Falls lakes and the Chowan River. The program expanded statewide in 1990 and has more than 1200 contracts on agricultural lands. Contracts, he reported, are prioritized to benefit water quality.

Mr. Williams continued explaining the program’s implementation, and said that the Soil and Water Conservation Commission establishes rules and sets eligible practices and costs. Total appropriation for the program for the 2007 is \$8,093,675. He then

expressed to the Commission that without additional funds, two local positions will be eliminated in fiscal year 2009. Mr. Williams then reviewed slides showing expenditures and appropriations, as included in **Exhibit O**. Among the more than 1200 contracts, some 67,579 acres are affected and 165,358 tons of soil saved. More than 690,000 pounds of nitrogen is saved as well as 117,000 pounds of phosphorous.

Mr. Williams then presented cumulative benefits of the 24 years of the program's life. In all, 6.9 million tons of soil are saved, he reported, and 48,232 contracts implemented.

Again, with little discussion among Commission members the meeting was adjourned at 2:36 p.m.

Sergeants at arms present were Bob Rossi, Earl Coker, Martha Parrish, Reggie Sills Charles Marcell, Charles Harper, Ron Spain, Ernie Sherrelle and Leslie Wright.

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Co-Chair Lucy Allen  
Presiding

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Co-Chair Dan Clodfelter

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Jessica Kozma Bennett  
Commission Clerk

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Co-Chair Pryor Gibson