

Piedmont Conservation Council, Inc.
DRAFT Quarterly Meeting Minutes

August 11, 2011

May Memorial Library, Burlington, NC

Members Present: Alex Ashton, Chairman (Guilford), Eddie Culberson, Vice Chair (Chatham), Rudy Langley, Treasurer (Alamance), Hazel Puckett, Secretary (Rockingham), Bill Alston (Randolph), Larry Baker (Rockingham), Frank Green (Rockingham), Herb Hendrickson (Guilford), Gail Hughes (Orange), Millie Langley (Guilford), Tushar Mahale (Wake), Brenda Sutton (Rockingham), Norton Webster (Chatham), Stephanie Grant, Drew Nelson, Aspen Price

Members Absent: Talmage Layton (Durham), Jarvis Martin (Durham), Rick McVey (Caswell), David Stancil (Orange), Dale Threatt-Taylor (Wake), C. Hester Vernon (Caswell), Brenda Williams (Chatham)

Guests: Robin Watson, NCDA&CS Regional Agronomist

I. Call to order, confirmation of quorum, and chairman comments

Alex Ashton called to order the regular quarterly meeting of the Piedmont Conservation Council, Inc. (PCC) at 6:40 p.m. on August 11th, 2011 at May Memorial Library.

Alex Ashton stated that PCC is a new organization going forward, as a fledgling non-profit without federal funding. He noted that would require a higher level of member involvement and engagement. He acknowledged the wide range of backgrounds and expertise present in the council and stated as Chairman he hoped to serve as facilitator to their ideas and input.

II. Approval of April 21st, 2011 Council Meeting Minutes

Minutes from April 21st, 2011 were reviewed by the council members. No changes were noted.

MOTION: Millie Langley made a motion to approve the minutes as submitted. Motion was seconded by Eddie Culberson.

VOTE: Unanimously approved.

III. Decision Items

a. Executive Board elections

Alex noted that there were several counties in the Council that were not represented on the Executive Board. They had two members who had offered to serve on the Executive Board, Gail Hughes from Orange County and Hester Vernon from Caswell County.

MOTION: Rudy Langley made a motion to approve the nominations of Gail Hughes and Hester Vernon to the Executive Board. Motion was seconded by Frank Green.

VOTE: Unanimously approved.

b. Future of PCC

Alex Ashton stated that at the April quarterly meeting the Council had indicated that they wanted to move forward as an organization despite the withdrawal of federal

funding, and staff had asked for an official motion to that effect. He noted that they would discuss how they would proceed further at the strategic planning retreat.

MOTION: Herb Hendrickson made a motion to continue to function as the Piedmont Conservation Council. Motion was seconded by Rudy Langley.

DISCUSSION: Frank Green indicated his concern was how they would make the council viable, particularly with the finances the way they are. Eddie Culberson said he felt it was really important to bring on good projects that would bring in money to pay the staff they hired. He added that the council members really needed to be involved and bring project ideas to the table. Stephanie Grant added that PCC has been in existence for a long time and has a lot of history and a good track record. She noted they should build off of that and use that to their advantage going forward. She stated she knew that Julie Elmore, a great grant writer, was no longer an employee with the Council, but she was still a resource that they could use. Larry Baker, looking at the budget, noted that they looked to be operating in the red next year, and that was a concern. Ashton explained that that was a function of how their grants came in and were spent; over the course of two years they basically broke even. Stephanie Grant noted that that was okay for now, but they also needed to consider that it currently cost PCC at least \$10,000 a year to operate and they needed to figure out how to fund those operating expenses. Brenda Sutton added that she knew that Rockingham County had pulled their membership dues from the budget this year, and that trend would make it more difficult going forward. Larry Baker echoed that, saying that Rockingham County had pulled the dues from the budget and even some of the staff positions were eliminated or cut back. Gail Hughes added that based on the financial outlook, they were good for the next year or so, and they had a lot of projects on the table. She felt like they needed to keep moving forward, finish out the projects they had and revisit the financial picture in six months to a year. Stephanie Grant stated that she would be here for the next six months and would do her best to start any of the project ideas council members brought to the table.

VOTE: Unanimously approved.

c. Strategic Planning Retreat

Alex Ashton stated that the incoming president of the NC RC&D Association had offered his time to facilitate a strategic planning retreat for PCC. It would be a time to discuss new project ideas, revisit their bylaws, look at their membership goals, and help PCC move forward. His name was Kip Godwin, and he had worked in non-profit consulting before he took on his current position. Alex Ashton noted it would probably be a half day or a little more than a half day retreat, either an afternoon meeting on a weekday, or a five-hour retreat on a weekend. Several potential retreat dates were presented. The council tentatively agreed to meet on Thursday, September 22nd from 1-6 p.m. They suggested staff determine the location.

Alex Ashton also noted that he would need council approval for PCC to pay Kip Godwin for his mileage and a meal for him and one staff person.

MOTION: Frank Green made a motion to meet on the approved date and pay Kip Godwin for his mileage and two meals. Motion was seconded by Rudy Langley.

VOTE: Unanimously approved.

d. Wake County Membership

Alex Ashton stated that as they were an independent non-profit they were able to add membership if they wished. He noted that Wake County had asked to join the council before but wasn't able to join as a full member at the time. Eddie Culberson stated that he had talked with Dale Threath-Taylor, the director of the Wake County Soil & Water Conservation District, and they were definitely interested in joining the council. Eddie Culberson added he felt it was a great opportunity, especially with RTP and the potential projects that area could bring to the council.

MOTION: Eddie Culberson made a motion to accept Wake County as a new full member of the Piedmont Conservation Council. Motion was seconded by Herb Hendrickson.

VOTE: Unanimously approved.

Alex Ashton noted that staff would send out a letter to Wake County formally accepting them, and that they would also need to make a change to their bylaws.

e. Approve Annual Report

Stephanie Grant brought the Annual Report up on the projector screen. She noted that it laid out all of the projects that PCC had worked on in the last year, including those completed in FY11, and updates on projects still in progress.

MOTION: Larry Baker made a motion to approve the Annual Report. Motion was seconded by Norton Webster.

VOTE: Unanimously approved.

f. Approve FY12 Budget

Stephanie Grant gave an overview of the FY12 Budget. She went over the county dues, pointing out that Rockingham County gave \$2,000 this past year, which would be a big loss. She also noted that Durham County gave \$2,000 and provided office space, which was very valuable. Eddie Culberson asked about the yellow-book audit, which was triggered by receiving \$500,000 or more in grant money, and he asked if the disbursements would happen such that they would all be disbursed in the same fiscal year. Stephanie Grant stated that they had received some large disbursements in FY11 but not enough to trigger an audit; it was very likely the rest of them would come through in FY12 and that amount would be over \$500,000. She also added that Clean Water Management Trust Fund required an audit to yellow-book standards for any funds they disburse over \$350,000, so the audit requirement would definitely apply for this fiscal year.

Alex Ashton noted that they were discussing Item IV on the agenda, and felt they should have that discussion now. Stephanie Grant asked members to contact their County Commissioners to determine if the PCC member counties would pay dues this year and if so, what the amount would be. Rudy Langley offered to check on Alamance; Norton Webster agreed to check with Chatham County. They noted they would need someone from Caswell and Randolph (not represented at the meeting) to check on their dues as well.

MOTION: Rudy Langley made a motion to approve the Annual FY12 Budget. Motion was seconded by Eddie Culberson.

VOTE: Unanimously approved.

g. Approve C.W. Stanford Stormwater Project Notice of Award, Form of Agreement, and Preauthorized Notice to Proceed

Stephanie Grant provided background on the project. In the first bid process they only received one bid from Shamrock Environmental for \$524,692; over twice as much as the project budget of \$220,000. She and Kimley-Horn Associates (KHA, the engineer) worked with Shamrock Environmental to revise their bid price down to \$418,596, which was still too far above the budget. The school was flexible on the construction schedule, so they had a second bid process and received two bids, one for \$392,202 from Romeo Guest and Associates, and one for \$351,329 from Shamrock Environmental. Stephanie Grant explained that for each line item in the bids she compared the lower estimates of the two bid proposals and came up with an estimated project cost of approximately \$280,000. The bids were due on Friday July 25th, and the following Monday KHA called and informed her that another potential bidder, Fluvial Solutions, told them they had planned to submit a bid for \$286,033 but couldn't get a quote from a subcontractor in time. Stephanie Grant stated that she had called on several of her contacts and resources and came up with a list of pros and cons for each bid to help the council evaluate the situation. The biggest pro was that Fluvial Solutions, the late bidder, had a bid that was \$65,000 less than the bid from Shamrock Environmental, and they wouldn't have to sacrifice any of the design elements if they accepted Fluvial's bid. She noted that KHA had stated that accepting the late bid is "outside the spirit of the bid process" and were recommending that PCC accept Shamrock Environmental. She stated the risks with accepting the late bid include a potential for a bid protest from Shamrock Environmental, and also that because Fluvial Solutions was a small company, they may have less resources to handle any potential major issues that arose. Rudy Langley asked if there was a cost to PCC to re-open the bid process; Stephanie Grant stated the main cost was time, and the school had already allowed the construction schedule to be pushed back. They also did not have any additional money in the construction management budget for KHA to oversee a third bid process. Alex Ashton suggested a possibility would be to re-open a bid for a short period of time, like a week, and keep the same bid criteria as before so as to reduce review costs for KHA. Frank Green voiced

concern about giving the contract to a late bidder because it cut out Shamrock Environmental and could hurt their relationship with them in the future, because they had submitted two bids and may not get it. Eddie Culberson noted that as a non-profit they didn't weren't required to have a bid process. Stephanie Grant acknowledged that they could close out the bid without selecting someone, and then sole source Fluvial Solutions afterwards. Gail Hughes, as the member who brought the project to PCC, stated that the key component of the project is the size of the storage pond, and they've already sacrificed other design elements in the project. She stated that the school wanted the project because it would save them a lot of money on their water bill on an annual basis, and that was where the true value of the project was. Aspen Price added that it would save the school approximately \$138,000 a year. Gail Hughes noted that she had worked with Fluvial Solutions before and they had done a great job on other projects in Hillsborough. Rudy Langley stated he felt the best option to go with the cheaper option and get more value for their money. Norton Webster agreed, saying that he felt there was little risk as a non-profit to go with the late bidder, although he did have an ethical concern about not accepting a bid from a company that did submit bids on time twice. Brenda Sutton stated that she felt it was important to go with the bidder that kept the ultimate goal of the project in mind, which was Fluvial Solutions. Herb Hendrickson asked if going with the higher bidder would just mean that there would be a longer payback time. Gail Hughes clarified that going with Shamrock Environmental would actually reduce the size of the pond and thus reduce the annual savings for the school.

MOTION: Norton Webster made a motion to accept the bid from Fluvial Solutions, and award them the C.W. Stanford Stormwater Project contract. He noted that from an ethical perspective it was not necessarily the right thing to do, but from a business perspective it was the right thing to do for this project. Motion was seconded by Rudy Langley.

VOTE: Unanimously approved.

Norton Webster offered to call both companies to notify them of the decision. Gail Hughes thanked the council for keeping the project at its full design, as that was the true value of the project.

Stephanie Grant asked the council if they were comfortable authorizing Alex Ashton to sign the contract documents with Fluvial Solutions before the next meeting, in order to stay on the tight construction schedule.

MOTION: Rudy Langley made a motion to authorize Alex Ashton to sign contract documents with Fluvial Solutions on the council's behalf before the next meeting. Motion was seconded by Herb Hendrickson.

VOTE: Unanimously approved.

The Council moved to Item V: Presentation from Paul Quinlan of the NC Sustainable Energy Association

Paul Quinlan from the NC Sustainable Energy Association stated that he was here to share some insights from the recently published 2011 NC Clean Energy Data Book. He said they tried to catalog where alternative energy projects, LEED projects, and Energy Star buildings were located in the state. They basically identified existing alternative energy infrastructure and opportunities for additional infrastructure. He added that they were seeing a lot of opportunities happening in rural counties, which was something they didn't expect going into this project. He said it was not until 1975 that the North Carolina building code required insulation in the walls of homes. That meant there were a lot of homes in the state that were built prior to 1975, and likely were not very energy efficient. He added that manufactured housing stock was also significantly less energy efficient; they had identified where a large percentage of manufactured housing stock was located in the state and it was mostly concentrated in the southeast. The third figure in his handout showed electricity providers across the state. The fourth figure showed the electricity rates charged by energy providers. In the PCC region, he noted customers were paying 12.4 cents – 13.10 cents per kilowatt hour, and the average was 9.3 cents per kilowatt hour across the state. They started to find that in the areas where electric cooperatives existed, there were higher rates and a higher concentration of housing stock built prior to 1970. The next graph shows the specific areas where homes are in need of energy efficiency measures. They identified over 1,800 firms in NC that were committed to clean energy. He stated there were clusters in Durham and Orange Counties, and one in the Greensboro area as well. They also mapped out the certified energy efficient buildings in the state – he pointed out that Food Lion had committed to being certified Energy Star, and there were about 300 stores across the state that were essentially being powered for free because of their alternative energy infrastructure. He said they had also mapped out the approximately 1,800 existing renewable energy systems in the state.

In terms of opportunities for PCC he stated they felt there was a great opportunity in residential energy efficiency programs, particularly for homeowners in the state. Rudy Langley asked if they had any grant possibilities already identified for programs like this. Paul Quinlan replied that the NC Rural Center could be a potential source of funding, and that they had helped to fund this particular report. Alex Ashton asked what sorts of projects he thought might be most helpful. Paul Quinlan noted that he felt it would be best to focus on one energy provider and work with them directly. He said Piedmont EMC had some of the highest rates in the state, and they billed monthly. Quinlan said some local governments had on-bill financing, where they started with a pool of money, helped a homeowner with energy retrofits, and then the homeowner could pay them back over time. Stephanie Grant noted that PCC had a strong network with the agricultural community and asked if they found the agricultural community participating in renewable energy and if so, how. Quinlan said they hadn't looked at that level of

detail, but that the USDA and the NC Farm Bureau would be good resources for looking into that further. Aspen Price noted that Carrboro and Chapel Hill had a program called WISE that was doing energy retrofits for homeowners, and they could look at that for ideas. Stephanie Grant added that Durham had Clean Energy Durham, which was an innovative neighborhood-based program that they could look at. Paul Quinlan said he had also heard that Greensboro was close to releasing a set of incentives to increase residential energy efficiency. The Council thanked him for coming out and presenting their findings.

The Council moved back to Item III h:

h. Approve cancelation of Freedman Associates contract

Alex Ashton explained that PCC had hired Don Freedman of Freedman Associates, a wedding and event planner in the area, to conduct several events to promote Piedmont Local Food in the Triad Region. The events he had completed so far were not producing the results they expected. Alex Ashton stated that PCC had received a letter from the Rockingham County Business and Technology Center and Piedmont Local Food expressing their dissatisfaction with the deliverables and requesting that the contract be canceled. He added that they were still obligated to spend the remaining \$6,000 in the grant from Z. Smith Reynolds in a way that promoted Piedmont Local Food, and if they canceled the contract with Freedman Associates they would have to hire someone else to carry out the intent of the Z. Smith Reynolds grant. Alex Ashton added that he felt PCC should definitely pursue obtaining their portion of the Get A Taste of This event revenues from Freedman Associates that was specified in the contract. Brenda Sutton stated that the purpose of the Z. Smith Reynolds grant money was to market Piedmont Local Food and that they could use the remaining money more effectively than Freedman Associates' current plan. She stated that Mark Wells of the Rockingham County Business & Technology Center has had several grants with Z. Smith Reynolds before and she felt confident that they could satisfy what they would want to see with them. Eddie Culberson asked about the contract's termination clause, Alex Ashton responded that they would need to have Don Freedman agree to terminate the contract as well. Eddie Culberson clarified that that means that if he does not want to cancel the contract then PCC would be stuck with it.

MOTION: Norton Webster made a motion for Alex Ashton to terminate the contract with Freedman Associates and pursue PCC's portion of the revenues from the Get A Taste of This Event. Motion was seconded by Larry Baker.

VOTE: Unanimously approved.

i. Approve Invoices

- i. Reavis & Parrish – Accounting: \$35.00
- ii. Aspen Price – PCC Admin: \$202.50
- iii. Louella Caison – Randolph County Quilt Trail: \$425.58
- iv. SJ Grant Consulting, LLC – CWMTF Projects: \$5,080.50

MOTION: Rudy Langley made a motion that they approve the above invoices as submitted. The motion was seconded by Herb Hendrickson.

VOTE: Unanimously approved.

IV. Discussion Items

a. FY11, FY12 Budgets – County Dues

Discussed with Item III f.

VI. Updates

a. Council Updates

i. George Bain has submitted his resignation from the Council

Alex Ashton read George Bain’s letter of resignation to the Council. He noted that Bain stated he would try to find a replacement member from Randolph County.

- ii. Eddie Culberson noted that at the last Executive Board meeting they had discussed changing the bylaws to allow members to represent either the county the live in or work in. Alex Ashton said he hoped they would discuss that further at the strategic planning retreat.**

b. Staff Updates

i. Asheboro Office Close-out update

Stephanie Grant told the council that Gay Sharpe had come down and helped staff sort through things. They had a big pile to go to the recycling center, and several filing cabinets and files that they needed to keep. Brenda Sutton had offered storage space. Rudy Langley and Stephanie Grant agreed to meet in Asheboro to finish the clean-out on Monday.

ii. Website update

Stephanie Grant gave the Council a quick tour of the new PCC website. Grant noted that CyberScribe, their web vendor, was great to work with. The council expressed their appreciation for the website.

iii. Bookkeeper

Alex Ashton explained that the Executive Board had agreed to hire a bookkeeper to help with PCC’s accounting, and hopefully save money down the road during the yellow-book audit.

c. Project Updates

The Council agreed due to time constraints that they would only discuss projects that members had specific questions or comments about. It was noted that a full description of each project was available in the Annual Report.

- i. Alamance Community College Stormwater Project**
- ii. C.W. Stanford Middle School Stormwater Project**
- iii. Caswell County Wick Applicator**
- iv. Fab Labs Carolinas – Tushar Mahale, Drew Nelson**

Tushar Mahale reminded the council that the Mobile Fab Lab was in Durham in March, and the local industry had expressed a lot of support for the project and donated a lot of in-kind time and equipment. He stated that the Mobile Fab Lab has just returned to NC this week, and would be in the state for five months. He said they wanted to bring it around the state, and were looking for truck drivers. Tushar Mahale said the Mobile Fab Lab would also be set up at the SparkCon event in September in Raleigh, and they were hoping to receive a lot of donations there. He explained that the City of Durham had approached them offering space in the Durham bus station for a permanent Fab Lab. In summary, Tushar Mahale said he needs volunteer drivers, help finding locations for the Mobile Fab Lab, and suggestions from the council on what fees to charge for bringing the Fab Lab to area locations and how to go about collecting them. Alex Ashton stated he didn't feel the council needed to approve each individual location. He also suggested they may want to set up a revenue sharing stream where PCC receives some portion of any funds received and the Fab Labs Carolinas receives the majority portion. Tushar Mahale offered to send out a detailed email to the council that explained everything.

- v. **Guilford County Farmland Protection Plan**
- vi. **Lassiter Mill Dam**
- vii. **Piedmont Local Food Event – “Get A Taste of This”**
- viii. **Randolph County Quilt Trail**

VII. Council member comments and new business

None.

VIII. Adjournment

Alex Ashton confirmed that there wasn't anything else outstanding.

MOTION: Larry Baker made a motion to adjourn. Motion was seconded by Rudy Langley.

VOTE: Unanimously approved.

Meeting was adjourned at approximately 8:54 p.m.