

Western Stream Initiative Grants Report

Statutory Authority: G.S. 143-215.72(d)(3)

Due Date: November 1, 2022

Receiving Entities:

Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources
Fiscal Research Division

Submitting Entity:

NC Department of Environmental Quality

Department of Environmental Quality & Department of Natural & Cultural Resources
FY 21-22 Report to the Joint Legislative Oversight Committee
On Agriculture and Natural and Economic Resources
As Required By Session Law 2020-18, Section 13

The North Carolina General Assembly has appropriated funds to the Department of Environmental Quality (DEQ) and the Department of Natural and Cultural Resources (DNCR). Funds appropriated to DEQ are administered by the NC Division of Water Resources through the Water Resources Development Grant Program (WRDGP). Funds appropriated to DNCR are administered through the North Carolina Land and Water Fund (NCLWF - formerly known as the Clean Water Management Trust Fund). Funds have been used to provide the state cost share of stream restoration projects funded through the Natural Resources Conservation's Environmental Quality Incentives Program (EQIP) that are part of the Western North Carolina Stream Initiative (WNCSI). Session Law 2020-18, Section 13.(c) requires DEQ and DNCR to report the 10 performance management measures listed in Section 13.(a). This report is intended to address these specific measures.

Currently the NCLWF has four active contracts and five draft contracts with the Resource Institute Inc. These contracts provide environmental services for the WNCSI portion of North Carolina's participation in the federal EQIP. The scope of work for these contracts is for the design and construction of stream restoration projects.

Unlike the majority of NCLWF's contracts for stream restoration, the WNCSI initiative contracts were developed as "Regional Projects" prior to 2021. This meant that specific criteria were set to target streams for restoration, but specific project sites were not detailed in the contract. Lists of project sites were not fully developed until after NCLWF grants had been awarded. Regional projects allowed project managers the flexibility to approach multiple landowners and negotiate restoration options when seeking projects sites that would meet both NCLWF criteria and EQIP program needs. In effect, prior to 2021, NCLWF approved WNCSI projects in general, based upon specific criteria, and then reviewed each project site upon receipt of requests for reimbursement of funds. In the 2021 and 2022 NCLWF grant review cycles, Resource Institute Inc. did not request funding for a "regional" WNCSI project but instead submitted applications for site specific stream restoration projects.

Currently the WRDGP has nine active contracts with Resource Institute Inc. and BREC, PA to provide environmental services for the WNCSI portion of North Carolina's participation in EQIP. Ten contracts have been closed out since the preparation of last year's FY20-21 report in September 2021 and the performance measures for these projects are included as well. The scope of work for these contracts is for the administration, design and construction of stream restoration projects.

The WRDGP administers WNCSI projects on an individual project and contract basis, unlike the NCLWF's previous "Regional Projects" contracting administration. Therefore, significant differences are apparent in some of these performance metrics. The most significant difference in WRDGP reporting is that Items 1-6 were reported as an average of 19 contracted projects while Items 7-10 were reported individually for the 10 projects that were completed after the preparation of last year's report. This was done because: 1.) estimating figures for incomplete projects would be speculative and inaccurate because estimated project costs can differ significantly from final project costs; and 2.) some of the performance measures requested are only provided to DEQ upon project completion.

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In summary, both agencies have improved coordination, implemented more robust performance measures and established policies that are consistent with Session Law 2020-18, Section 13. These actions ensure more accurate grant tracking, administration and implementation of WNCSI projects. Below is a summary table with data for each of the 10 required performance measures which includes footnotes for interpreting this information.

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Summary Table of Performance Measures

Performance Measure #		Performance Measures Per Session Law 2020-18, Section 13.(a)															
		(1)	(2)	(3)	(4)			(5)	(6)		(7)			(8)	(9)	(10)	
Grant Program ¹	Grant #	Time to Issue & Act Upon Grant Application (Months)	Time to Process Requests For Payment ²	Cost Per Grant Administered	Applications Reviewed ³	Applications Approved	Applications Denied/Withdrawn	Administered Grants as of 9-26-22	Grant Dollars Administered	Permitting	Site Assessment, Design, Engineering	Management & Engineering	Construction ⁴	Total Project Costs ⁵	Total Linear Feet of Stream Restored In Each Year	Cost Per Linear Foot Of Restored Stream	Reduction In Sediment Loading Achieved (tons/yr.)
NCLWF	2016-421 (Closed)	9	10 working days	\$814	1	1	0	1	\$450,000	\$10,000	\$40,000	\$21,737	\$225,000	\$900,000	9,412	\$42	1,594
NCLWF	2017-420 (Closed)	7	10 working days	\$814	1	1	0	1	\$500,000	\$5,000	\$143,058	\$23,942	N/A	\$2,170,000	11,765	\$42	2,144
NCLWF	2018-418	10	10 working days	\$814	1	1	0	1	\$425,000	\$10,000	\$120,000	\$28,000	N/A	\$1,416,667	10,000	\$42	1,806
NCLWF	2019-423 (Not Contracted)	8	N/A	N/A	1	0	1	0	\$0	NA	NA	NA	N/A	N/A	NA	NA	NA
NCLWF	2020-422	8	15 working days	\$840	1	1	0	1	\$400,000	\$25,000	\$200,000	\$12,500	N/A	\$1,049,216	5,500	\$73	2,227
NCLWF	2021-419	9	15 working days	\$587	1	1	0	1	\$262,000	\$10,000	\$112,000	\$20,000	\$120,000	\$712,000	3,650	\$72	1,478
NCLWF	2021-420	9	15 working days	\$587	1	1	0	1	\$262,000	\$10,000	\$112,000	\$20,000	\$120,000	\$712,000	3,650	\$72	1,478
NCLWF	2022-437 (draft contract)	8	15 working days	\$714	1	1	0	1	\$236,150	\$15,000	\$70,000	\$10,000	\$117,650	\$696,829	3,125	\$223	1,250
NCLWF	2022-438 (Not contracted)	8	N/A	NA	1	0	1	0	\$0	NA	NA	NA	N/A	N/A	NA	NA	NA
NCLWF	2022-439 (draft contract)	8	15 working days	\$714	1	1	0	1	\$225,800	\$7,500	\$60,000	\$7,500	\$128,300	\$478,416	4,190	\$114	1,266
NCLWF	2022-440 (draft contract)	8	15 working days	\$714	1	1	0	1	\$192,300	\$6,000	\$60,000	\$6,000	\$91,400	\$528,818	1,950	\$271	541
NCLWF	2022-441 (draft contract)	8	15 working days	\$714	1	1	0	1	\$150,000	\$4,000	\$43,000	\$4,000	\$84,000	\$339,989	1,100	\$309	500
NCLWF	2022-442 (draft contract)	8	15 working days	\$714	1	1	0	1	\$183,100	\$6,000	\$53,500	\$6,000	\$100,100	\$497,804	2,145	\$232	929
WRDG	All ⁴	4	36 calendar days ⁵	\$1,035	0	0	0	19	\$5,681,146	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	7354	6	34						\$60,368	\$15,000	\$32,554	\$12,814	\$110,000	\$170,368	1,800	\$95	229
	7674	10	42						\$24,780	\$2,000	\$14,000	\$8,780	\$83,515	\$108,295	700	\$155	40
	7769	4	55						\$359,034	\$35,000	\$155,000	\$4,000	\$527,000	\$721,000	2,541	\$284	410
	7774	4	72						\$59,535	\$5,000	\$16,000	\$19,535	\$124,890	\$165,425	770	\$215	148
	7776	4	69						\$60,738	\$5,000	\$16,000	\$20,738	\$124,889	\$166,627	770	\$216	160
	7823	4	25						\$93,804	\$2,500	\$47,500	\$8,500	\$131,400	\$189,900	1,025	\$185	166
	7970	4	30						\$145,000	\$5,000	\$95,000	\$8,500	\$185,794	\$294,294	2,249	\$131	364
	CW18299	4	25						\$250,848	\$16,000	\$75,000	\$53,993	\$526,710	\$671,703	3,340	\$201	150
	CW22184	6	Pending						\$92,671	\$8,000	\$35,000	\$3,335	\$149,010	\$195,345	1,089	\$179	176
	CW23566	4	34						\$211,402	\$17,000	\$74,000	\$85,900	\$427,500	\$604,400	3,175	\$190	440
Footnotes																	
¹ CWMTF/NCLWF contracts prior to 2021 are comprised of multiple project sites administered and aggregated on a regional basis.																	
² Calculated average based on when all required documents were received.																	
³ WRDG did not have a Fall 2021 application cycle because of State Budget ratification delay.																	
⁴ WRDG Performance Measures 1-6 are reported as aggregated values among active grants from 9/24/21 to 9/26/22. Measures 7-10 are only reported for projects that were active on 9/24/21 and closed by 9/26/22.																	
⁵ Longer than usual processing times due to delays associated with transition of funds to Special Fund codes per SL 2021-180, Section 40.3.(b).																	
⁶ N/A (Not Applicable/Available) listed here because projects are ongoing and construction invoices have not been received.																	