



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

**North Carolina Board of Transportation
Environmental Planning and Policy Committee
Meeting Minutes for January 7, 2009**

A meeting of the Environmental Planning and Policy Committee (EPPC) was held January 7, 2009 at 8:30 AM in the Board Room (Room 150) of the Transportation Building. Nina Szlosberg chaired the meeting. Other Board of Transportation members that attended were:

Mac Campbell	Bob Collier	Nina Szlosberg
Arnold Lakey	Tony Dennis	Marion Cowell
Andrew Perkins	Doug Galyon	Nancy Dunn
Gus Tulloss	Conrad Burrell	Lanny Wilson

Other attendees included:

Julie Hunkins	Angela J. Person	Secretary Tippet
Joel Setzer	Jay Swain	M. L. Holder
M. A. Pettyjohn	Ehren Meister	Debbie Barbour
Victor Barbour	Rob Hanson	Drew Harbinson
Mike Mills	Tim Johnson	Ken Pace
Amy Simes	Tad Boggs	Don Voelker
Ellis Powell	Don Lee	Bob Andrews
Jerry Jennings	Allen Pope	Ricky Greene
Greg Thorpe	Phil Harris	Mike Bruff
Bill Gilmore	Wally Bowman	Greg Burns
Daniel Keel	Terry Arellano	Andrew McDaniel
Jennifer Garifo	D. R. Henderson	Donna Dancausse
Whit Webb	Jon Nance	Roberto Canales

Ms. Szlosberg called the meeting to order at 8:30 AM and accepted a motion to approve the meeting minutes from the December committee meeting. The minutes were approved as presented.

Ms. Szlosberg began the meeting by pointing out the change in the weather, as well as a lot of changes in the air with the excitement of the new Governor being inaugurated on January 10, 2009. She suggested that we should all be excited to support the new Governor and all the new choices made in her administration, including Eugene Conti returning to DOT as the Secretary.

Considering that today would be the last meeting for many of the Board members, Ms Szlosberg wanted to look back and take a look at past accomplishments as well as a look forward to discuss possible topics for year ahead.

Ms. Szlosberg stated that she met with Julie Hunkins, Manager of the Quality Enhancement Unit, who has supported the Environmental Planning and Policy Committee for eight years, to discuss all that had been accomplished by the EPPC. When Ms. Szlosberg was appointed to the Board of Transportation eight years ago, the EPPC was established in consideration that transportation has a huge impact on the environment but there was not any kind of committee or ongoing discussion about what they could do to blend good environmental policy with good transportation policy. Secretary Tippett and Chairman Galyon established the EPPC in April or May of 2001.

Ms. Szlosberg pointed out that each Board Member has been provided a list all the subjects that were discussed by the EPPC over eight years, and one of the things done early was to record every word and have very robust minutes of the meetings. Each presentation has been kept and the minutes, along with the presentations, have been made available to the public through the EPPC's website; she stated this is an important step in transparency within a public agency. She stated that Julie Hunkins has put together notebooks that show all the things that the EPPC has discussed, and the information is available for the Department. The notebooks show a lot of what NCDOT has accomplished from recycling asphalt to climate change to best practices to work on creating a minimal criteria. There is also information on biofuels and alternative fuels. She encouraged the members to look at the list that was provided to them mainly because it is a point of pride for all of them, including the establishment of Ecosystem Enhancement Program and all of the things done on wetland and mitigation issues. It also gives a road map look at what they can do in the future.

Some of the issues are being looked at and some they have taken to their natural conclusion. Others are left unresolved. Their purpose today was to try and bring together a little bit of a road map to hand off to the new administration as a place where they can leap forward. Ms. Szlosberg was also hoping to use this EPPC meeting as a work and brainstorming session. The idea is to take a look at the purpose of the EPPC and identify some opportunities for the future. [Note: A summary of the topics that could be carried over to the new Administration, as well as possible new topics, is included as an attachment to these minutes.]

The Committee began by reviewing the EPPC's mission, which is to provide direction for the integration of an environmental ethic into all DOT work. The first step eight years ago was for the EPPC to develop the EPPC's mission statement and identify all their roles and responsibilities. The second step was to create and adopt an environmental stewardship policy for the Department.

Ms. Szlosberg stated that North Carolina is the fastest growing State, and 4 million new people are expected to come to North Carolina by the year 2025, which is like taking South Carolina and dropping it down into North Carolina. Seventy-five percent of the population is going to cluster around the Piedmont Crescent area (along I-85 from Charlotte to Durham, and along I-40 through Raleigh). She noted that those areas are already highly utilized, which leaves a lot for

them to manage in the future. The rapidly changing landscape means that we are just converting a whole bunch of open space and farm land into urban and suburban development. The numbers have dipped lately in large part due to the economic circumstances that we are all facing, but North Carolina is still tracking higher than the national average because we are such a large state and within the state, there is a low density land pattern; therefore, the national average is 12,000 vehicle miles traveled per person per year while North Carolinians are tracking at about 14,000 vehicle miles traveled per person per year. This creates all kinds of environmental challenges with air quality, climate and change, wetlands and streams, habitat and all the rich cultural resources in the state that are often times threatened by growth and land use. Ms. Szlosberg commented that there is a lot of frustration about trying to make good policy on the transportation side which doesn't always line up with what actually happens on the ground in terms of land use decisions.

Ms. Szlosberg reviewed eight years of presentations and noted that they all fit under big topic areas, such as climate change. She noted that they have tackled a lot but there is much more runway on that issue, including energy independence, all the work on bio-fuels, air quality and the redesign of the Congestion Mitigation Air Quality (CMAQ) program. She noted that the EPPC has had lots of informational sessions about the impacts of air quality on public health, integrated planning, recycling, energy, agency collaboration and continuous improvement. They looked at the Climate Action Plan and the Climate Action Plan Advisory Group's (CAPAG) recommendations, as well as recommendations from FHWA and from a scientist from East Carolina University about what climate change will mean on our coast in terms of sea level rise. If the States infrastructure continues to go the way the scientists say they will, some of the infrastructures could be under water.

Ms. Szlosberg continued that the EPPC looked at North Carolina's State Energy Plan and NCDOT's subsequent Energy Plan and the department's role in addressing North Carolina's energy future. They have had presentation on solar energy and many presentations on alternative fuels. Air quality discussions included the CMAQ program, alternative fuels and air pollution (and its affect on public health). The EPPC has tracked the progress of the Interagency Leadership Team (ILT), including intergrated comprehensive planning efforts, a proposal and pilots associated with a comprehensive statewide Geographic Information System, the Merger and project development processes, They looked at the smart growth commission recommendations and NC One Naturally, which is an initiative from DENR where the agency has mapped all of the State's natural assets. Agency collaboration continues with ILT, stream mapping, and the Ecosystem Enhancement Program (EEP); the EEP is a program that has not only changed mitigation in North Carolina, but it helped change it for the Country. The EPPC learned about Cool Communities, light asphalt or concrete surfaces in terms of heat absorbtion and what that meant in terms of sustainability; they also learned about clean and alternative fuels. She then stated that Context Sensitive Solutions is a program that has helped nurture the department's environmental ethic, and that the department has trained over 1,400 employees over the past five years. They talked low impact design guidance and now they can design in ways that have less impact on the environment.

Ms. Szlosberg stated that a lot has been done, but there is still a lot to do. She asked that the remainder of the meeting be spent on compiling suggestions for the next administration to look

at. Possible topics to revisit is the Wilkes County Green Rest Area. Don Lee commented that the progress of this rest area is moving along nicely and that one good thing about it is that while they are spending more money up-front for the green concept and construction, they will be able to monitor the energy consumption and being able to quantify the green aspects and the potential pay-off. This is significant in the future so when we talk about green concepts, we'll have the numbers. Mr. Lee stated that they are also investigating putting some of the solar systems in facilities to be able to generate power on-site and to see if it is possible to generate enough electricity to put back on the grid; then, some of the revenue could ideally be put back into daily operations of those facilities.

Ms. Szlosberg asked if they will eventually try to green up all the facilities?

Mr. Lee answered, "Yes, we are already integrating pieces of that into the design for facilities that are about 20 to 30 years old. We have a number of them on the drawing board for renovations. We are implementing some green concepts in the design plans, but not to the extent that we are doing Wilkes County because we definitely want to see the pay off. On the operational side of the Department on implementing NPDES, there are requirements for NCDOT to install retrofits; we are doing this at rest areas because of concentrated parking and increased potential in the parking lots and parking areas. This enables us to do two things: (1) to provide the environmental protection with concentrated parking and meet the requirements of the NPDES retrofits and (2) provide an education tool to the visitors. We have millions of people go through these facilities each year. It is a good opportunity to give them information about what those features on-site. The stormwater features, while part of NPDES, are part of the green design concepts, and we will more aggressively be putting those in our renovations in the future.

Ms. Szlosberg mentioned that stream mapping is an issue that they would like to continue to move forward on. She asked what could be brought forward in terms of best practices or innovations in those technologies. Mr. McDaniel answered that as most people know, a lot of what they have been engaged in is plowing new ground because they don't have a lot of resources to fall upon. One of the big aspects today is to collect information and conduct research to formulate a direction. They have been engaged in a lot of data collection and research to try and see what benefits are brought to the table and how they can bring research findings together.

Ms. Szlosberg answered that one way of moving forward is to focus on the research program, and for the EPPC to support that in any way and bring others into that process to support the research.

Mr. McDaniel stated that the Board and DOT management has been very supportive of all their initiatives. In the 19 westernmost counties in North Carolina, the Legislature appropriated money as part of the Hurricane Recovery Act a couple of years ago, and the Center for Geographic Information and Analysis completed detailed stream mapping of these counties. Concurrent with that, the Division of Water Quality, through NCDOT-funded positions that the department supports, is looking at additional types of innovative techniques to do stream mapping statewide, as well as aspects of how you might best represent the location of streams. DOT and DENR have been working to integrate those two macros such that you take advantage

of the geographic information system (GIS) capability of doing large scale mapping with the more innovative stream mapping, which would be a more logical technique, and they could merge them together.

Ms. Szlosberg asked if the next generation of the project would be to do additional counties within the state.

Mr. McDaniel answered yes -- that is the goal-- but the difficulty in the past years is getting funding. It is a very expensive to re-map the entire state, regardless of what techniques are being used.

Ms. Szlosberg stated she has a friend who is a scientist and has published a lot of books all over the world about the impact of maps and Google and how that has changed all of our views of maps. He stated that as you are moving across Google, if you look at the stamp of when that snap shot was taken, for an untrained eye, you think you are viewing it in real time; however, you are really moving from 1999 data to 2000 data to 1957 data, etc., and you are not really seeing the Earth as it is today. It is just a conglomeration of little snap shots from all over time. That's a problem because the Earth being such a dynamic place and it changes from moment to moment, so having that information is important. Ms. Szloberg asked what could be done to support or provide to the new administration?

Mr. McDaniel stated that it is predominantly to emphasize the importance of the mapping from a planning standpoint, as well as the benefits in terms of avoiding impacts. If we understand where the streams are, they can plan to avoid them and better plan to mitigate.

Ms. Szlosberg asked Bill Gilmore to give an update about the Ecosystem Enhancement Program (EEP) and its contribution to project delivery.

Mr. Gilmore stated they he had been working with others recently to adjust to the changes of the Transportation Improvement Program schedule and programs in the future. Another new topic for the EPPC to explore would be the new Federal and State rules. Some new rules have passed which affects how mitigation is to be done, and new Federal rules are changing mitigation performance measures and criteria. The EEP also has some innovative outreach programs that have been televised nationally. Some programs that they are pleased with is "Aquakids" where they try to educate young environmentalists how we can rebuild wetlands.

Ms. Szlosberg asked, "What are some of the changes the State is facing in terms of wetland mitigation?"

Mr. Gilmore answered, "At the State level, there are two or three rules in our program. The first one is Section Law 152 which promotes banks in states and if it is not applied to the Department of Transportation today, they may make it apply in the future and it would change the way EEP secures their engineers and contractors. The second would require that they go on public notice with the Corps of Engineers, which would require a revision in the agreements with the Corps of Engineers.

Ms. Szlosberg asked what the talking point was on no delays due to mitigation?

Mr. Gilmore answered that he participated in a continuous improvement workshop that involved NCDOT, DENR and the Corps of Engineers as partners to think about mitigation differently. The outcome of the workshop changed the way we do mitigation, and it was built around the transportation improvement program and schedules. Ms. Szlosberg stated that even through the highest lettings the Department has ever seen, NCDOT has not had to delay any projects due to lack of mitigation.

Ms. Szlosberg then asked if there were any comments on E-85 fuel sites. Mr. Harbinson stated that the EPPC was updated last month of the status of the E-85 fuel sites. NCDOT is under construction with one site; there are four remaining sites that they plan to put in this year, but there are restraints that have slowed the process. They are exploring CMAQ as an alternative funding solution.

Ms. Szlosberg asked, "What about carbon credits? One of our efforts within the Department is to use alternative fuels. Actually we are collecting carbon credits that can be sold on the market. What about that idea of flipping some of that revenue back into the expansion program?"

Mr. Harbinson answered, "That will be decided by a group of agencies that contribute to that claim of credits. NCDOT's position has been that those credits should be spent on developing additional alternative fuel infrastructure and not on the equipment or fleets. That decision has not been made by the interagency group because they are waiting for the new administration to settle in."

Ms. Szlosberg asked, "What is the cost per new fueling site?" Mr. Harbinson answered, "We are planning on co-joining the E-85 sites with the existing sites so that the construction would use the same set-up. This reduces the cost to just under \$100,000 per site."

Ms. Szlosberg asked, "How many sites did you use to identify that very first cut of the potential sites for the E-85?"

Mr. Harbinson answered, "Based on available space, there are about 30 to 35 sites that could have held an additional E-85 tank. When you look at the volumes of the fuel use at these sites and narrow those down, the most often used four sites are high used sites, so they get great exposure and that is how we determine those sites."

Ms. Szlosberg stated that there is some potential to expand that so the rest of the State fleet (not just DOT) can use the sites if the funding was made available to install them. The cost of installing E-85 tanks at 30 sites is roughly \$3.5 million.

Mr. Harbinson stated that in terms of alternative fuels, there are some new diesel hybrids that have been on the market. The jury is still out on the performance of the vehicles, so they are holding out until they get more data. B-20 use is now statewide. In a normal year, NCDOT would use around 11 million gallons of blended bio-diesel.

Mr. Szlosberg stated that we should continue to focus on using fuel efficient vehicles. One of the goals of the administration is the creation of an energy economy.

Ms. Szlosberg than asked staff to talk about the Jordan Lake Rules. Mr. Lauffer stated that the Jordan Lake rules right now have been brought before the commission for approval. There were objections last June when the rules were reviewed. There were more than ten objections, and the rules have now been sent for legislative review. NCDOT staff is meeting with the Attorney General's office to discuss there concern.

Ms. Szlosberg asked, "Is this an issue about proportionality?"

Mr. Lauffer answered, "It is difficult from a standpoint of actually getting our reductions. Seventy-five percent is secondary road, and that's what they are asking us to commit to right now." There are concerns about having a load where there was an actual load of 550 pounds of nitrogen, which would be difficult to achieve. The good news is that the Board directed NCDOT staff last spring to work with the Division of Water Quality to reach consensus on the rule language, and they were successful in reaching an agreement on the nutrient management rule, upper protection rule, repairing upper mitigation rule and most noticeably the new road development rule. With some minor exceptions, they feel good about the language that is in the rule. Staff has real concerns about the existing development rules, so that is where there focus will be in 2009.

Ms. Szlosberg stated that emphasis should be to continue conversation and collaboration to try and come up with some sort of consensus position between the Department and resource agencies.

Mr. Lauffer stated that in reference to Falls Lake, Session Law 2005:190 required the Environmental Management Commission to adopt permanent rules by July 1, 2009 for Falls Lake. The Division of Water Quality is not prepared to go there quite yet because they have not completed the technical analysis. They will be asking for an extension from the Legislature of possibly up to two years. He stated that he hasn't heard a lot of opposition from the environmental communities on the rules, so NCDOT staff is hopeful and supportive of that extension request; however, if the extension request is not granted, then they will have to move very quickly on the rulemaking process for Falls Lake. The Division of Water Quality has recently completed the watershed model for Falls Lake, and early indications are that nutrient loads from NCDOT's land are about 2% nitrogen to about 1.5 % of the full load reaching the Lake, so we are a small percentage of that load. The scientists are telling us that the majority of the nitrogen load originating from NCDOT right of way is from atmospheric deposition. That is a future policy issue that needs to be talked about as far as who is responsible for reducing nitrogen when it is coming from the air.

Ms. Szlosberg asked that all of the Legislative efforts and the reservoir, do you think that the DOT piece of that is really a kind of back door effort to get at these indirect cumulative impacts?

Mr. Lauffer answered that the impacts are a part. The rules are very comprehensive in that they affect a lot of different groups, including private developers, so everyone has a role to play.

What we are encouraging the Division of Water Quality to do is to take their model to the next level. One of the advances that could be made is an optimization of the rules to seek the lowest cost. With Falls Lake in particular, they are trying to encourage a fair, reasonable and proportionate set of rules. Instead of a blanket percent reduction everywhere, the approach is to look strategically at where NCDOT is most likely to have a water quality impact and put resources there to do something really good.

Mr. Perkins commented that NCDOT should not be the whipping post for everybody.

Ms. Szlosberg asked Don Lee to give an update on the Outdoor Advertising. Mr. Lee Stated that this topic came before the Board several years ago. Over the last two years, the outdoor advertising industry has sponsored legislation that would revise the current cutting free-zone for highways. NCDOT, the outdoor advertizing industry and the environmental community came together this December with a facilitator to look at a range of outdoor advertising issues. Mr. Lee briefly explained that consensus was reached on some issues about what could be done to alleviate some of the tensions associated with this problem, but it would take Legislation and, at this point, NCDOT is evaluating the results and staying in touch with the industry with the environmental community. They anticipate that the outdoor advertising industry would probably sponsor additional Legislation this year. However, there has been some discussion of an agreement about the view zone. Depending on how the discussions go, it is possible that the outdoor advertising industry would continue to pursue legislation that would widen the view zone and possibly eliminate NCDOT's compensation for the trees.

Ms. Szlosberg stated that this was an issue that needed to continue to move forward. During the Hunt Administration, rules were put into place as a result of over a year of industry collaborating with Government on the rules. Since then, the outdoor advertising idustry has come back to the legislature twice to try to amend the rules and widen the viewshed, which is a safety issue for motorist. Twice this Board has unanimously asked the Legislature to reject their proposals. Ms. Szlosberg stated she would like to come up with some kind of compromise.

Ms. Szlosberg plans to get a report together with Secretary Conti to give to our new Governor.

She asked Julie Hunkins to talk a little about Resource Conservation.

Ms. Hunkins stated that NCDOT has a program where they are trying to use recycled tires, fly ash and sometimes glass products in the roadway facilities. NCDOT has a Resource Conservation Program that is temporarily on-hold, but once they get the programmed re-staffed, she suggested it would be a good idea to come back to the committee and let them know about the program.

Ms. Hunkins stated that she spoke Ehren Meister, Director of Performance Metrics Management, about environmental performance measures as part of NCDOT's Dashboard. As the department moves forward and looks at its goals again, confirming and validating those with the new Administration, she suggested that it would be a good idea to make sure we have identified those most important environmental performance measures and track those.

She then spoke about the Healthy Environments Collaborative, a joint effort between the NC Department of Natural Resources, Health and Human Services, Commerce and Transportation. These agencies are coming together to see how they can mutually support healthy environment in terms of public health, different kinds of transportation (especially non-motorized modes) and the natural environment in terms of the air quality, water quality, and the preservation of natural spaces. They are also looking at the alignment of departmental policies so they are complimentary and supportive. Ms. Szlosberg stated that at some point, the Healthy Environments Collaborative should report to the EPPC on what they are doing and hopefully the Secretary will get engaged in those.

Ms. Szlosberg then asked the committee members and staff what other topics about which the EPPC might need to know or for which the EPPC could provide support.

Ms. Arellano stated that they are currently working on new quality standards for eight-hour ozone standards and would be a topic to be discussed this year.

Ms. Barbour stated that she appreciated the support that the committee has given the Interagency Leadership Team (ILT) and it has been very helpful for them. She stated that updates by the ILT and continued support by the EPPC would be beneficial.

Ms. Szlosberg concluded the meeting and mentioned that they would still be in the process of compiling items for future EPPC meeting. She said that if the committee or staff had any suggestions, they should contact her or Julie Hunkins and they would get that information to the new administration. When Ms. Szlosberg came to the Department and had worked so closely with the environmental community prior to that, NCDOT was often times was seen as a villain. When she came to the Administration, that was the filter that she had; however, that filter has wildly changed and she is so respectful of the work that the department does and is very proud of the work they all have done together. She added, "If you stop growing, you stop living." She stated she is very proud of the department and looks forward to continuing to work with everyone.

Ms. Szlosberg adjourned the meeting at 9:30 A.M.

The next meeting of the Environmental Planning and Policy Committee is scheduled for Wednesday, February 4, 2009 at 8:30 AM in the Board Room (Room 150) of the Transportation Building.

AJP/jh

NC Board of Transportation's Environmental Planning and Policy Committee

POSSIBLE TOPICS TO CARRY OVER

- Wilkes County Rest Area – LEED Certification
- Solar in Rest Areas / Rights of Way
- National Pollutant Discharge Elimination System (NPDES)
 - Compliance issues
 - Retrofit requirement (Operations)
 - Research / new opportunities / proactive / data-collection initiatives; support research efforts (Hydraulics, Roadside Environmental Unit, Bridge Program Management Unit, etc.)
- Stream Mapping
 - Integrate geomorphologic and large-scale stream mapping (NC Department of Environment and Natural Resources [DENR] and Center for Geographic Information and Analysis)
 - Understand/emphasize importance of mapping/benefits
- Ecosystem Enhancement Program (EEP)
 - Adjusting to changing TIP priorities
 - Exploring new State and Federal rules (Code of Federal Regulations)
 - In-lieu fee mitigation / banking priorities
 - Performance measures and compliance criteria
 - EEP outreach program “Aqua-Kids”
 - No project delays due to mitigation since EEP began
 - Development of impact projections with EEP strategic planning – new initiative – educational piece
- E-85 Fuel Sites
 - Construction of 4 sites; \$100 K per site
 - Exploring use of Congestion Mitigation Air Quality funding on these
 - Think about getting carbon credits for sites (interagency decision)
 - 35 potential sites; potential expansion - \$35 million
- Alternate Fuels –Diesel Hybrids
 - Waiting for data – alternative fuel fleet
 - Procurement of hybrid vehicles
 - Use of biodiesel - % usage

- Jordan Lake Rules
 - To Legislature
 - Success with dialogue with DENR on some rule language
 - Continued dialogue with DENR

- Falls Lake Rules
 - Permanent rule-making forthcoming
 - DENR still doing technical analysis
 - Atmospheric deposition of nitrogen on DOT right of way (possible future policy issue)
 - Indirect impacts – integrated planning
 - Review disproportionate items, as appropriate

- Outdoor Advertising
 - Task force looking at sign placement and trees; some consensus reached on certain items between industry, environmental community and DOT

- State Minimum Criteria

POSSIBLE NEW TOPICS

- Resource conservation in projects

- Measuring NCDOT’s environmental performance (and how this fits into the department’s Dashboard)

- Healthy Environment Collaborative Initiative

- NPDES Stormwater Renewal

- Session Law 2008-107: Stormwater Runoff from Bridges

- NCDOT’s use of solar energy

- 8-Hour ozone standards – new, more stringent standards

- EPA efficient financial impact on DOT, AASHTO also working on providing comments (DOT participating)

- Interagency Leadership Team
 - Support by Board for initiatives; periodic reporting

