

**Office of State Budget and Management**  
**Establish New, Receipt-Supported Positions**  
(G.S. 143-34.1)

**Agency:** Department of Environment and Natural Resources

**Division:** Ecosystem Enhancement Program

**Budget Code:** 24304    **Center Title:** EEP Compensatory Mitigation    **Center Number:** 2981

**\*\*\* Position Information \*\*\***

**Proposed Classification:** Processing Assistant V    **Proposed Salary Grade:** 61

**Salary Range:** \$25,427 - \$39,228    **Proposed Effective Date:** 12/01/06

**Number of Positions:** 1

	<u>Center Authorized Budget</u>	<u>Current Request</u>
Total Budget	\$ 440,087.00	\$33042
Receipts	440,087.00	\$33042
Appropriation	\$ 0	\$ 0

**Funding Source(s):** In Lieu Fees

**Justification for Position (including description of duties and responsibilities):**

The Ecosystem Enhancement Program is responsible for implementing four In Lieu Fee Mitigation Programs: the statewide Stream and Wetland MOU In Lieu Fee (ILF) Program, the Riparian Buffer ILF Program, the Nutrient Offset Program for the Cape Fear, Catawba, Neuse, and Tar Pamlico river basins, and the statewide NCDOT MOA Stream and Wetland Program. EEP's In Lieu Fee programs allow applicants to pay a fee to EEP in lieu of providing mitigation associated with regulated impacts stemming from a development project. In return, EEP takes on the mitigation responsibility for those impacts and uses the fees to provide the mitigation.

Since the formation of EEP in 2003, these mitigation programs have increased significantly in size and scope and require additional administrative support to process the workload. Currently, only two staff, the In Lieu Fee Coordinator and the NCDOT Coordinator, are assigned to receive and process all requests, public interaction, data entry, correspondence, file maintenance, and quality control. The ILF Coordinator is responsible for the statewide stream and wetland ILF program, the Riparian Buffer ILF program, and the Nutrient Offset Program. The NCDOT coordinator is responsible for administering the NCDOT Stream and Wetland ILF program. The proposed position is will assist the In Lieu Fee Coordinator and the NCDOT Coordinator in the implementation of these ILF programs. The operation and administration of these programs is completely receipt based and the proposed position will be funded using the receipts generated from the four programs.

In 2003, there were significantly less activity and less geographic coverage of these mitigation programs. Since 2003, new Riparian Buffer mitigation programs were established in the Cape Fear (for NCDOT), Catawba, and Tar Pamlico river basins. In 2003, the statewide Stream and Wetland ILF program received \$3,370,550 from applicants. In the last 3.5 years the program has received an average of \$9,975,707.79 in receipts, a 296% increase. The Nutrient Offset program has grown similarly. In 2003, EEP received \$1,189,204.64 in fees to provide mitigation. Each year since 2003, the program has grown in the number of applicants and in the number of payments. In 2006, EEP received 453 payments totaling \$2,552,038.71, a 215% increase. The workload associated with processing this many requests requires the addition of an administrative position. Since the processing of these requests, acceptances, and payments result in precise and complex mitigation

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requirements, the position must be skilled to prevent compliance violations and to ensure exact fees are collected. The responsibilities with this position are detailed below.

### **Responsibilities**

#### **Public Interaction for Daily Transactions (MOU, Buffer and Nutrient Program)**

- Receive requests for mitigation
- Accept and verify payments from invoiced applicants
- Process payments and forward to Fiscal to make deposits
- Prepare receipts for paid invoices and walk-in nutrient program payments

#### **Data Entry and Correspondence (MOA, MOU, Buffer and Nutrient Program)**

- Enter into database applicant request, acceptances, invoices, payments, reimbursement requests
- Prepare acceptance, invoice and receipt letters
- Mail correspondence to applicants, agencies and stakeholders

#### **File Maintenance**

- Set up and maintain paper files for mitigation requests, acceptances, invoices, payments, permits, letters, etc.
- Check permit requirements against accepted mitigation amounts for concurrence
- QA/QC – periodically check for database and permit requirement consistency

#### **Facilitate Request Reviews**

- Prepare reports that list weekly requests for review at Monday's mitigation request review meeting
- Prepare weekly report on invoices issued, payments received, payment amounts, receipts issued, refunds made, refund amounts and reasons
- Phone or email applicants when additional information is needed

Statutory Reference for Request

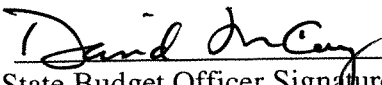
Cathy Hardy

Presentation to be made by

DENR Budget Director

Title

  
\_\_\_\_\_  
Agency Head Signature

  
\_\_\_\_\_  
State Budget Officer Signature

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**Agency:** Department of Environment  
and Natural Resources

**Division:** Ecosystem Enhancement Program

**Budget Code:** 24304    **Center Title:** EEP Compensatory Mitigation

**Center Number:** 2981

**\*\*\* Position Information \*\*\***

**Proposed Classification:** Statistician III    **Proposed Salary Grade:** 76

**Salary Range:** 45,531-75,708

**Proposed Effective Date:** 12 /01/06

**Number of Positions:** 1

<u>Center Authorized Budget</u>		<u>Current Request</u>
Total Budget	\$440,087.00	\$56,119
Receipts	<u>\$440,087.00</u>	<u>\$56,119</u>
Appropriation	\$ <u>0</u>	\$ <u>0</u>

Funding Source(s): In Lieu Fees

Justification for Position (including description of duties and responsibilities):

The Ecosystem Enhancement Program is responsible for implementing four In Lieu Fee Mitigation Programs: the statewide Stream and Wetland MOU In Lieu Fee (ILF) Program, the Riparian Buffer ILF Program, the Nutrient Offset Program for the Cape Fear, Catawba, Neuse, and Tar Pamlico river basins, and the statewide NCDOT MOA Stream and Wetland Program. EEP's In Lieu Fee programs allow applicants to pay a fee to EEP in lieu of providing mitigation associated with regulated impacts stemming from a development project. In return, EEP takes on the mitigation responsibility for those impacts and uses the fees to provide the mitigation. The EEP Strategic Planning Section is responsible for administering these programs, identifying mitigation needs by location, timing, type, coordinating and developing EEP's Operational Strategic Plan to procure required mitigation, accounting for all mitigation assets to mitigation requirements, and to provide strategic analysis to EEP Executive management on rules, policy, fund management, and operations.

Since the formation of EEP in 2003, EEP's four mitigation programs have increased significantly in size and scope and require additional staff to provide asset requirement accounting, fund management, fee revisions, reporting, and analytical support. In 2003, EEP managed approximately 75 projects and a few hundred permit requirements. Today, EEP has over 760 projects in development and well over 1000 permit requirements associated with its mitigation programs. Each mitigation program has specific rules that regulate the implementation of the ILF program. For example, in the Stream and Wetland mitigation programs, mitigation must be provided within specified river basins, one of 54 different watersheds, within one of 12 mitigation categories. Since assets and requirements change daily, the accounting aspect is vital to EEP's operation. Due to the increased size, complexity, and vital nature of this function, EEP requires an additional staff person to implement this function for each of the four EEP ILF mitigation programs. This function has become a daily requirement that requires full attention from a devoted staff person.

Since each of these ILF programs are driven by receipts, each mitigation program has an associated Fund that acts as a repository for the receipts. Since there are no appropriated funds to implement these mitigation programs, fund management

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financial health of these programs, to report forecasted deficiencies to management, and to implement procedures and or rulemaking to ensure the collection of fees keep pace with the costs of implementing the programs. This function has become vitally important for EEP and is a necessary function that needs to be enhanced to ensure the mitigation programs remain sustainable and fiscally responsible. The type of work needed includes research, data mining, analysis, forecasting, report development and the ability to present the information to managers and agencies in both written reports and oral presentations. The ability to collect data from application and mainframe databases is essential. An understanding of crediting systems, accounting, asset tracking, and fiscal management is an important requirement.

EEP's development of its Operational Plan is a critical function of EEP because it identifies all mitigation needs associated with its ILF programs relative to existing assets, procurement plans, and changing mitigation requirements. The EEP Strategic Planning Coordinator and all staff within Strategic Planning are responsible for coordinating the development of these plans. The proposed position will be responsible for collecting appropriate information from the planning, implementation, monitoring, ILF Coordinators, and State Property office personnel to forecast and develop specific mitigation needs, mitigation targets, and program status reports to assist in the development of Operational Strategic Plan. Currently these processes cannot be implemented in a timely manner due to lack of staff and these delays could result in acquiring inappropriate mitigation assets or the delay in acquiring appropriate mitigation assets. The proposed position is necessary to reduce the risk of these two outcomes.

Since EEP is still a relatively new organization, the programs procedures are in a continuous state of development and enhancement. Since new mitigation programs are also being added (the additions of the Cape Fear and Catawba Riparian Buffer mitigation areas, and Tar Pamlico Nutrient Offset area), the rate of growth and change is more accelerated. The proposed position will also assist in developing procedures and to analyze rule, policy, and procedure options.

#### Statutory Reference for Request

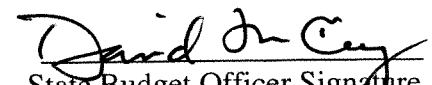
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Presentation to be made by

DENR Budget Director

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