

NITROGEN CREDIT ADVISORY BOARD MEETING

MINUTES FOR THE October 2, 2024, NCAB BOARD MEETING

The Nitrogen Credit Advisory Board (“Board”) meeting was held virtually via MS-TEAMS on October 2, 2024 and was called to order at 2:33 pm.

Board members present:

Nisha Patel (Chairwoman), Tom Tyler, Rebecca Augur, Gary Zrelak and Kim Masson

Board members absent: None

Other Attendees:

Ivonne Hall, Carlos Esguerra, Christopher Falk, Iliana Raffa, Robin Rittgers, Denise Argue (USGS) and Joseph Martin (USGS).

New Business

MOTION (2:35 pm): Ms. Patel requested a motion to approve the minutes from the September 11, 2024, meeting. Mr. Zrelak put forth the motion to approve the meeting minutes and Ms. Augur seconded the motion. The motion passed unanimously.

Ms. Argue from USGS, gave the presentation entitled “Updated on USGS Nitrogen Monitoring and Characterization of Nitrogen Sources”. This presentation included information on the Nitrogen monitoring work performed in 2024 as well as a summary of recent studies that quantified and characterized TN loads and sources. At 3:15pm Ms. Patel performed a time check and the presentation had to be stopped prematurely since it went past the originally scheduled 30-minute meeting time. Ms. Patel apologized for the misunderstanding and requested that USGS provide copies via email of the presentation including the FY25 monitoring plan, data analysis and budget. This information was submitted by Ms. Argue via email on 10/17/2024 for review and comment by DEEP staff.

Mr. Tyler and Mr. Zrelak requested from Ms. Masson, from the Office of the State Treasurer to provide historical data on allotments and expenditures from the NCAB to assess how many more years the NCAB can support funding to USGS.

Meeting was adjourned at 3:20 pm.

After the 10/2/24 meeting:

As requested, Ms. Masson provided historical information via email on October 2, 2024 stating the following: *“If USGS’s costs remain say \$250/yr then the NCAB can cover those costs for the next 5 maybe 6 years due to interest earnings at 5.08% annualized. However, the STIF interest earnings rate will likely decrease with the recent fed interest rate cut of 50 basis points. As we spend down the funds the corpus is earning less compounding interest due to a smaller carrying balance. Hard to say if the balances can be sustained longer than 6 years. If costs remain at \$200k annually then that may get us another year or so”*. Mr. Tyler replied to this email with the

following: *“Thanks Kim. At some point we should probably communicate to USGS that they have a 5-year window to secure funding from some other mechanism. The only option might be to consider a reduced annual payment for a longer duration of payments, say \$100K annual for 10-12 years. But at some point, the balance will be zero.”*

Ms. Patel requested from USGS a more detailed breakdown of FFY25 costs as well as cost variation for the last several years. Generally, the annual cost escalation for comparable work scopes was ~2.5% per year during the pandemic. For FY24, the cost escalation was 5% for the same level of work in FY23. The FY25 cost breakdown information showed a cost decrease of ~5% for compared to FY24. It is noted there was an error in the initial FY25 budget which was corrected by USGS and resulted in a cost reduction from \$306,000 down to \$300,600 (**USGS funding of \$104,000 and NCAB funding of \$196,600**)

The proposed FFY25 monitoring, and TN data analysis budget is as follows:

Total budget FY25 total budget \$300,600
NCAB - \$196,600
USGS - \$104,000

Ms. Patel sent an email on Tuesday 11/19/2024 to the NCAB to request the board's approval of the FY25 budget. This email included a copy of the FY25 USGS proposal. In her email Ms. Patel stated the following: *“Action Item: By the end of the week (11/22/24), please respond and identify if you approve of NCAB funding up to \$196,000 of the FY25 Budget. Similar to FY24, DEEP is working to use funding through the Long Island Sound Study program to reduce NCAB's contribution of \$196,000. We will update you in 2025 once we identify the exact level of LISS funding available.”*

Ms. Augur voted via email to approve the funding request on 11/20/2024. Ms. Masson seconded the vote to approve the funding via email on 11/20/2024. Mr. Zrelak and Mr. Tyler also approved the funding request via email on 11/20/2024. The FY25 funding was approved unanimously.

****end of meeting minutes****