

Maryland Environmental Trust
Board of Trustees Open Meeting Minutes
June 5, 2023

Trustees Present:

Greg Bowen, Vice Chair

Mark Hoffman, Treasurer

Thomas (Toby) Lloyd

Megan Benjamin

Lori Lynch

Nathan Volke

Diana Conway

Craig Highfield

Keith Colston

Susanne Richards

Hilary Bell (representing the Governor of Maryland who is an ex-officio trustee)

Megan D'Arcy

Trustees Absent:

Gary Burnett, Chair

Tom Prevas

Others Present:

John Turgeon, Director, Maryland Environmental Trust (MET Staff)

Jon Chapman (MET Staff)

Michelle Grafton (MET Staff)

Josette Markline (MET Staff)

Michael Mingus (MET Staff)

Kelly Price (MET Staff)

Wendy Foster (MET Staff)

Cindy Hoffmann (MET Staff)

Talley Kovacs, Assistant Attorney General (Office of Attorney General)

I. Call to Order

Vice Chair Greg Bowen called the regular meeting of the MET Board of Trustees to order at 4:09 p.m.

II. Minutes of the May 1, 2023, Regular Meeting

Vice Chair Bowen called for a motion to approve the minutes of the regular meeting of the Board of Trustees held on May 1, 2023. Mr. Lloyd motioned to approve the minutes; Mr. Hoffman seconded the motion. All voted in favor.

III. Chair's Report

A presentation was given by Mr. Josh Hastings, Interim Executive Director of Forever Maryland. Mr. Hastings gave an overview of his personal background and talked about what Forever Maryland is doing in the interim of their transition. He noted that they will continue organizing the upcoming conference, scheduled on October 4-5, 2023 at the Crowne Plaza, Annapolis, and invites everyone to register for the event. <https://forevermaryland.org/learn> The theme for this year's conference is *Changing the Future, Now!* Mr. Hastings feels that this theme aligns well with Maryland's new administration. He feels strongly that Land Conservation is a great tool to address some of Maryland's environmental challenges such as sea level rise, saltwater intrusion, and invasive species. Mr. Hastings also mentioned that FM is severing ties with Stringfellow Management Group at the end of June in order to streamline the budget.

IV. Director's Report

Mr. Turgeon summarized the Director's Report that was distributed to the Board earlier that morning. Mr. Turgeon discussed the FY 2024 Annual Work Plan giving further details on each topic and offering an opportunity for discussion. A brief discussion was had surrounding the funds from the MD Department of Agriculture for the KMB grants program. Mr. Turgeon explained that MDA received a federal grant and will allocate a portion of the money to nonprofit organizations, such as watershed groups, who have connections with landowners interested in tree planting on agricultural land. Mr. Lloyd expressed an interest in looking into whether some of the funding could be utilized for creative maintenance of invasive vegetation.

Mr. Turgeon reviewed the MOU with Chesapeake Bay Trust (CBT) for administering the Keep Maryland Beautiful grants program and noted that it is still in the draft stage. There was no further discussion on the topic.

Mr. Turgeon called for a motion to approve the FY 2024 Annual Work Plan. Mr. Lloyd made the motion to approve; Mr. Volke seconded the motion. All voted in favor.

Mr. Turgeon called for a motion to approve the MOU with Chesapeake Bay Trust for administering the Keep Maryland Beautiful grants program. Mr. Hoffman stated the following “The Board supports and approves MET entering into an MOU with the Chesapeake Bay Trust for the purpose of administering the Keep Maryland Beautiful grants program as described in the MET Director’s report dated June 5, 2023”; Mr. Colston seconded. All voted in favor.

V. Committee Reports

A. Lands

Ms. Benjamin reported that the Lands Committee met on May 24, 2023. Ms. Benjamin recognized Jon Chapman’s many years at MET and wished him well on his retirement.

Consent Agenda

Actions on existing MET easements

- a. Request to amend and restate an existing easement in Baltimore County (MET Easement file# 0077JAC82.BACO)

Ms. Benjamin made a motion to approve the Consent Agenda; Mr. Lloyd seconded. All voted in favor.

Mr. Chapman reported on the number of monitoring reports received for FY 2023. Roughly 675 reports have been processed thus far. Of those about 260 were completed by co-holding land trust partners. Seventy-two percent of the reports completed by MET were done by contractors and interns using Lens aerial imagery. He mentioned that Stewardship staff continues to visit new landowners and manage amendment requests.

Mr. Chapman thanked everyone for their support during his twenty years of service with MET.

Mr. Turgeon informed the Board of the newly released IRS Safe Harbor Language for Extinguishment and Boundary Line Adjustment. The IRS has given an opportunity to original grantors of easements (only those still taking tax benefits for their donations of easements) to

modify wording in their original easements. This modification would insulate the grantor from an audit finding that could challenge the income tax deduction taken for their charitable contribution. The IRS ruling determined that this modification is an amendment of easement; however, it only allows the rewording of a very limited portion of the easement. In no way does the scope allow the grantor the right to amend other/additional sections of the easement ensuring no impact on the conservation values of the property. Further, the amended easement must be recorded in the land records by July 24, 2023. MET has taken a proactive approach to this issue by working with the Board of Public Works on a document that allows delegation of authority to Mr. Turgeon for approval of such requests. To date, MET has received only one landowner inquiry. It was stated that fewer than 100 MET easements may qualify for this opportunity; however, it is difficult to estimate the real number since it is unknown how many landowners are still taking a tax benefit. It should be noted that MET's model easement has included the IRS suggested language since 2009.

Mr. Bowen asked for a motion to give the MET Director authority to approve the modification of an easement to include the additional IRS language. Ms. Bell approved the motion; Mr. Colston seconded. All voted in favor.

Ms. Carlson reported that FY 2023 will close with MET protecting 1,255 acres of land. This surpasses our annual goal of 1,000 acres. Ms. Carlson noted that the easement team has 23 active projects in the works and that three conservation easements will be presented to the Board of Public Works in the next couple of months. She expected them to be presented for MET board approval at the September meeting.

Ms. Carlson recognized Mr. Chapman's dedication to protecting over 140,000 acres under MET conservation easements during his tenure. She credited him with being a great mentor to herself, Ms. Markline and Mr. Mingus.

B. Governance

Mr. Lloyd stated that the Governance Committee reviewed the Standing Committee Rosters for FY 2024 and made further recommendations.

Mr. Lloyd made a motion to approve the Committee Roster as it stands in the board packet; Mr. Volke seconded. All voted in favor.

Mr. Turgeon highlighted the most recent nominations made by the Governance Committee:

- **Susanne Richards to serve on the Finance Committee.** Ms. Richards has accepted the position, however will step off of the Lands Committee in order to fulfill the commitment.
- **Craig Highfield to serve on the Lands Committee.**
- **Hilary Bell to serve on the Land Trust Outreach Committee.** Ms. Bell accepted the position.
- **Toby Lloyd to serve on the Land Trust Outreach Committee.** Mr. Lloyd accepted the position.

Mr. Lloyd reminded everyone that participation on committees is highly encouraged. If a member is interested, please contact Mr. Turgeon or Mr. Lloyd for more information.

C. **Finance**

Mr. Hoffman expressed his appreciation to the former Treasurer, Julia Jitkoff for her contributions to MET.

Mr. Hoffman explained that MET has additional funding outside of state funding and stated its purpose. Mr. Hoffman directed everyone to the financial statements distributed prior to the meeting. He reported that the net assets in the private account were about 3.5 million dollars at the end of April. Mr. Hoffman explained that the goal is to utilize about four percent of that money annually, in addition to state funding, to support MET's operations.

Mr. Hoffman requested a motion to approve the financial statements as provided in the Board Packet. Mr. Lloyd approved the motion; Ms. Conway seconded. All voted in favor.

Mr. Hoffman introduced the proposed FY 2024 budget for MET's board administered funds with a brief discussion.

Mr. Hoffman requested a motion to approve the FY 2024 budget for MET's board administered funds as presented for \$147, 230. Mr. Lloyd approved the motion; Ms. Conway seconded. All voted in favor.

D. **Land Trust Outreach**

Ms. Grafton noted that one proposed land trust cooperative agreement was recently received and will be presented for approval at the September regular board meeting. She provided an update of the co-held monitoring reports, stating that 457 reports have been finalized for CY 2022.

Ms. Grafton reminded the board to register to attend the MET Roundtable scheduled for June 28, 2023, at the Crownsville Office location <https://dnr.maryland.gov/met/Pages/roundtables.aspx>. This year's event is titled Conservation and Restoration Resources and will feature presentations from the MD Forest Service and Chesapeake Coastal Service. There will also be exhibitors on-site to discuss additional resources around this topic.

Ms. Grafton noted that MET has redesigned its Landmarks newsletter by reducing the number of pages from 16 to 8, placing an emphasis on visual prompts that showcase MET's accomplishments.

Ms. Grafton stated that the Land Trust Outreach Committee will be meeting soon to discuss committee member recommendations and goals for the upcoming year.

V. Other Business

Mr. Turgeon reminded everyone of Jon Chapman's retirement party on July 12, 2023, at the Annapolis Smokehouse 107 Hillsmere Drive, Annapolis MD 21403. Anyone interested in attending should RSVP to <https://forms.gle/RQkeAU6KNJQZZeEe8> by June 30, 2023.

V. Adjourn Meeting

Let the record show that the meeting adjourned at 5:28 p.m.