

Coastal Recreational Fishing License

Marine Fisheries Commission Meeting
May 23, 2008



Status Updates

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■ CRFL Sales Report

- ◆ Total license sales to date (2007/2008) = 506,150 (does not include lifetime holders 'grandfathered' in).
- ◆ Marine Resources Fund will be discussed in detail later.

■ Recreational Fishing Guide

- ◆ 149,000 copies received
- ◆ Distribution through DMF and WRC sources

Status Updates

- CRFL Funded Positions and other Recurring Projects
 - ◆ Sr. Stock Assessment Scientist approved for advertising
 - ◆ Grant administrator position interviews have taken place
 - ◆ Recently hired staff for the Fisheries Independent Assessment Program
- Chowan River Pier Update
 - ◆ In design phase

Status Updates

- The Joint MFC/WRC CRFL committee met on March 12 and approved/recommended several actions (each will be discussed in more detail later)

Financial Activity Report for
Funded Projects
(One Time & Recurring for
2007 - 08)

Financial Activity Report for Funded Projects

(One Time & Recurring for 2007 - 08)

Project	Type	Budgeted	Spent & Encumbered	Unobligated Balance
Chowan River Bridge	One Time	\$200 k	\$58 k	\$142 k
Angler's Guide	One Time	\$100 k	\$75 k	\$25 k*
CRFL Impl. & Maint.	Recurring	\$382 k	\$79 k	\$303 k
CRFL Sales & Data	Recurring	\$486 k	\$104 k	\$382 k
Sr. Stock Assess.	Recurring	\$109 k	\$0	\$109 k
Fish. Indep. Assess.	Recurring	\$345 k	\$92 k	\$253 K
Total		\$1,622 k	\$408 k	\$1,214 k

* Will produce more copies to use all of these funds.



DMF Five-Year Project Plan for Obligated Funds from the Marine Resources Fund

DMF Five-Year Project Plan for Obligated Funds from the Marine Resources Fund

- July 1, 2007 – June 30, 2012
- Includes recurring projects approved in June 2007
 - ◆ CRFL Implementation and Support
 - ◆ CRFL License Sales and Data Support
 - ◆ Senior Stock Assessment Scientist
 - ◆ Fisheries Independent Assessment Program
- Year 1 projects started in FY07-08 but were based on revenue available at the end of FY07

DMF Five-Year Project Plan for Obligated Funds from the Marine Resources Fund

- Funds are not removed from the fund until invoiced allowing continual draw of interest.
- Funds not spent at the end of the project period stay in the fund and are marked unobligated for redistribution to other approved projects.
- At the start of a new project year, the total amount of the recurring projects is obligated again.

DMF Five-Year Project Plan for Obligated Funds from the Marine Resources Fund

Project	Year 1 (07-08)	Year 2 (08-09) Estimated*	Year 3 (09-10) Estimated*	Year 4 (10-11) Estimated*	Year 5 (11-12) Estimated*
CRFL Impl. & Support	\$382 k	\$386 k	\$389 k	\$394 k	\$398 k
CRFL Sales & Data	\$486 k	\$495 k	\$502 k	\$509 k	\$517 k
Sr. Stock Assess.	\$109 k	\$113 k	\$116 k	\$119 k	\$122 k
Fish. Indep. Assess.	\$345 k	\$350 k	\$358 k	\$365 k	\$372 k
Total	\$1,322 k	\$1,344 k	\$1,365 k	\$1,387	\$1,409

*Assumes 3% legislative salary increase

DMF Five-Year Project Plan for Obligated Funds from the Marine Resources Fund

- The Joint MFC/WRC Committee approved the DMF Five-Year Project Plan with an annual review.



Proposals for Funding Consideration July 1, 2008

Proposals for Funding Consideration

July 1, 2008

- These are projects tabled in the June 2007 by the joint MFC/WRC committee.
- Proposal Review:
 - ◆ Acquisition of Shallow Draft Self Propelled Reef Construction Barge
 - ◆ Build a barge to reach shallow water areas for reef construction in sounds, bay, & rivers
 - ◆ \$65,000 year 1
 - ◆ \$17,000 annual renewal starting in year 2

Proposals for Funding Consideration

July 1, 2008

- Proposal Review (cont.):
 - ◆ North Carolina Coastal Fishing Reef
 - ◆ Construct a coastal fishing reef in the Hyde County area of Pamlico Sound.
 - ◆ Part of the construction will include actual location in the identified area.
 - ◆ \$1,737,240 total project for 4 years
 - ◆ \$445,560 year 1

Proposals for Funding Consideration

July 1, 2008

- Proposal Recommendation:
 - ◆ Joint WRC/DMF CRFL Staff Committee Recommends
 - ◆ Fund the barge proposal at
 - \$65,000 year 1
 - \$17,000 annual renewal starting in year 2
 - ◆ Fund the coastal reef proposal
 - \$445,560 year 1 with consideration annually.

Proposals for Funding Consideration

July 1, 2008

The Joint MFC/WRC Committee approved:

1. Fund the barge proposal at:
 - ◆ \$65,000 year 1
 - ◆ \$17,000 annual renewal starting in year 2
2. Fund the coastal reef proposal at:
 - ◆ \$445,560 for year 1 with consideration annually

Proposals for Funding Consideration

July 1, 2008

3. Earmark no more than \$900 k for the Chowan R. Bridge construction project to be developed later this year.
4. Coastal Reef Project and Chowan River Fishing Pier Projects can be considered for additional funding in future years outside of the RFP process.

Draft Request for Proposal

Draft Request for Proposal

Timeline:

- Review with action today.
- If approved, release in May/June 2008
- Proposals to be submitted by July 31, 2008
- Review according to approved Funding Procedures document
- Notify applicants and State Treasurer of approved projects
- After notification (Spring 2009), contract will have to be in place within 6 months

Draft Request for Proposal

Proposal Project Activities:

- Specific activities are based on the Strategic Plan and are listed under each Management Goal, Objective and Strategy.
 - ◆ Fish
 - ◆ Habitat
 - ◆ People
- Review the RFP for details

Amount of Funds for RFP

- Available funds are based on revenue generated in prior fiscal years, not fiscal year of an active RFP.
 - ◆ Based on funds not spent in FY2007 and net revenue generated in FY2008.
 - ◆ Funds generated after July 1, 2008 are not included in the decision.
- Funds from DMF recurring Projects not spent on June 30, 2008 will be unobligated and available for the RFP.
 - ◆ As of March 31, a total of about \$1,200,000 from DMF projects were not spent.
 - ◆ Safe to assume \$500,000 will not be spent and can be added to the unobligated balance.

Amount of Funds for RFP Decision

Status of Funds in the Marine Resources Fund

Source	Net Funds (\$)
FY2007	2,584,548
FY 2008*	<u>2,604,151</u>
Total	5,188,699
Obligations (from FY2007 fund balance):	
DMF Recurring Projects	1,322,020
Chowan River Bridge	200,000
Angler's Guide	100,000
Payback for Implementation (on hold)	<u>333,000</u>
Total	(1,955,020)
Unobligated:	
FY2007 (FY07 Balance – Obligations)	629,528
FY2008*	<u>2,604,151</u>
Total	<u>3,233,679</u>

*Funds as of March 31, 2008

Amount of Funds for RFP Decision

Conservative Projection of Funds Available July 1, 2008

Source	Net Funds (\$)
Unobligated total (FY07 & FY08*)	3,233,679
Assumed funds to be generated for the rest of FY08 (based on FY07 sales)**	160,000
Unspent from DMF recurring projects (FY07)**	<u>500,000</u>
Projected Total**	3,893,679
Known Obligations (starting July 1, 2008)	
DMF Recurring Projects	1,343,770
Hold for payback for Implementation (2 nd hold back)	<u>333,000</u>
Total	(1,676,770)
Unobligated for RFP**	2,216,909

*Funds as of March 31, 2008

** Estimated on the conservative side (see next slide for explanation)

Amount of Funds for RFP Decision

- There is only 1 year of sales data to base projections and there is not enough data to make a well informed decision.
- The 2 items listed as estimates are on the extreme conservative side.
 - ◆ Funds generated above \$160 k between now & June 2008 and DMF funds not spent over the estimated \$500 k reverting at the end of June 2008 could be available for projects the committee may want to fund later this year.
 - ◆ The actual amount of these funds available at the end of June could be significant and well above the estimates used in the RFP projection.

Amount of Funds for RFP Decision

Source	Net Funds (\$)
Estimated Unobligated	2,216,909
Possible New Obligations in 2008 (today's actions)	
Barge Project	65,000
Coastal Fishing Reef Project	445,560
Chowan River Bridge Project	900,000
Total new obligations	(1,410,560)
Funds potentially available for the RFP	806,349

- Difficult to predict amount of funds that may be available at the end of June.

Draft Request for Proposal

The Joint MFC/WRC Committee approved:

- Advertise the Request for Proposals and set the cap for the CRFL request for proposals at the amount of un-obligated funds available in the Marine Resources Fund on May 31, 2008.