



## ORANGE WATER AND SEWER AUTHORITY

*Quality Service Since 1977*

November 9, 2007

Chair Moses Carey, Jr.  
Orange County  
Post Office Box 8181  
Hillsborough, NC 27278

Mayor Mark Chilton  
Town of Carrboro  
301 West Main Street  
Carrboro, NC 27510

Mayor Kevin Foy  
Town of Chapel Hill  
405 Martin Luther King Jr. Blvd  
Chapel Hill, NC 27514

**SUBJECT: PROPOSED TRANSFER OF WASTEWATER FROM THE CITY OF  
DURHAM TO OWASA FOR THE BLENHEIM WOODS DEVELOPMENT**

Dear Chair Carey, Mayor Chilton and Mayor Foy:

This letter outlines OWASA's strong support and recommendation for your approval of the City of Durham, Department of Water Management's request that OWASA accept wastewater flows from the development of a parcel of property on the west side of George King Road (immediately adjacent to the Durham/OWASA service boundary). Your approval is required in accordance with the interlocal *Water and Sewer Management, Planning and Boundary Agreement*.

**BASIS FOR OWASA'S RECOMMENDATION FOR APPROVAL:**

- ✓ Durham, like OWASA, strongly prefers gravity sewer collection systems because they avoid the increased operational and maintenance costs, increased likelihood for spills and potentially adverse environmental consequences and increased noise and light pollution associated with pump station/force main arrangements.
- ✓ Approval, or disapproval of this request has no "growth" implications for this area. The Blenheim Woods development has already been approved by Durham and will happen, with or without a gravity sewer connection to the OWASA system.
- ✓ Durham has confirmed that this is a "one of a kind" request and that they anticipate making no similar requests to OWASA in the future.
- ✓ There are no policy or service boundary adjustment implications. Current policy allows approval of the request and no boundary adjustments are involved.
- ✓ If approved, OWASA will recover all costs associated with this proposal as part of a written agreement between OWASA and Durham.
- ✓ Under an existing agreement requested by the Orange County Board of County Commissioners and OWASA, Durham currently accepts wastewater flows from 59 OWASA customers in the Piney Mountain Subdivision in Orange County.

- ✓ We believe approval of the proposal is appropriate because it is important that all water/sewer utilities in the region mutually support one another when it is feasible to do so (it is important to remember that Durham was standing by to provide OWASA with finished water if it had been necessary in the aftermath of the August 8, 2007 fire at OWASA's Jones Ferry Road Water Treatment Plant), and that Durham has assisted the Chapel Hill-Carrboro community many times during past droughts and emergencies.

## **BACKGROUND**

The City of Durham has executed an agreement with a developer, East West Partners Management Company, to provide water and sewer services to the Blenheim Woods development that will include 57 residential lots and connect Kinsdale Drive in the Oaks subdivision to George King Road. Attachment A shows the area to be developed and its proximity to the OWASA-Durham Service Area Boundary.

Durham has requested that the development be allowed to connect to the OWASA sewer system to avoid the construction of a pump station that would otherwise be needed to convey the wastewater from this new development to the gravity flow portions of Durham's collection system. Durham's request is included as Attachment B.

If this request is not approved, the developer would build a new wastewater pump station adjacent to the Chapel Hill corporate limits. Increased energy would be required to operate the station. Future failure of the station due to power outages or equipment malfunctions could result in the release of untreated wastewater.

## **DISCUSSION**

OWASA believes that an agreement could be reached with Durham for OWASA to accept and treat the wastewater flows from the Blenheim Woods development through an arrangement similar to the one already in place for the Piney Mountain Subdivision, where Durham accepts and treats wastewater from OWASA (Orange County) customers in that area. The City of Durham (or the new customers within the proposed subdivision) would be required to pay all OWASA applicable charges for sewer service, including service availability fees and ongoing charges for the collection and treatment of the wastewater received by OWASA.

OWASA would not incur capital costs for construction of the system, and Durham would be treated the same as any other third party developer regarding requirements to connect and introduce wastewater into our system.

The collection system would be built to Durham's standards and specifications up to the point where the actual connection is made with the OWASA system.

Durham would be responsible for all operations, maintenance, repair, and any future replacement of the collection system and its components up to the point where their collection system connects to OWASA's system.

If OWASA were to accept wastewater flows from this development or any other development outside of the OWASA service area, OWASA would be committing the necessary facility capacity and applicable nutrient mass load to meet the needs of that development. That means such capacity and nutrient mass load will not be available to meet OWASA's own customers' needs. That certainly is an important concern, especially in light of the very strict nutrient mass load limits the North Carolina Environmental Management Commission has proposed to protect Jordan Lake water quality. For this particular request from Durham, OWASA staff believe these effects are offset by the fact that Durham previously agreed to accept wastewater flows and nutrient loads from almost the exact same number of residential customers that OWASA serves in the Piney Mountain Subdivision.

Attachment C is a letter from Durham stating that the request being made for Blenheim Woods is the only location where Durham anticipates requesting that OWASA accept wastewater flow from any portions of their service area.

### **ACTIONS REQUIRED**

Durham's request represents a "wastewater transfer" according to the *Water and Sewer Management, Planning, and Boundary Agreement*, to which OWASA is a party along with Carrboro, Chapel Hill, Hillsborough, and Orange County (***Section III, Definitions: A Wastewater Transfer is "Any transfer from one wastewater service provider to another wastewater service provider"***).

Approval by the OWASA Board of Directors, the Carrboro Board of Aldermen, Chapel Hill Town Council, and Orange County Commissioners is required per the above-referenced Agreement (***Section VII.C. "Wastewater transfers are only permitted with the approval of the Orange County Board of Commissioners and the elected or appointed boards of the service providers providing the transfer. If OWASA is the service provider, approval must come from the OWASA Board of Directors and the elected boards of Carrboro, Chapel Hill, and Orange County."***).

### **CURRENT STATUS**

The OWASA Board of Directors approved and expressed support of Durham's request at their September 13, 2007 meeting.

The past-Chairman of the OWASA Board of Directors, Mac Clarke, presented Durham's proposal and confirmed OWASA's support of that proposal at the September 20, 2007 Orange County Assembly of Governments' meeting. This presentation provided local community leaders with an improved understanding of the rationale behind Durham's request and the basis for OWASA's approval and support of the proposal.

Proposed Wastewater Transfer from Durham

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Many of the questions posed during these meetings, and other less formal inquiries, are addressed in Attachment D.

**CLOSING**

For the reasons outlined above, OWASA requests your approval of Durham's proposal.

Best regards,

A handwritten signature in black ink, appearing to read "Randy Kabrick". The signature is somewhat stylized and scribbled.

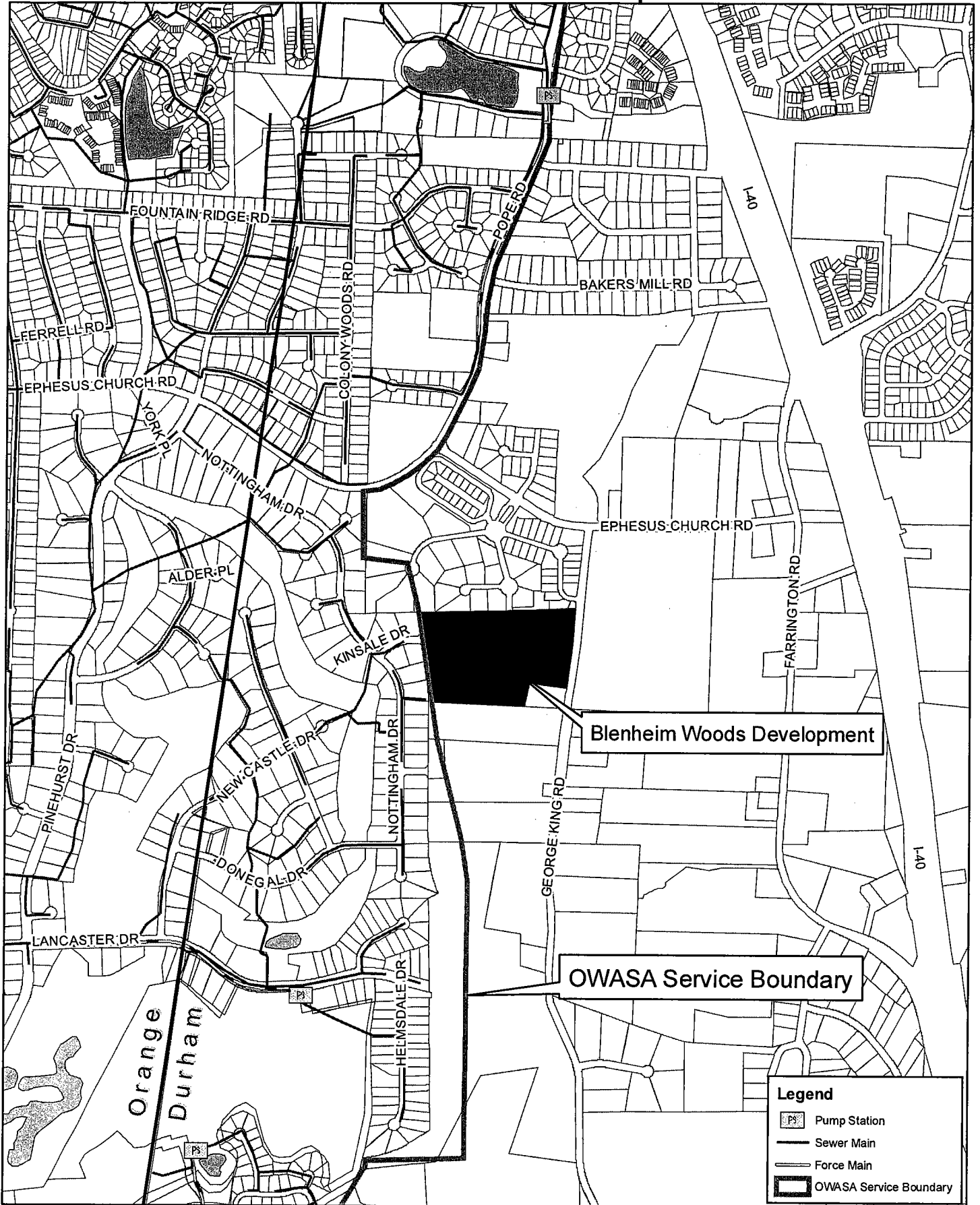
Randy Kabrick, P. E.

Chair, Board of Directors

Attachments

- c: OWASA Board of Directors (w/attachments)
- Ms. Laura Blackmon, Orange County Manager (w/attachments)
- Mr. Roger Stancil, Chapel Hill Town Manager (w/attachments)
- Mr. Steve Stewart, Carrboro Town Manager (w/attachments)
- Ed Kerwin, OWASA Executive Director (w/attachments)
- Bob Epting, Epting & Hackney (w/attachments)

# Blenheim Woods Development



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Date: 8/14/07