



ORANGE WATER AND SEWER AUTHORITY

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MEMORANDUM

TO: Board of Directors

THROUGH: Ed Kerwin

FROM: Paula Thomas

DATE: February 8, 2008

SUBJECT: OWASA and Local Governments Collaborative Water Conservation Priorities and Recommendations

BACKGROUND

At the November 8, 2007 Board of Directors meeting, staff provided a preliminary Draft Report on *Collaborative Water Conservation Strategies for Joint Consideration By Carrboro, Chapel Hill, and Orange County and Proposed Recommendations From the Board*. After brief discussion, the Board directed staff to promptly reconvene the local joint staff workgroup to review the Draft Report and the Proposed Recommendations from the Board, and to meet with the Natural Resources and Technical Systems (NRTS) Committee to discuss the draft report and workgroup recommendations.

The staff workgroup subsequently met twice and developed a revised Draft Report and proposed Recommendations From the Board. Staff provided a verbal report regarding the status of the joint staff workgroup's progress at the January 10, 2008 Board meeting.

The NRTS Committee met on January 28, 2008 and discussed the following:

1. Revised *Proposed Recommendations to the Policy Boards and Management of Carrboro, Chapel Hill, Orange County and OWASA Regarding Water Conservation Priorities and Initiatives*, which was prepared by the interlocal staff workgroup (Attachment 1);
2. January 18, 2008 letter from the OWASA General Counsel re: *Conservation Standards and Conditions of Service* (Attachment 2); and
3. January 2008 Draft Report on *Collaborative Water Conservation Strategies for Joint Consideration By Carrboro, Chapel Hill, Orange County and OWASA* from the interlocal staff workgroup (Attachment 3).

Consistent with General Counsel's opinion and the local staff workgroup's preference, one of the principal recommendations the NRTS Committee discussed was for OWASA to consider

requiring all new development and redevelopment projects to prepare water use efficiency plans and to install state-of-the-art water saving fixtures and devices as a condition of receiving water and/or sewer services from OWASA. Additional short- and long-term recommendations were included.

The NRTS Committee also discussed the possibility of applying the “conditions of service” approach to existing development already served by OWASA. As new customers take over ownership of existing residences or buildings, OWASA could require the new customer to retrofit the existing home or building to meet OWASA’s water use efficiency standards as a condition of receiving OWASA water/sewer service. There was some concern expressed that implementing water use efficiency conditions of service requirements for existing development could potentially increase the risk of legal challenges to OWASA’s authority to impose such conditions to new development. The joint staff workgroup has recommended the retrofit-on-sale strategy as an alternative long-term strategy.

The NRTS Committee also discussed applying the conditions of service approach to irrigation systems. Under such an approach, irrigation systems proposed for new development and redevelopment projects would be required to meet certain water use efficiency requirements as conditions of receiving OWASA service. The Committee also discussed the possibility of requiring Irrigation Only meters for all new irrigation systems.

NRTS COMMITTEE RECOMMENDATIONS

The Committee was in consensus that water efficiency performance standards and conditions of service should apply to all new residential, commercial, and institutional customers. The Committee also recommended that if the Board concurs, the local governing boards be advised in writing of the Board’s position on this, and that OWASA staff be directed to work with the local government staffs to more fully develop and evaluate potential implementation strategies, a list of proposed water use efficiency standards, evaluation of roles and responsibilities and resource needs, timetable for implementation, etc.

We look forward to the Board’s consideration of and guidance concerning the Committee’s and workgroup’s recommendations.



Paula Thomas
Sustainability Administrator

Attachments