

**Environmental Management Commission
Water Allocation Committee
Minutes**

**March 8, 2017
9:00 a.m.**

On March 8, 2017, the Water Allocation Committee or WAC met in the Ground Floor Hearing Room at the Archdale Building in Raleigh, North Carolina.

WAC Members in Attendance

Clyde Smith
David W. Anderson
Tommy Craven
Julie A. Wilsey
John D. Solomon
Manning W. Bill Puette
Charles Elam
Charles Carter

Others Present

Steve W. Tedder
Dr. Lawrence W. Raymond
Ms. Jennie Hauser, Attorney General's office

I. Preliminary Matters:

In accordance with North Carolina General Statute §138A-15, Chairman Smith asked if any WAC member knew of any known conflict of interest or appearance of conflict with respect to any item on the March 8, 2017 WAC agenda and none of the members stated there was a conflict. The January 11, 2017 meeting minutes needed approval. Ms. Julie Wilsey moved to approve the minutes from January's meeting with a correction to page two to reflect *100 mgd of water supply storage*. The motion was seconded. The January 11, 2017 minutes were unanimously approved with the correction.

II. Action Item:

**A. Summary of DWR Recommendations for Jordan Lake Allocations
(Don Rayno, N.C. Division of Water Resources)**

Presentation Description: A short summary of the recommendations for the fourth round of allocating Jordan Lake's water supply was presented for WAC review, which was presented in greater detail at the January 2017 meeting. No changes to the recommendations or analysis have taken place since January's

presentation. The lake's structure and capacity were described. The water supply allocation recommendations come from one-third of the lake's conservation pool. No surface water transfer will be needed.

Questions/discussion:

Mr. Smith asked whether the state or the Army Corps of Engineers establishes the reservoir release schedule. Mr. Rayno answered that the release from the reservoir and downstream flow was established when the reservoir was being designed. The reservoir storage was designed to provide a target flow at Lillington of 600 cubic feet per second.

Mr. Puette asked why water quality was not evaluated. Mr. Rayno answered that the focus of the water allocation study was on the water quantity available in the river basin. Water quality in the Cape Fear River is addressed by other state regulations.

Dr. Raymond asked why the City of Fayetteville's request for 10% of the water supply storage was not recommended by DWR. Mr. Rayno answered that Fayetteville has sufficient water supply to meet their projected demand through the year 2060. The City has their water intake behind Lock & Dam #3, which serves to maintain the water level of the river. The City's water return, approximately 90% of what is withdrawn, is also behind Lock & Dam #3.

Mr. Tedder stated on page 39 of the decision document discusses reasons why the City of Fayetteville has a sufficient water supply. Appendix B (p. 108-114) of Cape Fear Surface Water Evaluation discusses modeling for Fayetteville's future water withdrawal. Mr. Tedder's concern that there is uncertainty introduced. Future process that will be used needs to be clear and certain. Mr. Rayno responded that the State Environmental Policy Act (SEPA) would require an in-depth assessment if a project would withdrawal more than 20% of the 7Q10 flow. The question is how you define withdrawal. Fayetteville is a unique situation with the location of its withdrawal behind Lock & Dam #3. Recommendation in documentation is to consider the net withdrawal.

A motion was made by Mr. Craven to forward the Round 4 recommendations to the full EMC for discussion and consideration. A second was made. The WAC approved the motion.

III. Informational Items:

A. Update on DWR's IBT Program (Kim Nimmer, N.C. Division of Water Resources)

Currently, DWR has two requests for IBT certificates. One from Union County. The other from Pender County.

Presentation Description:

1. Union County is requesting a water transfer of up to 23 million gallons per day from the Yadkin River Basin to the Rocky River Basin. This figure is based on projected demands through the year 2050. A map was shown with the proposed movement of the transfer of water. The proposed source is Lake Tillery in the Yadkin River basin with water to be transmitted through southern Stanley County into North Union County where a new treatment plant would be built and water distributed from there.

There are three primary steps which need to be completed for the EMC to make a determination to grant a certificate. 1.) Submittal of the notice of intent. 2.) Submittal of environmental document (EIS for Union County). 3.) Submittal of petition.

Union County is in the final step with the final certificate determination needed from the EMC.

In the July 2016 WAC and EMC meetings, a draft determination was made on the petition which allowed the draft certificate to move forward with public comment and hearings. Three public hearings took place with the public comment period lasting 30 days following the last public hearing. During this time, Montgomery County raised concerns, which led to the recommendation to enter into settlement discussions. At the November EMC meeting, the commission authorized the use of a third-party mediator. At the end of February, the parties reached an impasse and mediation was called off. Subsequently, Union County is moving forward with its IBT certificate request. It is anticipated to be presented at the July 2017 EMC meeting for a final determination.

2. Pender County is requesting a water transfer of up to 14.5 million gallons per day from the Cape Fear River Basin to three IBT basins: Northeast Cape Fear, the South River and the New River IBT basins to meet projected demands through the year 2045. Since 2012, Pender County has received water from the Lower Cape Fear Water and Sewer Authority piped to Pender County's Water Treatment plant just inside Cape Fear River basin boundary. Once treated, an IBT is required to distribute more than 2 mgd to the three different IBT basins which span the county.

Pender County maintains a transfer is required to meet projected demand due to current and future growth. Pender County forecasts growth to be fueled by proximity to the coast and Wilmington, economic development along U-S 17 corridor as well as a system expansion to move residents off groundwater. The proposed Pender County IBT certificate involves several co-applicants that rely on groundwater and are interested in getting off groundwater as their source: Burgaw, Topsail Beach, Surf City, Wallace and Utilities, Inc.

Pender County is following subsection (w) of the IBT statute N.C.G.S. §143-215.22L which outlines requirements for coastal counties. Pender County has completed the first stage of the process which involves submittal of the Notice of Intent. It is now in the second stage, the submittal of its Environment Assessment, which the Department is now reviewing. Pender County will soon submit its petition for a certificate, which will mark the third stage of the process. Once the Department determines that the documentation submitted is adequate, public notice of the petition is required, as is at least one public hearing with public comments to be taken for 30 days afterwards. A final determination whether to grant the certificate will be made by the Commission.

One question by Commissioner Puette: Why do the co-applicants want to get off groundwater? Ms. Nimmer responded that water quality and reliability are the primary factors.

IV. Concluding Remarks:

Chairman Smith asked if there was anything else that needed to be discussed or if committee members had other comments. There were no additional comments by the committee members or staff. Chairman Smith adjourned the meeting.