



Date: August 21, 2018

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: Approval to Execute a Memorandum of Agreement Establishing the Triangle Water Supply Partnership

Executive Summary

On February 16, 2009, Durham City Council authorized the City Manager's execution of a Memorandum of Understanding (MOU) which established the Jordan Lake Regional Water Supply Partnership; generally known as the Jordan Lake Partnership or JLP. In addition to the City of Durham, 12 additional neighboring jurisdictions approved the MOU to create the JLP. The original participating jurisdictions were the towns of Apex, Cary, Hillsborough, Holly Springs, Morrisville and Pittsboro, Chatham County, Orange County, Wake County, Orange Water and Sewer Authority (OWASA), and the cities of Durham, Raleigh and Sanford. On November 3, 2014, Durham City Council adopted a resolution continuing support for the Jordan Lake Partnership and authorized the City Manager to execute Addendum No. 1 to the Memorandum of Understanding, extending the duration of the Jordan Lake Partnership through June 2019 to continue this valuable collaboration. Throughout this time, the City of Durham Department of Water Management has served as the Partnership's lead agency and fiscal agent.

In order to continue this excellent and award winning collaboration on regional water supply planning projects, the members of the Jordan Lake Partnership have developed a new Memorandum of Agreement establishing a Triangle Water Supply Partnership (TWSP). This new Partnership expands its membership and focus to include water supply planning for the entire Triangle Region on an on-going basis. Harnett and Johnston counties will become new partners in this collaboration, with all but one of the original participating jurisdictions continuing in the TWSP. Maintaining this level of commitment to collaboration and cooperation is paramount to ensuring a long-term sustainable and secure water supply for the City of Durham, the Research Triangle and the broader Triangle Region.

Recommendation

The department recommends that the City Council:

1. Adopt the Resolution Authorizing Triangle Water Supply Partnership; and
2. Authorize the City Manager to execute the Memorandum of Agreement Creating and Defining Operations of the Triangle Water Supply Partnership.

Background

In March 2008, Durham City Council adopted a Resolution Supporting Regional Partnerships for Water Supply Planning and the Establishment of a Western Water Intake on the B. Everett Jordan Reservoir. The City committed to taking a leadership role in the partnership for regional water supply planning and to work with potential partners in the establishment of a western Jordan Lake water intake and possibly build an associated water treatment facility. Further, the

City committed to proceed with the negotiation of Interlocal Agreements to accomplish the activities of the Partnership. The Memorandum of Understanding establishing the Jordan Lake Partnership was approved by Durham City Council at the February 16, 2009, Council meeting and was approved by 12 additional partnering jurisdictions: towns of Apex, Cary, Hillsborough, Holly Springs, Morrisville and Pittsboro, Chatham County, Orange County, Wake County, Orange Water and Sewer Authority (OWASA), and the cities of Sanford and Raleigh.

On November 3, 2014, Durham City Council adopted a resolution continuing support of the Jordan Lake Partnership and authorized the City Manager to execute Addendum No. 1 to the Memorandum of Understanding, extending the duration of the Jordan Lake Partnership through June 2019 to continue this valuable collaboration. Throughout this time, the City of Durham Department of Water Management has served as the Partnership's lead agency and fiscal agent.

Via this mechanism, the Partnership has engaged various consultants and has completed a number of projects, including:

- The Triangle Regional Water Supply Plan (TRWSP), completed in 2014, which serves as the long-range water supply planning document for the Region and was the basis for Round 4 Jordan Lake Allocation Requests for most of the partners. The TRWSP received Honorable Mention in the Comprehensive Planning – Multijurisdictional or Regional Project category of the 2014 North Carolina Marvin Colling Planning Awards Program sponsored by the North Carolina Chapter of the American Planning Association (NC-APA). More important, all partners that requested Jordan Lake Allocations were granted those allocations without any changes.
- The Interconnection Study that supports implementation of the region's long-range plans and the improvements the partners make at the many interconnections between our region's water supply systems. The City of Durham has relied substantially on our interconnections with the Town of Cary and OWASA during the past year during construction activities at both water treatment facilities; notably, the Williams Water Treatment Facility was off line for 8 months.
- The Jordan Lake Partnership Western Intake Feasibility Study to determine how an intake on the western side of Jordan Lake would best meet the water supply needs of the City of Durham, Chatham County, OWASA and Pittsboro both individually and as a group.

Issues and Analysis

The Jordan Lake Partnership was originally created to coordinate regional planning and develop individual – but mutually supported – Jordan Lake Allocation requests. The success of these activities was reflected by the Partnership's recognition in 2015 by the National Association of Regional Councils with its Major Metro Achievement Award for Regional Achievement and Excellence. Those original tasks have been completed, but in so doing it has become clear that the Triangle Region's water supplies and water supply systems are interdependent, that the Region is stronger and more resilient and sustainable when its local water supply systems collaborate, and that the City of Durham benefits from this collaboration.

In order to continue this excellent collaboration on regional water supply planning projects, the members of the Jordan Lake Partnership have developed a new Memorandum of Agreement establishing a Triangle Water Supply Partnership. This new Partnership expands its membership and focus to include water supply planning for the entire Triangle Region on an on-going basis. Harnett and Johnston counties will become new partners in this collaboration, with all but one of the original participating jurisdictions continuing in the TWSP.

The general activities of the TWSP will be determined by the Partnership members and entered into a 5-Year Project and Funding Plan, updated annually to include annual Partnership Operating Fund Target balances, annual spending and revenue amounts, and a dues contribution schedule to fund projects. The Partnership members may seek additional opportunities to cooperate on mutually beneficial planning and capital projects related to water supply resources in the Triangle Region. Such special projects would be at the discretion of each member and would be at an additional cost to those member participants.

The Partnership Operating Fund Target for its first year, FY 2018-2019, is \$249,600. This will support the following projects, among others:

- Regional Water Shortage and Response Planning
- Updated Triangle Regional Water Supply Plan
- Emergency Spill Response and Mitigation Plan Coordination

The City's annual dues for FY 2018-2019 will be \$31,200. Future dues amounts will be determined by the Partnership and dependent on the 5-Year Project and Funding Plan.

Maintaining this level of commitment to collaboration and cooperation is paramount to ensuring a long-term sustainable and secure water supply for the City of Durham, the Research Triangle and the broader Triangle Region.

Alternatives

Do not adopt the Resolution Authorizing Triangle Water Supply Partnership. Declining to authorize the City Manager to execute the Memorandum of Agreement Creating and Defining Operations of the Triangle Water Supply Partnership would significantly hinder the City of Durham's on-going collaborative efforts to ensure a long-term sustainable and secure water supply.

Financial Impact

Entering the Memorandum of Agreement Creating and Defining Operations of the Triangle Water Supply Partnership includes the initial annual dues for FY 2018-2019. The City's annual dues for FY 2018-2019 will be \$31,200, to be funded from the Department of Water Management operating budget account 5100P000-724300. Future dues amounts will be determined by the Partnership and dependent on the 5-Year Project and Funding Plan. The City's financial participation in future years will be submitted for approval during the annual budget approval process. Participation in the Triangle Water Supply Partnership will provide significant cost-sharing opportunities for the City of Durham.

Equal Business Opportunity Summary

The Ordinance to Promote Equal Opportunity in City Contracting does not apply to this item.

Attachments

1. Resolution Authorizing Triangle Water Supply Partnership Memorandum of Agreement
2. Memorandum of Agreement Creating and Defining Operations of the Triangle Water Supply Partnership