



Date: October 2, 2023

To: Wanda S. Page, City Manager
Through: Bertha T. Johnson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: Triangle Land Conservancy South Fork Forest Watershed Protection Project – Authorization to Fund

Executive Summary

In April 2017, City Council adopted a Watershed Protection Plan which created an objective process for directing funds designated for water supply protection and land conservation. The Department of Water Management (DWM) has received and reviewed a water supply protection project from Triangle Land Conservancy (TLC) that meets the Watershed Protection Plan criteria and recommends funding the project. TLC has requested \$70,000 from the City of Durham for purchase of the South Fork Forest property, a 25-acre parcel (see Attachment 1, Page 12) of undeveloped, wooded land buffering approximately 3,435 linear feet of the South Fork of the Little River and a tributary, which flows into Little River Reservoir. DWM supports the acquisition of the property in the project. Funding would be appropriated from the designated watershed protection funds.

Motion

To authorize the expenditure of \$70,000 from the City's Watershed Protection funds for the Triangle Land Conservancy South Fork Forest Watershed Protection Project.

Background

In 2011, Durham's City Council adopted DWM's proposal to dedicate one penny per tier of water sold (approximately \$100,000/year) to land conservation for water supply protection. That amount was increased to \$0.03 per hundred cubic feet (CCF), effective August 1, 2023. Additionally, DWM budgets between \$200,000 and \$500,000 annually for watershed protection efforts, primarily for land acquisition around Lake Michie.

The City's main water sources are Lake Michie (in the Flat River watershed) and Little River Reservoir (in the Little River watershed); both watersheds lie within the Falls Lake Watershed, also known as the Upper Neuse River Basin (see Attachment 2, Page 2). Plans for a future expansion of Lake Michie to meet the needs of increasing population have been considered for a number of years; therefore, the City has been purchasing the land immediately surrounding the Lake. The DWM's approach to land acquisition has been passive, with the department pursuing purchase of properties when approached by interested owners.

One major strategy to protect Durham's supply of high-quality drinking water is to protect additional land in the Flat River and Little River watersheds. The most economical way to protect the City's source water is to purchase conservation easements on properties within the water supply watersheds that contain riparian buffers. Occasionally, a fee simple purchase of a property is required when a conservation easement is not an option. While any opportunity to purchase land adjacent to Lake Michie would clearly satisfy the purpose of future water supply,

not all opportunities to purchase a conservation easement offer equal protection of the City's water supply.

The Watershed Protection Plan identifies parcels in the City's water supply watersheds that - if protected - will help to safeguard the water quality of the City's water supplies. Parcels identified in the Watershed Protection Plan are considered eligible for conservation easements or acquisition partially or wholly funded by the City of Durham. The Plan includes:

1. A Geographic Information System (GIS) model for identifying and prioritizing parcels or portions of parcels that contributes significantly to the protection of the City's water supply water quality.
2. A process for recommending conservation easements or fee simple acquisitions to City Council, using the City's funding already dedicated to land conservation for water supply protection.

In May 2017, the City of Durham entered into an Agreement for Watershed Protection with the Conservation Trust for North Carolina (CTNC) which provided a mechanism for participating in land conservation projects by which the City could provide funding to the CTNC for purchase of land interests that protect the City's water supply watersheds. The CTNC managed the City of Raleigh's Upper Neuse Clean Water Initiative (UNCWI), a collaborative effort between local governments and land conservation organizations to protect land that contributes to the preservation of clean drinking water in the Upper Neuse River Basin.

Triangle J Council of Governments (TJCOG) replaced CTNC in managing the City of Raleigh's Upper Neuse Clean Water Initiative (UNCWI). This change in UNCWI management required the City of Durham to enter into the same Agreement for Watershed Protection with TJCOG that the City of Durham had with CTNC, and the City entered into the Agreement for Watershed Protection with TJCOG in September 2020. DWM staff participates on the UNCWI Water Protection Review Board which evaluates water supply watershed protection projects proposed by land conservation organizations.

Issues and Analysis

Triangle Land Conservancy (TLC) submitted the South Fork Forest Watershed Protection Project which was approved by the UNCWI Water Protection Review Board for funding. The project meets DWM's Watershed Protection Plan criteria and the Department recommends funding the proposed City of Durham's cost share in the South Fork Forest Watershed Protection Project.

TLC has requested \$70,000 from the City of Durham for purchase of the South Fork Forest property, which consists of one 25-acre parcel located on the South Fork of Little River at 1217 Terry Road. The project will result in the buffering of approximately 3,435 linear feet of the South Fork of the Little River and a tributary, above the Little River Reservoir.

DWM's Watershed Protection Plan identifies the parcel as a priority for protection. The Plan's, GIS model ranks the parcel at 5.06, above the 4.49 required for consideration.

TLC will acquire fee simple ownership of the Terry Road Farm Tract. TLC will manage the property under its land stewardship program, seeking assistance and support from its conservation partners to enhance the conditions of the site to protect drinking water and habitat. TLC will develop a Land Management Plan to guide the conservation activities on the property. The primary focus will be on maintaining property boundaries, monitoring for trespassing, and

establishing rapport with neighbors.

The total cost of the TLC South Fork Forest watershed protection project is \$310,000, of which TLC is providing \$220,000 (71%). The City of Raleigh proposed cost share of \$20,000 would be 7% of the total project cost. The City of Durham's proposed cost share of \$70,000 would be 22% of the total project cost, because the TLC South Fork Forest watershed protection project provides the City's water supply with the greater benefit.

Alternatives

City Council could choose not to authorize the expenditure from the City's Watershed Protection funds for the TLC South Fork Forest project. This would allow the property to be developed sometime in the future. The property faces the threat of development if not acquired by TLC and this area is growing rapidly.

Financial Impact

The proposed City of Durham cost share for the Durham County watershed protection project would be funded from the City's existing Watershed Protection funds at a total cost to the City of \$70,000. Revenue for Watershed Protection comes from \$0.03/CCF water and sewer utility billing and from annual appropriations.

Funding for this project is available in the following accounts:

Organization Code	Object Code	Project Code	Amount
4100P002	725000	P0B3A	\$70,000.00

Equal Business Opportunity Summary

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

Contractor Workforce Diversity & Hiring Practices

Due to the nature of this agenda item, Contractor Workforce Diversity & Hiring Practices information is not applicable.

Attachments

1. Triangle Land Conservancy South Fork Forest Watershed Protection Project Application
2. Watershed Protection Plan