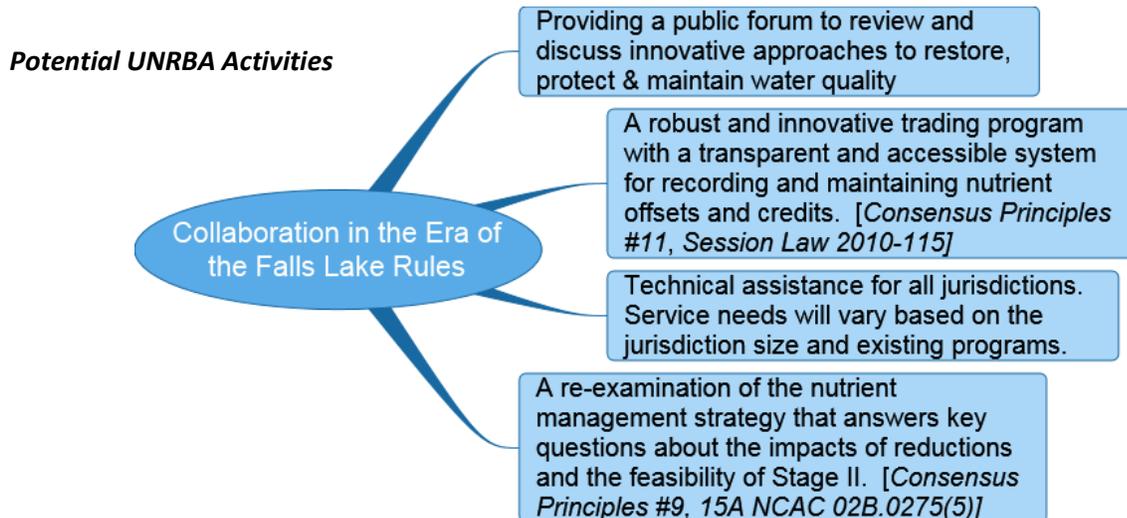


The Path Forward: Increasing the Effectiveness of the Upper Neuse River Basin Association in the Era of the Falls Lake Nutrient Strategy

The Upper Neuse River Basin Association (UNRBA) has existed since 1996 to provide an ongoing forum for cooperation on water quality protection and water resources planning and management. UNRBA has participated in multiple state and regional forums on behalf of its members. UNRBA has provided technical assistance to member governments on ordinances, low-impact development practices, lake management, and other areas supporting water quality and quantity. Now that the Falls Lake Nutrient Strategy Rules (Falls Rules) are in effect, there are many new needs that UNRBA can and should serve. UNRBA's leadership feels that the UNRBA needs to take on more active roles, which could include water quality monitoring and assessment, providing a forum for mitigation credits and pollution trading, and offering additional forms of technical assistance, while continuing to provide past planning, coordination, and partnering services to member governments.

UNRBA Members as of 2011	
Town of Butner	Town of Creedmoor
City of Durham	Durham County
Franklin County	Granville County
Town of Hillsborough	Orange County
Person County	City of Raleigh
Town of Stem	Wake County
Town of Wake Forest	
South Granville Water and Sewer Authority	

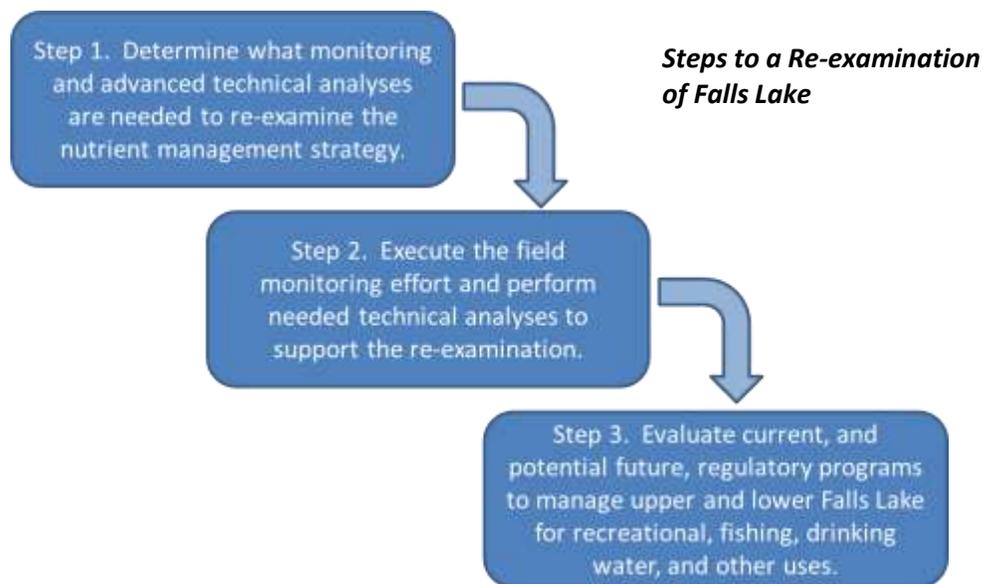
The Falls Rules (15A NCAC 02B .0275-.0282) were adopted by the NC Environmental Management Commission on November 18, 2010 and became effective on January 15, 2011. These rules include requirements for newly developing lands, lands that are currently developed (i.e., existing development), agriculture, and wastewater. The state estimates that the Falls Rules will cost approximately \$1.3 billion over the next 30 years, and some communities assert that the costs will be even higher. Regardless, it is clear that these rules will be a large burden on the residents and businesses of the watershed draining to Falls Lake. In light of these daunting responsibilities, **there are several items that UNRBA members can collaborate on to make the implementation of these rules as cost effective as possible.** Some of these items were identified in the Consensus Principles that were adopted by most of the UNRBA member governments.



Clearly, there are many needs for the UNRBA. However, the most time-sensitive need is associated with the re-examination of the Falls Lake Nutrient Strategy. The Consensus Principles outlined a clear set of goals for a re-examination of the strategy. Legislation requires the NC DWQ to collaborate with local governments and outlines a set of expectations to scientifically support a re-examination. There are many potential outcomes to the re-examination of the strategy, including a new set of reduction targets for Stage II of the rules, an alternate method of evaluating the aquatic life use in the Upper portion of the lake, an alternative water quality standard for the Upper Lake, or a new regulatory classification of

the Upper Lake. The Clean Water Act provides a process for evaluating such potential outcomes, including not only evaluations of water quality and aquatic life, but also the social and economic impacts of any such outcome. This process, called a Use Attainability Analysis (UAA), is comprehensive and takes years to complete. The Consensus Principles provide a goal of completing the re-examination before Stage II takes effect. The multi-year nature of any re-examination makes this a highly time-critical need for the regulated Falls Lake communities.

Upper Neuse local governments do not currently have the in-house expertise to design or undertake this type of study. The UNRBA is the appropriate framework for collaboration to undertake this task. Technical staff of the member governments believes the guidance of a national firm that has completed these types of studies and has experts in limnology, environmental science, and environmental law is needed now to accomplish Step 1 of the re-examination. UNRBA, through a special technical committee, can develop the scope needed to accomplish Step 1. This partnership can continue through proposal review and contracting with one or multiple contractors.



The path forward will be complex and expensive. Additional funding, even beyond that currently proposed, may be necessary to complete these tasks. However, given the costs faced by Upper Neuse governments to implement the rules, particularly Stage II, the potential benefits to completing a comprehensive re-examination of Falls Lake far outweigh the costs. A re-examination presents another opportunity to undertake a project that provides a collective benefit to all UNRBA member governments and continues a long history of collaboration on watershed management in the Upper Neuse Basin.

<u>DRAFT</u> UNRBA FY12 Budget (NOT YET APPROVED)	
UNRBA Expenses	
Staff and interns	\$ 122,090
Mileage, printing, meeting expenses	\$ 1,300
Conferences, trainings	\$ 2,000
Contractual: KTCOG staff support	\$ 4,320
Contractual: Legal assistance	\$ 2,000
Contractual: Path Forward, Step 1 (consultant)	\$ 120,000
Total UNRBA Expenses	\$ 251,710
UNRBA Revenues	
Member Dues	\$ 245,158
Deferred Revenue	\$ 6,552
Total UNRBA Revenue	\$ 251,710