



Date: January 24, 2012

To: Thomas J. Bonfield, City Manager
Through: Theodore L. Voorhees, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: Contract with Triangle J Council of Governments to Support Regional Water Supply Planning Efforts for the Joint Use of the B. Everett Jordan Reservoir – Phase 2

Executive Summary

In March 2008, the 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. A Memorandum of Understanding (MOU) was approved by Durham City Council on February 16, 2009 with other regional utilities. The memorandum serves as a framework to accomplish regional water supply planning, develop a joint allocation request to the state and move towards providing direct access to Jordan Lake for Durham and other entities.

With the framework in place, the City and its partners contracted with the Triangle J Council of Governments (TJCOG) in November of 2009 to develop the regional water supply plan. Given the magnitude of the data collection and review, the Partners decided to divide the planning project into two parts. The Triangle Regional Water Supply Plan; Volume I – Regional Needs Assessment was delivered to the Partners in January 2012. This portion of the plan lays out the current available water sources for all partners and a peer-reviewed analysis of future water demands for all partners.

As next steps, the Partnership desires to engage TJCOG staff to complete Volume II: Regional Supply Options of the Regional Water Supply Plan, which will outline various alternatives for the partners to achieve reliable and sustainable supplies for their communities. This information will be used by the Partners that submit allocation requests to DENR. The City, as the contracting agent for the Jordan Lake Partnership, has been directed to engage TJCOG on behalf of the Partnership to continue their work on the Regional Water Supply Plan.

Recommendation

The administration recommends that the City Council authorize the City Manager to execute a contract between Triangle J Council of Governments and the City – acting on behalf of the Jordan Lake Partnership - to continue planning efforts regarding Jordan Lake as a regional water supply and associated tasks.

Background

In March 2008, the 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. Water Management staff, in conjunction with the City Manager's Office,

met with representatives of regional utilities to develop next steps supporting the partnership. One outcome of these meetings was the development of a Memorandum of Understanding (MOU) which was approved by Durham City Council on February 16, 2009 and by other agencies between January and April 2009. The MOU, which now has 13 signatories, establishes Durham as the lead agency for general activities regarding a Jordan Lake Regional Water Supply Partnership, and allows for Supplemental Articles to the MOU which will define participation by some or all of the partners in further activities. The memorandum serves as a framework to accomplish regional water supply planning, develop a joint allocation request to the state and move towards providing direct access to Jordan Lake for Durham and other entities.

With the framework in place, the City and its partners contracted with the Triangle J Council of Governments (TJCOG) in November of 2009 to develop the regional water supply plan. Given the magnitude of the data collection and review, the Partners decided to divide the planning project into two parts. The Triangle Regional Water Supply Plan; Volume I: Regional Needs Assessment was delivered to the Partners in January 2012. This portion of the plan lays out the current available water sources for all partners and a peer-reviewed analysis of future water demands for all partners. The information compiled in this document will be used to model a variety of scenarios within the Cape Fear River Basin Hydrologic Model. The Department of Environment and Natural Resources (DENR)/ Division of Water Resources (DWR) is scheduled to release the updated model for use in April 2012. The model is integral to the State's process for allocating water supply storage within Jordan Lake.

It is anticipated that the results Volume II of the plan will yield information that Partners will use to develop new or expanded allocation requests for submittal to DENR/DWR. According to the current schedule posted by DENR, draft requests are due in September 2012, with final requests submitted in December 2012. DENR/DWR staff will review the requests in the context of the Regional Water Supply Planning effort - along with requests from other entities outside of the triangle – and make recommendations to the Environmental Management Commission (EMC). If the schedule does not change, the EMC will make a decision regarding the allocation requests in December 2013.

Representatives of the signatory partners meet regularly to review and evaluate data and other activities to ensure planning efforts move forward in a timely fashion. The Partnership has selected Triangle J Council of Governments (TJCOG) to continue the necessary study and associated tasks leading to a comprehensive regional water supply plan for Jordan Lake and producing necessary information to develop coordinated water storage allocation requests for participating partners. TJCOG staff has the necessary experience in both water supply planning, modeling and allocation support information to complete the tasks as prescribed by the Partners. Further TJCOG has credibility with DENR's Division of Water Resources and understands the regulatory framework under which allocation requests are processed.

Issues and Analysis

All of the signatories of the Jordan Lake Partnership MOU are members of the Triangle J Council of Governments (TJCOG). Using the expertise of TJCOG staff will expedite the process of the coordinated planning and development of Jordan Lake as a sustainable and secure water supply resource for the region. TJCOG staff has a great deal of experience in regional water supply planning, and in the Jordan Lake water supply allocation and its requirements. Further, TJCOG staff has expertise in using the Cape Fear River Basin

Hydrologic Model which is an integral tool in the state's process of allocating water supply storage.

Alternatives

Alternative No. 1 - Disapprove the agreement. Given that TJCOG staff developed Volume I of the Plan and is extremely well versed in the nuances of the individual systems, the City and its Partners would have a difficult time finding sufficient expertise to complete the regional water supply planning efforts to meet DENR's schedule. This could result in not submitting the application(s) in time or submitting poorly prepared applications which could be denied by the EMC.

Financial Impact

The cost to complete the planning, allocation review process and other tasks outlined in the scope of services is \$48,700. As the contracting agent, the City will contract directly with TJCOG and encumber funds in the Capital Improvements Program. The City will be reimbursed by participating partners according to a mutually agreed upon cost-share mechanism. There are currently funds available in the CIP budget for the Jordan Lake Project (4100P760/731004).

SDBE Summary

The Department of Equal Opportunity/Equity Assurance did not review this item for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting since contracting with regional councils is exempt from state bidding requirements.

Attachments

Contract with Triangle J Council of Governments
Scope of Services for Phase II Project
Budget for Phase II Project