

**Environmental Management Commission**  
**Water Allocation Committee**  
**Minutes**

**May 9, 2018**  
**9:00 a.m.**

On May 9, 2018, 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:**

Julie Wilsey, EMC Vice-Chair (Acting WAC Chair)  
Charles Carter  
Charles Elam  
Mitch Gillespie  
Bill Puette

**Others Present:**

Gerard Carroll  
Marion Deerhake  
Dr. Stan Meiburg  
Dr. Albert Rubin  
Philip Reynolds, Attorney General's office

**I. Preliminary Matters:**

In accordance with North Carolina General Statute §138A-15, Chairman Wilsey asked if any WAC member knew of a known conflict of interest or appearance of conflict with respect to items on the May 9, 2018 WAC agenda; none of the committee members identified a conflict. At Chairman Wilsey's request, Mr. Puette made a motion to approve the March 7, 2018 meeting minutes. The motion was seconded by Mr. Carter and the March 7, 2018 minutes were unanimously approved.

**II. Informational Items:**

**A. The Water Quantity and Quality Benefits of Water Funds**  
**(Bill Holman, The Conservation Fund)**

North Carolina is experiencing population growth and land use change, which is creating economic opportunities and environmental challenges. Watershed groups across the state are planning to ensure adequate water resources in the future. Regulations are not enough to meet future challenges; collaboration, incentives, and education are also needed to help ensure needed supplies of clean water. Watershed protection is important not just for protecting water supply sources. Watershed services provide multiple public benefits including erosion and flood control, groundwater recharge, wildlife habitat, and recreation.

Forest cover plays an important role in protecting surface drinking water. The U.S. Forest Service has a “Forest to Faucet” initiative to emphasize the connection between forests and water quality. Water treatment costs are less in forested watersheds. Examples were provided of cities in the United States and within North Carolina that have protected their water supply watersheds. Examples in North Carolina include Asheville, Charlotte, and Raleigh. For Raleigh’s watershed protection program, a fee is charged of utility customers, which protects the Upper Neuse River watershed. The fee has allowed the city to purchase property for protection/conservation, and to provide stream buffers. Protected land in the Falls Lake watershed has prevented nutrients and sediment from entering the lake, which is Raleigh’s water supply. One new project that was highlighted was Smith Creek, within the Falls Lake watershed. Smith Creek was a failed subdivision that was purchased through the watershed protection program, and will be a future nature preserve.

Many partnership opportunities exist to help further the goals of watershed protection among organizations such as water and stormwater utilities, conservation groups, the business community, farm and forest landowners, soil & water conservation districts, DEQ, and the EMC. The EMC and DEQ specifically have opportunities with river basin planning collaboration.

Commissioner Puette asked how the U.S. Forest Service protects watersheds. Mr. Holman replied that the agency manages forests for multiple benefits, including water quality and quantity, and has modeling and hydrologic expertise within its staff. Most North Carolina collaboration on watershed protection occurs with state agencies and local land trusts or other non-profits. However, the U.S. Army Corps of Engineers is also a partner since the Corps manages many reservoirs in the state. Watershed protection efforts are usually most effective when driven by utilities or other groups that depend on clean water.

Commissioner Meiburg commented on the importance of protecting upstream resources for downstream water quality. Mr. Holman agreed and pointed out that the City of Raleigh focuses on protecting uplands and perennial streams. Additionally, the Catawba-Wateree Management Group has a detailed master plan to protect against water scarcity in the future; land conservation is one of the strategies identified to protect water quality and quantity.

Commissioner Deerhake stated that Chairman Solomon will be assigning river basins to commissioners, and said she would like to receive contacts for the U.S. Forest Service in her basin(s). Commissioner Deerhake also asked whether there is a map showing conservation lands within the Falls Lake watershed. Mr. Holman replied that there is and he can provide the map, which is contained within Raleigh’s conservation plan.

#### **B. Watershed Health – Flows Connect Us (Peter Raabe, American Rivers)**

American Rivers was founded in 1973 and addresses a wide range of issues which affect rivers, including stormwater runoff, dams, recreation, and protection. Dams disconnect rivers, and the organization sometimes helps remove dams if they have outlived their

purpose. American Rivers maintains a national focus while having a local presence to better address the interconnectedness of rivers and their communities. The EPA's last national streams and river assessment was released in 2008-2009 and identified both ecological risks and human health risks, such as nutrient and sediment pollution, riparian vegetation loss, high bacteria levels, and mercury contamination. Each year, American Rivers compiles "America's Most Endangered Rivers" Report. In the past decade, several rivers in North Carolina have made the list for various reasons, including the Neuse in 2007 due to urbanization, the Catawba in 2008 due to water supply shortage and in 2013 due to coal ash, the Roanoke in 2011 due to a proposed Uranium mine, the Haw in 2014 due to stormwater and wastewater inputs, the Yadkin-PeeDee in 2016 due to hydropower operations, and both the Neuse and Cape Fear in 2017 due to the potential for swine buy-outs to be reinvested. Rivers are selected to be included in this list to bring attention to the challenges they face and because some decision-making trigger is approaching in the coming year that can influence the future of the rivers featured in the report.

The benefits of healthy rivers include sources for a clean water supply, resilience to flood and drought, enhanced quality of life, and a thriving ecosystem. Urban streams often end up being more of a liability than a resource due to how they have been mismanaged or hardened by being redirected into culverts. Integrated water management, grounded in communication and collaboration, is a prudent approach for addressing the diversity of challenges being faced. Integrated water management creates holistic, coordinated water systems that maximize economic, social, and environmental benefits.

Commissioner Gillespie observed that not all of North Carolina's river basins have river basin commissions. He further suggested that the EMC needs to advocate for the river basin commissions that have been formed to be active, and to make recommendations to the General Assembly that commissions be formed in basins where there currently is no commission. Local involvement and community buy-in is needed, which could be essential in diffusing sensitive issues before they rise to the state level. Commissioner Gillespie also requested an update on the water allocation for Kerr Lake.

Commissioner Puette noted that he has observed streams loaded with sediment after a rainfall near Pisgah National Forest, and asked what can be done about that situation. Mr. Raabe responded that without knowing the specifics and about which stream Mr. Puette is concerned, it is difficult for him to make specific suggestions. However, he stated that erosion and sediment transport are natural processes in a dynamic river system that moves sediment from upstream to downstream (noting the low elevation of the ancient Uwharrie Mountains). Mr. Raabe also noted the benefits of coordinating with local soil and water conservation districts regarding stormwater and other on-the-ground projects to improve water quality.

### **C. IBT Program Update (Kim Nimmer, N.C. DWR)**

Kim Nimmer provided a brief update on the IBT program. There is currently one IBT certificate request from Pender County to transfer up to 14.5 mgd from the Cape Fear River IBT basin to the Northeast Cape Fear River, New River, and South River IBT

basins to meet projected demands through 2045. Pender County is following the requirements for obtaining an IBT certificate as provided in subsection (w) of N.C.G.S. 143-215.22L, which outlines the requirements for coastal counties. A timeline of the major milestones for the IBT request was presented, starting when Pender County submitted their Notice of Intent (NOI) to file a Petition in March 2016. In December 2017, the Petition and related documents were published for public review through State Clearinghouse along with a 30-day notice for a public hearing.

The public hearing was originally scheduled for January 18, 2018 in Burgaw but had to be rescheduled due to adverse weather in Raleigh. The hearing was rescheduled and held on March 22, 2018 in Burgaw; Commissioner Keen was the hearing officer. There were four speakers at the hearing, all of whom spoke in support of the requested IBT certificate. Following the hearing, there was a 30-day public comment period through April 23, 2018. During that time there were two written comments received; one was in support of the IBT request and one comment was opposed to the IBT request. A draft Hearing Officer's Report is currently under review. It is anticipated that a final determination on whether to grant the IBT certificate will be requested at the July or September 2018 EMC meeting.

Commissioner Gillespie requested an update on the Kerr Lake water allocation. Ms. Nimmer stated that she wasn't aware of any changes to the water allocation. Currently, the Kerr Lake Regional Water System (KLRWS) has an allocation of 20 mgd from the U.S. Army Corps of Engineers. The KLRWS has an IBT certificate allowing the partnership to transfer up to 14.2 mgd out of the Roanoke River basin. Commissioner Gillespie followed up with a request to Chairman Wilsey that DEQ provide an update in the future regarding which river basin commissions have been formed and which items are before each commission. Ms. Nimmer then stated that she was aware of three river basin commissions that have been formed: the Roanoke, Catawba, and Yadkin-Pee Dee. However, no commissioners were ever appointed to the Yadkin-Pee Dee River basin commission.

Chairman Wilsey brought up the list of DEQ reports that former WAC Chairman Whisnant had highlighted as being significant and needing EMC review and prioritization. The list was passed to Chairman Solomon, who has shared it with Chairman Wilsey. Chairman Wilsey asked that commissioners contact her if anyone has questions on the list of reports that have been identified as significant. Commissioner Gillespie emphasized that the EMC has a directive to report to the General Assembly regarding significant DEQ reports. Some reports could be eliminated from EMC review, but he cautioned against eliminating any with fiscal information that would go to the General Assembly. Commissioner Puette requested the list of reports be provided to all committee members.

### **III. Concluding Remarks:**

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