

# ORANGE WATER AND SEWER AUTHORITY

## OWASA ROLE IN LOCAL GROWTH AND DEVELOPMENT

June 2017

### About OWASA

Orange Water and Sewer Authority (OWASA) is the public, non-profit agency that provides water, sewer, and reclaimed water services to the Carrboro-Chapel Hill community. We were established to consolidate the water and sewer systems previously owned and operated by the Towns of Carrboro and Chapel Hill, and The University of North Carolina at Chapel Hill (UNC).

We began operations on February 16, 1977 and now serve about 83,000 people through 21,000 customer accounts. We own and maintain over 740 miles of water, sewer, and reclaimed water lines and operate two treatment plants: one provides drinking water, and the other treats the community's wastewater so it can be safely returned to the natural environment or used to meet certain non-drinking water uses.

### Our Fundamental Contractual Obligations

Our agreements with Carrboro, Chapel Hill and UNC require that we operate in a manner consistent and compatible with the adopted growth policies and plans of those entities.

Those agreements also require that we not impede or bar the growth and development of the Towns or UNC. We are required to set our rates, fees and charges to cover the cost of service. We are prohibited from providing free service and we cannot charge different rates based on the geographical location of our customers.

### Our Collaborative Planning Framework

In partnership with Carrboro, Chapel Hill, and Orange County, our service area is defined as the Urban Services Area delineated by the *Carrboro-Chapel Hill-Orange County Joint Planning Agreement*. A general map of our service area is shown on the back side of this page.

We have agreed not to extend our water and sewer services beyond the urban service boundary unless otherwise agreed to by the parties to the *Joint Planning Agreement*.

We are a party to the *2001 Water and Sewer Management, Planning and Boundary Agreement* (WSMPBA) adopted by the Towns and County, as well as the Town of Hillsborough. The WSMPBA provides a comprehensive, county-wide system of utility service areas that the signatory entities can rely upon when making planning, land use, annexation, zoning and growth management decisions, as well as water and sewer utility design and investment decisions.

We do not have the authority or responsibility to approve real estate development. Our lines and services may not be extended nor may new water or sewer connections be installed unless the development project has first been approved by the applicable local government.

### Ensuring That Growth Pays for Growth

As stated above, we are required by law and our contractual requirements to set our rates, fees and charges to cover the cost we incur to provide our services. That means that "growth must pay for growth." Developers must pay for the installation of the utility lines required to serve their projects.

Prior to receiving our services, new customers must pay the full cost for their service connections including their share of the system capacity that is required to meet their needs.

## Our Role in Local Growth and Development June 2017

When we receive utility service plans for a new development, we charge the developer for reviewing and approving their plan. These fees are intended to pay for the costs we incur to ensure that the water, sewer and reclaimed water lines serving the development are designed and constructed to safely and reliably serve the development.

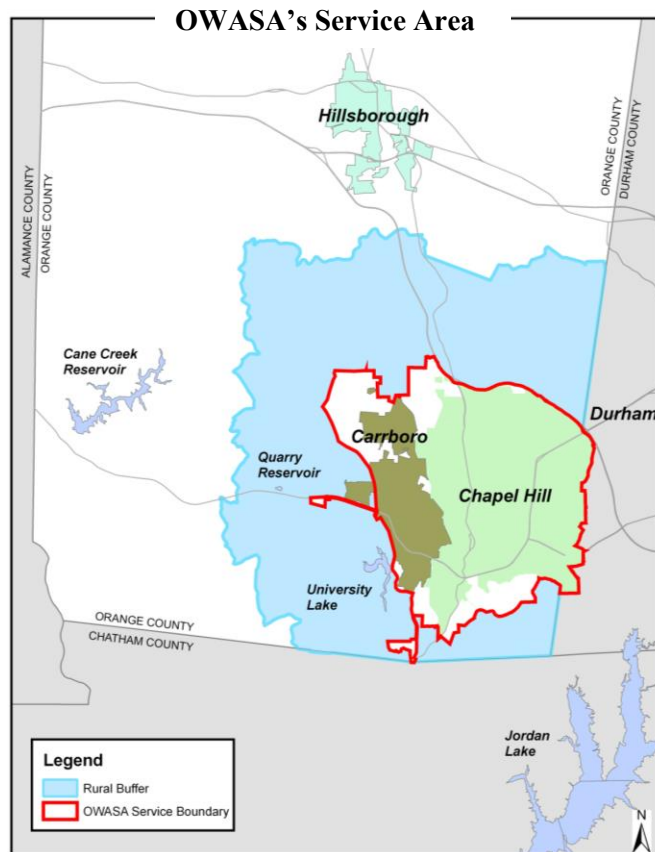
### Projecting Long-Term Demands

We base our water and sewer demand projections on the land use and other official planning documents and guidance provided by Carrboro, Chapel Hill, Orange County, and UNC and UNC Hospitals. As we consider those projections, we also factor in the types of water use and water use efficiency measures that are likely to be incorporated in new development.

### We're Well-Positioned to Meet Future Needs

Our water and sewer systems are in good condition, and our drinking water treatment plant and wastewater treatment plant have adequate capacity to meet the community's projected needs for the next 20 years or more. Based on our *Long-Range Water Supply Plan*, our local water supplies are expected to be adequate to meet most supply and demand conditions through 2060, but we will be increasingly vulnerable to severe drought conditions until the expanded Quarry Reservoir is placed into service in the mid-2030s.

Our *Long-Range Water Supply Plan* emphasizes that recent gains in water use efficiency by all customers and UNC's use of reclaimed water must be sustained. The Plan also states that securing cost-effective access to our Jordan Lake water supply allocation is essential for ensuring a reliable supply during droughts, other emergencies, and for an uncertain future. OWASA is updating the *Long-Range Water Supply Plan*.



### Interested in Learning More?

For more information about OWASA's plans and our work to coordinate with the Town of Carrboro, Town of Chapel Hill, Orange County, and The University of North Carolina at Chapel Hill and UNC Hospitals please contact:

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