ORANGE WATER AND SEWER AUTHORITY

A public, non-profit agency providing water, sewer and reclaimed water services to the Carrboro-Chapel Hill community.

MEMORANDUM

TO: **Natural Resources and Technical Services (NRTS) Committee**
John Young (Chair)
Bruce Boehm
Jody Eimers
John Morris
Yinka Ayankoya (*ex officio*)

THROUGH: Ed Kerwin

FROM: Ruth Rouse

DATE: November 2, 2018

SUBJECT: November 8, 2018 NRTS Committee Meeting

The NRTS Committee will meet on Thursday November 8, 2018 at 4:00 pm in the OWASA Boardroom. The purpose of the meeting will be to discuss a draft framework to manage OWASA's forested watershed lands.

The enclosed document provides additional background information.

We look forward to seeing you on November 8 and to receiving your questions, comments, and feedback regarding this important topic.

Ruth C. Rouse

Ruth Rouse, AICP
Planning and Development Manager

c: OWASA Board of Directors
Robert Epting, OWASA General Counsel

Attachments
Attachment 1: Draft Approach for Managing Forested Watershed Lands

Draft Approach for Managing Forested Watershed Lands

Background

OWASA owns approximately 2,400 acres of forested lands to support our core mission of providing water, wastewater, and reclaimed water services for the Chapel Hill-Carrboro community. These land holdings are mapped in Figure 1 and summarized in Table 1. These lands include watershed protection lands to protect Cane Creek Reservoir; the Cane Creek Mitigation Tract, which was purchased to mitigate the impacts to wildlife as part of the permit process to construct Cane Creek Reservoir; lands for our biosolids program; and land for a potential water treatment plant near Jordan Lake in Chatham County. In addition, OWASA has protected approximately 770 acres of land through conservation easements on private property in the Cane Creek Reservoir and University Lake watersheds.

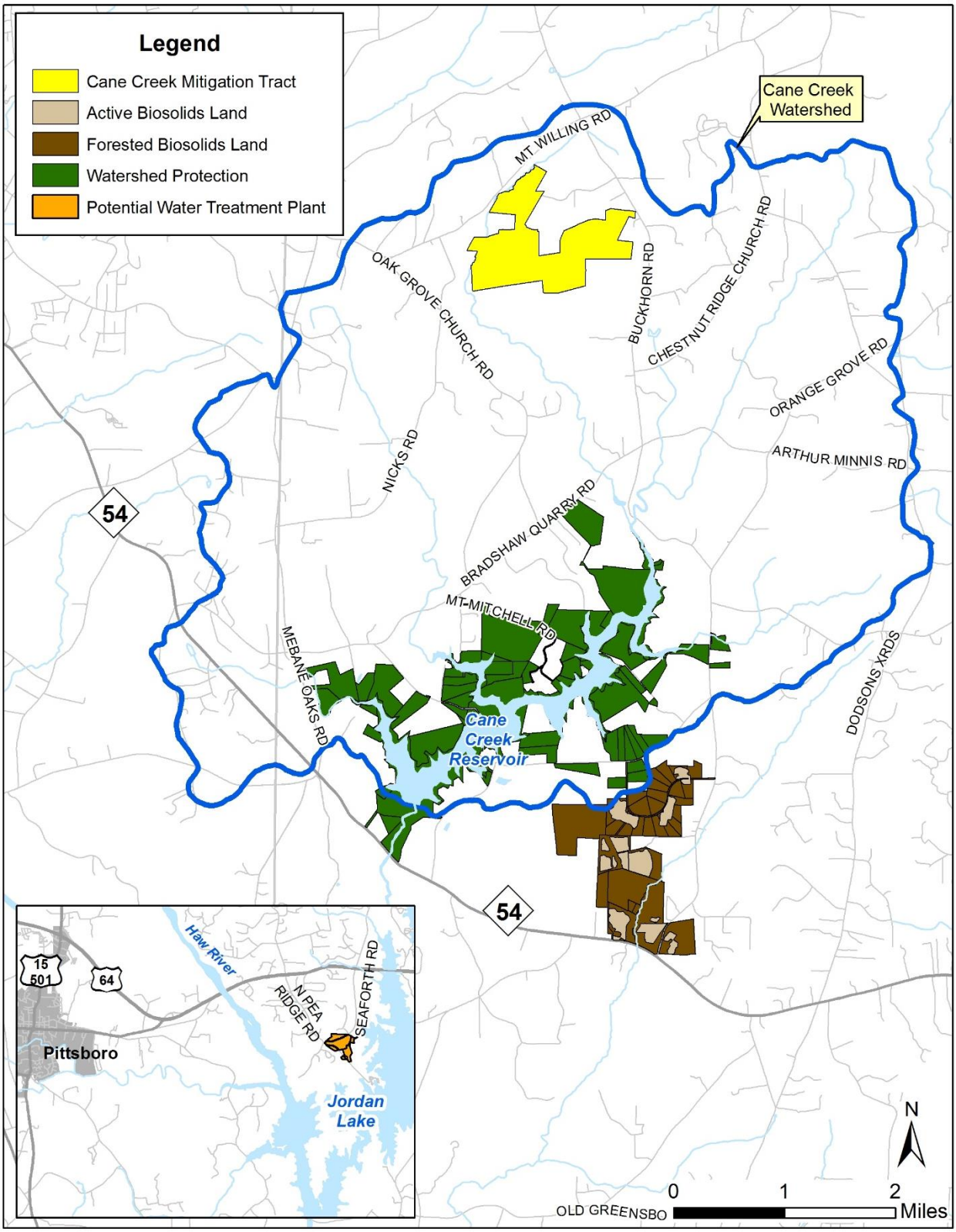
Table 1: Summary of OWASA-Owned Forested Land *(Acres rounded to nearest tens)*

Purpose	Acres
Watershed protection	1,260
Wildlife mitigation (and watershed protection)	490
Biosolids program	530
Potential water treatment plant	110
Total	2,390

OWASA recognizes the benefit of forested land to protect its water supply reservoirs. However, some of the forests it owns are poor quality and are diseased, include storm damage areas, or were planted with pines that are too close together which provides little wildlife benefit. Some of these poor quality areas also pose a fire risk. OWASA would like to manage its forests to protect water quality, improve the forest quality, and reduce fire risk.

OWASA implemented a forest management plan developed by the North Carolina Wildlife Resources Commission on the 491-acre Cane Creek Mitigation Tract to comply with state and federal permit requirements. To address the remaining 1,900 acres of forested land, OWASA hired True North Forest Management Services to develop plans to manage them. These Forest Stewardship Plans were presented to the public in late 2010 and subsequently put on hold following extensive public comments and concerns, and OWASA's need to focus on higher priority strategic plan initiatives. OWASA made a promise to the public that it would conduct a public meeting before implementing any forest management on these 1,900 acres. In addition, the local government Boards (Town of Chapel Hill Council, Town of Carrboro Board of Aldermen, and Orange County Board of County Commissioners) requested a presentation on the draft Forest Management Plan before it is finalized.

Figure 1: OWASA-Owned Forested Land



Strategic Initiative 6 of the Board of Directors' Strategic Plan is to develop a plan and policy framework for long-term management of OWASA lands. One action identified is to develop a long-term plan for sustainable management of OWASA forest lands; management could range from no active management to comprehensive management that includes a variety of forest management activities. As a first step in addressing this initiative, staff presented the Board of Directors with an overview of OWASA's land holdings and past discussions on May 25, 2017. At that meeting, the Board requested that staff draft a Community Engagement Plan (CEP) for forest management and present that draft plan by the end of fiscal year 2018.

Staff began drafting a CEP to present to the Board, but determined that it was important to discuss an overall approach for managing our forested land prior to developing a detailed CEP. The Board supported this suggestion; staff presented a draft approach to manage our forested land at the May 10, 2018 work session. The Board requested that staff work with the Natural Resources and Technical Services Committee to develop a process for OWASA's forest management program. Staff heard the following comments during the Board meeting to consider when drafting a framework:

- OWASA should develop draft guiding principles and then provide the public an opportunity to comment on them. OWASA staff concurs with this.
- OWASA should prioritize its lands for management and provide opportunities for feedback on plans developed for smaller areas rather than the entire remaining 1,900 acres in need of management (Plans for the entire 1,900 acres were presented to the public in one meeting in 2010). OWASA staff agrees that presenting plans for smaller areas would provide opportunities for more meaningful input from the public. A disadvantage of this approach is that it does not provide a comprehensive picture of what is planned for all 1,900 acres.
- OWASA should evaluate the existing Forest Stewardship Plans against the final guiding principles to determine whether the existing Plans meet the guiding principles or are in need of change. Staff concurs with this suggestion.
- OWASA should use the expertise of other land management agencies and groups as well as forester expertise in developing our program. Staff concurs with this suggestion.

Proposed Framework to Develop a Sustainable Program to Manage OWASA's Forested Watershed Lands

Staff's proposed framework is illustrated in Figure 2. It is important to note that Figure 2 does not include details on how we would engage the community. Once the overall process is agreed upon, we anticipate working with the Board to develop a complementary CEP. In addition, each of these steps would likely include substeps to include draft and final versions of documents. As we develop the CEP and apply what we learn as we move through the process in an adaptive management approach, staff could modify or include additional details in Figure 2. The following basic steps are identified:

1. **Develop Purpose and Guiding Principles** for sustainable management of OWASA's forested watershed lands – The purpose and guiding principles would serve as the

foundation for prioritizing our forested land for management and for developing the Forest Stewardship Plans.

2. **Prioritize Forested Stands** for Management – Based on the guiding principles, OWASA would prioritize its forested stands for management.
3. **Evaluate 2010 Forest Stewardship Plan** for highest priority forested stands against the guiding principles. This evaluation would be done in the priority order established in the second step. Staff proposes beginning this evaluation with approximately the top 10 percent of forested stands.
4. **Update the Forest Stewardship Plans** for the prioritized forested stands as needed to align with the guiding principles in priority order.
5. **Adopt Forest Stewardship Plans** for the prioritized forested stands.
6. **Implement Final Plans** – Each Plan would be implemented based on information included in the final Plan.

Proposed Next Steps

Staff suggests the following next steps:

1. Staff modifies the framework based on NRTS Committee feedback.
2. Staff and the Committee present the framework to the Board of Directors for concurrence; at this meeting the Board should also provide guidance to staff on whether they would like the full Board or a Committee to review a draft CEP.
3. Staff draft a CEP and show opportunities for community engagement in the various components of the draft framework and bring this to the Board or a Committee for discussion as directed in Step 2.

Figure 2: Overall Process for a Sustainable Forest Management Program



Note: This figure does not include Community Engagement, which would be developed after the overall framework is agreed upon