



**Board of Commissioners**

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March 31, 2016  
(FedEX – Direct Signature)

Mr. Steve J. Rowlan, Chairman  
NC Environmental Management Commission  
c/o Lois Thomas, EMC Recording Clerk  
Directors Office – Division of Water Resources  
512 Salisbury Street  
Raleigh, NC 27604

Subject: Notice of Intent to Request an Interbasin Transfer Certificate for Pender County

Dear Mr. Rowlan:

Pender County is a fast growing coastal county with a 2015 population of over 56,000. The growth in the County has been and will continue to be driven by its location in the vicinity of Wilmington, its coastal community access and its strategic priorities related to economic development and expansion of public infrastructure into areas of the County that do not currently have water utility services.

The County is in the process of developing long-range water supply plans for water service to its six (6) water and sewer districts and two municipalities within the County, St. Helena and Watha, which currently receive water service. The Pender County Board of County Commissioners (BoCC) serves as the governing body for each of the water and sewer districts. The districts are shown in Exhibit 1 and are identified as follows: Central Pender, Columbia/Union, Maple Hill, Moore's Creek, Rocky Point/Topsail, and Scotts Hill. The municipalities are also shown.

The County currently owns and operates a two (2) million gallon per day (MGD) water treatment plant (WTP) that treats surface water from the Cape Fear River. The County is a wholesale raw water customer of the Lower Cape Fear Water and Sewer Authority (LCFWASA). When the WTP was constructed in 2012, taking the County system off of groundwater as a water supply source, it was constructed such that it was easily expandable to be able to treat and distribute up to 6 MGD. Potable water from the WTP is distributed from the Cape Fear River to three IBT river basins, including the South River, Northeast Cape Fear and the New River (Exhibit 1), as defined by N.C.G.S § 143-215.22G.

In the implementation of one of the County's strategic priorities to expand public infrastructure, the County is constructing over 70 miles of water lines in the Moore's Creek and Central Pender districts this year, and over 200 miles of water infrastructure is planned over the next 20 years. The residents of the Moore's Creek and Central Pender districts voted in support of a \$45 million and \$27 million bond referendum, respectively, for the expansion and the availability of a reliable potable water supply.

In addition to the currently underway and planned near-term water system expansion, the County is engaging in this planning process as a regional provider of surface water. The County has reached out to other neighboring utilities, including all other utility providers within Pender County, to see who may consider obtaining surface water through the County's system in the future. These utilities are currently reliant on groundwater for their potable water needs.

In light of the County's planning related to service area expansion and meeting the needs of future growth, near-term demands in the water and sewer districts within the IBT river basins will increase above the transfer limit of 2 MGD, per N.C.G.S. § 143-215.22, within the next few years. Therefore, Pender County is respectfully submitting this Notice of Intent to notify the Environmental Management Commission (EMC) of its plans to request an Interbasin Transfer (IBT) Certificate. The following utilities that are currently reliant on groundwater have identified the need to receive water from the County in the future and will be co-applicants in this process: Town of Burgaw; Town of Topsail Beach; Town of Surf City; Utilities, Inc; and the Town of Wallace, which is located within Duplin County. Pender County and its co-applicants are requesting an authorized transfer between designated IBT river basins, from the Cape Fear River to the South River, Northeast Cape Fear River, and New River basins of up to 15 million gallons per day (mgd), calculated as a daily average of a calendar month. This transfer amount is based on updated water use projections to year 2050. Exhibit 1 shows the study area for this request.

Pender County is aware of the IBT Certificate process outlined in N.C.G.S. § 143-215.22 and qualifies as a "coastal county" under the N.C.G.S. § 143-215.22L (w). This section dictates the requirements for these counties to request and acquire an IBT certificate, and Pender County intends to comply with the components of the process outlined therein. Pender County is submitting this notice as the primary applicant with the support of the communities to whom they provide water and may provide water in the future. These communities will be co-applicants during the petition process.

Pender County has actively reached out to its regional neighboring utilities, will engage the public interests during this process, and will work closely with the North Carolina Division of Water Resources to ensure compliance with the various steps of the process. As an initial step of this process, Pender County has obtained a resolution of support from the Lower Cape Fear Water and Sewer Authority (LCFWASA), the raw water provider to Pender County (attached).

Please direct any correspondence regarding this Notice of Intent and subsequent process to Michael Mack, Director of Pender County Utilities at 910-259-1570. Questions may also be directed to Ray Cox with Highfill Infrastructure Engineering, P.C. at 910-313-1516.

Sincerely,



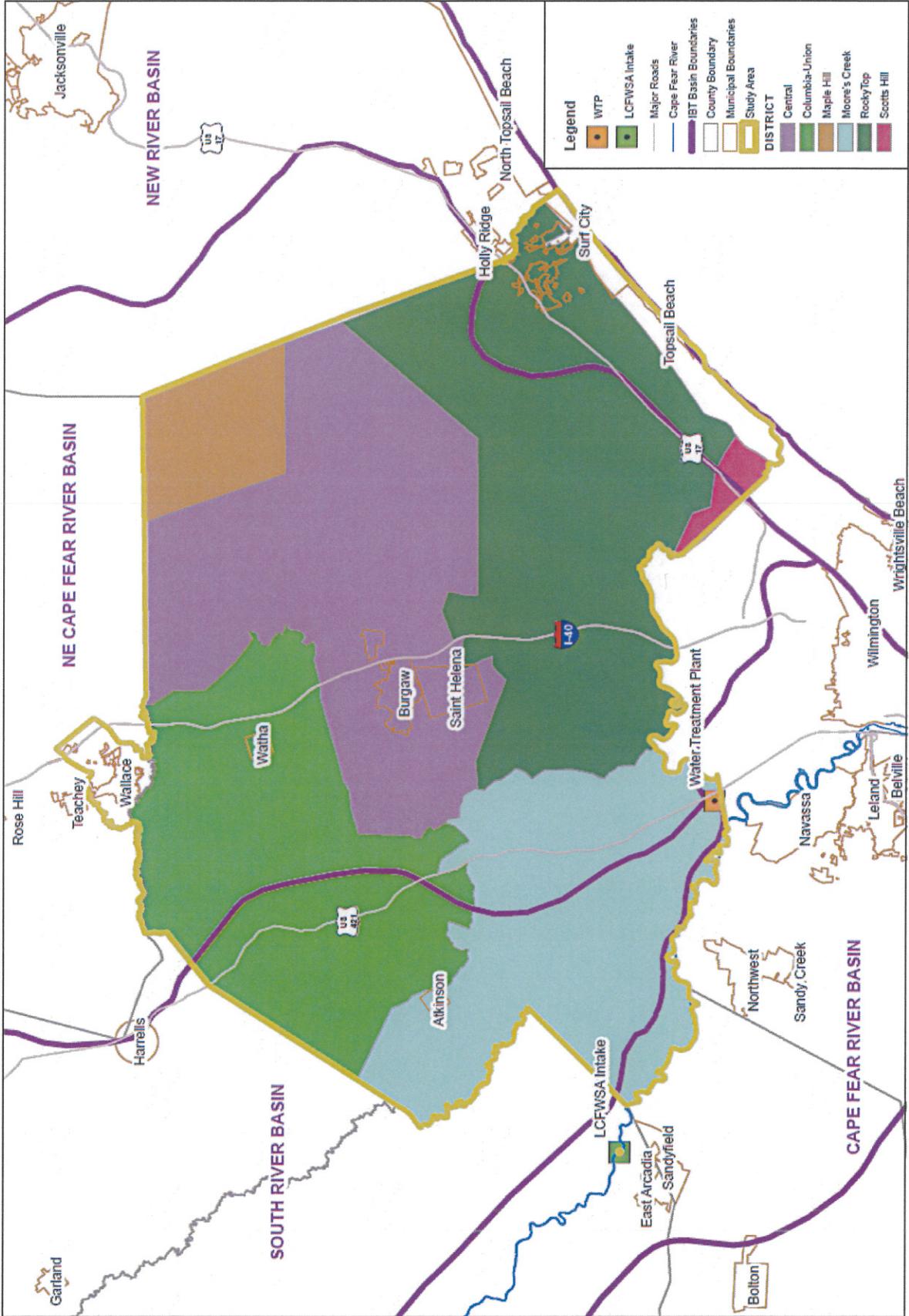
Randall Woodruff, County Manager  
Pender County



Michael Mack, Director  
Pender County Utilities

cc: Mr. Jay Zimmerman, Director, NC DEQ Division of Water Resources  
Mr. Tom Fransen, Water Planning Section Chief, NC DEQ Division of Water Resources  
Mr. Ray Cox, Highfill Infrastructure Engineering, P.C.  
Mr. Adam Sharpe, CH2M HILL North Carolina, Inc.

Exhibit 1



**Resolution in Support of Pender County Utilities  
Long Range Water Supply Planning and Proposed Interbasin Transfer Permit Petition to the  
North Carolina Environmental Management Commission**

**WHEREAS**, the Lower Cape Fear Water and Sewer Authority is located within the Cape Fear River watershed; and

**WHEREAS**, Pender County has secured a long term, reliable water supply via purchase agreement of surface water from the Lower Cape Fear Water and Sewer Authority, invested in a 6 MGD water treatment plant in 2012; and

**WHEREAS**, the customers of Pender County Utilities have projected reasonable increases in water demand based on expanded service areas, moderate growth projections and continued efforts to replace groundwater supplies; and

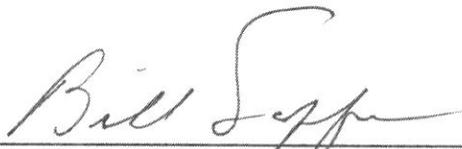
**WHEREAS**, Pender County Utilities has invested in a forward-thinking, long range water supply planning and investment effort to meet the needs of its growing customer base for decades to come; and

**WHEREAS**, Pender County lies within the Cape Fear River watershed, but is subject to Interbasin Transfer rules based on smaller sub-basin delineations within Pender County and is engaging in the pursuit of an Interbasin Transfer Certificate; and

**WHEREAS**, the Lower Cape Fear Water and Sewer Authority appreciates Pender County Utilities' efforts to involve its neighboring utilities and stakeholders in its long range planning:

**NOW THEREFORE BE IT RESOLVED**, that the Chairman and the Board of Directors for the Lower Cape Fear Water and Sewer Authority hereby support the Pender County Utilities Long Range Water Supply Planning and Proposed Interbasin Transfer Certificate process and the associated effort to work with the NC Department of Environmental Quality as an efficient means to meet the projected water demands of Pender County.

Adopted this 8<sup>th</sup> day of February, 2016.

  
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Bill Saffo, Chairman

ATTEST:

  
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Larry Sneed, Secretary