



Chatham County, NC

Legislation Text

File #: 19-3188, **Version:** 1

Vote on a request to approve Water Withdrawal Agreement with Colvard Farms Development Company, LLC.

Action Requested:
Vote to approve Agreement

Introduction & Background:

The County, pursuant to an agreement with the North Carolina Division of Water Resources, is entitled to withdraw a certain number of gallons of water per day from the B. Everett Jordan Dam and Lake Project (the "Project").

The County currently is not using all of its allocated capacity from the Project and Colvard Farms has made a request to purchase water from the County for the purpose of filling a lake. The County has no objection to this request, provided the development follows the terms and conditions of the Agreement listed below:

1. Grant.

The County grants Colvard Farms the right to withdraw up to 225,000 gallons of water per day (the "Water") for no more than one hundred and twenty (120) days during the existence of this contract from the Project for lake-filling purposes conditioned upon strict compliance with the term of this Agreement. Specifically, the Water will be drawn directly from the Project between the confluence of Crooked Creek and New Hope Creek near the Duke Power Easement. This grant is also to be in full compliance with all county, state and federal directives, including, but not limited to directives of the Environmental Protection Agency.

2. Withdrawal of Water.

Colvard Farms agrees to furnish all necessary labor, equipment and fuel involved with pumping the Water from the Project to an already constructed water storage lake on property owned by Colvard Farms. Colvard Farms shall also make all withdrawals in full compliance with all county, state and federal directives, including, but not limited to directives of the Environmental Protection Agency.

Water may be withdrawn only when the Jordan Reservoir level is at or above normal pool elevation (currently 216 feet above sea level). Water may not be withdrawn at any time when the reservoir is below normal pool elevation.

3. Term.

The term of this Agreement shall be from the date of this Agreement until July 31, 2022.

Discussion & Analysis:

Budgetary Impact:

Colvard Farms agrees to pay to the County a fee of \$8,500.00 for the use of the Water from the Project for lake filling, but not to exceed 27,000,000 gallons. The fee of \$8,500.00 will be due and payable within forty-eight (48) hours of the initial water withdrawal. Once round 4 Jordan Lake water allocation contracts are approved by the Army Corps of Engineers, the Agreement will be amended to reflect the new allocation cost.

Recommendation:

Motion to Approve the Water Withdrawal Agreement with Colvard Farms Development Company, LLC.