

**Agenda Item: 11-18 Request to Proceed to Public Hearing with the Proposed Reclassification of the South Fork New River in Ashe and Watauga Counties (New River Basin) to include Class WS-IV (PA) and WS-IV CA**

**Explanation:**

The Town of Boone has requested that portions of the South Fork New River be reclassified to include the WS-IV (PA) and WS-IV CA designations. The reclassification is needed in order to construct a potable water supply intake, and thus serves the public interest per Executive Order #70. The Town's water system has surpassed 80 percent of capacity, which is the Department of Environment and Natural Resources' trigger for requiring a plan for expansion. The NC Division of Water Resources and NC Division of Environmental Health do not object the proposal, and 2010 DWQ studies show the waters meet water supply water quality standards.

If reclassified, regulations affecting new development and wastewater discharges would apply in the proposed watershed, where there are currently no permitted wastewater dischargers or land application sites, and no known proposed wastewater discharges, land application sites, or development. The proposed watershed is located within the jurisdiction of Ashe County and Watauga County. These local governments would be required to modify their water supply watershed protection ordinance within 270 days after the reclassification effective date. Each county has provided a resolution regarding the proposed reclassification.

The Town of Boone secured an USDA - Rural Development loan and grant in order to fund the planned project. The Town has until September 2012 to have final plans and specs submitted to applicable agencies for review per the conditions associated with the USDA funding, and thus, requests that the reclassification become effective prior to that deadline.

At the March 2011 Water Quality Committee (WQC) meeting, the WQC granted staff approval to proceed to the full Environmental Management Commission (EMC) with the reclassification following a review of the fiscal analysis at the May 2011 WQC meeting. The draft fiscal analysis' quantifiable results revealed a one-time cost of approximately \$1,200 to the state, \$5,100 to Watauga County, and \$725 to Ashe County. These costs were presented to the WQC at their May 2011 meeting. The proposed effective date for this reclassification is May 1, 2012.

**Recommendation:**

That the EMC grant staff approval to proceed to public hearing with the proposed reclassification.