

ATTACHMENT A

A RESOLUTION DECLINING THE OFFER TO PURCHASE OWASA PROPERTY
Resolution No. 181/2009-10

WHEREAS, in September 2006, OWASA purchased approximately 73 acres of land adjacent to Morgan Creek and University Lake for watershed protection purposes, and

WHEREAS, on November 21, 2006, OWASA presented the Board of Aldermen information regarding the purchase of the land. The Board declined to purchase the land at that time due to financial constraints, and

WHEREAS, the current financial condition of the Town is not favorable to purchasing this property, and

NOW THEREFORE BE IT RESOLVED that the Carrboro Board of Aldermen hereby declines the offer to purchase the OWASA owned property and directs staff to inform OWASA of the Board's decision.



ORANGE WATER AND SEWER AUTHORITY

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

September 25, 2009

Mayor Mark Chilton
Town of Carrboro
301 West Main Street
Carrboro, NC 27510

SUBJECT: OWASA PROPERTY ADJACENT TO UNIVERSITY LAKE

Dear Mayor Chilton:

The OWASA Board would like to know if the Town of Carrboro is interested in purchasing the OWASA-owned land adjacent to Morgan Creek and University Lake that we purchased previously with the sole intent of protecting certain watershed areas in close proximity to University Lake (please see attached map).

In September 2006, OWASA purchased about 73 acres of land adjacent to Morgan Creek and University Lake for watershed protection purposes.

The land was purchased for \$2.2 million and OWASA received a Clean Water Management Trust Fund grant of about \$1 million towards the purchase.

An important element of the agreements surrounding this purchase was OWASA's dedication of a permanent conservation easement to the State of North Carolina. The conditions of this conservation easement are permanent and the rights and limitations outlined in that conservation easement will remain in effect, in perpetuity, regardless of who owns the property.

The primary rights and limitations of the permanent conservation easement include:

- The property may be subdivided in up to four developable residential tracts, but no development may occur within the 300-foot riparian buffers, except for septic system drainfields that may be extended no closer than 200 feet from the University Lake shoreline or from any tributary stream.
- None of the four development lots may be smaller than five acres in size, and no more than four percent of the Upland Area portion of each lot may be covered with impervious surfaces.

OWASA Property Adjacent to University Lake
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- The property may not be used for any industrial, commercial, agricultural, or horticultural purposes, nor may any dredging or mineral excavation occur. Trees and other natural features may not be disturbed, except for prescribed removal of damaged or diseased trees, etc.
- ***The property may be used for passive recreational activities, including public use and access, hiking/greenway trails, construction of up to one observational platform or viewing deck, and up to two pedestrian foot bridges.***

We have decided to declare this property as surplus and sell it because we have fully achieved our water quality protection objectives, there is no compelling reason to retain ownership as part of OWASA's core mission of providing water, sewer and reclaimed water services for our customers, and because the funds generated by its sale will help offset future rate increases for our customers.

As you may recall, on November 21, 2006, we presented the Board of Aldermen information regarding this matter. At that time, the Board noted that financial considerations prevented the Town from pursuing purchase of the property. Although recent informal communication between our Executive Director, Ed Kerwin, and the Town Manager, Steve Stewart, indicate that your situation has likely not changed, because of the uniqueness of the property and its proximity to Town we want to make sure that we are fully exploring every opportunity for selling the property so that it is available for public use prior to pursuing sale of the property through an open, competitive process.

As you desire, we would certainly appreciate an opportunity to present the details surrounding this piece of property at an upcoming Board of Aldermen meeting.

Best regards,

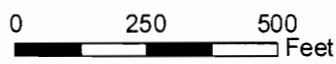
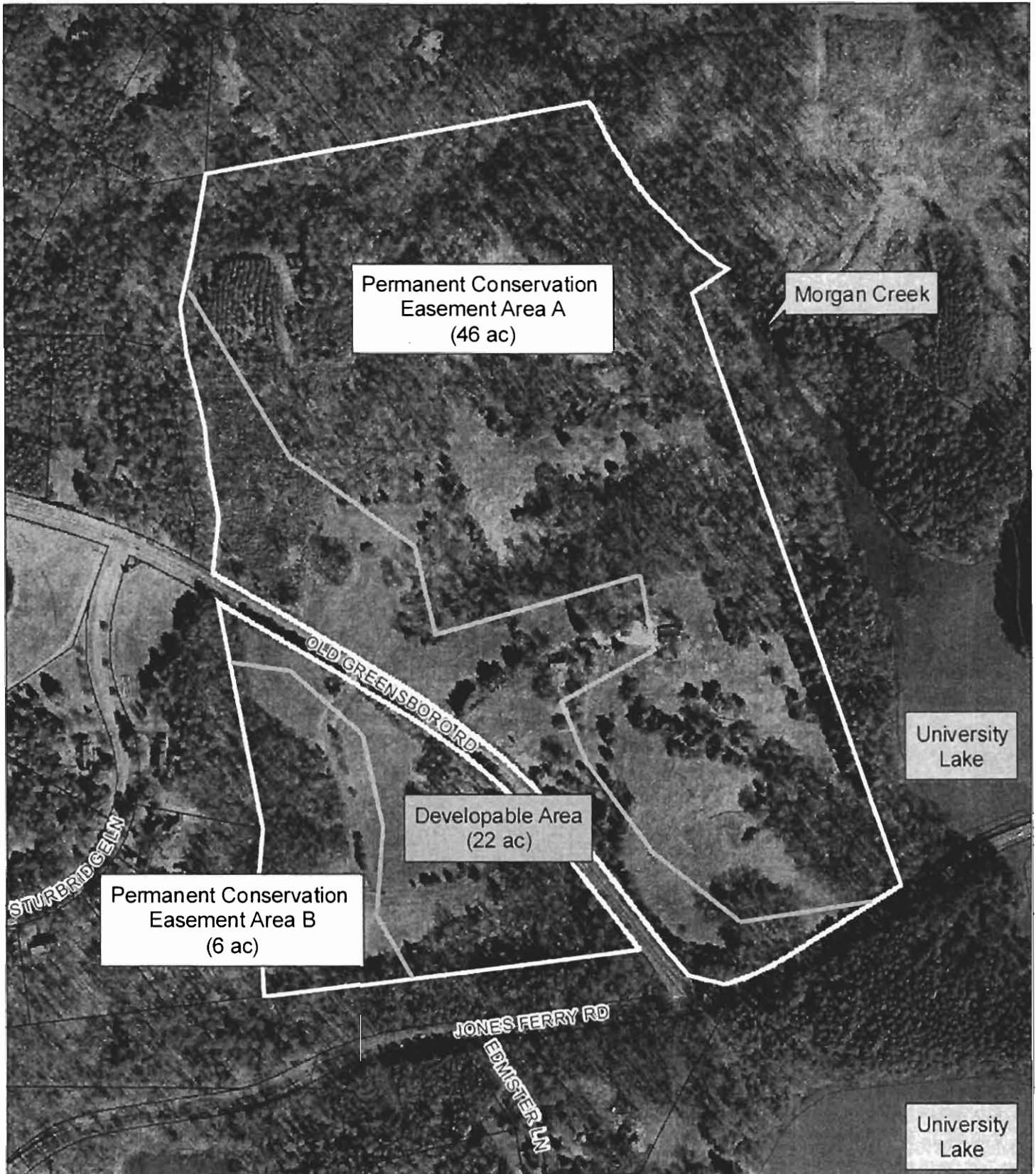


Randy Kabrick, P.E., Chair
OWASA Board of Directors

Attachment

- c: Mr. Steve Stewart, Carrboro Town Manager
OWASA Board of Directors
Ed Kerwin, OWASA Executive Director

OWASA University Lake Conservation Tract



Date: 9/25/09