

**Intro:** Hello. My name is Erin Quetell and welcome to "*The Advancing Communities Show*." The topic for our show today is NOCWA, the North Oakland County Water Authority. Today we have two returning guests joining us, Ron Melchert and Vicki Putala. Ron Melchert is the Director of the Department of Public Works in the City of Auburn Hills, Michigan. Ron is also the Chairperson of the NOCWA Board of Directors. Vicki Putala is the Director of Environmental and Water Resources Department here at OHM Advisors. Ron, Vicki, welcome back.

**Vicki Putala (OHM Advisors):** All right. Thank you, Erin.

**Ron Melchert (City of Auburn Hills, MI | NOCWA):** Thank you. Great to be back.

**Erin Quetell (Sustainability Expert):** Let's start with the basics of NOCWA. So, Vicki, what does NOCWA stand for? And can you tell us a little bit about what we mean by a regional water authority?

**Vicki:** Absolutely. NOCWA stands for the North Oakland County Water Authority. And by being a regional water authority, it means that several communities are working together in operating those systems. So, the communities that make up the North Oakland County Water Authority include the City of Auburn Hills, Orion Township, the City of Rochester Hills, and the City of Pontiac. The Oakland County Water Resources Commissioner's Office is also involved in the regional water authority because they are the owner and operator of the City of Pontiac's water system.

**Erin:** Okay. So, Ron, what were some of the issues that Auburn Hills faced that prompted the community's willingness to join the formation of NOCWA?

**Ron:** Well, historically, City of Auburn Hills and our north pressure district, that's highest elevation over the city, is located nearest the end of the Great Lakes Water Authority (GLWA) feed to the customers. Orion Township actually dead ends in their community. And with that, as we developed our north end of our community, mostly commercial and industrial, the demand on the system was creating some water pressure issues, mostly that intake from the Great Lakes Water Authority. And, with that, due to those demands, especially during peak times, hot summer days and such, we were finding ourselves unable to adequately provide water to our customers there.

That prompted us to work with the Great Lakes Water Authority to try to increase those pressures. And, usually, after about a week or so, we were able to get back stabilized. However, we found that we were needing to do something internally, so we built a booster station. That was around 2002. Around 2004, we put in an elevated water facility. We were able to stabilize our pressures for the most part. But when it came time during non-peak times to fill that water tower, we were not always able to do that when we were getting some water pressure issues from our supplier. So, even though we were trying to do some internal things to improve our systems and our operations, we were not totally successful in doing so.

Orion Township was experiencing the same issues. So, what we did, we started talking with our neighboring communities about the concept of creating an authority and coming together, collaborating together, and bringing our operations together. And with that, we were able to create a regional water

authority. Through engineering, the concept was that, "Yeah, we could do something to improve ourselves." Use existing storage, repurpose it, try to not rely on Great Lakes Water Authority System during those peak demand times, rely more on storage. And, with that, we thought we could experience some pressure operation benefits. And then, since the GLWA could avoid some major capital improvement projects that would be very costly and actually affect our rates in a negative way by increasing them to pay for that infrastructure, we were able to avoid, and the Great Lakes Water Authority was able to avoid expanding that infrastructure - which translated to rate savings for our customers.

**Erin:** So we were able to establish the 'what' and the 'why' behind NOCWA and you gave some really good examples about some of the communities and why they joined this. So, how did this happen? Vicki, how exactly did NOCWA form?

**Vicki:** There were really four major steps that the communities went through to form NOCWA and to have it be successful. The first was establishing a legal authority through which the four communities could function. They also established bylaws that really dictated their day-to-day operations.

The second step that they went through is that they focused on creating a fair methodology for allocating the cost of purchasing water from the water supplier, because it was really important that the communities all felt that they were being treated fairly with one another.

The third step was looking at the operational plan for how the communities would operate their independently owned systems in a collaborated fashion.

And then, the fourth step was to make sure that the water supplier was onboard and that they were supportive of the efforts of the NOCWA communities.

**Erin:** So far, have all the participating communities seen successful results?

**Vicki:** Yes, absolutely. One of the goals, as Ron mentioned earlier, was to increase the pressure and the flow that the communities would see during those hot, hot summer days, and that has been tremendously successful.

The second goal of stabilizing the rate increases was also very successful. The four communities are sharing in over \$5 million in annual rate savings, and that happens every single year.

The other aspect where we've seen tremendous success among the communities is in the collaboration and teamwork that was established, especially through the operation committee meetings, where all the operatives would get together and share best practices with one another.

**Erin:** That's great. Okay, we've talked about how the communities have worked together, and some of the cost savings. But now, let's turn our attention over to the supplier. Ron, can you share with us how NOCWA partnered with that regional water supplier, Great Lakes Water Authority, and talk about how NOCWA interacted with them.

**Ron:** Well, in the beginning, as we were networking the four communities and in formalizing NOCWA, the establishment of that organization, we knew we had a winning solution to the issues of all four communities. We also knew and understood that Great Lakes Water Authority as water supplier could also win in this. So, we began discussions with them and brought them onboard. It is all about relationships, and we were able to create that great partnership with the Great Lakes Water Authority, beyond what was initially or what it had been historically, strictly a supplier-customer relationship. And as they began to look at our statistics, our engineering reports, our investigation and findings of pressure issues being resolved, potential rate savings, and cost savings for them in terms of capital improvements, we got their attention.

We got them onboard. We connected with them, had several meetings with them, and they opened their eyes to realize that this could work. That this could work for not just benefiting NOCWA and the four communities, not just Great Lakes Water Authority, but all of the wholesale customers, because now there's more water for everyone. And, with that, the Great Lakes Water Authority began networking and contacting other communities through some of the meetings, and the regional meetings that they had. They were recommending our framework, NOCWA's framework, and our approach to sustainability, collaborating and operating together in a successful manner. It's worked out really well.

**Erin:** You mentioned sustainability. What are some of the sustainable benefits or sustainability benefits of having such a regional water authority like NOCWA?

**Vicki:** Well, why don't I start with that question. Sustainability is the heart of NOCWA and I love talking about this aspect of it. When you think about sustainability, you think about the environment, the economics, and the social aspects of NOCWA. So, I'll take one at a time. For the environment, NOCWA found a way to reuse existing infrastructure for a new purpose. We didn't have to build new infrastructure. In this case, the City of Pontiac had large storage tanks that they could not fully use. We're able to utilize that excess storage capacity for a benefit for the other three remaining communities.

The economic benefit far surpassed our expectations. The four NOCWA communities recognize a savings of over \$5 million a year and that is every single year, which translates to a more sustainable infrastructure for the residents.

The social aspect is just an unexpected benefit. Relationships were formed, from the operators all the way through the directors of the different communities. And then, when you think about the level of service that NOCWA now can provide to their citizens, all the residents also benefit from this more stable, reliable infrastructure.

**Erin:** So, we talked a lot about the different benefits, the different communities. Ron, specifically, how has Auburn Hills benefited from the coordinated system?

**Ron:** Well, both in infrastructure utilization of the existing and working with the other communities, those relationships have been outstanding. And they do extend far beyond just NOCWA. We have conversations often about best practices and a lot of other DPW issues or infrastructure, public

infrastructure maintenance situations. The residents really benefited from this the most. In that, they have a reliable water service and system. At that north end in the north district, in the beginning, I had many conversations with a few of the businesses there and they were nervous.

They were concerned about even staying in Auburn Hills to be able to operate successfully. Once NOCWA formed, we've had no issues. I'm certain everything is working well. We're not hearing any of those previous concerns. Everything is working well. So, reliability in the water system and then cost savings, we're able to minimize our rate increases to our residents and it's really been a win-win all the way around.

**Erin:** Okay. So, Vicki, you were talking about some sharing of those best practices and, Ron, you did as well, along with resources and that sort of thing. Are there any other examples that you want to share for this podcast?

**Vicki:** Yeah. I think the one that comes to mind that I like to mention is the helping hand that we saw when a storm came through at the City of Rochester Hills and they just didn't have all the equipment necessary for all that storm damage cleanup. The City of Auburn Hills was right there. They lent them a chipper, their staff went over there, and they are working shoulder to shoulder with the other community to help them clean up after that storm. And, I think, just the relationships that were formed, people are very comfortable calling each other and asking for that helping hand when needed.

**Ron:** I think what's interesting that I'd like to add to this is the formation of our operations committee. Field staff has now come together within the communities. It's not just the officials or the management staff, but also the field staff. And they talk, if not daily, at least every week, about operations and how to maintain what we have going and even relating to pumps and talking about storage facilities and control valves, pressure reducing valves, and the like. That partnership amongst operation staff has been a beneficial collaboration between them. Those relationships are paramount to the success of this whole thing.

**Erin:** So, now, what's next? What's next for NOCWA? Any future plans, any things to look forward to?

**Vicki:** Well, one thing that we're working on right now is an emergency response plan. The Great Lakes Water Authority, which is the supplier, is planning some very major rehab to one of the key booster stations that provides pressure to this area of the system. We recognized that some of our customers may be without water, or potentially without water. So, Auburn Hills and all the other communities involved with NOCWA have sat down to think, "How can we help our neighbors through this? Rather than just worrying about our own residents, how can we make sure that the residents of all of NOCWA are taken care of?" We have some procedures in place, so that we could back feed City of Rochester Hills, for instance, and Orion Township through Auburn Hills' infrastructure and opening the emergency connections to make sure that everybody is receiving water during these critical time periods.

**Erin:** Great. So, in closing, and if we could have one takeaway for our listeners, what they should know about sustainable infrastructure, the development of NOCWA; a parting thought, if you will.

**Ron:** Well, the one takeaway turns into several, but the idea there is focus, developing relationships based on trust, and respect of one another, get past the political aspects of running a community and get into the actual operations and providing service to the community. So, that trust and respect with those other communities, that equates to equitable and fair solutions for everybody. So, that has to be a win-win.

And as Vicki mentioned earlier, talking about the economic aspects, the rate savings, focus on savings, that creates sustainability, that creates buy-in from the residents and the customers. Environmental aspects, any infrastructure that you have that you can utilize or repurpose in a positive way, you save money, you save energy. You are, again, relating to that sustainability aspect. And then the social networking, of course, that beneficial collaboration. It really can be expanded into so much more than just one organization like NOCWA. It expands into every other operation and infrastructure maintenance.

**Erin:** Vicki, do you have anything else to add?

**Vicki:** I think Ron summed it up really well. NOCWA is just a win-win all around, and we both enjoy talking about it. Thank you.

**Erin:** Great. Thank you very much.

**Ron:** Thank you.

**Erin:** That's a wrap. Thanks for joining us today.

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