



# ORANGE WATER AND SEWER AUTHORITY

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

**AGENDA**  
**MEETING OF THE OWASA BOARD OF DIRECTORS**  
**THURSDAY, MAY 12, 2011, 7:00 P.M.**  
**OWASA COMMUNITY ROOM**

In compliance with the “Americans with Disabilities Act,” interpreter services are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 537-4217 or [aorbich@owasa.org](mailto:aorbich@owasa.org).

### **Announcements**

1. Announcements by the Chair
  - A. Any Board member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight is asked to disclose the same at this time.
  - B. Chapel Hill Town Council Representatives and Chapel Hill Appointees to the OWASA Board of Directors will meet on Thursday, May 19, 2011 at 8:00 AM in the OWASA Boardroom
2. Announcements by Board Members
3. Announcements by Staff

### **Petitions and Requests**

1. Public
2. Board
3. Staff

### **CONSENT AGENDA**

#### **Action**

1. Resolution Authorizing Renewal of Property, Liability, Workers' Compensation, Inland Marine, Automobile, Boiler and Machinery, Crime, and Excess Liability and Umbrella Liability Insurance Policies Through the North Carolina League of Municipalities Risk Management Services (Kevin Ray)
2. Resolutions Authorizing the Executive Director to Execute Contracts with Blue Cross Blue Shield of North Carolina for Medical, Dental, Accidental Death and Dismemberment, and Dependent Life and Long Term Disability (Stephanie Glasgow)

### **REGULAR AGENDA**

#### **Discussion**

3. Board Discussion on the Water and Sewer Management, Planning and Boundary Agreement (Gordon Merklein)
4. Draft Charge to the Community Outreach Committee and Draft Goal Statements and Objectives for Communication and Public Outreach (William Stott/Ed Kerwin)

#### **Discussion and Action**

5. Appointment of Nominating Committee (Gordon Merklein)
6. Resolution Approving Changes in Compensation of the Orange Water and Sewer Authority Board of Directors (Mac Clarke)

**AGENDA ITEM**

- RESOLUTION AUTHORIZING RENEWAL OF PROPERTY, LIABILITY, WORKERS' COMPENSATION, INLAND MARINE, AUTOMOBILE, BOILER AND MACHINERY, CRIME, EXCESS LIABILITY AND UMBRELLA LIABILITY INSURANCE POLICIES THROUGH THE NORTH CAROLINA LEAGUE OF MUNICIPALITIES RISK MANAGEMENT SERVICES

**BACKGROUND**

- OWASA's Bond Order and prudent business management require OWASA to maintain comprehensive public liability insurance for bodily injury and damage of property claims.
- The League of Municipalities Risk Management Services (the League) has provided these coverages to OWASA since Fiscal Year (FY) 2001.
- The League provides the efficiencies of risk pool participation in a self-funded environment.
- OWASA's current coverage will expire on June 30, 2011.
- The quote for FY 2012 premiums is still being refined but the cost will not exceed the amount included in the FY 2012 Annual Budget.

**STAFF RECCOMENDATION**

- Renew coverage for property, liability, workers' compensation, inland marine, automobile, boiler and machinery, crime, excess liability and umbrella liability insurance with the League for FY 2012 for a premium not to exceed the amount budgeted for FY 2012 of approximately \$360,000, subject to normal audit adjustments.


May 12, 2011



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## MEMORANDUM

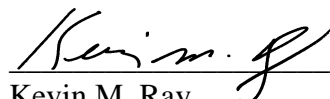
**TO:** Board of Directors  
**THROUGH:** Ed Kerwin   
**FROM:** Kevin M. Ray  
**DATE:** May 3, 2011  
**SUBJECT:** Property, Liability and Workers' Compensation Insurance Renewal

OWASA's Bond Order requires that we maintain an insurance program that will afford adequate protection against damage to or destruction of the water and sewer system and comprehensive public liability insurance for bodily injury and property damage.

As an alternative to commercial insurance companies, the North Carolina League of Municipalities Risk Management Services (the League) offers to its members the opportunity to obtain insurance coverage geared to their unique needs and to exert influence over coverage and claims handling by participating in self-funded insurance pools comprised of cities, towns and other public entities. The League provides daily management for these insurance programs under the direction of the North Carolina League of Municipalities Risk Management Board of Trustees. OWASA has participated in the League Risk Pool to provide property, liability, workers' compensation, inland marine, automobile, boiler and machinery, crime and excess liability insurance coverage since 2001. The current coverage periods of these policies coincide with our fiscal year and will expire on June 30, 2011.

Premium quotes for FY 2012 have not been completed, but the cost will not exceed the amount included in the FY 2012 Budget. The attached resolution stipulates that the renewal premium not exceed the amount budgeted for FY 2012 of approximately \$360,000, subject to normal audit adjustments.

Staff recommends renewal of these policies through the League.

  
\_\_\_\_\_  
Kevin M. Ray  
Finance and Procurement Manager

**RESOLUTION AUTHORIZING RENEWAL OF PROPERTY, LIABILITY,  
WORKERS' COMPENSATION, INLAND MARINE, AUTOMOBILE, BOILER  
AND MACHINERY, CRIME, EXCESS LIABILITY AND UMBRELLA LIABILITY  
INSURANCE POLICIES THROUGH THE NORTH CAROLINA LEAGUE OF  
MUNICIPALITIES RISK MANAGEMENT SERVICES**

**WHEREAS**, Property, Liability, Inland Marine, Automobile, Boiler and Machinery, Crime, Workers' Compensation, Excess Liability and Umbrella Liability insurance policies in effect for Orange Water and Sewer Authority will expire on June 30, 2011; and

**WHEREAS**, Section 707 of the Bond Order and prudent business practice dictate that Orange Water and Sewer Authority maintain a practical insurance program which will afford adequate protection against damage to, or destruction of, the Water and Sewer System; and

**WHEREAS**, Section 707 of the Bond Order and prudent business practice dictate that Orange Water and Sewer Authority maintain such comprehensive public liability insurance for bodily injury and property damage resulting from the operation of the Water and Sewer System as OWASA deems to be adequate;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Board of Directors of Orange Water and Sewer Authority awards the renewal of Property, Liability, Workers' Compensation, Inland Marine, Automobile, Boiler and Machinery, Crime, Excess Liability and Umbrella Liability Insurance coverage to The North Carolina League of Municipalities Risk Management Services, in an amount not to exceed the amount budgeted for FY 2012 of approximately \$360,000 for the period from July 1, 2011 through June 30, 2012, subject to normal audit adjustments.

2. That the Executive Director be, and hereby is, authorized and directed to renew the above stated insurance policies.

Adopted this 12<sup>th</sup> day of May, 2011.

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Gordon Merklein, Chair

ATTEST:

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Braxton Foushee, Secretary

**AGENDA ITEM**

- RESOLUTIONS AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE CONTRACTS WITH BLUE CROSS BLUE SHIELD OF NORTH CAROLINA (BCBSNC) FOR MEDICAL, DENTAL, LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D), DEPENDENT LIFE AND LONG TERM DISABILITY INSURANCE

**PURPOSE**

- To provide the Board with information and a recommendation for award of contracts to BCBSNC for Medical, Dental, Life, AD&D, Dependent Life and Long Term Disability insurance.

**BACKGROUND**

- OWASA has received a quote from BCBSNC for Medical Insurance for Fiscal Year (FY) 2012 that represents a rate increase of 6.2%. If BCBS is awarded Life, AD&D, Dependent Life and Long Term Disability insurance, the rate increase will be reduced to 2.1%.
- OWASA has received a quote from BCBSNC for Dental Insurance for FY 2012 that represents a rate decrease of 11.5%.
- OWASA has received a quote from BCBSNC for Life, AD&D and Dependent Life insurance that would result in an annual savings of approximately \$4,016.
- OWASA has received a quote from BCBSNC for Long Term Disability insurance that would result in an annual savings of \$4,367.
- Employees continue to be pleased with the coverage and services provided by BCBSNC.

**RECOMMENDATION**

- Adopt resolutions authorizing the Executive Director to award contracts to BCBSNC for Medical, Dental, Life, AD&D, Dependent Life and Long Term Disability Insurance for FY 2012.

May 12, 2011



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## MEMORANDUM

**TO:** Board of Directors

**THROUGH:** Ed Kerwin *EK*

**FROM:** Stephanie S. Glasgow

**DATE:** May 5, 2011

**SUBJECT: MEDICAL AND DENTAL INSURANCE RENEWAL**

OWASA has received a quote from Blue Cross Blue Shield of North Carolina (BCBSNC) for medical insurance for Fiscal Year (FY) 2012 that represents a rate increase of 6.2%. Dental premiums will decrease by 11.5%. OWASA's approximate current cost is \$1.3 million.

If we place our policies for Long Term Disability, Life, Accidental Death and Dismemberment (AD&D), and Dependent Life Insurance with BCBSNC, they will reduce the increase in medical premiums from 6.2% to 2.1%. Currently, OWASA has Life, AD&D, and Dependent Life insurance with Lincoln Financial and Long Term Disability Insurance with Standard Insurance Company. BCBSNC is also offering more favorable rates on these plans. Estimated cost savings are:

**Medical Insurance:**

6.2% Increase:	\$83,245
2.1% Increase:	\$28,196
Difference between 6.2% and 2.1%:	<b>\$55,049</b>

**Life, AD&D, And Dependent:**

Current Estimated Annual Cost:	\$45,297
BCBSNC Estimated Annual Cost:	\$41,281
Difference between current provider and BCBSNC:	<b>\$ 4,016</b>

**Long Term Disability:**

Current Estimated Annual Cost:	\$32,050
BCBSNC Estimated Annual Cost:	\$27,683
Difference between current provider and BCBSNC:	<b>\$ 4,367</b>

Medical and Dental Insurance Renewals

May 5, 2011

Page 2

Employees continue to be pleased with health and dental coverage and services provided by BCBSNC.

On April 18, 2011 the Human Resources Committee met and discussed this information. The committee recommended the Board accept the proposal from BCBS to renew our medical and dental insurance policies and award the Life, AD&D, Dependent Life and Long Term Disability coverage to BCBSNC.

Thank you,

A handwritten signature in cursive script, reading "Stephanie S. Glasgow", is written over a horizontal line.

Stephanie S. Glasgow, MESH, PHR  
Human Resources and Safety Manager

**RESOLUTION AUTHORIZING THE RENEWAL OF THE MEDICAL INSURANCE  
CONTRACT WITH BLUE CROSS BLUE SHIELD OF NORTH CAROLINA**

**WHEREAS**, to adequately and appropriately provide medical and hospital insurance coverage for Orange Water and Sewer Authority (OWASA) employees, it is desirable to continue with the group insurance program as proposed by Blue Cross Blue Shield of North Carolina (BCBSNC).

**WHEREAS**, it is determined that BCBSNC offers excellent medical care coverage; and

**WHEREAS**, BCBSNC has offered to renew medical insurance with an increase in premiums of 2.1% with no change in coverage; and

**WHEREAS**, the existing medical insurance contract with BCBSNC will expire on June 30, 2011.

**WHEREAS**, the Human Resources Committee met on April 18, 2011 and recommends approval;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Board of Directors has determined to continue to provide for its employees and their families the health plan offered through BCBSNC in accordance with provisions of plan.
2. That OWASA pay 100% of the cost of health insurance premiums for employees and 50% of the cost for dependent coverage.
3. That the Executive Director is hereby authorized and directed to execute the contract with BCBSNC.
4. That the term of the above insurance coverage shall be for a period of twelve months beginning July 1, 2011.

Adopted this 12<sup>th</sup> day of May 2011.

\_\_\_\_\_  
Gordon Merklein, Chair

ATTEST:

\_\_\_\_\_  
Braxton Foushee, Secretary



**RESOLUTION AUTHORIZING THE RENEWAL OF THE DENTAL INSURANCE  
CONTRACT WITH BLUE CROSS BLUE SHIELD OF NORTH CAROLINA**

**WHEREAS**, to provide adequate and appropriate dental insurance coverage for Orange Water and Sewer Authority (OWASA) employees, it is desirable to continue with dental insurance as proposed by Blue Cross Blue Shield of North Carolina (BCBSNC); and

**WHEREAS**, it is determined that BCBSNC offers excellent dental care coverage; and

**WHEREAS**, BCBSNC has offered to renew dental insurance with a decrease in premiums of 11.5% with no change in coverage; and

**WHEREAS**, the existing dental insurance contract with BCBSNC will expire on June 30, 2011; and

**WHEREAS**, the Human Resources Committee met on April 18, 2011 and recommends approval;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Board of Directors has determined to continue to provide for its employees and their families the Dental plan offered through BCBSNC in accordance with provisions of plan.
2. That OWASA pay 100% of the cost of dental insurance premiums for employees and 40% of the cost for dependent coverage.
3. That the Executive Director is hereby authorized and directed to execute the contract with BCBSNC.
4. That the term of the above insurance coverage shall be for a period of twelve months beginning July 1, 2011.

Adopted this 12<sup>th</sup> day of May 2011.

\_\_\_\_\_  
Gordon Merklein, Chair

ATTEST:

**RESOLUTION AUTHORIZING THE AWARD OF LONG TERM DISABILITY  
INSURANCE TO BLUE CROSS BLUE SHIELD OF NORTH CAROLINA**

**WHEREAS**, Employee Long Term Disability, Insurance coverage has been provided at no cost to employees since 1977; and

**WHEREAS**, Blue Cross Blue Shield of North Carolina (BCBSNC) has offered to provide this insurance at a lower rate than the current provider with no change in coverage; and

**WHEREAS**, the Human Resources Committee met on April 18, 2011 and recommends approval;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Board of Directors has determined to continue to provide for its employees the Long Term Disability insurance in accordance with the plan provisions.
2. Award contract to BCBCNC for Employee Long Term Disability Insurance.
3. That the term of the insurance contract will start on July 1, 2011 and continue for two years.

Adopted this 12<sup>th</sup> day of May 2011.

\_\_\_\_\_  
Gordon Merklein, Chair

ATTEST:

\_\_\_\_\_  
Braxton Foushee, Secretary

**RESOLUTION AUTHORIZING THE AWARD OF LIFE, DEPENDENT LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE TO BLUE CROSS BLUE SHIELD OF NORTH CAROLINA**

**WHEREAS**, Employee Life, Dependent Life and Accidental Death and Dismemberment Insurance coverage has been provided at no cost to employees since 1977; and

**WHEREAS**, Blue Cross Blue Shield of North Carolina (BCBSNC) has offered to provide this insurance at a lower rate than the current provider with no change in coverage; and

**WHEREAS**, the Human Resources Committee met on April 18, 2011 and recommends approval;

**NOW, THEREFORE, BE IT RESOLVED:**

4. That the Board of Directors has determined to continue to provide for its employees and their families the Employee Life, Dependent Life and Accidental Death and Dismemberment insurance in accordance with the plan provisions.

5. Award contract to BCBCNC for Employee Life, Dependent Life and Accidental Death and Dismemberment.

6. That the term of the insurance contract will start on July 1, 2011 and continue for two years.

Adopted this 12<sup>th</sup> day of May 2011.

\_\_\_\_\_  
Gordon Merklein, Chair

ATTEST:

\_\_\_\_\_  
Braxton Foushee, Secretary

AGENDA ITEM

- BOARD DISCUSSION ON THE WATER AND SEWER MANAGEMENT, PLANNING AND BOUNDARY AGREEMENT

PURPOSE

- The OWASA Board of Directors will discuss the Water and Sewer Management, Planning and Boundary Agreement as it pertains to OWASA's use of its Jordan Lake allocation for the benefit of current and future customers.

May 12, 2011

**AGENDA ITEM**

- DRAFT CHARGE TO THE COMMUNITY OUTREACH COMMITTEE AND DRAFT GOAL STATEMENTS AND OBJECTIVES FOR COMMUNICATION AND PUBLIC OUTREACH

**BACKGROUND**

- The Community Outreach Committee and additional Board Members met on April 20, 2011 to discuss these topics.
- Staff revised the draft Charge and Goal Statements and Objectives in light of the Committee's input and direction.
- After the Board of Directors discusses these matters and provides guidance, staff will draft a proposal regarding OWASA's brand, and a work plan for implementing the Goal Statements and Objectives.

**ACTION NEEDED**

- Discuss and provide guidance regarding the attached draft Community Outreach Committee Charge and draft Goal Statements and Objectives for Communications and Public Outreach.

May 12, 2011



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## MEMORANDUM

**TO:** Board of Directors

**FROM:** Ed Kerwin

**DATE:** May 5, 2011

**SUBJECT:** Draft Charge for the Community Outreach Committee and Draft Goal Statements and Objectives for Communication and Public Outreach

The Community Outreach Committee and several additional Board Members met on April 20, 2011 to discuss two topics:

- Draft Charge to the Community Outreach Committee (Attachment 1).
- Draft Goal Statements and Objectives for Communications and Public Outreach including Strategic Plan Objectives (Attachment 2).

Attached for the Board's consideration are the staff's revised drafts of these items based on the Committee's feedback during and following the April 20, 2011 Committee meeting.

The draft Goal Statements and Objectives emphasize Strategic Plan Objectives such as communicating the value and true cost of water and the need for rate increases. They also incorporate the concepts of branding, creating a dialogue with stakeholders, listening and seeking feedback.

After we receive direction from the Board, staff will draft a proposal regarding the OWASA brand for consideration by the Community Outreach Committee, and a work plan for implementing the Goal Statements and Objectives. The work plan will include timeframes and proposed roles for Community Outreach Committee/Board Members and staff.

Ed Kerwin

Attachments

## **REVISED STAFF DRAFT – May 5, 2011**

### **Charge for the Community Outreach Committee**

#### Background

According to OWASA's Bylaws, the Chair of the Board, or a majority of the Board, may appoint Committees to act as directed to assist the Board, as the Chair or a majority of the Board may deem appropriate. None of the power, authority or responsibility vested in the Authority may be delegated or surrendered to any Committee of the Board. Committees are advisory only. The Community Outreach Committee was established by the Board in 2008. The staff liaison to the Committee is the Executive Director.

#### The Role (Charge) of the Committee

Serving in an advisory capacity, the Committee will make reports and recommendations to the Board regarding communications and public outreach and related matters. In doing its work, the Committee will work closely with staff and provide feedback and guidance as may be appropriate. The Committee's role is focused on policy and program objectives, rather than day-to-day activities.

The Committee and staff recognize that the Committee may have a significant public role in outreach activities such as public presentations. The Committee is cognizant of OWASA's consistent practice that in general, the Chair of the OWASA Board and the Executive Director are authorized to make public statements on behalf of the Board; however, the Board may authorize Community Outreach Committee Member(s) and other interested Board Member(s) to handle public communications in accord with the Board's policy guidance.

## **REVISED STAFF DRAFT – May 5, 2011**

### **Goal Statements and Objectives for Communication and Public Outreach**

The mission of OWASA is *to provide our customers with high quality water and wastewater services through responsible, sustainable, and creative stewardship of the resources and assets we manage. We will do this with a productive, empowered, talented, and diverse work force, which strives for excellence.*

A core value in fulfilling our mission is to provide excellence in customer service in all that we do. We will be leaders in maintaining a dialogue with and informing our stakeholders, and will provide them meaningful opportunities to participate in decisions that are of interest to and/or affect them.

#### **Goal Statements and Objectives**

***1. Develop the desired brand for OWASA and define objectives for stakeholder relationships as next steps in working to meet strategic plan objectives related to public communications, outreach and service to stakeholders.***

- a) Incorporate the brand/relationship framework in designing, executing, and evaluating all communication/outreach programs, messages, and actions. The desired OWASA brand may include many or all of the following attributes:
- frequently invites feedback and welcomes dialogue with individual stakeholders, community organizations and community leaders including but not limited to elected officials,
  - trustworthy,
  - high integrity,
  - acts in the best interest of stakeholders,
  - accountable,
  - stakeholder-friendly,
  - responsive, agile and dynamic in adapting to change and meeting needs in the community,
  - strong stewards of natural resources including a strong pro-conservation orientation,
  - deeply committed to excellence in OWASA services, with prime emphasis on water quality,
  - focused on keeping costs as low as practical,
  - forward, creative thinkers.
- b) Establish, maintain and enhance stakeholder relationships that are collaborative, open, transparent, trusted, respectful and respected, informative, friendly and seeking to understand the perspectives and values of our stakeholders.



**2. *Develop a plan to measure stakeholders' perceptions, needs and satisfaction with OWASA services, now and into the future. (Strategic Plan)***

- a) Prepare means and methods to measure our stakeholders' perceptions, needs and level of satisfaction with our services.
- b) Prepare measurements to determine our level of success with stakeholder satisfaction and identify areas for further improvements.

**3. *Increase stakeholders' understanding of the need for rate adjustments which reflect the true costs and value of our services. (Strategic Plan)***

- a) Improve stakeholders' understanding of and seek feedback about the scope, importance, cost and value of our water, wastewater and reclaimed water services; the need for rate increases; and the reliability and quality of our drinking water.
- b) Provide accurate, clear, balanced and timely information so that stakeholders will be able to effectively participate in rate/budget hearings and otherwise give OWASA feedback in the future.
- c) Communicate information and seek feedback about OWASA's current business model, non-profit identity, resources, cost structure, values, strategies, and goals.

**4. *Increase stakeholders' understanding and support for, and seek their feedback about key programs and initiatives, including:***

- a) Our work to provide reliable, high quality drinking water for current and future customers to include the important role of Jordan Lake.
- b) The continued importance of water conservation and demand management by all stakeholders.
- c) Our work to protect the environment and quality of life through effective operation of our wastewater collection, treatment and reuse systems.
- d) The "dos and don'ts" of using the sewer system (Fats, Oils and Grease; disposal of medications; etc.)
- e) E-billing. (Strategic Plan)
- f) The importance and value of managing our assets.
- g) The Taste of Hope customer assistance program.

**5. *Continue to improve how we provide stakeholders with timely and accurate information about the impact of planned and unplanned events such as:***

- a) Loss of drinking water service.
- b) Interruptions in service or other inconveniences due to capital improvement projects.
- c) Easement maintenance.

**6. *Improve employees' knowledge and understanding through education and training on issues including:***

- a) The importance and value of our services.
- b) Skills and performance in providing excellent stakeholder service including communications.
- c) Our publicly adopted commitments to excellent customer service.

**DRAFT**

MEETING SUMMARY  
COMMUNITY OUTREACH COMMITTEE  
April 20, 2011, 5:00 P.M., OWASA BOARDROOM

**Committee and OWASA Board Members present:** William Stott, Committee Chair; Committee Member Alan Rimer; Board Members Mac Clarke, Braxton Foushee, Joyce Preslar, Amy Witsil and John Young

**Staff:** Greg Feller, Ed Kerwin, Stephen Winters, Greg Feller

**Public:** None

Staff presented drafts of a committee charge as well as goals and objectives for communications and community outreach which incorporated objectives from OWASA's Strategic Plan.

Committee Members agreed to provide comments on the drafts Mr. Stott and Mr. Kerwin. Staff will revise the drafts based on input from the Committee. Once approved by the Committee, final drafts will be provided to the OWASA Board.

The Committee adjourned at 6:20 PM.

Prepared by:

*Greg Feller*

Greg Feller, Public Affairs Administrator

**AGENDA ITEM**

- APPOINTMENT OF NOMINATING COMMITTEE

**BACKGROUND**

- The Nominating Committee shall consist of the present Chair of the Board and enough other Board members, to be appointed by the Chair, to total not less than three (3) members.
- The nominations made by the Nominating Committee shall not preclude other nominations from the floor during the meeting when elections are conducted. The Nominating Committee shall advise members of its nominations by mail and by email not less than seven (7) days before the day on which the elections are to be held for the following officers:
  - A. Chair
  - B. Vice Chair
  - C. Secretary

**ACTION NEEDED**

- Appointment of a Nominating Committee.

May 12, 2011

AGENDA ITEM

- RESOLUTION APPROVING CHANGES IN COMPENSATION OF THE ORANGE WATER AND SEWER AUTHORITY (OWASA) BOARD OF DIRECTORS

PURPOSE

- To consider changes in compensation of OWASA Board Members for their time spent in serving the community and OWASA.

BACKGROUND

- Board Member Mac Clarke petitioned the OWASA Board on March 10, 2011 regarding this matter.
- North Carolina General Statute 162A-5(c), states that: “The members of the authority may be paid a per diem compensation set by the authority which per diem may not exceed the total amount of four thousand dollars (\$4,000) annually, and shall be reimbursed for the amount of actual expenses incurred by them in the performance of their duties.” No OWASA Board member has ever received the maximum annual per diem compensation of \$4,000 allowed under this statute.
- At the inception of OWASA, each OWASA Board member was compensated \$20 for each official meeting of the Board that was attended. In February 2002, the OWASA Board increased compensation to \$50 for attending official meetings of the Board. The Chair of Board receives \$50 compensation for attending official meetings and a \$40 monthly allowance as reimbursement of non-itemized expenses incurred in serving as Chair.
- The policy making and other governance responsibilities of the OWASA Board require numerous contributions of time and talent by each Board Member and the Board Chair.

May 12, 2011

**RESOLUTION APPROVING CHANGES IN COMPENSATION OF THE ORANGE WATER AND SEWER AUTHORITY (OWASA) BOARD OF DIRECTORS**

**WHEREAS**, North Carolina General Statute 162A-5(c), states that, “The members of the authority may be paid a per diem compensation set by the authority which per diem may not exceed the total amount of four thousand dollars (\$4,000) annually, and shall be reimbursed for the amount of actual expenses incurred by them in the performance of their duties”; and

**WHEREAS**, no OWASA Board member has ever received the maximum annual per diem compensation of \$4,000 allowed under North Carolina General Statute 162A-5(c); and

**WHEREAS**, at inception of OWASA, each OWASA Board member has been compensated \$20 for each official meeting of the Board attended and in February 2002, the compensation was increased to \$50 for each meeting of the Board attended; and

**WHEREAS**, the OWASA Board Chair receives \$50 for each meeting of the Board attended and a \$40 monthly allowance as reimbursement for non-itemized expenses incurred in serving as Chair; and

**WHEREAS**, the policy making and other governance responsibilities of the OWASA Board require numerous contributions of time and talent by each Board Member and the Board Chair;

**NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE WATER AND SEWER AUTHORITY BOARD OF DIRECTORS:**

1. That the members of the Board of Directors of Orange Water and Sewer Authority (OWASA) will receive \$50 compensation for attendance at each OWASA Board of Directors Meeting, Special Meeting, Work Session, and Standing Committee meeting of the Board.
2. That, in lieu of a meeting attendance payment, the OWASA Board Chair will receive a \$250 monthly stipend regardless of the number of meetings attended.
3. That the changes noted herein for compensation to the OWASA Board of Directors and Board Chair shall be effective July 1, 2011.

Adopted this 12th day of May, 2011.

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Gordon Merklein, Chair

ATTEST:

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Braxton Foushee  
Secretary