



# Orange Water and Sewer Authority

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

## Summary of the OWASA Board of Directors' Meeting on August 26, 2010

Please note: The summary below was prepared by OWASA staff and is not approved by the OWASA Board. Audio recordings of the OWASA Board's meetings and the Board's official minutes, when adopted, are available to citizens for review. Videotapes of OWASA Board meetings in the Chapel Hill Town Hall on the fourth Thursdays of the month are also available.

The OWASA Board of Directors:

- **Authorized application to the NC Local Government Commission for approval to refinance about \$23 million of OWASA's long-term bond debt at lower interest rates.** Based on current market conditions, OWASA staff estimates the refinancing could save about \$90,000 annually and a total of about \$1.5 million over the next 17 years (the remaining life of the bonds to be refinanced). Actual savings and the opportunity to do the refinancing will depend on market conditions when the bond closing occurs in late September.
- **Received a financial report with preliminary data for the fiscal year (FY) from July, 2009 through June, 2010.** (Final data for FY 2010 will be in OWASA's annual financial report to be published this fall.) Operating costs were about 10% or \$1.8 million below budget primarily due to reduced chemical prices and spending cuts. Debt payment costs were about \$640,000 less than budget due to low interest rates on variable rate bonds previously issued by OWASA. Operating revenues (monthly water/sewer bill payments) were about \$700,000 more than expected. Overall, net revenue according to preliminary data was about \$3.4 million more than projected when the FY 2010 budget was adopted in June, 2009. The additional net income will help pay for future projects to renew, replace and improve the community's water and sewer infrastructure.
- **Received an annual report on the Taste of Hope (TOH) Customer Assistance Program, in which customers' donations are used to help local families when they are unable to pay an OWASA bill.** Donors have their monthly OWASA bills rounded up to the next dollar, and the Inter-Faith Council (IFC) uses the added amount in administering the TOH program. From July, 2009 through June, 2010, TOH donations via OWASA bills totaled about \$6,900 from about 1,200 donors. The IFC also received \$525 in TOH donations directly from citizens.

After discussion, the Board asked its Human Resources Committee to discuss ways to increase donations and donor participation in the Taste of Hope program.

For more information, please see the agenda materials on our website, [www.owasa.org](http://www.owasa.org). The next scheduled business meeting of the OWASA Board will be on Thursday, September 9<sup>th</sup> at 7 PM in the Community Room in the OWASA Administration Building, 400 Jones Ferry Road, Carrboro.