

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

JULY 10, 2008

The Board of Directors of the Orange Water and Sewer Authority (OWASA) met in a regular session on Thursday, July 10, 2008, at 7:00 PM in OWASA's Community Room.

Directors present: Gordon Merklein, Vice Chair; Braxton Foushee, Secretary; Fred Battle; Michael A. (Mac) Clarke; Gene Pease; and Alan Rimer, P.E. Directors absent: Randy Kabrick, P.E., Chair; and William R. Stott, III.

OWASA staff: Ed Kerwin, John Greene, Mason Crum, Patrick Davis, Gwen Burston, Ed Holland, Andrea Orbich, Dan Przybyl, Kevin Ray; and Robert Epting, Esquire, Epting and Hackney.

Others present: Meg Holton, Water, Wastewater and Stormwater Manager, UNC; and Beth Velliquette, Chapel Hill Herald reporter.

There being a quorum present, Vice Chair Gordon Merklein called the meeting to order.

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MOTIONS ACTED UPON

1. Gene Pease made a motion to approve the Minutes of the June 26, 2008 Closed Session of the Board of Directors to discuss a personnel issue; the motion was seconded by Mac Clarke and carried by unanimous vote.

2. Gene Pease made a motion to increase the Executive Director's salary by 4.7 percent effective July 1, 2008. The motion was seconded by Mac Clarke, and carried by unanimous vote.

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ITEM ONE: ANNOUNCEMENTS

CONFLICT OF INTEREST

Gordon Merklein said any Board Member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda is asked to disclose the same at this time. There were none.

COMMITTEE MEETING

Alan Rimer said that the Natural Resources Technical Systems Committee will meet on Tuesday, July 15, 2007, at 8:30 AM in the OWASA Boardroom to discuss possible changes to OWASA's Water Conservation Standards and drought response plan.

ITEM TWO: PETITIONS AND REQUESTS FROM THE PUBLIC

Gordon Merklein asked for petitions and requests from the public, Board and staff. There were none.

ITEM THREE: WATER SUPPLY AND DEMAND UPDATE

The Board received this report as an information item.

ITEM FOUR: MINUTES

Gene Pease made a motion to approve the Minutes of the June 26, 2008 Closed Session of the Board of Directors to discuss a personnel issue; the motion was seconded by Mac Clarke, and carried by unanimous vote. Please see Motion No. 1 above.

ITEM FIVE: EXECUTIVE DIRECTOR COMPENSATION

Gene Pease made a motion to increase the Executive Director's salary by 4.7 percent effective July 1, 2008. The motion was seconded by Mac Clarke, and carried by unanimous vote. Please see Motion No. 2 above.

ITEM SIX: WORK SESSION

The Board convened in a Work Session and Gene Pease facilitated the Board's discussion of Strategic Planning as a follow-up to the March 13, 2008 Work Session. The Board agreed on the following actions:

1. Four primary Board Committees were established:

FINANCE COMMITTEE (formerly called the Budget and Financial Planning Committee)

Gordon Merklein, Chair

Mac Clarke

Gene Pease

HUMAN RESOURCES COMMITTEE

Braxton Foushee, Chair

Fred Battle

Gordon Merklein

NATURAL RESOURCES/TECHNICAL SYSTEMS COMMITTEE

Alan Rimer, Chair

Mac Clark

William Stott

COMMUNITY OUTREACH COMMITTEE (NEW)

Gene Pease, Chair

Fred Battle

Alan Rimer

William Stott

2. All of the Ad Hoc Committees were discontinued. Special projects and/or assignments will be done by petition to the full Board and the Board will decide to refer petitions to an existing Committee or assign a temporary task force.

3. Each Committee will prepare long-term goals and objectives that will guide the Committee's work during the next three to five years, perhaps longer if needed. To the extent possible, there will be short-term objectives (one-year) established in each plan. The full Board will make the final determination on each Committee's goals and objectives. Each Committee will try to complete their long-term plan within six months (January 2009). The Committees will provide the full Board a three-month status report on this work at the October 23, 2008 Board meeting.

4. Generally, the agendas for the first Board meeting of each month will focus on business matters and the agendas for the second Board meeting of the month will focus on strategic planning matters.

There being no further business to come before the Board, the meeting was adjourned at 8:11 P.M.