

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

AUGUST 25, 2011

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular business meeting on Thursday, August 25, 2011, at 7:00 P.M., at the Chapel Hill Town Hall, 405 Martin Luther King Jr. Boulevard.

Directors present: Gordon Merklein, Chair; Alan Rimer, Vice Chair; Amy Witsil, Secretary; Fred Battle; Terri Buckner; Will Raymond; Dana Stidham; William Stott, III; and John A. Young.

OWASA staff: Ed Kerwin; John Greene; Mason Crum; Patrick Davis; Greg Feller; Ed Holland; Andrea Orbich; Stephen Winters; and Robin Jacobs, Esq., Epting and Hackney.

Others present: Ben Poulson, Associate Director of Energy Services, University of North Carolina at Chapel Hill; Glenn Bowles, Orange County staff; Don Cordell, Hazen and Sawyer; Jake Klein, UNC Journalism student.

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

MOTIONS ACTED UPON

1. Alan Rimer made a motion to approve the Minutes of the July 28, 2011 Board Meeting; the motion was seconded by John A. Young, and carried by unanimous vote.

2. Alan Rimer made a motion to go into a closed session regarding the settlement of a potential claim and for the purpose of discussing a personnel matter; the motion was seconded by Will Raymond, and carried by unanimous vote.

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ITEM ONE: OATH OF OFFICE

Andrea Orbich administered the oath of office to Orange County appointee Terri Buckner.

ITEM TWO: 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 tonight is asked to disclose the same at this time. There were none.

STANDING COMMITTEE ASSIGNMENTS

Gordon Merklein announced the following Board Standing Committee assignments:

Finance Committee:

Amy Witsil (Chair), Alan Rimer and John A. Young

Human Resources Committee:

Fred Battle (Chair), Terri Buckner, Dana Stidham and John A. Young

Natural Resources/Technical Systems Committee:

Alan Rimer (Chair), Terri Buckner, Will Raymond, William Stott and Amy Witsil

Outreach and Education Committee:

William Stott (Chair), Fred Battle, Will Raymond and Dana Stidham

COMMITTEE MEETINGS

Alan Rimer said that the Outreach and Education Committee met before the Board meeting tonight to discuss the draft program for communicating OWASA's "brand" to customers and the community. This information will be brought to the full Board for discussion on September 22, 2011.

HURRICANE IRENE PREPARATION

Ed Kerwin reported on the projected storm track for Hurricane Irene and OWASA's preparations for potential impacts. Information and water-related reminders to customers can be found on OWASA's website (www.owasa.org) or by calling OWASA at 919-968-4421.

ITEM THREE: PETITIONS AND REQUESTS

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

ITEM FOUR: ANNUAL REPORT ON DISPOSAL OF SURPLUS PERSONAL PROPERTY

The Board received this item as an information item.

ITEM FIVE: REPORT ON ADJUSTMENT OF CUSTOMER ACCOUNTS FOR EMERGENCY WATER SITUATIONS INVOLVING LOSS OF METERED WATER FOR FISCAL YEAR JULY 1, 2010 THROUGH JUNE 30, 2011

The Board received this item as an information item.

ITEM SIX: EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION REPORT FOR FISCAL YEAR 2011

Fred Battle commented that minority numbers have dropped over the years and he would like to review this information in more detail during a Human Resources Committee meeting.

ITEM SEVEN: EMPLOYEE RECOGNITION AND SUGGESTION REPORT FOR FISCAL YEAR 2011

The Board received this as an information item.

ITEM EIGHT: MINUTES

John Young requested that the July 28, 2011 Minutes (Item Seven: Upper Neuse Clean Water Initiative Presentation) be amended as follows:

Bill Holman and Kevin Brice gave a presentation on behalf of the Upper Neuse Clean Water Initiative (UNCWI). The UNCWI protects regional water quality and proposes funding ~~this~~ a similar initiative in the Cape Fear River Basin by requesting Raleigh, Durham, Cary, and OWASA to establish a one penny per 100 gallon water rate surcharge to generate revenue for watershed land conservation.

The Board referred this matter to the Natural Resources/Technical Systems Committee.

Alan Rimer made a motion to approve, as amended, the minutes of the July 28, 2011, Meeting of the Board of Directors; the motion was seconded by John Young and carried by unanimous vote. Please see Motion No. 1 above.

ITEM NINE: PRELIMINARY FINANCIAL REPORT FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2011

The Board received this item as an information item.

ITEM TEN: PROPOSED CHANGE ORDER TO THE CONTRACT FOR THE CANE CREEK RESERVOIR DAM REPAIR PROJECT

The Board supported staff's recommendation to proceed with the change order and that updates will be provided to the Finance Committee and Board as needed.

ITEM ELEVEN: CLOSED SESSION REGARDING THE SETTLEMENT OF A POTENTIAL CLAIM AND FOR THE PURPOSE OF DISCUSSING A PERSONNEL MATTER

Alan Rimer made a motion that the Board convene in a closed session regarding the settlement of a potential claim and for the purpose of discussing a personnel matter; the motion was seconded by Will Raymond and carried by unanimous vote. Please see Motion No. 2 above.

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There being no further business to come before the Board, the meeting was adjourned at 8:20 P.M.