

ORANGE WATER AND SEWER AUTHORITY
WORK SESSION OF THE BOARD OF DIRECTORS
JULY 10, 2014

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a Work Session on Thursday, July 10, 2014, following the Board Meeting in OWASA's Boardroom at 400 Jones Ferry Road, Carrboro.

Board Members present: John A. Young, Chair; Michael M. Hughes, P.E., Vice Chair; Heather Payne, Secretary; Terri Buckner; Stephen (Steve) Dear; Quinton Harper; David (Dave) Moreau; and Amy Witsil. Board Members excused: none.

OWASA staff present: Ed Kerwin, Mary Darr, Patrick Davis, Greg Feller, Stephanie Glasgow, Dan Przybyl, Ruth Rouse, Todd Taylor and Stephen Winters; and Robert Epting, Esq., Epting and Hackney.

Others present: None.

There being a quorum present, Chair John Young called the meeting to order.

ITEM ONE: WORK PLAN FOR OWASA'S STRATEGIC PLAN INITIATIVES

The Board convened in a work session regarding strategic planning following the July 10, 2014 Board meeting. The following items were discussed:

1. Received and discussed staff's initial ranking of priorities for Strategic Plan items and other key initiatives.

Based on the Board's guidance, staff will draft a proposed schedule of major items for the Board's discussion in the coming year.

2. Discussed a proposal from John Young, Chair; and Ed Kerwin, Executive Director, for the format and scope of Board and Committee meetings.

The Board agreed to try the approach set forth in the proposal for six months and that it could be revised based on experience and the Board's discussions (attached).

The meeting was adjourned at approximately 9:00 PM.

Prepared by:



Ed Kerwin
Executive Director

Attachment

Format/Scope of OWASA Board and Committee Meetings

July 10, 2014

Objective: Structure the format/scope of OWASA Board and Committee meetings to provide effective governance and efficient use of time and resources.

Background: The OWASA Board of Directors has the overall responsibility and authority to govern the organization. None of the power, authority or responsibility of the Board may be delegated to any Committee (Committees are advisory only). The Board Chair has appointed Committees to assist in matters the full Board deems appropriate.

Opportunity: Staff believes we have the opportunity to improve the efficiency and effectiveness of the organization's work by changing the format/scope of Board and Committee meetings. Restructuring the format will help reduce redundancies, streamline the Board's decision-making process, and help the organization focus on its strategic priorities.

Proposal: Change the structure of the first Board meeting of the month to a Work Session to facilitate open discussions about matters of importance. The Work Session format provides an efficient means to share information and allow for meaningful dialog on matters the full Board determines appropriate. Many of the items the Board deals with require that all Board members have an in-depth understanding of the issues. Staff believes that Work Sessions will be more effective at addressing these issues than our current use of Committees. Of course the Board would still have the opportunity make assignments to Committees as appropriate and to determine the specific role and expectations for Committee work. The second Board meeting of the month would be structured as a regular business meeting where the Board considers an action item agenda for such things as approval of plans, awarding contracts, approving policies, receiving petitions and feedback from stakeholders, etc.

We believe benefits of this approach include:

- *Ensures the organization's priorities are clear and updated as a majority of the full Board deems appropriate.*
- *Facilitates greater dialog among Board members and staff.*

- *Sets clear priorities and expectations for the work of the Committees and the work of staff (to avoid duplication and make sure the will of the full Board is done).*
- *Provides additional opportunities for staff at all levels to share information in an informal setting with the full Board about key projects, challenges and accomplishments.*
- *Reduces the total number of Committee meetings and the time needed to prepare agendas and detailed written reports which will allow staff to focus more effort on the organization's highest priorities.*
- *Provides a forum for Board Members to suggest new initiatives for the Board to consider undertaking or assigning to Committees.*

Example - Advance Metering Infrastructure (AMI) project

Using this new approach, the project would begin in a Board Work Session where we would discuss the draft AMI Project Charter to include, if necessary, staff's recommendation for specific assistance by Committee(s). The AMI project is very complex and has elements which will impact many aspects of our business (customers; community engagement; financial management; human resources; operations; information technology). We believe this project will provide many positive benefits to the organization and customers, but if not properly implemented, could have major consequences. We believe it will be very important for all Board members to fully understand, discuss and agree on the project priorities and specific expectations for staff and Board Committees.