

ORANGE WATER AND SEWER AUTHORITY
WORK SESSION OF THE BOARD OF DIRECTORS
SEPTEMBER 10, 2015

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a Work Session on Thursday, September 10, 2015 at 6:00 PM in OWASA's Community Room 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; Jeff Danner; David (Dave) Moreau; Bob Morgan and Ruchir Vora. Board Member absent: Quinton Harper.

OWASA staff present: Ed Kerwin; Mary Darr; Patrick Davis; Greg Feller; Stephanie Glasgow; Kenneth Loflin; Andrea Orbich; Johnny Riley; Kelly Satterfield; Todd Taylor; Mary Tiger; Stephen Winters; and Robert Epting, Esq., Epting and Hackney.

Others present: Ben Poulson, Associate Director of Energy Services and Meg Holton, Water, Wastewater, and Stormwater Manager, University of North Carolina at Chapel Hill; Lucretia Kinney, Carrboro resident; Beverly Frassinelli, North Carolina Bluebird Society; Virginia and Ray Dickie; Loren Hintz, Catherine Kronk, Casey Nordell, Edward Mann, Mark Anley, Mary Sonis, and Jan Hansen, Chapel Hill residents; Beth Gregory, Hillsborough resident; and Joel Bulkley.

MOTIONS ACTED UPON

1. Terri Buckner made a motion to allow birdwatching at the Cane Creek Reservoir as follows: Wednesday's from November 18 – March 16 (excluding holidays) at no cost to the public and opening the gate from 7:00 AM until 11:00 AM; participants will be required to sign in at the Recreation Office to track data; a sign will be placed at the main entrance notifying users that Cane Creek Reservoir is open for the sole purpose of birdwatching; during severe weather or other emergency events, staff may decide to close the reservoir without prior notice; and this activity will be reevaluated in 2016. The Motion was seconded by Michael Hughes and unanimously approved.
2. Jeff Danner made a motion that the Board not schedule a night event at the Cane Creek Reservoir, but that the Board is open to considering a request for such an event; second by Robert Morgan and unanimously approved.
3. BE IT RESOLVED THAT the Orange Water and Sewer Authority Board of Directors adopts the Resolution Authorizing Merit Pay Increases for Eligible Employees. (Resolution so titled attached hereto and made a part of these minutes. Motion by Robert Morgan, second by Jeff Danner and Resolution passed with a vote of seven to two with Terri Buckner and Ruchir Vora opposed.)

ANNOUNCEMENTS

John Young 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. There were none.

Heather Payne, Dave Moreau and Ruchir Vora reported on their meeting with the Chapel Hill Town Council's OWASA Committee on September 10, 2015.

Mr. Young announced the following Standing Committees of the Board of Directors:

- Community Engagement: Ruchir Vora, Chair; Quinton Harper; Terri Buckner; and Robert Morgan
- Finance: Heather Payne, Chair; Jeff Danner; and Dave Moreau
- Human Resources: Robert Morgan, Chair; Jeff Danner; and Heather Payne
- Natural Resources and Technical Systems: Dave Moreau, Chair; Terri Buckner; and Ruchir Vora

Michael Hughes announced his resignation effective following the September 24, 2015 Board Meeting.

Terri Buckner reported on the September 2, 2015 meeting of the Ad Hoc Working Group regarding collaboration on energy management and renewables. She said the group has decided to identify potential collaboration opportunities before pursuing a public forum.

ITEM ONE: ADDITIONAL RECREATION ACTIVITIES AT THE CANE CREEK RESERVOIR

After receiving comments and feedback from the public (30 written comments were provided to the Board and speakers at the Board meeting included: Roy Dickie, Jan Hansen, Beth Gregory, Loren Hintz, and Mary Sonis), the Board was in agreement to allow birdwatching at the Cane Creek Reservoir.

Terri Buckner made a motion to allow birdwatching at the Cane Creek Reservoir as follows: Wednesday's from November 18 – March 16 (excluding holidays) at no cost to the public and opening the gate from 7:00 AM until 11:00 AM; participants will be required to sign in at the Recreation Office to track data; a sign will be placed at the main entrance notifying users that Cane Creek Reservoir is open for the sole purpose of birdwatching; during severe weather or other emergency events, staff may decide to close the reservoir without prior notice; and this activity will be reevaluated in 2016. The Motion was seconded by Michael Hughes and unanimously approved. Please see Motion 1 above.

Jeff Danner made a motion that the Board not schedule a night event at the Cane Creek Reservoir, but that the Board is open to considering a request for such an event; second by Robert Morgan and unanimously approved. Please see Motion 2 above.

ITEM TWO: DISCUSSION OF POTENTIAL WATER AND SEWER RATE STRUCTURE MODIFICATIONS

The Board continued its discussions on potential modifications to OWASA's water and sewer rate structure. Staff presented background information and recommended a cost allocation study as the next step. The Board generally agreed but requested that staff first provide a work plan that outlines the process ahead. Staff will present the work plan at the Board's October 8, 2015 meeting.

ITEM THREE: APPROVE EMPLOYEE MERIT PAY FOR FISCAL YEAR (FY) 2016

Robert Morgan made a motion to approve the Resolution Authorizing Merit Pay Increases for Eligible Employees and that employees rated as "Successful" in their October 2015 annual performance review will receive a merit pay increase of 3% and employees rates as "Exceptional" in their October 2015 annual performance review will receive a merit pay increase of 6% effective November 2, 2015; second by Jeff Danner and the motion passed with a vote of seven to two with Terri Buckner and Ruchir Vora opposed. Please see Motion 3 above.

ITEM FOUR: REQUEST(S) BY BOARD COMMITTEES, BOARD MEMBERS AND STAFF

Dave Moreau requested information on water billing increments; staff will follow up with Mr. Moreau.

ITEM FIVE: REVIEW 12 MONTH BOARD MEETING SCHEDULE

The Board agreed to elect a new Vice Chair on September 24th and the Advance Metering Infrastructure agenda item will include a project charter and community engagement information. On October 8th the Board will continue discussion on potential rate structure modifications and present information about customer classes and water use; and receive a report on legal duties with respect to expectations of OWASA resources. The 2016 Recreation Fees and Activities agenda item was removed from the October 22nd meeting, not to be rescheduled.

ITEM SIX: SUMMARY OF BOARD WORK SESSION ITEMS

Ed Kerwin summarized the key action items for staff as follows:

- Staff will inform Cane Creek neighbors and other stakeholders of the Board's approval for bird watching at the Cane Creek reservoir;
- Staff will follow up with Dave Moreau regarding his inquiry about water billing increments; and
- Staff will provide alternative ways to reflect information on the 12 Month Board Meeting Schedule that include future Board decisions that will be preceded by active community engagement.

ITEM SEVEN: CLOSED SESSION FOR THE PURPOSE OF DISCUSSING TWO
PERSONNEL MATTERS

Without objection, the Board of Directors convened in a Closed Session for the purpose of discussing two personnel matters.

The meeting was adjourned at 9:30 PM.

Respectfully submitted by:

A handwritten signature in black ink that reads "Andrea Orbich". The signature is written in a cursive, flowing style.

Andrea Orbich
Executive Assistant/Clerk to the Board

Attachment

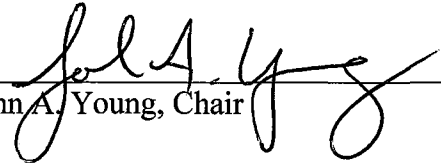
**RESOLUTION AUTHORIZING MERIT PAY INCREASES FOR ELIGIBLE
EMPLOYEES**

WHEREAS, the Board of Directors has determined that it is reasonable and prudent to provide Merit Increases in order to provide fair and equitable compensation so that qualified employees may be retained to do the work necessary for the operation of the OWASA service system:

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS,
THAT:**

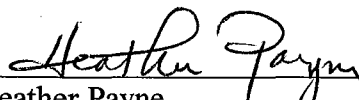
1. Employees rated as "Successful" in their October 2015 annual performance review will receive a merit pay increase in the amount of 3%.
2. Employees rated as "Exceptional" in their October 2015 annual performance review will receive a merit pay increase in the amount of 6%.
3. The aforementioned pay adjustments will be effective November 2, 2015.

Adopted this 10th day of September 2015.



John A. Young, Chair

ATTEST:



Heather Payne
Secretary