

ORANGE WATER AND SEWER AUTHORITY
WORK SESSION OF THE BOARD OF DIRECTORS

FEBRUARY 9, 2017

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a work session on Thursday, February 9, 2017 at 6:00 P.M. in Council Chamber at Chapel Hill Town Hall, 405 Martin Luther King Jr Boulevard, Chapel Hill.

Board Members present: John A. Young, Chair; Jeff Danner, Vice Chair; Barbara Foushee, Secretary; Yinka Ayankoya; Terri Buckner; David Moreau; Bob Morgan; Heather Payne; and Ruchir Vora.

OWASA staff present: Ed Kerwin; Mary Darr; Denise Battle; Patrick Davis; Monica Dodson; Thomasina Farrell; Greg Feller; Vishnu Gangadharan; Adam Haggerty; Randy Horton; Stephanie Glasgow; Katie Harrold; John Kiviniemi; Simon Lobdell; Kenneth Loflin; Andrea Orbich; Ruth Rouse; Kelly Satterfield; Mary Tiger; Todd Taylor; Pamela Whitmore; Stephen Winters; Robin Jacobs and Robert Epting, Esq., Epting and Hackney.

Others present: Daria Barazandeh; Chief Chris Blue, Chapel Hill Police; Anita Booth; Gine Borlty and Antony Sherrud, WRAL; Carolyn Briggs; Bill Camp; John Campbell; Linda Carver; Rachel Conerly; Becky Dallke; Zachary Davidson; Pat DeVine; Eleanor Dillon; Parker Emmerson, Bitcoin; Jennette Farrington; Braxton Foushee; Hannah Herzog; Michael Hyland, WNCN; Katherine Hysmith; Brad Ives, Associate Vice Chancellor of Campus Services and Margaret Holton, Water, Sewer and Reclaimed Water Coordinator, University of North Carolina at Chapel Hill; Melody Ivins; Trey C. Homelsy; Anne Johnson, Herald Sun; Gary Kahn; Jonah Kaplan and Aaron Asselin, WTVD; Lucredia Kinney; Earlene Kincad, Carrboro Family Medicine; Alyssa LaFaro; Mayor Lydia Lavelle, Town of Carrboro; Patrick Lastonguay; Meredith McDonald; Kyle Oken; Lemi Otmia; Chapel Hill Town Council Member Michael G. Parker; Joyce Preslar; J. Tristian Routh; Shahila Sriskanda; Corey Sturmer; Claire Viadro; Stephen Wood; Chief Matthew Sullivan, Chapel Hill Fire; and Chris Williams, Time Warner Cable News.

MOTIONS

1. BE IT RESOLVED THAT the Orange Water and Sewer Authority Board of Directors adopts the Resolution Awarding a Construction Contract for the Gravity Sewer Rehabilitation Project. (Resolution so titled attached hereto and made a part of these Minutes. Motion by Robert Morgan, second by Heather Payne and unanimously approved.)

2. BE IT RESOLVED THAT Orange Water and Sewer Authority Board of Directors adopts the Resolution of Appreciation to the Staff of the Orange Water and Sewer Authority. (Resolution so titled attached hereto and made a part of these Minutes. Motion by Dave Moreau, second by Yinka Ayankoya and unanimously approved.)

3. Jeff Danner made a motion to adjourn the meeting; second by Terri Buckner and unanimously approved.

ANNOUNCEMENTS

John Young apologized to the community for the disruption in the water emergency from February 2-4, 2017. He noted that the emergency affected many residents, businesses, employees and visitors. He expressed appreciation to the City of Durham, Chatham County, the Town of Hillsborough, the University and the many other partners who provided strong support during the emergency. Mr. Young recognized elected and appointed officials of the Towns of Chapel Hill and Carrboro and the University of North Carolina at Chapel Hill who were present at the Board meeting.

Mr. Young said the community's response to the emergency was phenomenal, and that the community was well prepared to keep the hospital and other critical care facilities operating, and to maintain fire protection. He encouraged patronage of local restaurants, recycling of bottles, and donations to the Care to Share customer assistance fund.

Mr. Young said that as OWASA begins the review and improvement process, public feedback is needed in OWASA's work to find solutions to such an event to prevent it from happening again. OWASA is committed to promptly investigating what happened, to transparency and to evaluating improving communications with the public in such circumstances.

Conflict of Interest

John Young said that 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; none were disclosed.

ITEM ONE: AWARD OF A CONSTRUCTION CONTRACT FOR THE GRAVITY SEWER REHABILITATION PROJECT

Robert Morgan made a motion to approve the resolution; second by Heather Payne and unanimously approved. Please see Motion 1 above.

ITEM TWO: UPDATE ON THE FEBRUARY 2-5, 2017 WATER EMERGENCY EVENT AND RECOVERY INCLUDING PUBLIC COMMENT

Ed Kerwin also apologized to the community for the disruptions in the water emergency event and said testing confirmed that the drinking water was safe during the emergency. Mr. Kerwin reviewed the water treatment process and the timeline of events in the water emergency including the shutdown of the Jones Ferry Road Water Treatment Plant on February 2nd due to the fluoride overfeed, which was contained within the plant with no release of high fluoride water to the distribution system. Mr. Kerwin reviewed the transfer of water from the City of Durham and Chatham County systems; and the decision to direct no drinking or other use of

water on February 3rd, when a water line break further reduced water storage levels and pressure, with the resulting potential for bacterial contamination.

The Chair then opened the floor for public comment.

Linda Carver said that she did not see news about the fluoride overfeed until Friday, February 3rd, that bottled water sales to individuals should have been limited to assure its availability to everyone, and that many people did not know that free water was available. She stated that in her opinion customers deserve money for suffering and aggravation in the emergency.

Zachary Davidson expressed opposition to fluoridation of drinking water.

John Young said a decision on resuming fluoridation will occur after public input at a future Board meeting.

Corey Sturmer expressed opposition to fluoridation of drinking water and requested the Board conduct a referendum of same.

Robert Epting said that the OWASA Board is not authorized to conduct a referendum.

Hannah Herzog said her apartment was flooded and her belongings were damaged because of the water line break on February 3rd. She asked for compensation, and explained that her renter's insurance did not apply to this kind of event.

Shahila Sriskanda said the deductible in her insurance is high.

Bill Camp thanked OWASA for quickly restoring normal water service and asked whether OWASA will develop plans for future severe events.

Parker Emmerson expressed opposition to fluoridation.

Daria Barazandeh expressed opposition to fluoridation and asked that OWASA reconsider adding fluoride to drinking water.

Alyssa LaFaro expressed appreciation for resolving the emergency quickly and opposition to fluoridation.

Jonah Kaplan, ABC News Channel 11, asked clarifying questions regarding the repair of the water line.

Joyce Preslar commended the Board and staff on their work to resolve this event quickly and suggested that the Board reconsider the use of fluoride in the drinking water.

Rachel Conerly expressed opposition to fluoridation and would like to know when it will be restarted.

Braxton Foushee expressed concern about communication with the public during the water emergency event and stressed the importance of reaching citizens quickly in such events.

Claire Viadro expressed opposition to fluoridation, and noted the money used to purchase fluoride could be saved.

After discussion, the Board agreed to review the consultants' investigative reports on the fluoride overfeed and water line break; to post the consultants' reports on OWASA's website; and to schedule a special Board meeting to discuss the consultants' reports after they are complete, possibly in the week of February 14th. Staff will take the actions necessary on the secondary Durham interconnection to ensure full transfer capacity; to evaluate with the Board the desirability of a third-party review of the incident; and to develop action plans on the additional near- and long- term measures for continuous improvement.

Dave Moreau observed that the staff worked tirelessly to meet and overcome the water supply emergency on February 2 and 3, 2017, and has since worked diligently to determine and remedy the causes of that event, and in every respect their work in this regard has been first class. In that regard, Dave Moreau made a motion to express the Board's appreciation to the OWASA employees for their response to the February 2017 water emergency events; second by Yinka Ayankoya and unanimously approved. Please see Motion 2 above.

ITEM THREE: CLOSED SESSION

Due to the late hour, the Board of Directors postponed the Closed Session for the purpose of discussing a personnel matter until February 23, 2017.

Jeff Danner made a motion to adjourn the meeting; second by Terri Buckner and unanimously approved. Please see Motion 3 above.

The work session was adjourned at 9:21 P.M.

Respectfully submitted by:



Andrea Orbich
Executive Assistant/Clerk to the Board

Attachments

**RESOLUTION AWARDING A CONSTRUCTION CONTRACT FOR THE GRAVITY
SEWER REHABILITATION PROJECT**

WHEREAS, there is a need for the rehabilitation of certain gravity sewer mains and manholes throughout the service area; and

WHEREAS, plans and specifications for the construction of this project have been prepared by CDM Smith; and

WHEREAS, advertisement for contractor qualifications was published on the websites of the North Carolina Institute of Minority Economic Development, North Carolina Department of Administration Interactive Purchasing System, Greater Diversity News, and OWASA in December 2016, and nine contractors were qualified to bid; and

WHEREAS, on January 9, 2017, the prequalified contractors were formally invited to submit construction bids for the project, and three bids were received by the bid deadline of January 30, 2017; and

WHEREAS, Moffat Pipe, Inc. of Wake Forest, North Carolina has been determined to be the low responsive, responsible bidder for the project; and

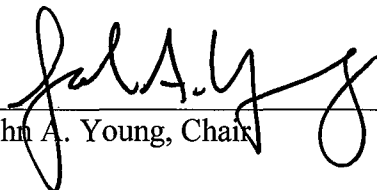
WHEREAS, on June 9, 2016 the Board approved a resolution authorizing funds for Capital Improvement Projects, including funds for this project;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Orange Water and Sewer Authority Board of Directors awards the construction contract to Moffat Pipe, Inc., the low responsive, responsible bidder for the Gravity Sewer Rehabilitation Project, in accordance with the approved plans and specifications, in the amount of \$1,290,243.00, subject to such change orders as may apply.

2. That the Executive Director be, and hereby is, authorized to execute said contract, subject to prior approval of legal counsel, and to approve and execute change orders and such documents as may be required in connection with the construction contract.

Adopted this 9th day of February 2017.



John A. Young, Chair

ATTEST:



Barbara Middleton-Foushee, Secretary

Resolution of Appreciation to the Staff of the Orange Water and Sewer Authority

Whereas, an overfeed of fluoride at the Jones Ferry Road Water Treatment, owned and operated by the Orange Water and Sewer Authority, was confirmed at 3:00 P.M. on Thursday February 2, 2017;

Whereas, staff made the decision to shut down plant and drain the ground level tank that captured the overly fluoridated water;

Whereas, staff activated the main interconnection with Durham for an alternate supply;

Whereas, customers were alerted and asked to conserve water during this event;

Whereas, those actions, without any compounding event, would have been sufficient to avoid major disruptions to OWASA's customers during the approximate 51 hours it took to get the plant back in full operation;

Whereas, a compounding event did occur the next morning when a major water main broke in the vicinity of Foxcroft Apartments;

Whereas, the water main break led to a rapid loss of 1.5 million gallons of water from elevated storage tanks, leading to dangerously low pressures on the distribution system;

Whereas, low pressures can lead to bacterial contamination in the distribution systems;

Whereas, staff promptly collected samples from the distribution system to test for any contamination;

Whereas, staff immediately initiated processes to activate a second interconnection with Durham and interconnections with Hillsborough and Chatham County;

Whereas, the decision was made to notify and cooperate with the Orange County Emergency Operations Center and to the Orange County Health Department to issue a do not use order;

Whereas, by 12:30 P.M., Saturday, February 4, 2017, the water main break was repaired, the plant was restored to operation, and results of tests indicated the water was safe to drink;

Whereas, the Emergency Operations Center rescinded all restrictions on water use by 2:30 P.M., limiting major disruptions of service to OWASA's customers to about 24 hours;

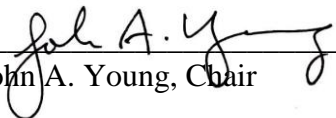
Whereas, staff, on the next business day, initiated independent, professional, and credible investigations of the overfeed of fluoride and the water main break, and immediately published the reports as soon as they were received 4 days later, demonstrating commitment to objectivity, transparency, and prompt implementation of correction actions;

Whereas, substantial financial losses and widespread inconveniences that did result from interruption of service could have been much greater without timely and professional responses of the staff;

Now, Therefore, Be It Resolved by the Orange Water and Sewer Authority:

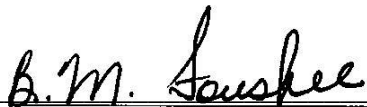
That the Board of Directors of OWASA expresses its deep appreciation to staff for its actions to limit the duration of disruption of service and taking steps to assure the safety of water delivered to OWASA's customers.

Adopted this 9th day of February 2017.



John A. Young, Chair

ATTEST:



Barbara M. Foushee, Secretary