

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

MARCH 9, 2017

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a work session on Thursday, March 9, 2017 at 6:00 P.M. in the Community Room in OWASA's Administration Building, 400 Jones Ferry Road, Carrboro.

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

OWASA staff present: Ed Kerwin; Mary Darr; Monica Dodson; Greg Feller; Alicia Grey; Stephanie Glasgow; Katie Harrold; Randy Horton; Ken Loflin; Andrea Orbich; Ruth Rouse; Todd Taylor; Mary Tiger; Stephen Winters; and Robert Epting, Esq., Epting and Hackney.

Others present: Elijah Ayankoya; Daria Barazandeh; Jennie Baumann; Jackson Boone; Joal H. Broun; Lauren Brown; Dr. Rodney Coleman, First Baptist Church; Rachel Conerly; Theodore Cukkinos; Zachary Davidson; Don DeMichels; Eleanor Dillon; Parker Emmerson; Braxton Foushee; Fredrick Harris; Quinton Harper; Thomas Hartwell; Dr. Rebecca King; Debbye Krueger; Lew Lampiris; Roy Piscitello; Sharon Reese; Ali Saeed, NC Oral Health; Lisa Stauffer; Wendy Schwade; Rhonda Stephens; Charlee Sturmer; Corey Sturmer; Claire Viadro; Wynona Thompson; Jane Weintraub; Alex White; Lamont Wilkins; Tim Wright; Sam Yanuck; Kurt Yokum; Valerie Yow; Brad Ives, Associate Vice Chancellor of Campus Services and Margaret Holton, Water, Sewer and Reclaimed Water Coordinator, University of North Carolina at Chapel Hill; and Annie Chen, Ann Danells, Winston George, Brittany Klein, and Duane Laucheryes, UNC School of Dentistry.

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

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MOTIONS

1. Terri Buckner made a motion that: 1) OWASA will continue to follow its current policy and practice of fluoridating the public drinking water supply; 2) OWASA staff is directed to stay abreast of developments in scientific research and accepted public health policy and practice related to public water supply fluoridation; and 3) staff will continue to monitor and improve OWASA's fluoride feed system, and inform the Board when the improved system is ready for operation; second by Dave Moreau and the motion passed with a vote of seven to one with Yinka Ayankoya opposed because she does not want fluoride in the drinking water.

2. Robert Morgan made a motion that the Board approve the Draft Initial Implementation Plan for OWASA's Diversity and Inclusion Program, hire a consultant within the next quarter, and

receive quarterly reports in June and September 2017; second by Terri Buckner and unanimously approved.

3. Yinka Ayankoya made a motion that as a practice for the next election of Officers of the Board, the full Board of Directors would serve on the Nominating Committee, and that each Board member will be considered available for nomination for each office, except those who specifically indicate (for each office) before the election that he or she is unwilling or unable to serve; second by Robert Morgan and unanimously approved.

4. Robert Morgan made a motion to set one-year term limits for each of the offices of Chair, Vice Chair and Secretary, the Board agreed not to amend the Bylaws to provide for these changes, but rather, agreed that these procedures would be followed as current practice; second by Terri Buckner and the motion passed with a vote of five to three with Dave Moreau, Heather Payne and Ruchir Vora opposed.

ANNOUNCEMENTS

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.

Ruth Rouse, Planning and Development Manager, said the N.C. Environmental Management Commission approved continuation of OWASA's allocation of 5% of the Jordan Lake supply, or about 5 million gallons per day. Jordan Lake is an important back up supply in the event of an extended drought or operational emergency such as the one in early February. OWASA has mutual aid agreements with the City of Durham and the Town of Cary to use their existing infrastructure to access our Jordan Lake allocation when needed.

ITEM ONE: WHETHER TO REVIEW OWASA'S CURRENT PRACTICE OF FLUORIDATING DRINKING WATER

The Board received public comments from more than 40 people via e-mail and letters, etc., prior to the meeting tonight. The Board also received public comment at the meeting from 20 individuals (5 concurred with the practice of water fluoridation and 13 opposed water fluoridation).

Terri Buckner arrived at 6:52 P.M.

Following discussion, Board members noted the concerns on both sides and stated that the public's input is respected and helpful.

Terri Buckner made a motion that: 1) OWASA will continue to follow its current policy and practice of fluoridating the public drinking water supply; 2) OWASA staff is directed to stay abreast of developments in scientific research and accepted public health policy and practice related to public water supply fluoridation; and 3) staff will continue to monitor and improve OWASA's fluoride feed system, and inform the Board when the improved system is ready for

operation; second by Dave Moreau and the motion passed with a vote of seven to one with Yinka Ayankoya opposed because she does not want fluoride in the drinking water. Please see Motion 1 above.

The Board expressed appreciation to the public for attending the meeting and providing comments.

ITEM TWO: DISCUSS INITIAL IMPLEMENTATION PLAN FOR OWASA'S EMPLOYEE DIVERSITY AND INCLUSION PROGRAM

Dr. Rodney Coleman, Pastor at Chapel Hill Baptist Church, expressed support of the plan and inquired on how frequent the plan would be evaluated for success.

After discussion, there was Board agreement to accept the Initial Implementation Plan for the Employee Diversity and Inclusion Program. The Board requested that staff hire a consultant in the next quarter to review and assist in further developing the plan, and that staff provide status reports in June and September 2017.

Robert Morgan made a motion that the Board approve the Initial Implementation Plan for OWASA's Diversity and Inclusion Program, hire a consultant within the next quarter, and receive quarterly reports in June and September 2017; second by Terri Buckner and unanimously approved. Please see Motion 2 above.

ITEM THREE: DISCUSS FISCAL YEAR (FY) 2018 DRAFT BUDGET AND RATES

Braxton Foushee said that he would like the Board to evaluate options for live viewing and videoing all OWASA Board meetings as part of the FY 2018 budget review process.

Terri Buckner proposed that the Board consider reducing the water commodity rate for area businesses for one year in response to the February water emergency. After discussion, the proposal was not supported by the Board.

ITEM FOUR: DISCUSSION OF BOARD OFFICER NOMINATION AND ELECTION PROCESS

Yinka Ayankoya made a motion that as a practice for the next election of Officers of the Board, the full Board of Directors would serve on the Nominating Committee, and that that each Board member will be considered available for nomination for each office, except those who specifically indicate (for each office) before the election that he or she is unwilling or unable to serve; second by Robert Morgan and unanimously approved. Please see Motion 3 above.

Robert Morgan made a motion to set one-year term limits for each of the offices of Chair, Vice Chair and Secretary, the Board agreed not to amend the Bylaws to provide for these changes, but rather, agreed that these procedures would be followed as current practice; second by Terri Buckner and the motion passed with a vote of five to three with Dave Moreau, Heather Payne and Ruchir Vora opposed. Please see Motion 4 above.

The Board discussed selection of committee members and appointment of officers of committees, but took no action.

ITEM FIVE: REVIEW BOARD WORK SCHEDULE

The Board received a status report from Todd Taylor on evaluation of proposals for installing the Advanced Metering Infrastructure (AMI) system and the start of contract negotiations with the selected firm, Mueller Systems. The AMI project will begin later this year.

The Board agreed to discuss the AMI manual meter reading option on April 27, 2017.

The Board agreed that the Minutes of the Board of Directors Meeting on February 9, 2017 will include the Resolution of Appreciation to the Staff of OWASA as unanimously approved by the Board on February 9th.

ITEM SIX: RESOLUTION SETTING THE DATE OF MAY 25, 2017 FOR A PUBLIC HEARING ON OWASA'S FISCAL YEAR 2018 BUDGET

Without objection, the Board approved the Resolution Setting the Date of May 25, 2017 for a Public Hearing on OWASA's Fiscal Year 2018 Budget.

ITEM SEVEN: RESOLUTION SETTING THE DATE OF MAY 25, 2017 FOR A PUBLIC HEARING ON PROPOSED REVISIONS TO OWASA'S RATES, FEES AND CHARGES

Without objection, the Board approved the Resolution Setting May 25, 2017 as the Date for a Public Hearing on the Proposed Revisions to OWASA's Schedule of Rates, Fees and Charges.

ITEM EIGHT: MINUTES

Without objection, the Board approved the Minutes of the January 26, 2017 Meeting of the Board of Directors.

ITEM NINE: MINUTES

Without objection, the Board approved the Minutes of the February 23, 2017 Closed Session of the Board of Directors.

ITEM TEN: EXECUTIVE DIRECTOR'S SUMMARY OF THE KEY STAFF ACTION ITEMS FROM THIS WORK SESSION

Mr. Kerwin said the key items for staff action are:

- Evaluate options for live viewing and video of all OWASA Board meetings as part of the FY 2018 budget review process.

- Proceed with Initial Implementation Plan for Diversity and Inclusion Program; hire consultant within the next quarter; provide progress reports in June and September 2017.

ITEM ELEVEN: CLOSED SESSION

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

The meeting was adjourned at 9:55 P.M.

Respectfully submitted by:



Andrea Orbich
Executive Assistant/Clerk to the Board

Attachments

**RESOLUTION SETTING THE DATE OF MAY 25, 2017 FOR A PUBLIC HEARING ON
OWASA'S FISCAL YEAR 2018 BUDGET**

WHEREAS, Section 159-12 of the General Statutes of North Carolina requires a Public Hearing on the budget for the ensuing fiscal year; and

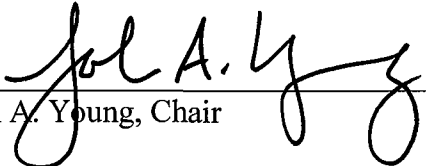
WHEREAS, in accordance with Section 7.05 of the Bond Order, and Section 159-13 of the General Statutes of North Carolina, the Board of Directors of Orange Water and Sewer Authority shall adopt an Annual Budget for the Fiscal Year 2018 on or before the first day of July 2017; and

WHEREAS, said proposed Budget will be placed with the Clerk to the Board and will be available for public inspection;

NOW, THEREFORE, BE IT RESOLVED:

1. That a Public Hearing is hereby set for Thursday, May 25, 2017, at 7:00 P.M., in Chapel Hill Town Hall, for the purpose of receiving public comment on the proposed Fiscal Year 2018 budget.
2. That any interested persons may appear in-person, or by agent or attorney, and present any comments they may have regarding the proposed budget.
3. That notice of the time and place of the Public Hearing shall be advertised and mailed at least ten days prior to the date fixed above for the Public Hearing to The University of North Carolina at Chapel Hill, and to the Towns of Chapel Hill and Carrboro and to Orange County.

Adopted this 9th day of March, 2017.



John A. Young, Chair

ATTEST:



Barbara M. Foushee, Secretary

**RESOLUTION SETTING MAY 25, 2017 AS THE DATE FOR A PUBLIC HEARING ON
PROPOSED REVISIONS TO OWASA'S SCHEDULE OF RATES, FEES AND
CHARGES**


WHEREAS, the Orange Water and Sewer Authority must charge fees sufficient to provide financial resources to recover the cost of ongoing operations, pay for capital improvements, and provide sufficient financial resources to ensure sustainable fiscal strength and stability; and

WHEREAS, Section 162A-6 of the General Statutes of North Carolina and Section 7.04 of the Amended and Restated Bond Order adopted September 13, 2001, provide for the revision of such rates, fees and charges;

NOW, THEREFORE, BE IT RESOLVED:

1. That a Public Hearing is hereby set for Thursday, May 25, 2017 at 7:00 P.M., in Chapel Hill Town Hall, for the purpose of receiving public comment on any proposed adjustments to Orange Water and Sewer Authority's rates, fees and charges.
2. That any interested persons may appear in person, or by agent or attorney, to present comments on the proposed modifications to the current schedule of rates, fees and charges.
3. That notice of the time and place of the Public Hearing shall be advertised and shall be mailed at least ten days prior to the date fixed above for the Public Hearing to the University of North Carolina at Chapel Hill, Town of Carrboro, Town of Chapel Hill, and Orange County.

Adopted this 9th day of March, 2017.


John A. Young, Chair

ATTEST:


Barbara M. Foushee, Secretary