

Orange Water and Sewer Authority  
Meeting of the Board of Directors  
January 25, 2018

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, January 25, 2018, at 7:00 p.m. in Chapel Hill Town Hall Council Chamber.

Board Members present: Robert Morgan (Chair), Heather Payne (Vice Chair), Yinka Ayankoya (Secretary), Jeff Danner, Ray DuBose, Barbara Foushee, John N. Morris, Ruchir Vora and John A. Young.

OWASA staff present: Mary Darr, Robert Epting, Esq., (Epting and Hackney), Vishnu Gangadharan, Ed Kerwin, Ken Loflin, Andrea Orbich, Johnny Riley, Kelly Satterfield, Todd Taylor, Mary Tiger and Stephen Winters.

Others present: Elijah Ayankoya, Joel Bulkley (Community Sports News), Margaret Holton (University of North Carolina (UNC) Water, Sewer and Reclaimed Water Coordinator), A. McArthur, Michael Potter and Ben Poulson (UNC at Chapel Hill Associate Director of Energy Services).

Motions

1. John Young made a motion that the Board receive Michael Potter's petition regarding his water meter, and that staff provide a response and recommendation at a future meeting; second by Barbara Foushee and unanimously approved.
2. Ruchir Vora made a motion that in advance of publishing a report on OWASA's website no later than April 1, 2018, in compliance with NC House Bill 436/Session Law 2017-138, the Board of Directors hereby approves and directs staff to use the Buy-In Method for calculating OWASA's System Development Fees going forward; second by Yinka Ayankoya and unanimously approved.
3. Barbara Foushee made a motion to adjourn the meeting; second by Heather Payne and unanimously approved.

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Announcements

Robert Morgan asked if any Board Member knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight to disclose the same at this time; none were disclosed.

Mr. Morgan said that an OWASA orientation has been scheduled for newly elected Chapel Hill Town Council Members on Monday, February 12, 2018, at 4:00 p.m. in the OWASA Boardroom.

Barbara Foushee said the Human Resources Committee will meet to discuss retiree health benefits for new hires, and 457 deferred compensation, on Monday, February 5, 2018, at 5:30 p.m. in the OWASA Boardroom.

Ms. Foushee said that the Board of Directors will meet to receive diversity and inclusion training and feedback with VISIONS, Inc. (OWASA's consultant) on Monday, January 29, 2018, at 6:00 p.m., in the OWASA Boardroom.

John Young said that Ed Kerwin and he will attend the Chatham/Orange Joint Planning Task Force meeting on Thursday, February 8, 2018, at 12:00 noon at the offices of Clarion Associates in Chapel Hill. The Task Force was originally initiated in 2009 but has been inactive in recent years. It is being restored to discuss topics of mutual interest between the two counties, such as comprehensive planning and public water supply protection and enhancement.

Mr. Young said the Natural Resources and Technical Services Committee will meet to discuss and evaluate the Drought Response Operating Protocol on Monday, February 26, 2018, at 5:00 p.m. in the OWASA Boardroom.

Ray DuBose said that he will provide OWASA's annual update to the Orange County Board of County Commissioners on Tuesday, February 20, 2018, 7:00 p.m., at the Southern Human Services Center in Chapel Hill. Mr. DuBose said the update will include items from the January 2018 Annual Report to the local governments and that Robert Morgan and Todd Taylor will also attend.

Todd Taylor provided a brief report and expressed appreciation to OWASA employees who worked during the January 18<sup>th</sup> winter weather event to ensure water and sewer services were operational for the community.

Mr. Taylor said that staff received notice that OWASA will receive the Partnership for Safe Water Presidents Award for Distribution System Operation, which recognizes the Distribution Department for continuous self-assessment and facilities improvement planning. OWASA is the third utility in the United States to receive this award.

Heather Payne reported that Todd Taylor did a great job representing OWASA at the DistribuTech conference regarding OWASA's Advanced Metering Infrastructure installation.

### Petitions and Requests

Michael Potter petitioned the Board to review staff's determination on his request for a refund of billing fees and charges. He said that due to a faulty water meter at his residence (over a 10-year period), he was overbilled. Mr. Potter complained that the rate at which OWASA owes him reimbursement should be the highest rate applicable to his use, rather than the lowest rate, and

that the reimbursement should be calculated over a 10-year period rather than the three-year period used by OWASA staff.

John Young made a motion that the Board receive Michael Potter's petition regarding his water meter, and that staff provide a response and recommendation at a future meeting; second by Barbara Foushee and unanimously approved. Please see Motion 1 above.

Jeff Danner ask about the planning and preparedness of this spring's possibility of algae outbreaks; staff will follow up.

Robert Morgan asked for petitions and requests from staff; there were none.

Item One: 12 Month Board Meeting Schedule

The Board received this as an information item.

Item Two: Approve Proposed New Calculation Method for System Development Fees

Ruchir Vora made a motion that in advance of publishing a report on OWASA's website no later than April 1, 2018, in compliance with NC House Bill 436/Session Law 2017-138, the Board of Directors hereby approves and directs staff to use the Buy-In Method for calculating OWASA's System Development Fees going forward; second by Yinka Ayankoya and unanimously approved. Please see Motion 2 above.

Item Three: Key Focus Areas for OWASA's Executive Director

The Board approved Key Focus Areas for OWASA's Executive Director.

Item Four: 2017 Annual Lakes Recreation Report

John Young commented that he would like to consider charging a higher rate for out of the county visitors to use Cane Creek as part of the annual rate recommendations, and that he would like staff to provide a break out of operational costs separately for the two lakes.

The Board received five public comments via e-mail requesting that the birdwatching day continue, and four requested that the day be changed from Wednesday to Saturday or Sunday.

After discussion, the Board agreed to treat the request as a petition and requested staff provide options and recommendations at a future meeting to enhance birdwatching opportunities at Cane Creek Reservoir.

Item Five: Capital Improvements Program (CIP) Semiannual Status Report

The Board requested that the CIP expenses graph be further detailed to include a simple depiction of the causes of the projected budget variance. The Board also requested that staff explore and implement feasible options to attract greater Minority and Women-Owned Business

Enterprise participation in bidding on construction projects, including a potential project for an “Open House” event, possibly in conjunction with other local municipalities or entities.

Item Six: Financial Report for the Six-Month Period Ended December 31, 2017

The Board received a presentation on the financial report for the six-month period ended December 31, 2017, reporting that OWASA is meeting all financial management policy performance objectives.

Item Seven: Fiscal Year 2019 Budget Calendar and Assumptions

The Board received this as an information item.

Item Eight: Summary of Board Meeting Action Items

Ed Kerwin noted the following items for staff follow-up:

- February 8, 2018 Work Session will include:
  - Progress Report on Diversity and Inclusion work;
  - Update on Affordability Outreach Program for Year 3; and
  - Discuss and determine the next Key Performance Indicator for an in-dept discussion.
- Provide a recommendation on Michael Potter’s petition regarding his water bill.
- Provide options and a recommendation to enhance birdwatching opportunities at Cane Creek Reservoir at a future meeting.
- Incorporate the Board’s suggestions for Capital Improvements Program expense reporting in the next report.
- Investigate and implement efforts to attract greater Minority and Women-Owned Business Enterprise participation on bidding construction projects.
- Provide a report via e-mail on work to manage taste and odor impacts algae outbreaks.

Barbara Foushee made a motion to adjourn the meeting; second by Heather Payne and unanimously approved. Please see Motion 3 above.

The Board meeting was adjourned at 8:15 p.m.

Respectfully submitted by:



Andrea Orbich  
Executive Assistant/Clerk to the Board