

Orange Water and Sewer Authority
Meeting of the Board of Directors
May 10, 2018

The Board of Directors of the Orange Water and Sewer Authority (OWASA) met in a work session on Thursday, May 10, 2018, at 6:00 p.m. in OWASA's Community Room, 400 Jones Ferry Road, Carrboro.

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

OWASA staff present: Mary Darr, Robert Epting, Esq., (Epting and Hackney), Stephanie Glasgow, Ed Kerwin, Andrea Orbich, Ruth Rouse, Todd Taylor, Stephen Winters and Richard Wyatt.

Others present: Margaret Holton (University of North Carolina Water Resources Manager) and Ben Poulson (UNC Associate Director of Energy Services).

Motions

1. Yinka Ayankoya made a motion to approve the Minutes of the April 12, 2018 Work Session of the Board of Directors; second by Barbara Foushee and unanimously approved.

2. BE IT RESOLVED THAT the Board of Directors of Orange Water and Sewer Authority Adopts the Resolution Authorizing the Executive Director to Execute Contracts with Blue Cross and Blue Shield of North Carolina for Employee Health and Dental Insurance Plans, and The Hartford for Employee Life, Dependent Life, Accidental Death and Dismemberment and Long-Term Disability Insurance Plans. (Motion by Yinka Ayankoya, second by Barbara Foushee, 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.

Heather Payne said that the Chapel Hill Town Council OWASA Committee (Jessica Anderson, Mayor pro tem; Nancy Oates; and Michael Parker) and all the Chapel Hill Appointees to the OWASA Board as well as Robert Morgan met on May 7, 2018. The group discussed reappointments/appointments to the OWASA Board; the Agua Vista Metering Initiative; OWASA's draft budget and rates for Fiscal Year 2019 that includes a 2% increase in monthly

water and sewer rates; OWASA's partnerships on affordability outreach, including the Care to Share Customer Assistance Program; and Rogers Road Sewer Project update. Council Members encouraged continued work on affordability outreach and offered their assistance. The group agreed to schedule the next meeting in the fall of 2018.

John Young said that the Natural Resources and Technical Services (NRTS) Committee met on May 8, 2018, to discuss source water protection efforts in which a majority of the discussion focused on perfluorinated compounds and biosolids as a potential carrier of those compounds. The NRTS Committee requested the development of two items: collect information on the locations, magnitude, and timing of application of biosolids applied in the Cane Creek Reservoir watershed; and draft a plan for sampling to characterize perfluorinated compounds in creeks feeding Cane Creek Reservoir. The NRTS Committee requested that staff provide the Board a map showing biosolids application sites in the Cane Creek Watershed that was discussed at the Committee meeting.

Barbara Foushee said that the Human Resources (HR) Committee met on May 9, 2018, to continue discussing retiree health benefits for new hires and OWASA's deferred compensation (457) plan. The HR Committee agreed to meet in June to continue their work to thoughtfully balance the Board's desire to fairly and competitively compensate employees while being mindful of fiscal responsibilities.

Ed Kerwin said that he attended the Joint Chatham-Orange Task Force meeting on May 10, 2018, where Chatham Park, Obey Creek, 15-501 Corridor Study, and Bus Transit connectivity between Chatham and Orange County were discussed. The next meeting is scheduled for October 4, 2018 and suggested topics are: update on Jordan Lake Western Intake; Light Rail; affordable housing; solid waste; and Orange County Lands Legacy Program.

Mr. Kerwin said that the Board will receive an update from staff on a water transfer to the City of Durham which is necessary due to renovation improvements at both of their water treatment plants. Mr. Kerwin said that initially the emergency transfer of drinking water was expected to be needed until the end of May. However, unanticipated construction delays have extended Durham's need for assistance until around the end of June to ensure their customers have an adequate supply while major construction activities are underway.

Todd Taylor announced that Monica Dodson has been offered and has accepted the Wastewater Treatment and Biosolids Recycling Manager position at OWASA.

Item One: Minutes

Yinka Ayankoya made a motion to approve the Minutes of the April 12, 2018 Work Session of the Board of Directors; second by Barbara Foushee and unanimously approved. Please see Motion No. 1 above.

Item Two: Resolution Authorizing the Executive Director to Execute Contracts with Blue Cross and Blue Shield of North Carolina for Employee Health and Dental Plans.

and The Hartford for Employee Life, Dependent Life, Accidental Death and Dismemberment and Long-Term Disability Insurance Plans

Motion by Yinka Ayankoya; second by Barbara Foushee and unanimously approved. Please see Motion No. 2 above.

Item Three: Employee Merit Pay for Fiscal Year 2019

After discussion, the Board requested information regarding the timing of the next review of the Employee Pay Administration Guidelines for discussion at a future meeting. The Board also agreed to consider approval of the Resolution (Schedule of Employee Classification and Authorized Compensation; Adjusting Affective Employees' Compensation to the Minimum of the Pay Range; and Authorizing Cost of Labor and Merit Pay Increases for Eligible Employees) on June 14, 2018.

Item Four: Draft Approach for Managing Forested Watershed Lands and its Community Engagement Process

After discussion, the Board concurred that sustainable forestry management is desired on OWASA's watershed land. The Board agreed to refer this topic to the Natural Resources and Technical Services (NRTS) Committee to discuss an approach for Forestry Management and an associated community engagement process.

Staff will provide the Board the 2010 Forestry Management Plan and a summary of public comments on the 2010 Forestry Management Plan as well as schedule this topic for a NRTS Committee meeting in the fall.

Item Five: Review Board Work Schedule

The Board agreed that staff will develop a list of key tasks for recurring Board action items over the next five years.

The Board agreed to schedule a Natural Resources and Technical Services Committee meeting to continue discussing source water protection in the fall.

The Board agreed to schedule a Finance Committee meeting to discuss a longer-term strategy for cost management in September or October 2018.

The Board agreed to continue to schedule time on its meeting agendas when Board Members may make Additional Comments, Suggestions, and Requests for Agenda Topics of interest to them.

Robert Morgan, Ruchir Vora and Ray DuBose said they would be absent from the June 14, 2018 Board work session.

The Board agreed that the nominations for the Election of Board Officers for Fiscal Year 2019, pending Jeff Danner's concurrence: Chair are Yinka Ayankoya, Jeff Danner and Ray DuBose; Vice Chair are Yinka Ayankoya, Jeff Danner and Ray DuBose; and Secretary are Jeff Danner, Ray DuBose and John Young. Staff will follow up with Mr. Danner.

Item Six: Executive Director Will Summarize the Key Staff Action Items from the Work Session

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

- Provide the Board a map showing biosolids application sites in the Cane Creek Watershed;
- Provide the Board information for discussion at a future meeting regarding the timing of the next review of the Employee Pay Administration Guidelines.
- Provide the Board a summary of public comments on the 2010 Forestry Management Plan and the 2010 Forestry Management Plan.
- Provide the Board a list of key tasks/actions for recurring Board attention over the next five years.
- Schedule a Natural Resources and Technical Services (NRTS) Committee meeting to continue discussing source water protection.
- Schedule a NRTS Committee meeting to discuss overall approach for managing OWASA's forested watershed lands.
- Schedule a Finance Committee meeting in the fall of 2018 to discuss longer-term approach/strategy for cost management.

The Board Work Session was adjourned at 7:45 p.m.

Respectfully submitted by:



Andrea Orbich
Executive Assistant/Clerk to the Board

Attachment

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE
CONTRACTS WITH BLUE CROSS BLUE SHIELD OF NORTH CAROLINA
(BCBSNC) FOR EMPLOYEE HEALTH AND DENTAL INSURANCE, AND THE
HARTFORD FOR EMPLOYEE LIFE, DEPENDENT LIFE,
ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) AND LONG TERM
DISABILITY (LTD) INSURANCE**

WHEREAS, OWASA employees are provided health and dental insurance coverage, as well as Life, Dependent Life, AD&D and LTD Insurance through OWASA's contract with Blue Cross Blue Shield of North Carolina (BCBSNC), which will expire on June 30, 2018; and

WHEREAS, OWASA employees have expressed their satisfaction with their present coverage through BCBSNC, and the Board of Directors has determined that continuing the contract for such coverage with BCBSNC is desirable and in OWASA's best interests; and

WHEREAS, with the capable assistance of its insurance consultant Hill, Chesson & Woody, OWASA has obtained proposals from BCBSNC for continuing the health coverage for a decrease in annual premiums of 7.4%, and renewal of Dental coverage with a 6.9% increase in rates for the period of July 1, 2018 through June 30, 2019; and, for Life, Dependent Life, AD&D and LTD through The Hartford for three years at a 10.8% decrease in premiums; and

WHEREAS, with the capable assistance Hill, Chesson & Woody the Board of Directors has determined that the rates proposed by BCBSNC and The Hartford for such are reasonable and appropriate, and that it is in best interests of OWASA to accept the proposals;

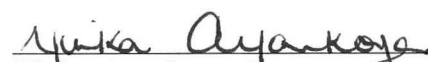
NOW, THEREFORE, BE IT RESOLVED:

1. That the Board of Directors has determined to accept the BCBSNC proposals for Health and Dental insurance coverage for the term and on the conditions proposed.
2. That the Board of Directors has determined to accept The Hartford proposals for Life, Dependent Life, AD&D and LTD Insurance for the term and on the conditions proposed.
3. That the Executive Director is hereby authorized and directed to execute the contracts.

Adopted this 10th day of May 2018.


Robert Morgan, Chair

ATTEST:


Yinka Ayankoya, Secretary