ORANGE WATER AND SEWER AUTHORITY

A public, non-profit agency providing water, sewer and reclaimed water services to the Carrboro-Chapel Hill community.

AGENDA
WORK SESSION OF THE OWASA BOARD OF DIRECTORS
THURSDAY, APRIL 9, 2015, 6:00 P.M.
OWASA COMMUNITY ROOM

The Board of Directors appreciates and invites the public to attend and observe its meetings. For the Board's Work Session, public comments are invited on only items appearing on this agenda. Speakers are invited to submit more detailed comments via written materials, ideally submitted at least three days in advance of the meeting to the Clerk to the Board via email or US Postal Service (aorbich@owasa.org/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within the three-to-five minute time frame allowed each speaker. Additional time may be allowed at the discretion of the Board of Directors.

The Board may take action on any item on the agenda.

Announcements

a. Announcements by the Chair
   - 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.
   - Chapel Hill Town Council OWASA Committee and Chapel Hill Appointees to the OWASA Board will meet on Thursday, April 23, 2015 at 8:00 AM in the OWASA Board Room

b. Announcements by Board Members
   - Update on Audit Firm Interviews (Heather Payne)

c. Announcements by Staff

Discussion

1. Employee Health and Dental Insurance Renewal (Stephanie Glasgow/Ellen Tucker, Hill Chesson & Woody)
2. Review Scope of Work for Biosolids Management Report (Part 2) (John Kiviniemi)
3. Fiscal Year 2016 Preliminary Budget and Rate Adjustment Recommendation (Stephen Winters)
4. Draft 2015 OWASA Customer Survey (Ed Kerwin)
5. OWASA Board of Directors' Officer Nomination Process (John Young)
6. Review Board Work Schedule (John Young/Ed Kerwin)
   a. 12 Month Board Meeting Schedule
   b. April 23, 2015 Board Meeting
   c. May 14, 2015 Work Session
7. Request(s) by Board Committees, Board Members and Staff (John Young)

Summary of Work Session Items

8. Executive Director will summarize the key staff action items from the Work Session

CLOSED SESSION

9. Following the Board Meeting, the Board of Directors will convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Michael Hughes)

Agenda Item 1:

Employee Health and Dental Insurance Renewal

Purpose:

Presentation and update from Hill, Chesson & Woody to generate Board discussion and guidance to staff regarding Employee Health and Dental Insurance beginning July 1, 2015.

Background:

The Orange Water and Sewer Authority began using the firm of Hill, Chesson & Woody in April 2014 to manage benefit plans and negotiate premiums for Employee Health, Dental, Life, Dependent Life, Accidental Death and Dismemberment (AD&D) and Long Term Disability (LTD) Insurance.

The current Employee Health and Dental Insurance contracts expire on June 30, 2015 while contracts for Life, Dependent Life, AD&D and LTD conclude on June 30, 2016.

The Board received a presentation from Hill, Chesson & Woody in January 2015 that included:

- Healthcare Reform Update
- Current Trends in Health Insurance
- OWASA Executive Summary/Data
- Renewal Expectations and Upcoming Strategy Options

Information:

A representative from Hill, Chesson & Woody will be presenting the following information on April 9, 2015:

- Renewal Data
- Strategy Options

Agenda Item 2:

Review Scope of Work for Biosolids Management Report (Part 2)

Purpose:

Seek the Board of Directors' concurrence on the revised Biosolids Management Objectives and the options staff plans to evaluate for recycling dewatered biosolids in the Draft Biosolids Management Report (Part 2 Report).

Background:

The Board of Directors received and discussed staff's Draft Biosolids Management Report (Part 1) at their January 8, 2015 Work Session. Following receipt of public comments and discussion, the Board agreed that we will continue our current blended program of land application of liquid biosolids and dewatered biosolids to McGill Environmental for composting through calendar year 2015.

The Board also agreed that staff will proceed to prepare the Part 2 Report which will address: ***What near-term action(s) should be considered to further optimize biosolids management?***

Staff is planning to complete the draft Part 2 Report by the end of August for distribution and discussion at the Board's September 10, 2015 Work Session.

Options to be Evaluated for Recycling Biosolids:

Staff proposes to evaluate the following options for recycling dewatered biosolids in the Part 2 Report:

1. Dewatered biosolids recycled on local farms that currently receive liquid biosolids from OWASA.
2. Dewatered biosolids to McGill Environmental for composting.
3. Dewatered biosolids to existing municipal facility for thermal drying.
4. Contract with private company for recycling biosolids.
5. Any blended combination of Options 1-4.

Long-term options that may include regional partnerships and/or major capital expenditures are not within the scope of the Part 2 Report, but will be considered in the future as our needs change or if other more desirable management options become available.

On March 17, 2015 staff met with 9 of the 13 farmers participating in our current biosolids program. We received questions, comments, and suggestions relating to the Part 1 Report and potential strategies we should consider in our Part 2 Report for continuing our partnership with the farmers. They are very understanding of our goals and objectives, want to continue their use of OWASA biosolids, and are very interested in working with us to identify, evaluate and pursue mutually beneficial strategies.

Options to be Evaluated for the Loading, Storage and Hauling Dewatered Biosolids:

All biosolids recycling options includes loading, storage and hauling dewatered biosolids. Staff proposes to evaluate the following options in the Part 2 Report.

1. No change to current program of loading roll-off containers only in existing dewatering building.
2. Improve existing dewatering building to provide for loading tractor-trailer size containers.
3. New Dewatering Building for loading tractor-trailer size containers with provisions for a second rotary press (now or in the future).
4. Contract with private company for hauling biosolids to the recycling destination(s).
5. Any blended combination of options 1-4.

Biosolids Management Objectives:

In consideration of the Board's discussion at the January 8, 2015 Work Session, staff proposes the following changes to our objectives shown in revision language.

To guide our decisions, we established these objectives for biosolids management:

Social Performance: Our biosolids operations can impact people and the communities in which we operate. Our objectives are:

a) Safety for OWASA's employees and others.
b) Full compliance with all regulatory standards established to protect public health.
c) No excessive events of odor, dust, noise, or other nuisances.
d) Take into consideration the benefits our biosolids land application program has on local farmers participating in our program, and the value of our partnership with those farmers.

Environmental Performance: Our biosolids operations can impact natural systems. Our objectives are:

~~d)~~e) Full compliance with all regulatory standards established to protect and preserve the environment.
~~e)~~f) Reliable removal of biosolids from the WWTP to ensure all treated effluent and reclaimed water quality standards are met.
~~f)~~g) Evaluate biosolids management alternatives against their relative projected net energy use and greenhouse gas emissions.
~~g)~~h) Beneficially recycle 100% of the biosolids produced at the WWTP.

Financial Performance: The economic well-being of our customers and our community depends upon our ability to ensure high quality and reliable biosolids management at an acceptable financial cost. Our objectives are:

~~h)~~i) Evaluate biosolids management alternatives against their relative life cycle costs (capital, operating and maintenance costs).

~~i)~~j) Maintain a cost-effective biosolids management program that represents a reasonable balance of financial considerations with our social and environmental performance objectives.

~~j)~~k) Manage our risks by selecting and implementing strategies that are proven and reliable at an appropriate scale, are flexible and adaptable to changing conditions, and for which we can establish appropriate contingency plans.

Potential Future Evaluations:

Sidestream Treatment

We must meet much more stringent requirements for the removal of Total Nitrogen from the Mason Farm Wastewater Treatment Plant (WWTP) discharge by 2021. This will become more challenging and expensive to do as nutrient loads to the plant increase and as we dewater more biosolids and return increased volume of high-strength filtrate within the plant for treatment. One strategy for meeting the new requirements in a more cost-effective and reliable manner may be to implement sidestream treatment technology at the WWTP. We will not address this in the Part 2 Report; however, we plan to evaluate sidestream treatment options within the next year or so.

Regional Opportunities/New Technologies

Staff will continue to monitor new technologies and potential regional opportunities to further optimize our short and long-term biosolids management program.

Community Engagement:

Staff will continue to work closely with the farmers in our current biosolids program in the development of the Part 2 Report. Staff will also keep our biosolids stakeholders informed of opportunities to review the draft Part 2 Report and to provide feedback to the Board of Directors.

Staff Recommendation:

Board concurrence on the revised Biosolids Management Objectives and the options staff plans to evaluate for recycling dewatered biosolids in the Part 2 Report.

Agenda Item 3

Fiscal Year (FY) 2016 Preliminary Budget and Rate Adjustment Recommendation

Purpose

To discuss questions or requests from the Board regarding the preliminary FY 2016 budget and staff's preliminary rate adjustment recommendation.

Overview

- The Board reviewed the preliminary FY 2016 budget (which includes staff's recommendation of no increase in monthly water and sewer rates) at its March 12, 2016 work session.
- The Board requested additional information which was provided through email on March 19 (see Attachment 1).
- The Board requested additional information based on the March 19 email; staff provided the additional information by email on April 1 (see Attachment 2).
- At the March 26 board meeting, the Board set the date of public hearings on the FY 2016 budget and rates and authorized staff to publicize the expectation that no increase in monthly water and sewer rates will be necessary for the FY 2016 budget.
- Staff anticipates making a few changes to the FY 2016 operating budget and also expects to make a few adjustments to the FY 2016-2020 CIP; these changes are not expected to impact staff's rate adjustment recommendation.
- Staff will provide revised budget information prior to the public hearings scheduled for May 28.

Action Requested

Identify any additional information the Board would like staff to provide.

The following information is in response to board members' questions about the preliminary Fiscal Year (FY) 2016 budget.

1. Provide Attachment 1, Table 2 with percentage variances added – see Attachment 1, Table 2

2. Professional services detail – see Attachment 2

3. Is there an ongoing cost associated with the capital expenditure to connect to MCNC?

   We have proposed a capital expenditure of $50,000 to take advantage of Microelectronics Center of North Carolina's (MCNC) project to provide internet connectivity to North Carolina entities like OWASA. The ongoing costs of this service will be cheaper than our current provider (Time Warner Business Class) and will provide faster internet access. To be able to take advantage, we have to install a point-to-point wireless connection to the Carrboro Town Hall, then utilize Carrboro's connection from Town Hall to UNC which connects to the MCNC hub on campus near Manning Drive. This project is independent of Google's plans to bring fiber to our area. We want to connect to MCNC's network even in the event of Google fiber becoming available since it would give us independent, redundant access to the internet which is especially important as we implement more cloud-based solutions.

4. We have proposed a capital expenditure of $45,000 to purchase additional data storage. How much additional storage will this add?

   Storage prices and technology continue to change rapidly but we are looking to add a minimum of 24 terabytes (TB) of raw storage. A significant portion, if not all, of this will be Solid State Disk Drives which delivers better performance for database applications. Our existing storage area network arrays are 12 TB and 36 TB.

5. The following is our current projection of rate adjustments and other information from our long-term financial plan. The plan is projected to meet all of our financial management targets. Reserves are expected to approximately equal our minimum reserve targets by the end of FY 2017.

	FY16	FY17	FY18	FY19	FY20	FY21
	(dollars shown in millions)					
Rate adjustment	0%	3%	3%	3%	3%	3%
Debt service coverage ratio	2.06	2.30	2.32	2.01	2.38	1.98
Operating expenses	$20.6	$21.3	$22.5	$23.3	$24.1	$24.9
CIP	$12.7	$20.1	$17.1	$17.8	$17.6	$19.7
Debt service	$8.3	$7.7	$7.8	$9.4	$8.3	$10.5
Reserves balance	$16.8	$10.5	$11.0	$12.3	$12.9	$13.3
New borrowing		$9.9		$20.2		$26.6

6. What has been our CIP actual expenses and "execution to budget" for the last 5 years?

   The CIP budget and actual CIP expenditures for the past 5 fiscal years (FY) are provided in the following table. We project to spend about 79% of the FY 2015 CIP budget.

Fiscal Year	Amount Spent	Amount Budgeted	Percent Spent
2010	$2,910,984	$5,701,000	51%
2011	$6,519,000	$9,777,000	67%
2012	$10,421,000	$9,869,000	106%
2013	$7,879,666	$11,076,000	71%
2014	$15,930,000	$15,990,000	100%

7. Show on CIP spreadsheet which projects will need subsequent Board approval.

   The Draft FY 2016-2020 CIP Table 1 from the March 12, 2015 agenda has been updated (see Attachment 1, Table 1) to highlight projects that will need Board approval. Construction contracts in the formal range (over $500,000) require Board approval.

8. How do we "calibrate" our rate and pace on CIP renewal and replacement spending? In other words, at what annual rate should we be investing?

   Distribution and Collection Systems

   When developing distribution and collection system projects for the CIP, we use hydraulic models of the water and sewer systems to identify capacity needs and we use prioritization models to identify pipes with the highest level of risk (likelihood of failure and consequence of failure). Projects also arise from staff requests and coordination with Town and NC Department of Transportation (NCDOT) projects.

   The 2002 water system prioritization modeling study concluded that OWASA would need to replace 1.7 miles of water main per year (over the next 50 years) using optimistic (long) life expectancy and 3 miles of main per year using the pessimistic (short) life expectancy in order to provide reliable, sustainable service to our customers. The average linear footage of water main renewal/replacement in the draft CIP is 2.6 miles per year.

   The 2011 sanitary sewer service area study recommended OWASA gradually increase rehabilitation of the sewer system to 1.5% (4.9 miles) per year by 2025 to maintain or reduce the current levels of inflow and infiltration into the system. Inspections are performed to identify pipes and manholes that need rehabilitation. The average linear footage of sewer main renewal/replacement in the draft CIP is 2.7 miles per year.

   Renewal and Replacement Model

   The 2013 renewal and replacement forecast model used input data such as asset age, condition, replacement value and useful life to forecast renewal and replacement and maintenance funding demands for 20 years. The model identified systems at the reservoirs, treatment plants, pump stations, etc. that have the greatest potential impact on near-term renewal and replacement

funding demand. The model results were reviewed by staff and projects were developed for the draft CIP.

Utility Benchmarking

The American Water Works Association (AWWA) periodically conducts a utility benchmarking survey that covers many aspects of water and wastewater utility operations including system renewal and replacement performance indicators. The system renewal and replacement indicators are divided into four categories: water treatment and pumping facilities; water pipelines and distribution; wastewater treatment and pumping facilities; and wastewater pipelines and collection.

The following table compares OWASA's FY 2016-2018 average renewal and replacement rate against the bottom quartile, median and top quartile of the 2012 AWWA benchmark survey results. OWASA's renewal and replacement rate is between the median and top quartile for three of the categories. Our renewal and replacement rate is slightly less than the median for wastewater treatment and pumping facilities.

Comparison of OWASA FY 2016-2018 System Renewal and Replacement Rate with AWWA 2012 Benchmarking Performance Indicators

Renewal and Replacement Asset Class	OWASA	Top Quartile	Median	Bottom Quartile
Water treatment and pumping facilities	2.2%	3.7%	1.5%	0.8%
Water pipelines and distribution	2.9%	4.1%	1.7%	0.6%
Wastewater treatment and pumping facilities	1.8%	3.4%	1.9%	0.7%
Wastewater pipelines and collection	2.2%	6.4%	1.6%	0.7%

When reviewing the benchmarking data, it is important recognize utility-to-utility comparisons can be complicated by utility-specific factors such as water sources, treatment requirements, system age/materials, regulations, etc. The AWWA report notes several large-scale phenomena including economies of scale, economies of scope and economies of density can influence observed levels of performance and make utility-to-utility comparison difficult.

Performance Measurements and Indicators

A key part of asset management is defining the level of service to be maintained with our assets. OWASA's key performance measurements and indicators for water main breaks, unaccounted for water, sewer overflows, regulatory compliance and safety help us define the level of service and track asset performance.

System Renewal and Replacement

We use a combination of models, engineering studies, consultant recommendations, staff recommendations, industry benchmarks and performance metrics to determine system renewal and replacement. We believe that the level of investment presented in the draft FY 2016-2020 CIP provides system renewal and replacement levels necessary to provide high quality and reliable water, wastewater and reclaimed water services to the community.

Question - Distribution network. The 2002 study noted that we have a relatively "young" distribution network and that OWASA should renew about 3.26 miles (or 0.28 miles) of mains annually for 2016-18, assuming short (or long) life expectancies. The draft CIP replaces 2.7 miles annually. Do we have new data since 2002 that suggest AC and CI life expectancies are tending toward the short end of the range? Are we doing some catch-up from under investing in the last decade? Other factors? I note that the draft CIP is well above AWWA median benchmark (2.9% vs. 1.7%), which seems surprising considering system age, but there are lots of variables in the AWWA benchmarks, as you noted.

Pipe Life Expectancy

We do not have data for the actual life expectancy of the pipes in the distribution system. The lifespan of a pipe may vary considerably depending on construction materials, installation, operating pressure, soil conditions, traffic loading and other factors.

There are about 380 miles of pipe in the distribution system. We are fortunate that about 63% of the pipes have been installed since 1980 with the primary material of construction being ductile iron (DI) pipe, which has an average life expectancy of 80-100 years. Another 30% of the pipes were installed in the 1960s and 1970s. However, most of these pipes are asbestos cement (AC) which has a shorter average life expectancy of 60-80 years. Our average renewal rate over the past 10 years has been 2.1 miles per year which is about 0.6% of the system per year.

The projects identified in the preliminary Fiscal Year (FY) 2016-2020 CIP for renewal/replacement are galvanized steel pipe, AC pipe and cast iron (CI) pipe. Prioritization of pipes to be replaced considers many factors including pipe material, repair history, age, pressure, criticality of service, etc.

There are about 4 miles of small diameter (1-inch and 2-inch) galvanized pipe in the distribution system that were not part of the 2002 water system prioritization modeling study. Galvanized pipe was primarily installed from the 1920s though the mid-1970s. We are focusing on its replacement because of repair history, water quality, capacity, etc. The preliminary FY 2016-2020 CIP includes about 2.5 miles of galvanized pipe replacement projects.

About 113 miles of the distribution system is AC pipe, some of which was installed in the 1940s and is past its short life expectancy (40-60 years) and approaching its long life expectancy (80-100 years). A majority of the pipes to be replaced in the preliminary FY 2016-2020 CIP are AC pipes that have a history of repairs, are in high pressure areas, serve critical customers, etc.

The oldest pipes in the distribution system are about 14 miles of cast iron pipes installed in the 1920s and 1930s. Recent water quality and flow restriction concerns related to tuberculation (a form of corrosion in unlined CI pipe, pictures below), rather than repair history, moved the renewal/replacement of two segments of CI pipe into the preliminary FY 2016-2020 CIP.

Sections of 1930s era cast iron water pipe with tuberculation.



AWWA Benchmarking Survey

The results of the AWWA Benchmarking surveys have varied over the period the surveys have been conducted (seven between 2004 and 2012). The median renewal and replacement performance indicator has ranged from 1.7% to 3.7%. The AWWA Benchmark performance indicator is calculated by dividing the amount of funds reserved for renewal/replacement of an asset group by the total present worth of renewal/replacement needs for that asset group.

Comment - Collection system. As you noted, the study recommended a ramp to 1.5% renewal per year by 2025. Unfortunately, the consultants didn't provide any justification for this figure in the report. (Is it too late to ask for their source or rationale?) I note that it matches the AWWA median benchmark. So I guess I don't have a question here—just an observation that it will be interesting to see our failures and infiltration conditions in a decade or so, and perhaps make adjustments accordingly. Perhaps better industry data and analysis will be available, too.

CDM Smith recommended the 1.5% renewal/replacement goal because it is a mid-point of the 1% to 2% (100 year - 50 year) system renewal/replacement frequency, which is a range quoted in numerous sources including AWWA, and based upon their corporate experience.

The renewal/replacement work in the collection system is based on closed-circuit television (CCTV) identified deficiencies such as broken, sagging and corroded pipes and manholes that allow inflow/infiltration into the sewer system.

Agenda Item 4:

Draft 2015 OWASA Customer Survey

Purpose:

To request the Board of Directors' feedback on proposed questions and a process for the 2015 OWASA customer survey, and authorization for staff to proceed.

Background:

OWASA conducted a customer survey in 2012. At the time, our plan was to follow up with another customer survey three years later in order to assess our progress on the key issues identified in the survey responses.

After discussion at the January 22, 2015 Board meeting, the OWASA Board requested staff develop a draft 2015 customer survey of modest scope which could be administered by the OWASA staff.

Action Requested:

Authorization to proceed with the survey as proposed, subject to any additional guidance the Board of Directors may wish to provide.

Information:

- Proposed Customer Survey Objectives
- Draft Survey Questions (draft questions reviewed by four outside communication professionals)
- Proposed Process for Conducting the Survey (2012 Survey Approach); Alternate Process (Full Service Area); and Staff Observations

Proposed Customer Survey Objectives

1. Learning about customers' perspectives, expectations and levels of satisfaction about:

    a. The quality, reliability and value of OWASA's services (both specific services and overall);
    b. OWASA's openness to feedback;
    c. Whether customers trust us; and
    d. How customers prefer to receive information and provide feedback.

2. Determining whether perceptions and expectations have changed since the 2012 Customer Survey.

3. Information obtained will be used:

    a. For updating continuous improvement plans;
    b. In developing future Strategic Plans; and
    c. For enhancing our Community Engagement program.

4. Provide useful and actionable information at a modest cost.

DRAFT 2015 CUSTOMER SURVEY QUESTIONS

April 2, 2015

1. **How do you rate the taste of OWASA's drinking water?** ***(revised from 2012 Survey)***

   - ☐ Excellent
   - ☐ Very good
   - ☐ Good
   - ☐ Fair
   - ☐ Poor
   - ☐ No opinion/not sure

Additional comments:

2. **How do you rate the quality of OWASA's drinking water?** ***(revised from 2012 Survey)***

   - ☐ Excellent
   - ☐ Very good
   - ☐ Good
   - ☐ Fair
   - ☐ Poor
   - ☐ No opinion/not sure

Additional comments:

3. **How do you rate the reliability (uninterrupted supply) of OWASA's drinking water service?** ***(revised from 2012 Survey)***

   - ☐ Excellent
   - ☐ Very good
   - ☐ Good
   - ☐ Fair
   - ☐ Poor
   - ☐ No opinion/not sure

Additional comments:

4. **How much do you agree or disagree with the following statement? "OWASA does a good job of providing wastewater (sewer) collection and treatment services."** ***(repeat from 2012 Survey)***

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree
- ☐ No opinion/not sure

Additional comments:

5. **Considering the overall quality, reliability and cost of OWASA drinking water and wastewater (sewer) services, how do you rate their value?** ***(repeat from 2012 Survey)***

- ☐ Excellent value
- ☐ Very good value
- ☐ Good value
- ☐ Fair value
- ☐ Poor value
- ☐ No opinion/not sure

Additional comments:

6. **How much do you agree or disagree with the following statement? "If I could choose my water and wastewater provider, I would select OWASA."** ***(New question)***

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree
- ☐ No opinion/not sure

Additional comments:

7. **How much do you agree or disagree with the following statement? "I trust OWASA to make good decisions about serving the community."** ***(New question)***

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree
- ☐ No opinion/not sure

Additional comments:

8. **How much do you agree or disagree with the following statement? "OWASA provides useful information."** ***(New question)***

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree
- ☐ No opinion/not sure

Additional comments:

9. **How much do you agree or disagree with the following statement? "OWASA offers opportunities to provide feedback on important issues."** ***(New question)***

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree
- ☐ No opinion/not sure

Additional comments:

10. Please give us your preferences for receiving information from OWASA. ***(New question)***

	Strongly like	Moderately like	Neutral or no opinion	Moderately dislike	Strongly dislike
Blue Thumb newsletter					
U.S. Mail					
E-mail					
OWASA's website (www.owasa.org)					
Twitter (@OWASA1)					
Facebook					
Google+					
Notice on monthly bill					
Other (please provide specifics in additional comments below)					

Additional comments:

11. How do you prefer to provide feedback and/or ask questions of OWASA? ***(New question)***

	Strongly like	Moderately like	Neutral or no opinion	Moderately dislike	Strongly dislike
Face-to-face with OWASA representative					
E-mail (info@owasa.org)					
Telephone					
Community Meeting					
Social Media					
Other (please provide specifics in additional comments below)					

Additional comments:

12. What suggestions do you have for OWASA to improve its service? ***(New question)***

Suggestions here:

Proposed Process for Conducting ~~a~~ the Survey (2012 Survey Approach)

Staff recommends conducting the 2015 survey with many of the same techniques used in the 2012 customer satisfaction survey. The cost would be about $3,000 for postage, printing, etc.

1. Mail printed survey to a random sample of ~~4,000 to~~about 5,000 customers with the objective of receiving at least 400 responses (the survey would be offered in Spanish upon request).

2. Customers will be able to respond:

    a. by mail (pre-addressed, postage paid envelope); or
    b. on-line (using Survey Monkey); or
    c. by calling OWASA staff.

3. OWASA staff will enter customers' paper and phone responses using the Survey Monkey tool

4. Customers will have about a month to respond.

5. Staff will report on the survey results to the Board in a future meeting, recommend follow-up actions based on survey results, and share the survey report with customers.

6. The survey will be conducted in late summer/early fall.

Alternate Process for Conducting the Survey (Full Service Area)

Staff also recommends the Board consider the merits of inviting all accountholders and system users (primarily residents in master-metered complexes) in our service area to participate in the survey.

The methods to invite the full service area to participate would include distributing the survey to about 18,000 accountholders and about 12,000 multi-family dwelling units that do not receive a bill directly from us.

Staff Observations

2012 Survey Approach	Full Service Area Approach
Responses are not necessarily a random or statistically representative sample	Responses are not necessarily a random or statistically representative sample
2012 experience suggests we might achieve about 15% response rate	More responses expected but not necessarily a higher percentage
Cost ~$3,000 (not including staff time)	Cost ~$20,000 (not including staff time)
Less inclusive approach; less opportunity for feedback from the community	More inclusive approach; greater opportunity for more customers and stakeholders to provide feedback
	Uncertain whether additional expense and staff time will result in greater participation; however, broader approach would communicate to a much wider audience that their feedback is important to us.

Agenda Item 6:

Review Board Work Schedule

Purpose:

a) Review and update the 12 Month Board Meeting Schedule
b) Review the draft agenda and discuss expectations for the April 23, 2015 business meeting
c) Review the draft agenda and discuss expectations for the May 14, 2015 work session

Information:

- Draft 12 Month Board Meeting Schedule
- Draft agenda for the April 23, 2015 business meeting
- Draft agenda for the May 14, 2015 work session

OWASA Board of Directors – 12 Month Board Meeting Schedule

(April 9, 2015)

Month	Board Meetings		Committee Meetings (dates to be determined)
	Work Session	**Business Meeting**	
April 2015	Review Employee Health and Dental Insurance Renewal ( ) Biosolids Management Scope of Work FY 16 Draft Budget and Rates ( ) Review Draft 2015 Customer Survey CS – ED Interim Review ( ) *4/9/2015*	Little Creek Sewer Contract Award Q3 Financial Report Approve Audit Firm Selection ( ) Comments on Orange County's Draft Ordinance Amendment for Impervious Surface Limits CS – ED Interim Review ( ) *4/23/2015*	**Community Engagement** *Affordability Pilot Report (TBD)* **NRTS** – *continue Energy Management Goals & Objectives discussion (TBD)*
May 2015	Review Employee Health and Dental Insurance Renewal ( ) Total Compensation Study Expectations AMI – Consultant Scope Review Annual Merit/COLA for FY 2016 Appointment of Nominating Committee ( ) *5/14/2015*	Affordability Pilot – Report FY 16 Rates and Budget Public Hearing ( ) Approve Employee Health and Dental Insurance ( ) Energy Plan – Baseline & Goals Approve AMI Consultant Scope Interlocal Agreement with Orange County – Rogers Road *5/28/2015*	
June 2015	Digester Rehab Contract Award Revisit Board Suggestions regarding Lake Recreation Activities Review Total Compensation Scope of Work Approve Budgets and Rates ( ) Approve Annual Merit/COLA for FY 2016 ( ) Election of Officers ( ) *6/11/2015*	Approve Total Compensation Scope of Work *6/25/2015*	
July 2015	*To Be Determined* *7/9/2015*	*To Be Determined* *7/23/2015*	
August 2015	Review Long Term Rate Structure CS - General Counsel Review ( ) *8/13/2015*	12 Month Preliminary Financial Report ( ) CIP Semiannual Report CS - General Counsel Review ( ) *8/27/2015* ( )	**NRTS -** *Energy Plan – Strategy Evaluation (TBD)*
September 2015	Biosolids Management Plan Energy Plan – Strategy Evaluation CS – ED Review ( ) *9/10/2015*	Annual Report and Financial Audit ( ) General Counsel Engagement ( ) CS – ED Review ( ) *9/24/2015*	
October 2015	LRWSP – Goals and Metrics 2016 Recreation Season Fees & Activities *10/8/2015*	Approve Biosolids Management Report Q1 Financial Report Strategic Trends Report ( ) *10/22/2015* ( )	
November 2015	*To Be Determined* *11/12/2015*	*Holiday - no meeting*	
December 2015	*To Be Determined* *12/10/2015*	*Holiday - no meeting*	
January 2016	*To Be Determined* *1/14/2016*	Q2 Financial Report ( ) CIP Semiannual Report ( ) *1/28/2016*	
February 2016	CS - General Counsel Interim Review ( ) *2/11/2016*	CS - General Counsel Interim Review ( ) *2/25/2016*	
March 2015	*To Be Determined* *1/14/2016*	*To Be Determined* *1/28/2016*	

OWASA Board of Directors – 12 Month Board Meeting Schedule

(April 9, 2015)

The 12 Month Board Meeting Schedule shows Strategic Plan initiatives and other priority efforts that the Board and staff plan to give greatest consideration to during the next twelve months. The schedule also shows major recurring agenda items that require Board action, or items that have been scheduled in response to the Board's prior standing request. This schedule does not show all the items the Board may consider in a work session or business meeting.

The 12 Month Board Meeting Schedule will be reviewed and updated at each monthly work session and may also be discussed and updated at the Board's business meetings.

In addition to the initiatives shown in this schedule, staff will be working on other Strategic Plan and organizational priorities that are not expected to require major additional discussion with the Board except as part of budget deliberations (e.g., continuing our comprehensive asset management work, evaluating our CIP investment practices).

The schedule implies that the following Strategic Plan initiatives would be addressed beyond the 12 month period. The Board may conclude that one or more of the following initiatives are higher priority. The schedule will be revised as needed to reflect the Board's priorities, and any additional initiatives that the Board may decide to address.

- Findings and policy recommendations from the sewer easements pilot project will be presented in a Board work session in FY 2016.
- Development of a plan and policy framework for OWASA lands is considered a longer-term priority.
- Improve effectiveness as a learning organization is considered a longer-term priority.
- Water Conservation Plan will be prepared concurrent with update of the Long-Range Water Supply Plan.

The OWASA Board determines which topics it wants to explore as a full Board (potentially in a work session format) and which topics it wants to assign to Board committees or committee chairs for further analysis and development of recommendations. Board also determines priorities and desired timeframes for addressing topics. Committee meetings will be updated on the schedule routinely.

Abbreviations Used in Draft Schedule:

↺	Recurring agenda item (generally these are "required" items)
AMI	Advanced Metering Infrastructure
CIP	Capital Improvements Program
COLA	Cost of Labor Adjustment
CS	Closed Session of the Board
CY	Calendar Year
ED	Executive Director
FY	Fiscal Year
JLP	Jordan Lake Partnership
LRWSP	Long-Range Water Supply Plan
Q	Quarter
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plant

AGENDA
MEETING OF THE OWASA BOARD OF DIRECTORS
THURSDAY, APRIL 23, 2015, 7:00 P.M.
CHAPEL HILL TOWN HALL

In compliance with the "Americans with Disabilities Act," interpreter services are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 919-537-4217 or aorbich@owasa.org.

The Board of Directors appreciates and invites the public to attend and observe its meetings. Public comment is invited either by petition upon topics not on the Board's agenda, or by comments upon items appearing on the Board's agenda. Speakers are invited to submit more detailed comments via written materials, ideally submitted at least three days in advance of the meeting to the Clerk to the Board via email or US Postal Service (aorbich@owasa.org/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within the three-to-five minute time frame allowed each speaker. Additional time may be allowed at the discretion of the Board of Directors.

Announcements

1. Announcements by the Chair
   A. 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.
   B. Update on the April 23, 2015 Meeting between Chapel Hill Town Council's OWASA Committee and Chapel Hill Appointees to the OWASA Board
2. Announcements by Board Members
3. Announcements by Staff

Petitions and Requests

1. Public
2. Board
3. Staff

CONSENT AGENDA

Information and Reports

1. Quarterly Report on Attendance at Board and Committee Meetings (Andrea Orbich)

Action

2. Approval of the Minutes of the March 26, 2015 Meeting of the Board of Directors (Andrea Orbich)
3. Approval of the Minutes of the April 9, 2015 Work Session of the Board of Directors (Andrea Orbich)
4. Approval of the Minutes of the April 9, 2015 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Michael Hughes)

DRAFT

REGULAR AGENDA

Discussion

5. Orange County's Draft Considering Changes to the Unified Development Ordinance Regarding Impervious Surface Limits in Water Supply Watersheds (Ruth Rouse/Michael Harvey, Orange County's Current Planning Supervisor)

Discussion and Action

6. Resolution Awarding a Construction Contract for the Little Creek Sewer Project (Vishnu Gangadharan)
7. Resolution Awarding Audit Contract and Authorizing Chair of the Board of Directors and the Finance Officer to Execute Said Contract (Stephen Winters)

Information and Reports

8. Financial Report for the Nine Month Period Ended March 31, 2015 (Stephen Winters)

Summary of Board Meeting Action Items

9. Executive Director will summarize the key action items from the Board meeting and note significant items for discussion and/or action expected at the next meeting

CLOSED SESSION

10. Following the Board Meeting, the Board of Directors will convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Michael Hughes)

DRAFT

AGENDA
WORK SESSION OF THE OWASA BOARD OF DIRECTORS
THURSDAY, MAY 14, 2015, 6:00 P.M.
OWASA COMMUNITY ROOM

The Board of Directors appreciates and invites the public to attend and observe its meetings. For the Board's Work Session, public comments are invited on only items appearing on this agenda. Speakers are invited to submit more detailed comments via written materials, ideally submitted at least three days in advance of the meeting to the Clerk to the Board via email or US Postal Service (aorbich@owasa.org/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within the three-to-five minute time frame allowed each speaker. Additional time may be allowed at the discretion of the Board of Directors.

The Board may take action on any item on the agenda.

Announcements

a. Announcements by the Chair
   - 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.

b. Announcements by Board Members

c. Announcements by Staff

Discussion

1. Review Employee Health and Dental Insurance Renewal (Stephanie Glasgow/Ellen Tucker, Hill Chesson & Woody)
2. Expectations for the Employee Total Compensation Study (Ed Kerwin/Stephanie Glasgow)
3. Draft Scope of Services for Consultant to Prepare a Feasibility Study for the Advanced Meter Infrastructure Project (Todd Taylor)
4. Review Annual Merit/Cost of Labor Adjustment (Stephanie Glasgow)
5. Appointment of the Nominating Committee (John Young)
6. Review Board Work Schedule (John Young/Ed Kerwin)
   a. 12 Month Board Meeting Schedule
   b. May 28, 2015 Board Meeting
   c. June 11, 2015 Work Session
7. Request(s) by Board Committees, Board Members and Staff (John Young)

Summary of Work Session Items

8. Executive Director will summarize the key staff action items from the Work Session

DRAFT