Orange Water and Sewer Authority

Virtual Meeting of the Board of Directors

February 24, 2022

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held its duly noticed regular work session by virtual means in accordance with law, on Thursday, February 24, 2022, at 6:00 p.m. utilizing Microsoft Teams software.

Board Members attending virtually: Jody Eimers (Chair), Yinka Ayankoya (Vice Chair), John N. Morris (Secretary), Todd BenDor, Bruce Boehm, and Raymond (Ray) DuBose. Board Member absent: Kevin Leibel.

OWASA staff attending virtually: Robert Epting, Esq. (Epting and Hackney), Vishnu Gangadharan, Simon Lobdell, Coleman Olinger, Andrea Orbich, Dan Przybyl, Ruth Rouse, Allison Spinelli, Todd Taylor, Mary Tiger, Stephen Winters, and Richard Wyatt.

Others attending virtually: Catherine Carter (Raftelis) and Meg Holton (UNC).

Motions

1. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Awarding a Construction Contract for the University Lake Permanganate Facility Project. (Motion by Ray DuBose, second by John Morris and the motion unanimously approved.)

2. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Awarding a Construction Contract for the Bolinwood Interceptor Construction Project. (Motion by Ray DuBose, second by John Morris and the motion unanimously approved.)

3. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Approving a Sole Source Procurement of New Biogas System Equipment for the Mason Farm Wastewater Treatment Plant. (Motion by Ray DuBose, second by John Morris and the motion unanimously approved.

4. Ray DuBose made a Motion to approve the Minutes of the January 27, 2022, Meeting of the Board of Directors; second by John Morris, and the Motion was unanimously approved.

5. Ray DuBose made a Motion to approve the Minutes of the February 10, 2022, Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter; second by John Morris, and the Motion was unanimously approved.

6. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution to Document Intention to Provide Orange Water and Sewer Authority's Property in Chatham County to Western Intake Partners for Purposes of a Water Supply and Treatment Facility in Exchange for Measures that Secure OWASA's Access to its Allocation of

Jordan Lake Water and other Expressed Interests in the Facility. (Motion by Ray DuBose, second by Todd BenDor and the motion unanimously approved.)

7. John Morris made a Motion to amend the Strategic Plan Priority title of "Equitable Services" to "Affordable and Equitable Services"; second by Todd BenDor and the Motion failed with a vote of three to three with Bruce Boehm, Ray DuBose and Jody Eimers opposed.

8. Todd BenDor made a Motion that the Board of Directors approve the Strategic Priorities, as amended, and authorize staff to move forward with developing goals and initiatives to support the approved Strategic Priorities; second by Ray DuBose and the Motion was unanimously approved.

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Announcements

Chair Jody Eimers announced that due to COVID-19 public health concerns, the OWASA Board of Directors held the meeting virtually utilizing Microsoft Teams software. Ms. Eimers stated that Board Members, General Counsel, and staff participated in the meeting remotely.

Chair Eimers asked if any Board Member knew 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.

Chair Eimers announced on February 17, 2022, Mary Tiger and she attended the Orange County Climate Council meeting, and the Council received an update Carrboro's Climate Action Plan. The next meeting is scheduled for March 17, 2022.

Chair Eimers announced a virtual OWASA orientation on March 14, 2022, at 10:00 a.m., for newly elected Chapel Hill Town Council Members Camille Berry and Adam Searing and invited Chapel Hill Appointees to the OWASA Board to attend.

John Morris provided an overview of the February 15, 2022, Chapel Hill Town Council's OWASA Committee and the Chapel Hill Appointees to the OWASA Board of Directors. Topics included: an update on Long-Range Water Supply Plan including community engagement; information on rates charged to affordable housing providers; Strategic Plan Update; and OWASA Board Membership.

Ray DuBose provided an overview of the February 17, 2022, Orange County Board of County Commissioners (BOCC) meeting and topics included: the development of OWASA's new Strategic Plan; OWASA Board Member Appointments/Reappointments; resuming OWASA' standard collection practices & affordability; and Bill Assistance. Mr. DuBose said Ruth Rouse also provided the BOCC an update on the Long-Range Water Supply Plan.

Todd Taylor, Executive Director, announced OWASA's temporary switch of the disinfectant used in the drinking water from a combination chlorine and ammonia (chloramines) to chlorine beginning February 27 through the March 2022 to make ensure proper disinfectant throughout the distribution system.

Petitions and Requests

Chair Eimers said no petitions or requests were received from the public.

Chair Eimers requested, and without objection, the Board agreed to hold the March 2022 Diversity and Inclusion training virtually using Microsoft Teams.

Chair Eimers requested, and without objection, the Board agreed to defer Agenda Item 9 (Increasing Board Member compensation to Encourage Public Interest in Applying for Appointment to the OWASA Board of Directors) to the March 10, 2022 Board Meeting.

Chair Eimers asked for petitions and requests from staff; none were provided.

Item One: 12 Month Board Meeting Schedule

The Board accepted this as an information item.

Item Two: Award a Construction Contract for the University Lake Permanganate Facility

Ray DuBose made a Motion to approve the resolution, second by John Morris and the resolution was unanimously approved. Please see Motion 1.

Item Three: Award a Construction Contract for the Bolinwood Interceptor Construction Project

Ray DuBose made a Motion to approve the resolution, second by John Morris and the resolution was unanimously approved. Please see Motion 2.

Item Four: Sole Source Procurement of New Biogas System Equipment for the Mason Farm Wastewater Treatment Plant

Ray DuBose made a Motion to approve the resolution, second by John Morris and the resolution was unanimously approved. Please see Motion 3.

Item Five: Minutes

Ray DuBose made a Motion to approve the Minutes of the January 27, 2022, Meeting of the Board of Directors; second by John Morris and the Motion was unanimously approved. Please see Motion 4.

Item Six: Minutes

Ray DuBose made a Motion to approve the Minutes of the February 10, 2022, Closed Session of the Board of Directors for the purpose of discussing a personnel matter; second by John Morris and the Motion was unanimously approved. Please see Motion 5.

Item Seven: Long-Range Water Supply Plan: Future of OWASA-owned Property for Water Supply and Treatment Facilities in Chatham County

Bruce Boehm suggested the motion and resolution be edited as follows: Motion to approve Resolution to Document Intention to Provide Orange Water and Sewer Authority's (OWASA) Property in Chatham County to Western Intake Partners for Purposes of a Water Supply and Treatment Facility ~~in Exchange for measures that secure OWASA's access to its allocation of Jordan Lake water~~ and other expressed interests in the facility, because the Board has not approved OWASA's participation with the Western Intake Partners and has not established the value (highest and best use) of OWASA's land.

After some discussion regarding Mr. Boehm's suggestion to the Motion, the Board agreed with the proposed motion and resolution that were included in the agenda package to begin the discussions with the Western Intake Partners.

Ray DuBose made a Motion to Approve the Resolution to Document Intention to Provide Orange Water and Sewer Authority's Property in Chatham County to Western Intake Partners for Purposes of a Water Supply and Treatment Facility in Exchange for Measures that Secure OWASA's Access to its Allocation of Jordan Lake Water and other Expressed Interests in the Facility; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 6.

Item Eight: Approval of Strategic Plan Priorities

The Board agreed to change the Strategic Priorities, "Climate change and land use adaptation" to "Climate ~~change~~ and land use change adaptation;" and to add "diverse" back into the "Employee recruitment, retention, and development" Strategic Priority to "Recruit, retain, and develop highly qualified employees to ensure a diverse workforce."

John Morris made a Motion to change the Strategic Plan Priority title of "Equitable Services" to "Affordable and Equitable Services"; second by Todd BenDor and the Motion failed with a vote of 3 to 3 with Bruce Boehm, Ray DuBose, and Jody Eimers opposed. Please see Motion 7.

Todd BenDor made a Motion that the Board of Directors approve the Strategic Priorities, as amended, and authorize staff to move forward with developing goals and initiatives to support the approved Strategic Priorities; second by Ray DuBose and the Motion was unanimously approved. Please see Motion 8.

Item Nine: Increasing Board Member Compensation to Encourage Public Interest in Applying for Appointment to the OWASA Board of Directors

The Board agreed to defer this item to the March 10, 2022 Board Meeting.

Item Ten: Summary of Board Meeting Action Items

Todd Taylor noted the following staff action items;

- Schedule the Board Diversity and Inclusion Training virtually;

- Schedule a discussion of Board Member compensation item on the March 10th Board meeting;
- Incorporate Board feedback into the new Strategic Priorities; and
- Provide follow-up information on rate study timing.

Item Eleven: Closed Session

There was no further discussion to come before the Board and without objection, the Board of Directors convened in a Closed Session for the purpose of discussing a personnel matter as provided in N.C. General Statutes 143.318.11(6).

Following the Closed Session, the Board reconvened in open session, reported no action was taken in the Closed Session, and the meeting adjourned at 7:37 p.m.

Respectfully submitted by:

Andrea Orbich

Andrea Orbich
Executive Assistant/Clerk to the Board

Attachments

Resolution Awarding a Construction Contract for the University Lake Permanganate Facility Project

Whereas, there is a need to construct a new, permanent permanganate feed facility and structure at University Lake in order to provide oxidation of iron and manganese, control taste and odor compounds and reduce the formation of disinfection byproducts; and

Whereas, plans and specifications for the construction of this project have been prepared by Hazen and Sawyer; and

Whereas, invitations to bid on this project were published on the websites of the Greater Diversity News and on the websites of the State of North Carolina Interactive Purchasing System (NC IPS) and OWASA, and in multiple contractor review plan rooms, all on or as of December 7, 2021; and

Whereas, four bids were received on January 25, 2022 and Dellinger, Inc. of Monroe, NC has been determined to be the low responsive, responsible bidder for the project; and

Whereas, on June 10, 2021 the Board approved a resolution authorizing funds for this project as part of the Orange Water and Sewer Authority Capital Improvements Plan; and

Now, Therefore, Be It Resolved:

1. That the Orange Water and Sewer Authority Board of Directors awards the construction contract to Dellinger Inc., the low responsive, responsible bidder for the University Lake Permanganate Facility, in accordance with the approved plans and specifications, in the amount of $3,156,000.00, 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.

3. That the tentative award is contingent upon the approval of the North Carolina Department of Environmental Quality.

Adopted this 24th day of February 2022.

Jo Leslie Eimers

Jo Leslie Eimers, Chair

ATTEST:

John N. Morris

John N. Morris, Secretary

Resolution Awarding a Construction Contract for the Bolinwood Interceptor Construction Project

Whereas, there is a need to replace and upsize the sewer mains along the Bolinwood sewer interceptor, running parallel to Martin Luther King Jr. Boulevard due to its capacity and condition; and

Whereas, plans and specifications were prepared by Carter Engineering; and

Whereas, advertisement to bid was published on the websites of the North Carolina Institute of Minority Economic Development, North Carolina Department of Administration, and OWASA on December 1, 2021; and

Whereas, after receiving only two bids on the first bid opening date of January 13, 2022 the project was re-bid; and

Whereas two bids were subsequently received on January 20, 2022; and

Whereas, Pipeline Utilities, Inc. of Raleigh, North Carolina has been determined to be the low responsive, responsible bidder for the project; and

Whereas, on June 10, 2021 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 Pipeline Utilities, Inc., the low responsive, responsible bidder for the Bolinwood Interceptor Construction Project, in accordance with the approved plans and specifications, in the amount of $2,315,000.00, 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 24th day of February 2022.

Jo Leslie Eimers

Jo Leslie Eimers, Chair

ATTEST:

John N. Morris

John N. Morris, Secretary

Resolution Approving a Sole Source Procurement of New Biogas System Equipment for the Mason Farm Wastewater Treatment Plant (WWTP)

Whereas, State of North Carolina General Statute (GS) 143-129 (Procedure for letting of public contracts) allows a governing board to approve purchases of apparatus, supplies, materials or equipment through a non-competitive, or "sole source," process when: (i) performance or price competition are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration; and

Whereas, there is an existing biogas removal system comprised of gas burner unit, feed lines, valves, single torch at the Mason Farm WWTP that requires installation of new biogas equipment components due to corrosion and end of useful life; and

Whereas, standardization and compatibility of the new and existing biogas equipment is essential to efficient and reliable function; and

Whereas, the new biogas equipment comprising of gas burner unit and ignition system, pressure relief and flame trap assembly equipment as manufactured by Varec Biogas, Inc., are the only model parts available which would provide the essential standardization and compatibility with existing biogas equipment at the Mason Farm WWTP; and

Whereas, pursuant to GS 143-129, the OWASA Board of Directors is required to approve purchases made through the sole source process prior to the award of the contract;

Now, Therefore, Be It Resolved:

1. That the Board of Directors has concluded that a sole source procurement for the Varec, Inc. Biogas Equipment (gas burner unit and ignition system, pressure relief and flame trap assembly) is appropriate because standardization or compatibility is the overriding consideration.

2. That the Board of Directors hereby approves the sole source procurement of equipment for the rehabilitation of the Mason Farm WWTP biogas flare manufactured by Varec Biogas, Inc. for the Mason Farm WWTP.

3. This resolution shall take effect immediately upon its passage.

Adopted this 24th day of February 2022.

Jo Leslie Eimers

Jo Leslie Eimers, Chair

Attest:

John N. Morris

John N. Morris, Secretary

Resolution to Document Intention to Provide Orange Water and Sewer Authority's (OWASA) Property in Chatham County to Western Intake Partners for Purposes of a Water Supply and Treatment Facility in Exchange for Measures that Secure OWASA's Access to its Allocation of Jordan Lake Water and other Expressed Interests in the Facility

Whereas, Orange Water and Sewer Authority (OWASA) has had an allocation of water from Jordan Lake since 1988; and

Whereas, in 1989, OWASA purchased approximately 125 acres of property in Chatham County for the purpose of constructing a new water supply and treatment facility on Jordan Lake; and

Whereas, OWASA and twelve other local governments created the Jordan Lake Partnership in 2009 to collaboratively plan for the future of water supply in the Triangle Region, including the use of Jordan Lake; and

Whereas, four members of the Jordan Lake Partnership - City of Durham, Chatham County, Town of Pittsboro (Western Intake Partners), and OWASA began working together in 2014 to identify how best to access their allocations from Jordan Lake; and

Whereas, a study completed in October 2014 entitled "Jordan Lake Partnership Western Intake Feasibility Study" demonstrated that developing one regional intake and treatment facility was the most cost-effective mechanism for each utility to access its Jordan Lake allocation, and this study assumed the proposed water treatment plant would be sited on OWASA's property in Chatham County; and

Whereas, these four entities have continued working together on regional water supply. Planning level work has begun with the goal of having the proposed water supply and treatment facilities operational by 2031; and

Whereas, OWASA has analyzed the community's future water demands as part of this update of the Long-Range Water Supply Plan and determined that existing supplies and demand management strategies are insufficient to meet our future needs; and

Whereas, OWASA staff have completed a thorough review of supply alternatives against a set of guiding principles established by the Board of Directors on July 8, 2021; and

Whereas, the OWASA Board of Directors recognized that Jordan Lake is the preferred alternative to augment our existing local water supplies Cane Creek Reservoir, University Lake, and the Quarry Reservoir; and

Whereas, the OWASA Board of Directors recognizes that regardless of whether we participate in the proposed facility at this time, the new water supply and treatment facility provides reliability and resiliency to the Triangle Region and we support development of the facility:

Now, Therefore Be It Resolved:

1. That the Board of Directors of the Orange Water and Sewer Authority intends to provide OWASA's land to the Western Intake Partners in exchange for measures that secure OWASA's access to its allocation of Jordan Lake water and other expressed interests in the Facility.

Adopted this 24th day of February 2022.

Jo Leslie Eimers

Jo Leslie Eimers, Chair

ATTEST:

John N. Morris

John N. Morris, Secretary