

Orange Water and Sewer Authority
Annual Meeting of the Board of Directors
October 13, 2022

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held its annual meeting on Thursday, October 13, 2022, at 6:00 p.m. in OWASA's Community Room, 400 Jones Ferry Road, Carrboro.

Board Members present: Bruce Boehm (Chair), Todd BenDor (Vice Chair), Raymond (Ray) DuBose (Secretary), Jody Eimers, Pedro Garcia, David Gorelick, Melody Kramer, and Elmira Mangum. Board Member absent: Kevin Leibel

OWASA staff present: Mary Darr, Monica Dodson, Robert Epting, Esq. (Epting and Hackney), Vishnu Gangadharan, Robin Jacobs (Epting and Hackney), Andre Miller, Andrea Orbich, Johnny Riley, Ruth Rouse, Allison Spinelli, Todd Taylor, Mary Tiger, Stephen Winters, and Richard Wyatt.

Public present: Brandi Fesperman (Martin Starnes & Associates).

Motions

1. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Reappointing the Firm of Epting and Hackney as General Counsel to the Orange Water and Sewer Authority. (Motion by Jody Eimers, second by Todd BenDor and the Motion was 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 Chapel Hill North Pump Station Rehabilitation Project. (Motion by Jody Eimers, second by Todd BenDor and the Motion was unanimously approved.)
3. Jody Eimers made a Motion to approve the Minutes of the September 8, 2022, Board of Directors Meeting; second by Todd BenDor and the Motion was unanimously approved.
4. Jody Eimers made a Motion to approve the Minutes of the September 8, 2022, Closed Session of the Board of Directors for the purpose of discussing a personnel matter; second by Todd BenDor and the Motion was unanimously approved.

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Announcements

Chair Boehm 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 Boehm announced work is in progress to schedule the next meeting between Chapel Hill Town Council OWASA Committee and the Chapel Hill Appointees to the OWASA Board of Directors within the next few months.

Chair Boehm announced the Carrboro Town Council awarded OWASA \$50,000 of its ARPA funding to cover water bill debt accrued by Carrboro residents during the COVID-19 pandemic.

Jody Eimers said members of the Orange County Board of Commissioners and Orange County Appointees to the OWASA Board met on September 28, 2022 to discuss items of mutual interest.

Allison Spinelli, Engineering Manager - Capital Projects, introduced new Utilities Engineer, Andre Miller.

Petitions and Requests

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

Chair Boehm asked for petitions and requests from the Board and staff; none were provided.

Item One: Presentation of Annual Report

Stephen Winters, Director of Finance and Customer Service, provided a presentation of the draft Annual Comprehensive Financial Report for the 12-month period ending June 30, 2022. He stated OWASA is a community owned utility providing water, wastewater and reclaimed water service to the Carrboro and Chapel Hill community. OWASA has the responsibility to effectively manage and maintain all the resources, facilities, and infrastructure that the community depends on for high-quality and reliable service.

Mr. Winters stated that OWASA continues to operate in full compliance with all federal and state standards for treating the community's drinking water and for recycling highly treated wastewater and investing in sustaining infrastructure with a focus on reliability and resiliency. He also noted OWASA continues to operate in accordance with best industry standards and practices and is recognized by the Partnership for Safe Water's Excellence in Water Treatment Award for the Jones Ferry Road Water Treatment Plant and National Association of Clean Water Agencies' Peak Performance Award for the Mason Farm Wastewater Treatment Plant.

Mr. Winters said in Fiscal Year 2022 (FY 2022), OWASA invested \$9.4 million in our infrastructure and about 88% of the FY 2022 capital improvement budget went toward rehabilitation or replacement of existing assets, 10% went toward projects that added substantial enhancements, and 2% toward projects that increased system capacity. Mr. Winters said OWASA met all financial performance measurement targets which include reserve balances, debt ratios, bond ratings, and service affordability.

Mr. Winters noted the independent audit for FY 2022 was performed by Martin, Starnes & Associates. He said OWASA received an unmodified opinion from the auditor and stated that our financial condition is stable and sustainable.

Brandi Fesperman, Audit Manager with Martin, Starnes & Associates, confirmed OWASA's unmodified opinion, that the financial statements fairly present OWASA's financial position and that the firm identified no significant deficiencies in internal controls. She stated further that OWASA's Annual Comprehensive Financial Report can be relied upon by third parties, citizens, underwriters, and bondholders. Ms. Fesperman expressed appreciation to the OWASA team and that it is a positive reflection on the staff for a job well done.

The Board expressed appreciation for a job well done and suggested adding the true interest rate for the bond note disclosures.

Item Two: Quarterly Report on Attendance at Board and Committee Meetings

The Board accepted this as an information item.

Item Three: Operating Trends Report for Fiscal Year 2022

The Board accepted this as an information item.

Item Four: Resolution Reappointing the Firm of Epting and Hackney as General Counsel to the Orange Water and Sewer Authority

Jody Eimers made a Motion to approve the resolution; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 1.

Item Five: Resolution Awarding a Construction Contract for the Chapel Hill North Pump Station Rehabilitation Project

Jody Eimers made a Motion to approve the resolution; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 2.

Item Six: Minutes of the September 8, 2022 OWASA Board of Directors Meeting

Jody Eimers made a Motion to approve the Minutes of the September 8, 2022, Board of Directors Meeting; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 3.

Item Seven: Minutes of the September 8, 2022, Closed Session of the OWASA Board of Directors

Jody Eimers made a Motion to approve the Minutes of the September 8, 2022, Closed Session of the OWASA Board of Directors for the purpose of discussing a personnel matter; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 4.

Item Eight: Frequently Asked Questions About Lake Recreation and Recommendations for the Annual Report

The Board agreed to remove the Annual Lakes Recreation report from the Board Meeting Schedule, staff will add the frequently asked questions to the Board's SharePoint site, stakeholders will be notified regarding the discontinuation of the report, and provide information to the Board by exception via email.

Item Nine: Update on the Development of New Budget Format

After discussion, the Board and staff agreed to include new data analyses in future budget presentations. It is hoped that the additional data will enhance the Board's decision-making process, highlight how budget items connect to the Strategic Plan, and help the public better-understand how budget decisions are made.

Item Ten: Review Board Work Schedule

There were no comments on this item.

Item Eleven: Summary of Board Meeting Action Items

Todd Taylor noted staff will incorporate the Board's feedback into the budget process for Fiscal Year 2023 and the Operating Trends Report as well as post the Lake Recreation FAQs to the Board's SharePoint site.

There being no further business to come before the Board, the Chair adjourned the meeting at 7:30 p.m.

Respectfully submitted by:



Andrea Orbich
Executive Assistant/Clerk to the Board

Attachments

**Resolution Reappointing the Firm of Epting and Hackney as
General Counsel to the Orange Water and Sewer Authority**

Whereas, the Orange Water and Sewer Authority (OWASA) is a public, corporate entity organized and operated under the laws and statutes of the State of North Carolina and is engaged in the provision of public water, sewer and reclaimed water services within its service area; and

Whereas, the OWASA Board of Directors finds it is necessary and appropriate to provide for and obtain general legal counsel and services to assist in the establishment of policy and the administration and operations of the business and affairs of OWASA so that due regard may be given to the pertinent laws, regulations, and statutes; and

Whereas, Robert Epting, General Partner of the firm Epting and Hackney, has served as General Counsel to OWASA since October 1, 1984, and has rendered competent and appropriate legal services in that regard, and the Board of Directors wishes to continue their services as General Counsel;

**Now, Therefore, Be It Resolved by the Orange Water and Sewer Authority
Board of Directors:**

1. That the firm of Epting and Hackney, Chapel Hill, N.C., is hereby reappointed General Counsel of Orange Water and Sewer Authority in accordance with the terms and conditions set out in Robert Epting's letter dated September 15, 2022 to the Executive Director.

2. That as General Counsel, he and his firm will serve under the general direction of the Executive Director, subject to the ultimate authority of the Board of Directors.

3. That this reappointment will be effective October 13, 2022 and shall continue until terminated as provided in Mr. Epting's said letter dated September 15, 2022.

Adopted this 13th day of October 2022.



Bruce Boehm, Chair

ATTEST:



Raymond E. DuBose, P.E., Secretary

**Resolution Awarding A Construction Contract For Chapel Hill North
Pump Station Rehabilitation Project**

Whereas, there is a need to replace aging pumps and controls, rehab the pump station wetwell concrete, replace the fencing, and perform other rehabilitation work at the Chapel Hill North Sewer Pump Station; and

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

Whereas, advertisement to bid was published on the websites of the Greater Diversity News, the State of North Carolina Interactive Purchasing System (NC IPS), The National Institute of Minority Economic Development, North Carolina Department of Administration Office of Historically Underutilized Businesses (NC HUB), and OWASA, and was posted in multiple plan rooms on July 28, 2022; and

Whereas, seven bids were received and opened publicly on September 7, 2022, and Gilbert Engineering Company has been determined to be the low responsive, responsible bidder for the project:

Now, Therefore, Be It Resolved:

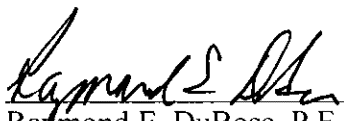
1. That the Orange Water and Sewer Authority Board of Directors awards the construction contract to Gilbert Engineering Company, the low responsive, responsible bidder for the Chapel Hill North Pump Station Rehabilitation Project, in accordance with the approved plans and specifications, in the amount of \$648,905.00, 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 13th day of October 2022.



Bruce Boehm, Chair

Attest:



Raymond E. DuBose, P.E., Secretary