



# 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, November 10, 2016, 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](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within a four minute time frame allowed each speaker.

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

### **Announcements**

- a. Announcements by the Vice 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.
  - November 17, 2016 Assembly of Governments Meeting at 7:00 P.M. in the Whitted Building, Hillsborough
- b. Announcements by Board Members
  - Update on the November 3, 2016 Special Meeting of the Board Regarding Diversity and Inclusion Discussion (Robert Morgan)
- c. Announcements by Staff
  - November 16, 2016 Community Meeting at 6:00 P.M., in OWASA's Community Room, regarding the Update to the Cross Connection Control Ordinance (Todd Taylor)

### **Consent Agenda**

#### **Action**

1. Interlocal Agreement with Orange County for Historic Rogers Road Sewer Bidding and Construction Services (Mary Darr)
2. Minutes of the October 27, 2016 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Robert Morgan)

### **Regular Agenda**

#### **Discussion**

3. Review Draft Advanced Metering Infrastructure System Community Engagement Plan (Todd Taylor)
4. Long Range Water Supply Plan – Goals and Objectives (Ruth Rouse)
5. Discuss Activities for OWASA's 40 Years of Service to the Chapel Hill-Carrboro-Orange County Community (Ed Kerwin)
6. Review Board Work Schedule (Jeff Danner/Ed Kerwin)
  - a. Request(s) by Board Committees, Board Members and Staff
  - b. December 8, 2016 Work Session
  - c. January 12, 2017 Work Session

AGENDA

November 10, 2016

Page 2

- d. 12 Month Board Meeting Schedule
- e. Pending Key Staff Action Items

**Summary of Work Session Items**

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

**CLOSED SESSION**

- 8. The Board of Directors will Convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Robert Morgan)

## **Agenda Item 1:**

Interlocal Agreement with Orange County for Historic Rogers Road Sewers Bidding and Construction Services

### **Background:**

In June 2014 and May 2015 and at the request of Orange County, OWASA and the County entered into Interlocal Agreements relating to OWASA's assistance to the County in planning and design of the extension of the sewer system to serve the Rogers Road area.

OWASA hired the consulting engineering firm URS Corporation (now part of AECOM) to design the extension of the sewer system, which is nearing completion.

Orange County has requested OWASA staff continue in a project oversight and management role through bidding and construction of the sewers.

Orange County and OWASA staff have developed the attached Interlocal Agreement outlining the terms of OWASA's assistance to Orange County for the bidding and construction phases of the Rogers Road Area sewer extension. This Agreement was reviewed and approved by the County Attorney and OWASA's Counsel.

The Agreement stipulates that Orange County will be responsible for payment of all costs of the project and will reimburse OWASA all reasonable engineering staff costs associated with overseeing and managing the project.

### **Action Requested:**

Approval for the Chair of the OWASA Board of Directors to execute the Interlocal Agreement Relating to Construction of a Sewer Main Extension in the Rogers Road Area with Orange County.

### **Information:**

- Letter from Robert Epting, OWASA General Counsel
- Interlocal Agreement Relating to Construction of a Sewer Main Extension in the Rogers Road Area

November 10, 2016

EPTING AND HACKNEY  
ATTORNEYS AND COUNSELLORS AT LAW  
410 MARTIN LUTHER KING, JR. BOULEVARD  
P. O. DRAWER 1329  
CHAPEL HILL, NORTH CAROLINA 27514

ROBERT EPTING  
JOE HACKNEY  
ELIZABETH LACKEY JACOBS  
STEVE LACKEY  
HATHAWAY S. PENDERGRASS

TELEPHONE 919-929-0323  
FACSIMILE 919-929-3960

November 3, 2016

OF COUNSEL:  
ELLEN B. SCOUTEN

Board of Directors  
Orange Water and Sewer Authority  
400 Jones Ferry Road  
Carrboro, NC 27519

Re: Interlocal Agreement for Phase Two Services by OWASA to Orange County for  
Bidding and Construction Phase of Historic Rogers Road Sewer Extension Project

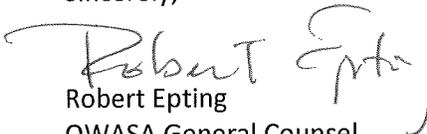
Dear Board Members:

We are pleased to present for your approval the attached draft Interlocal Agreement between Orange County and OWASA, which describes the respective duties to be undertaken by the parties in the next bidding and construction phase of this Project.

OWASA and County staff, and their respective Counsel, have been engaged for several months in the negotiation of this Agreement, which follows the format of the earlier Interlocal Agreement for Phase One, (preliminary engineering and planning phase). The intent of this Agreement is to assign to OWASA responsibility for preparing and the bidding documents, and for contract award activities, and providing oversight of construction, consistent with the duties usually undertaken by the Project Engineer. As Owner of the Project improvements, the County is responsible for payment of all of the costs to be incurred, including reimbursement to OWASA of the costs of its participation.

OWASA staff and General Counsel request your approval of this Agreement, and your authorization for its execution.

Sincerely,

  
Robert Epting  
OWASA General Counsel

**NORTH CAROLINA  
ORANGE COUNTY**

**INTERLOCAL AGREEMENT  
RELATING TO CONSTRUCTION OF A SEWER MAIN EXTENSION  
PROJECT IN THE ROGERS ROAD AREA**

This Interlocal Agreement is dated as of \_\_\_\_\_, 2016, and is entered into by and between Orange Water and Sewer Authority (hereinafter “OWASA”), a special purpose entity of local government organized under Chapter 162A, North Carolina General Statutes, and the County of Orange (hereinafter “County”), organized under Chapter 153A of the North Carolina General Statutes.

WHEREAS, the County desires at its expense to construct and install a public sewer collection system project of mains and other necessary components, to provide sewer collection service to presently unserved properties in the area shown on the attached Exhibit A, (herein referred to as the “Project”), and

WHEREAS, the Project is designed and intended to collect wastewater from the properties located in the presently unserved area shown on Exhibit A, attached hereto, (the “Project Area”), which is adjacent to areas presently served by OWASA, with the understanding that the wastewater collected in the Project Area will be caused to flow into the existing OWASA wastewater collection system, and be treated and may be used as reclaimed water or returned to the surface waters of the State after treatment as required by existing OWASA permits from the North Carolina Department of Environmental Quality; and

WHEREAS, the County has called on OWASA, and OWASA has agreed, as County’s agent to undertake certain bidding, contract award, and construction administration and

observation services for and on behalf of the County, to assure that the Project is constructed and can be operated in accordance with OWASA's standards for its own system facilities; and

WHEREAS, OWASA and the County wish to cooperate to assure the successful completion of this Project;

NOW, THEREFORE, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish the financial and other responsibilities of the parties for completion of the sewer main extension project to serve the Project Area, as represented in the map included in Exhibit A.

2. Bidding, Construction Administration, and Construction Inspection Phase.

a. At the conclusion of the Design Phase for the Project, as that is defined in that previous Agreement between the parties dated May 19, 2015, the County shall determine and approve the service area, scope, and construction parameters for the Project, including the identification of each parcel of real estate (by PIN number) which County determines shall be served or otherwise benefitted by the Project, all subject to and in accordance with OWASA's usual design standards and system requirements.

b. Using its own employees, and such engineers, consultants and sub-consultants as it deems appropriate, OWASA shall undertake to complete contract bidding and award, construction administration and observation, negotiating change orders, project certification, record drawings, and the like, and the County will pay the costs of that work, which the parties expect not to exceed \$553,000 without further approval of the County, including, inter alia, the costs of OWASA's employees' work, all as necessary to complete the Project so as to allow for its connection to the OWASA wastewater collection system.

c. Before commencement of construction of the Project, the County shall obtain all easements, permits, privileges and assurances necessary for the construction and operation of the sewer system; all easements shall conform with the exclusive easements customarily required by OWASA for construction of such projects, and shall be assignable without the consent of the underlying fee owner to OWASA. Either OWASA or the County shall execute permit applications and provide necessary documentation to obtain all permits and authorizations necessary for construction of the Project improvements and connection to the existing OWASA wastewater collection system.

d. Using the County's determinations described above, OWASA shall undertake as the County's agent to solicit bids, select the most appropriate bidder, and award a Contract for construction and completion of the Project. The consulting Engineer will prepare bid documents (plans and specifications) and will use OWASA's standard bidding procedures to select and contract with Contractor(s) to build the Project.

e. The Contract awarded for construction and completion of the Project shall name the County as Owner of the improvements to be constructed, and as the party responsible for payment for the improvements being constructed, and shall recognize and identify OWASA as the County's agent authorized to supervise, direct, and otherwise see that the Project is completed within the terms of the Contract. All insurance, warranties, indemnities, and other obligations undertaken or benefits and coverages to be provided by the Contractor under the Contract shall inure to the benefit of both the County as Owner, and OWASA as the County's agent in all matters pertaining to or arising out of performance of the Contract, as their interests may appear.

f. The construction Contract(s) shall assign to the Contractor(s) sole responsibility for identifying and resolving any conflicts arising by reason of subsurface conditions or other utility or other improvements already in place within the Project area, and OWASA shall have no responsibility for that part of the Project work.

g. The Project shall be constructed and operated as a gravity-flow system, to the extent practical, and shall provide access to every Property identified by PIN on Exhibit A to connect and be served.

h. The lateral lines connecting each house to the sewer mains being constructed are not part of the Project; however, appropriate stub-out connection points shall be constructed so as to provide for access to each Property benefitted by the Project.

i. Rules pertaining to the connection of each benefitted property to the Project system shall be consistent with OWASA's rules and procedures regarding connection of new properties to its existing system.

j. It is understood that the expenses of connecting each home to be served to the Project improvements shall be the obligation of the property owners, and such connections shall not be part of this Project.

k. Before the Project system of mains and lines is connected to the existing OWASA system, or sewer collection service is otherwise initiated, the County and OWASA shall determine how to bill, collect, and pay over to OWASA sums representing those customers' monthly service charges, availability and connection fees, which fees and charges shall be equivalent to those charged OWASA's other regular residential and non-residential customers. For so long as County shall remain owner of the Project system, it shall have the right to determine what fees and charges may be due from residential and non-residential customers,

provided the sums paid to OWASA for services to Project area customers shall be equivalent to those fees and charges paid under OWASA's regularly adopted schedule of rates, fees and charges, as amended from time to time.

l. The County shall be responsible for payment and satisfaction of all obligations arising out of the performance and completion of the Contract, due from it as Owner of the Project, and shall, through the terms of the construction contract, ensure that the Contractor indemnifies and holds OWASA harmless from claims that may arise out of the Contractor's performance or that may be made against OWASA, except for such sums as may become due upon the adjudication of gross negligence or willful misconduct on the part of OWASA's employees. To the extent authorized by law the County shall indemnify OWASA from and against claims that may arise out of the County's performance of its duties as Owner of the Project except to the extent such claims may arise from the negligence or misconduct of the Contractor or negligence or misconduct of OWASA or its employees.

m. In order to ensure proper and effective Project management, OWASA shall select and shall have charge of supervision of the engineering and other consultants who shall oversee the construction of the Project. Those professional engineers and consultants shall be subject to the oversight and direction of OWASA's Engineer who shall have charge of OWASA's responsibilities hereunder. The Engineer and other consultants selected by OWASA shall report to OWASA staff, who shall work closely with County staff to ensure the County's requirements for the Project are met. In the event of any apparent conflicts between the County's and OWASA's requirements, the parties shall work together to find reasonable compromise and accommodations for the Project. In close coordination with OWASA and consistent with the need for effective Project management, the County Engineer or his/her

designated representative will have full access to the Engineers and consultants working on the Project who shall upon request meet with the County representatives or provide any information needed by the County on any aspect of the Project. OWASA will authorize the Engineers and consultants to meet with County representatives or provide any information needed by the County on any aspect of the Project.

3. Construction phase.

a. The bidding procedure for the construction contract shall be administered by OWASA. County staff may observe and participate in review of bid documents and submitted bids.

b. At the end of the bidding process to be conducted by OWASA as the County's agent, the Contract will be awarded and entered into by the County, with the County being named as Owner of the Project, and the party responsible for payment of all of the costs of the Project, and OWASA being named as the County's agent for Project Administration. As identified in the construction contract documents, all expenses associated with the Project shall be the final responsibility of the County. As requested from time to time by OWASA, County shall reimburse OWASA for all bidding and construction-related expenses, including OWASA's employees' services.

c. In order to ensure proper and effective project management with the construction contractor, OWASA staff will administer the contract. OWASA will keep the County fully advised with respect to the construction work with regular reviews by County staff, so that any potential problem can be identified and resolved. As the contracting party the County reserves the right to intervene directly with the construction contractor should County determine such intervention is necessary to ensure continued progress on the Project.

d. The parties agree that the Project work does not include septic tank system removal or remediation of conditions resulting from the use or abandonment of septic tanks or systems. Under no circumstances shall OWASA be responsible for septic tank abandonment, removal or remediation of conditions arising out of previous use or abandonment of septic tank systems. Nor shall OWASA have any responsibility for any costs arising out of or otherwise associated with remediation, restoration, or materials removal from any areas found to be contaminated or which may previously have been used for disposal of wastes, garbage, refuse, or abandoned materials or articles. The parties recognize the possibility that changes and additional costs may be required to properly locate, collect, or dispose of such materials and remediate such areas, and that the costs therefor shall become a part of the Project expense to be paid by the County.

4. OWASA and the County will cooperate in community outreach efforts to inform and obtain the cooperation of residents of the Project area.

5. Duration of the agreement.

a. The responsibilities and obligations of the parties shall continue until the Project has been completed unless terminated as specified in Section 5b of this agreement.

b. The County may terminate this agreement with or without cause. If the agreement is terminated for any reason, the County agrees to pay OWASA for all Project related cost and expenses incurred by OWASA prior to termination. Should termination occur after the Project has been awarded to the Contractor County shall take reasonable steps to ensure neither County nor OWASA have any further obligation to Contractor under the terms of the contract documents.

6. The County shall allocate sufficient funds to pay for all the expenses incurred and obligations imposed within the scope of this agreement.

7. County shall be responsible for approving change orders required for the Project upon the recommendation and advice of OWASA.

8. County shall make Project payments upon recommendation and at the direction of OWASA. The County will be invoiced monthly and will reimburse OWASA in full within 30 days for all other expenses related to this project as provided in Sections 2b and 3b. In addition, the County shall also reimburse OWASA all reasonable engineering staff cost associated with its staff for overseeing and managing the Project. OWASA shall itemize all such expenses in periodic invoices billed to the County.

9. Each party will designate a single point of contact for the day-to-day administration for all aspects of this agreement for the express purpose of efficient project management. It will be the responsibility of this contact person to disseminate information to their respective organizations.

10. Both parties recognize the importance of timely reviews and approvals. Each party will use their best efforts to provide and complete responses to issues dealing with plan reviews, proposed change orders, payment, and project acceptance.

11. All amendments to this agreement shall be approved by both parties and must be in writing.

12. Both parties agree that there are many issues and details relating to the successful completion of this project which are not specifically covered in this agreement. Both parties further agree to share a guiding principle of “trust and support” with respect to successfully resolving any issues which may arise during the duration of this agreement.

The parties have entered into this Interlocal Agreement this \_\_\_\_\_ day of \_\_\_\_\_,  
2016.

ORANGE COUNTY

ORANGE WATER AND SEWER AUTHORITY

\_\_\_\_\_  
Orange County Commissioners, Chair

\_\_\_\_\_  
OWASA Board of Directors, Vice Chair

Pre-audit Certification by  
County Finance Officer:

Pre-audit Certification by  
OWASA Finance Officer:

\_\_\_\_\_

\_\_\_\_\_

Approved as to form and legality:

\_\_\_\_\_  
Orange County Attorney

\_\_\_\_\_  
OWASA General Counsel



## Agenda Item 2

**ORANGE WATER AND SEWER AUTHORITY**  
**CLOSED SESSION OF THE BOARD OF DIRECTORS**

**OCTOBER 27, 2016**

The Board of Directors of Orange Water and Sewer Authority met in Closed Session on Thursday, October 27, 2016, following the Board meeting.

Board Members present: John A. Young, Chair; Jeff Danner, Vice Chair; Barbara M. Foushee, Secretary; Yinka Ayankoya; Terri Buckner; David (Dave) Moreau; Robert Morgan; Heather Payne; and Ruchir Vora.

\*\*\*\*\*

ITEM ONE

The Board of Directors met in Closed Session without staff to evaluate the annual performance review of OWASA's Executive Director.

No official action was taken at the meeting.

The meeting was adjourned at 10:15 P.M.

---

Robert Morgan, Chair  
Human Resources Committee

### **Agenda Item 3:**

Review Draft Advanced Metering Infrastructure (AMI) Community Engagement Plan (CEP)

#### **Purpose:**

As the AMI project moves into the procurement and installation phases, we will have significant opportunities and need to engage with stakeholders in our community. The draft CEP identifies these opportunities and proposes methods to solicit their feedback. The draft version is being provided to the Board for review and comment prior to the approval of the final CEP at the December 8, 2016 Board meeting.

#### **Action Requested:**

Staff requests that the Board provide suggestions for improvement of the draft CEP to be incorporated into the final CEP that the Board is scheduled to approve at the December 8, 2016 Board meeting.

#### **Background:**

On March 24, 2016, following a feasibility assessment and an extensive community engagement effort, the Board of Directors determined that implementation of AMI is in the best interests of our customers and authorized staff to proceed with procurement and implementation planning.

Since March, we hired a consultant to assist staff with the procurement process, to develop a change management plan, and to help manage the installation process. In addition, we are in the process of recruiting a Business Systems Analyst to help ensure a successful process and have applied for a low-interest State Revolving Fund Loan to finance the project. Additionally, we are finalizing a Request for Proposals and have developed the attached draft CEP with feedback from our consultant.

Board approval of formal CEPs is required for key strategic initiatives, such as AMI. These plans ensure alignment between the Board and staff on core messages and the methods to be used to engage with stakeholders.

#### **Staff Recommendation:**

Staff recommends that the Board review the draft CEP and provide feedback to staff that can be incorporated into final CEP that the Board is scheduled to approve at the December 8, 2016 Board meeting.

#### **Information:**

- Draft CEP for OWASA's AMI Project Procurement and Installation Phase

November 10, 2016

# COMMUNITY ENGAGEMENT PLAN

## OWASA's Advanced Metering Infrastructure (AMI) Project – Procurement and Installation Phase

November 10, 2016

### Purpose

The following plan outlines an approach for engaging our community in the procurement and installation phases of the Advanced Metering Infrastructure Project.

The purposes of community engagement in the Procurement Phase are to:

1. Provide transparency into procurement decisions, and
2. Provide the opportunity for stakeholders to question assumptions behind procurement decisions.

The purposes of community engagement in the Installation Phase are to:

1. Keep stakeholders informed on the schedule and progress of installation
2. Provide ample and straightforward opportunities for the public to inquire about the project
3. Inform customers about the impact of AMI on them, both in the short and long-term
4. Engage stakeholders in Board actions regarding the creation of or revisions to policies, as a result of the AMI system installation.

### Desired Outcomes of Community Engagement

- Stakeholders have opportunities to provide input on the decision-making process.
- Stakeholder feedback is used as a resource to enhance decision-making.
- Stakeholders are well-informed and receive advance notice about the system installation.
- Stakeholders understand the affects the installation process will have on them.

### Measuring the Effectiveness of the Engagement

Throughout the procurement and installation phases, we will request and collect feedback on the quality and timeliness of information and engagement activities via email, phone calls, feedback forms at Board meetings, and an ongoing feedback survey on our website. On forms and surveys, we will ask for a categorical ranking of the communication and engagement process.

Measuring stakeholder's perception of the success of the project will also be important to evaluating the success of our engagement and process. We will invite all account holders to participate in post-installation survey to request feedback on the overall process.

**Our goal is that all stakeholders will rate the information provided and participation opportunities as very good to excellent in the feedback/survey process.**

## Stakeholder Groups

All account holders and system users are stakeholders in the Procurement and Installation Phases of the AMI Project. This category includes major customers and organizations such as the Towns of Chapel Hill and Carrboro, Orange County, the University, UNC Healthcare, Chamber of Commerce, affordability outreach partners, etc.

Additionally, the vendor that is ultimately chosen for the AMI system will be a key partner in implementing this community engagement plan, and therefore a critical stakeholder.

## Core messages

Our website will host background information on what AMI is and how we got to this point. However, as we move through the various phases of this project, we will want to focus on specific messages to efficiently engage our community in the most appropriate way. We have dialed into three specific messages for the Procurement Phase and the Installation Phase, in support of which we will provide more detailed information (outlined in the following section).

### Procurement Phase

1. AMI is a significant investment in our community.
2. We have some important decisions to make regarding the AMI system in our community and value stakeholder participation and feedback.
3. We are evaluating AMI systems based on their initial and ongoing costs, community impact, capabilities, ease of installation and use, and quality.

### Installation Phase

1. How will the installation affect stakeholders?
2. How will AMI technology benefit stakeholders?
3. Where can you go if you have questions?

## Key information for stakeholders

### Procurement Phase

1. AMI is an investment in our community.
  - a. AMI will provide our customers with increased access to their water use data and improve the ability to proactively address water leaks.
  - b. AMI will provide benefits in:
    - i. Leak detection and water conservation
    - ii. Greenhouse gas reduction (from reducing vehicle use)
    - iii. Safety
    - iv. Cost savings from avoiding expenses associated with our current, less efficient meter reading program and reducing our workforce (no employees will be laid off as a result of AMI, instead the number of positions will be reduced over time through normal turnover).
2. We have some decisions to make regarding the AMI system in our community and value your participation and feedback.
  - a. *March 9, 2017 and March 23, 2017 Board meetings:* Receive public comments and questions (e.g., Opt-Out Program).
  - b. *As needed:* Preceding any policy decisions related to AMI that may affect stakeholders.
3. We are evaluating AMI systems based on their initial and ongoing costs, community impact, capabilities, ease of installation and use, and quality.
  - a. We do not anticipate a rate increase for water and sewer services to fund the AMI system.
  - b. In the feasibility assessment, the AMI system is projected to cost ~\$6 million.
  - c. Performance of vendor proposals against established objectives
  - d. The community raised important concerns during our feasibility phase, and we will address the concerns raised by the community during procurement and installation:
    - i. *Radio frequency exposure:* We will continue efforts to inform stakeholders about the relatively limited exposures due to: location of the low powered transmitters in relation to stakeholders' homes and the intermittent nature of their use.
    - ii. *Reduction in force:* We will reaffirm OWASA's public commitment that no employees will be laid off and position reductions will occur through normal turnover.
    - iii. *Data security and privacy:* We will continue efforts to inform stakeholders about data encryption and the relatively low value of this data.
    - iv. *Other:* We will address other concerns that may arise on an ongoing, as-needed basis.

### Installation Phase

1. How will the installation affect stakeholders?
  - a. Water service may need to be interrupted briefly during the installation of AMI equipment.

- b. Stakeholders may have interactions with contract installers working for OWASA. Installers will be working at the meter box near the street and should not need to enter homes or businesses. They will be readily identifiable. They will be, for the most part, working in only one area at a time.
  - c.
  - d. Lawns, sidewalks, landscaping, etc. within the public right-of-way may be disturbed if the meter box has been buried.
  - e. Leaks in service lines may be discovered during or result from the installation.
  - f. If old, inaccurate meters are replaced, some customers who were being under-billed may notice an increase in billed-for consumption;
2. How will AMI technology benefit stakeholders?
    - a. Stakeholders will have access to their own usage data via a web portal after system testing and staff training has been completed.
    - b. Policies may be created/revised to address stakeholder concerns and to take advantage of new system benefits. We will provide the community opportunity to comment on these policies before they are approved.
  3. Where can you go if you have questions?
    - a. Website
    - b. Phone
    - c. Email

### Communication/engagement methods

The OWASA website will serve as an information hub for the AMI project's background, status, answers to frequently asked questions, feasibility study, and related documents. We will develop clear, concise, and accessible summaries of key information using fact sheets, diagrams, and brief videos. Topics of these summaries will include:

- What is AMI?
- Project timeline and map
- AMI: anticipated returns on this investment
- How will the installation impact your household?
- How will AMI technology impact your household?

We will highlight opportunities for the community to provide feedback on our website, based on where we are in the process. Additionally, we will actively invite the community to visit the website using the following modes:

- Email stakeholders who have signed up to receive such notices.
- Blue Thumb newsletter articles included in paper bills and via links in e-bills.
- Notices on electronic and paper bills.

Given where we are in the process, these notices may be specific calls-to-action (e.g. invitation to Board meeting discussion on AMI vendor procurement) or more general in nature (e.g. AMI is coming, what you should know).

### Installation Phase

As we approach the Installation Phase, the information will become more focused and specific. We will offer presentations/discussions with interested community groups letting them know what they can expect. Staff will seek to meet with organizations including:

- Towns of Chapel Hill and Carrboro and Orange County
- UNC and UNC Healthcare
- Chapel Hill-Carrboro City Schools
- Chamber of Commerce
- Sierra Club
- Civic and property owner groups
- Additional entities among our top 20 stakeholders
- Affordability outreach partners

We will also notify the community of the installation process via:

- News releases
- Guest column from the Board Chair in local media (optional)
- Announcements in televised Board meetings
- Door hangers placed in advance of installations
- Direct mail letters in advance of installations

### Resources Required

In-house staff will handle the majority of these activities, therefore additional out-of-pocket costs for its implementation will be minimal. We anticipate that certain items will be addressed by the installers (i.e. door hanger printing and placement, call center for installation appointments and follow-up, etc.) and therefore included in the contract amount.

### Board Engagement

How will the Board be involved in the community engagement?

- Announcements at televised Board meetings.
- Communications with elected officials.
- Guest column from the Board Chair in local media (optional).

On what frequency and by what method(s) will staff keep the Board updated about the initiative?

- Staff announcements at Board meetings.
- E-mail updates as-needed.

On what frequency and by what method(s) will the Board provide staff feedback regarding the effectiveness of the community engagement work for the initiative?

- Ongoing, as-needed verbal and written feedback.

DRAFT

#### **Agenda Item 4:**

Long-Range Water Supply Plan - Goals and Objectives

#### **Purpose:**

Receive guidance from the Board of Directors on how we will evaluate water supply and demand management alternatives in the Long-Range Water Supply Plan (LRWSP) update.

#### **Background:**

The Board of Directors approved a *Charter for Long-Range Water Supply Plan* (Charter) at its March 27, 2014 meeting. The Charter includes draft goals for updating the LRWSP.

The Board of Directors approved a *Community Engagement Plan for Long-Range Water Supply Plan Update* in February 2015. The Community Engagement Plan indicated that Goals and Objectives and financial and non-financial factors to evaluate water supply and demand management alternatives against were key topics to seek feedback from the community early in the process.

Staff has drafted the attached *Evaluating Supply and Demand Management Alternatives Against Goals and Objectives for the Long-Range Water Supply Plan (LRWSP)* to meet the intentions of the Community Engagement Plan. The proposed approach builds on the goals and objectives included in the Charter.

#### **Action Requested:**

Discussion and concurrence with proceeding with the draft method to evaluate supply and demand management alternatives against goals and objectives for the Long-Range Water Supply Plan and beginning to obtain feedback from the public on the draft document. Consistent with past practice, we do not believe a formal resolution is needed for this matter. However, if the Board would like to approve that staff obtain feedback on the proposed approach from the public, we do recommend that the Board consider acting on this matter via approval of a motion, perhaps similar to the following:

*“Motion that the Board of Directors authorizes staff to obtain feedback from the community on the approach described in *Evaluating Supply and Demand Management Alternatives Against Goals and Objectives for the Long-Range Water Supply Plan (LRWSP)*”.*

#### **Information:**

- *Evaluating Supply and Demand Management Alternatives Against Goals and Objectives for the LRWSP*
- [\*Charter for Long-Range Water Supply Plan\*](#)
- *Community Engagement Plan for Long-Range Water Supply Plan Update*

November 10, 2016

# Evaluating Supply and Demand Management Alternatives Against Goals and Objectives for the Long-Range Water Supply Plan (LRWSP)

## Background

The OWASA Board of Directors approved a [Charter for Long-Range Water Supply Plan](#) (Charter) at its March 27, 2014 meeting. The Charter outlines the need for the project, project vision, deliverables, water supply and demand management alternatives that will not be evaluated in the LRWSP, risks, and associated community engagement process. It also includes draft goals and objectives for the project which may change based on community input. These goals will serve as the basis to evaluate water supply and demand management alternatives. Supply alternatives are those that create a new or expanded source of water; demand management alternatives are those that promote more efficient use of water.

## Proposed Approach

The goals and objectives included in the Charter are organized along the three pillars of sustainability: social performance, environmental performance, and financial performance. Based on guidance the Board of Directors has provided regarding goals and objectives for energy management, biosolids management, and the advanced metering infrastructure (AMI) study, staff does not propose to establish specific weights for the given objectives. However, each supply and demand management option will be generally evaluated against the objectives, and the results will be presented in a table as was done for the biosolids plan and AMI feasibility study.

In evaluating supply and demand management options and potential “portfolios” strategies (combinations of supply and demand management options), there are several social performance goals which must be met or the alternative is unacceptable. Running out of water is not an option; neither is providing water to our customers that does not meet drinking water standards. Criteria which must be met for the selected mix of supply and demand management alternatives (i.e. the portfolio) include:

1. Annual average-day raw water demand does not exceed the reliable capacity of OWASA’s existing and planned water supply sources. This could be achieved through a mix of supply and demand management alternatives.
2. Our plan will include contingency measures for meeting water demands if and when an extreme event (such as an exceedance of the 2001-02 drought of record or sudden loss of water supply storage capacity) is projected to cause us to drawdown our remaining supply to 20 percent or less of total storage.
3. We will maintain a diverse and resilient portfolio of water supply and demand management strategies so we are positioned to meet the community’s water needs as we face increasing uncertainty in the future.

4. Selected water supply strategies must enable us to meet all applicable drinking water-related standards.

Staff also recognizes that a given water supply or demand management option may not meet one of first three criteria on its own, but when evaluated as one element within a portfolio of water supply and demand management options, it may meet those four elements. Thus, staff proposes a 2-step approach:

- Step 1: Evaluate each supply and demand management option against the framework outlined in Table 1. This table does not include community values; those will be evaluated in Step 2. Similar to what has been done to evaluate alternatives for biosolids management and AMI, each option would be categorized (coded) as unacceptable, acceptable, better, and best against the criteria.
- Step 2: Evaluate alternative portfolios (combinations of supply and demand management alternatives) against the goals and objectives included in the Charter as outlined in Table 2. This evaluation includes community values for the social, environmental and financial performance goals. Our ratings for the community values criteria will incorporate the feedback obtained during the community engagement process for the water supply and demand management alternatives. As proposed for Step 1, each combination of supply and demand management alternatives would be categorized as unacceptable, acceptable, better, and best against the criteria.

**TABLE 1. RELATIVE COMPARISON OF WATER SUPPLY AND DEMAND MANAGEMENT OPTIONS AGAINST EVALUATION CRITERIA (Step 1)**

Each option will be shaded to illustrate the relative comparison of performance to each other (only applicable to the objective for that row)

Key to Cell Shading:

UNACCEPTABLE	ACCEPTABLE	BETTER	BEST
--------------	------------	--------	------

EVALUATION CRITERIA		SUPPLY OPTIONS			DEMAND MANAGEMENT OPTIONS		
		Supply Option 1	Supply Option 2	Additional Columns for Supply Options 3, 4, 5...	Demand Mgmt Option 1	Demand Mgmt Option 2	Demand Mgmt Options 3, 4, 5...
<b>SOCIAL PERFORMANCE</b>	Estimated Yield	Estimated Yield for each Supply Option.			Quantity of water saved where possible (annual average day and/or maximum day during peak season); narrative description on other demand management options Note: Charter indicates that demand management savings where firm, measureable savings cannot be documented (such as public education and outreach) would not be considered in LRWSP update, but in the Conservation Plan.		
	Impact on portfolio's diversity and resilience	Location and size of watershed, confidence in yield in extreme circumstances, length of time to activate in drought.			Length of time to activate in drought; potential impacts on customer behavior; potential impacts on targeted water use.		
	Does strategy enable us to meet all applicable drinking water-related standards and other public health regulatory requirements?	Any option that did not meet this criteria would be rated as unacceptable and not move on to Step 2.			Any option that did not meet this criteria would be rated as unacceptable and not move on to Step 2.		
	Water Use Restrictions	Provide description of how frequently we may enter any declared drought stage, how long we are in declared drought, and which stage we may reach (Stages 2 and 3 impact certain commercial uses; drought surcharges also apply).			Narrative description of how option may reduce demand and delay declaration of various drought stages.		
	Legal in North Carolina?	This criteria was not included in the Charter. There are some supply options that are not legal in North Carolina such as direct potable reuse. Staff may evaluate the option, but any that are not legal will be rated as unacceptable and not move on to Step 2.			This criteria was not included in the Charter. There are some demand management options that are not legal in North Carolina such as mandatory water use efficiency retrofits at time of property resale. Staff may evaluate the option, but any that are not legal will be rated as unacceptable and not move on to Step 2.		
	Impacts on community	Based on information in geographic information system, estimate number of private parcels and recreation areas impacted. Provide narrative description of potential traffic, noise, and other impacts to human environment.			Demand management options may have no new OWASA infrastructure, but could have impacts on the community (economic impact, targeted groups versus community-wide approach, public health, ability to enforce).		
<b>ENVIRONMENTAL PERFORMANCE</b>	Energy use and greenhouse gas emissions	Narrative description of energy use and associated greenhouse gas emissions for each option.			Narrative description of energy use and associated greenhouse gas emissions for each option.		
	Impacts on streams, wetlands, groundwater	Based on data in geographic information system, estimate the number of stream crossings (pipelines) and acres of wetlands impacted. Narrative description of other potential impacts to surface and groundwater.			Narrative description of impacts to surface and groundwater; may be limited impacts for many options.		
	Other environmental impacts	Narrative description of impacts to air quality, habitat, soils, and other environmental features.			Narrative description of impacts to air quality, habitat, soils, and other environmental features; may be limited impacts for many options.		
	Highest and best use of local water resources	This criteria was not included in the Charter, but is based on the Sustainability Value within the Strategic Plan. Narrative description of how option promotes the highest and best use of our local water resources and promotes conservation of water and other natural resources.			This criteria was not included in the Charter, but is based on the Sustainability Value within the Strategic Plan. Narrative description of how option promotes the highest and best use of our local water resources and promotes conservation of water and other natural resources.		
<b>FINANCIAL PERFORMANCE</b>	Relative life-cycle costs	Provide estimates of capital costs and operating and maintenance costs through 2065.			Provide estimates of initial costs plus any annual costs; also provide information on revenue impacts.		
	Levelized cost /1000 gallons	Relative life cycle costs/estimated yield.			Relative life cycle costs/estimate of water saved.		

**TABLE 2. RELATIVE COMPARISON OF WATER SUPPLY AND DEMAND MANAGEMENT PORTFOLIO OF ALTERNATIVES AGAINST EVALUATION CRITERIA (Step 2)**

Each supply and demand management portfolio alternative will be shaded to illustrate the relative comparison of performance to each other (only applicable to the objective for that row)

		UNACCEPTABLE	ACCEPTABLE	BETTER	BEST
EVALUATION CRITERIA		Baseline (Existing Plan) Portfolio CCR, UL, Expand Quarry (shallow option) Jordan Lake - no guaranteed access	Water Supply and Demand Management Portfolio Alternative 2	Additional Columns for Water Supply and Demand Management Portfolio Alternatives 3, 4, 5...	
<b>SOCIAL PERFORMANCE</b>	Supply meet projected demand?	Yes/No; Unacceptable portfolio if does not meet projected demand.			
	Description of contingency for extreme drought event	Narrative description of contingency plan.			
	Diverse and resilient portfolio	Narrative description of how portfolio provides diversity, resiliency, and redundancy.			
	Water Use Restrictions	Provide description of how frequently we may enter any declared drought stage, how long we are in declared drought, and which stage we may reach (Stages 2 and 3 impact certain commercial uses; drought surcharges also apply)			
	Impacts on community	Based on information in geographic information system, estimate number of private parcels and recreation areas impacted. Provide narrative description of potential traffic, noise, and other impacts to human environment.			
	Community values	Narrative description of comments made during the public process will be incorporated into the summary table.			
<b>ENVIRONMENTAL PERFORMANCE</b>	Energy use and greenhouse gas emissions	Narrative description of energy use and associated greenhouse gas emissions.			
	Impacts on streams, wetlands, groundwater	Based on data in geographic information system, estimate the number of stream crossings (pipelines) and acres of wetlands impacted. Narrative description of other potential impacts to surface and groundwater.			
	Other environmental impacts	Narrative description of impacts to air quality, habitat, soils, and other environmental features.			
	Acceptability to community and regulatory agencies	Narrative description of comments made during the public process will be incorporated into the summary table; also describe acceptability to neighboring communities.			
	Highest and best use of local water resources	This criteria was not included in the Charter, but is based on the Sustainability Value within the Strategic Plan. Narrative description of how portfolio promotes the highest and best use of our local water resources and promotes conservation of water and other natural resources.			
<b>FINANCIAL PERFORMANCE</b>	Relative life-cycle costs	Provide estimates of capital costs and operating and maintenance costs through 2065.			
	Levelized cost /1000 gallons	Estimated capital and operating costs per 1000 gallons of yield and water saved.			
<b>OVERALL PERFORMANCE</b>	Balance of social, environmental, and financial considerations	Narrative description of comments made during the public process will be incorporated into the summary table.			

# **Community Engagement Plan for Long-Range Water Supply Plan Update (approved 2/12/2015)**

## **Purpose**

OWASA is updating its Long-Range Water Supply Plan (LRWSP) to ensure a reliable and high quality supply of water for the community for the next 50 years. As part of this process, OWASA will seek to involve and engage the community as we identify and evaluate our water supply and demand management options.

The intent of this community engagement plan is to set goals for this effort, identify meaningful engagement activities, identify resource needs, and provide a schedule for engagement activities.

## **Outcomes/Objectives**

Goals for the public engagement process are:

- Involve stakeholders in the exchange of information and ideas, and in the Board of Directors' decision-making process so that we can better understand and incorporate public values, and ultimately improve the quality of the decisions;
- Increase public awareness and understanding of the findings, recommendations, and implementation of the plan;
- Obtain commitments from stakeholders that will have key roles in the implementation of the plan;
- Build trust in OWASA;
- Develop and implement outreach strategies to help engage minority communities and socio-economically disadvantaged individuals;
- Better understand and seek to minimize sources of conflict among interested and affected parties by building agreement on proposed strategies.

## **Stakeholders**

Stakeholders we will seek to engage as the Plan proceeds include, but are not limited to, the following. Additional stakeholders may be identified and included once the project is underway.

- Our residential and non-residential customers
- Local government Boards and staff
- UNC-Chapel Hill
- UNC Health Care
- Community organizations
- Neighbors in our water supply watersheds
- Local government utility neighbors

### **Core Messages**

1. Providing a high quality and reliable water supply is a key mission of OWASA and OWASA seeks to proactively inform and engage stakeholders as we update the LRWSP
2. OWASA values community feedback
3. OWASA wants to ensure an adequate, high quality supply of water while being mindful of affordability, social, and environmental issues

### **Key Topics Seeking Feedback from the Community**

1. Goals and objectives – The project charter outlines draft goals and objectives organized along the three pillars of sustainability: social performance, environmental performance, and financial performance. We would like feedback from the community on those goals.
2. OWASA will develop draft financial and non-financial factors to evaluate the water supply and demand management alternatives against. We would like feedback on those factors and how they should be weighted in the decision process.
3. Alternatives analysis – OWASA would like feedback from the community on the alternatives being evaluated, how they compare to the goals and objectives and the financial and non-financial factors.
4. Draft LRWSP

### **Key Information Provided To Community**

1. Why is long-range water supply planning important?
2. Why is OWASA updating its Plan?
3. What are the proposed goals and objectives of the Plan?
4. How much water can OWASA provide?
5. How much water does our community need now and in the future?
6. What alternatives are available to meet future water supply needs?
7. What is the difference between demand management and water supply alternatives?
8. How will OWASA evaluate the different demand management and water supply alternatives?
9. What alternatives will help OWASA meet the community's future water needs and what are the relative advantages and disadvantages (financial and non-financial) of those alternatives?
10. What is the preferred mix of water supply and demand management alternatives?
11. What opportunities will the public have to provide input to the LRSWP?
12. What is the schedule for public input?
13. What decisions has the OWASA Board of Directors made regarding the LRWSP, and what future decisions will the Board make after community engagement/feedback processes?

### **Communication/Engagement Methods**

OWASA will use a variety of methods to inform and actively engage stakeholders and evaluate the success of our engagement effort. For the purposes of this Community Engagement Plan,

informing stakeholders provides them with information while engagement provides stakeholders with information and an opportunity for them to provide feedback to inform the Board of Directors' decision making process. Three core strategies are proposed that will be common to all our information, engagement, and evaluation efforts:

1. Establish and publicize a LRWSP project webpage to convey information about the project and enable interested stakeholders to submit their questions, comments, and suggestions on-line.
2. Establish an email distribution list, which includes all Board of Directors' members that helps us convey project information and public participation opportunities to stakeholders in a timely and efficient way through our Constant Contact service.
3. Include informal survey and feedback opportunities as a feature of our project website, public meetings on the project, and presentations to stakeholder groups.

Other information efforts include: Blue Thumb articles, news releases, and LRWSP tweets.

Engagement efforts include:

- Offers of presentations at meetings of local elected Boards; if not accepted, make short announcement during public comment period of an elected Board meeting
- Participation at project-related community outreach meetings
- Face-to-face meetings with stakeholder groups
- Participation at meetings of the OWASA Board of Directors

Table 1 includes a summary of proposed information and engagement efforts for this project. Staff will provide additional information on potential costs or support needs as we proceed in the engagement process.

Staff also proposes to establish an informal Technical Advisory Committee (TAC) comprised of local experts. The Committee could include water resource, environmental and public policy experts from UNC-Chapel Hill, other customers with expertise in water resources or decision processes, and other regional experts in water resources planning. The TAC would provide peer review of information before it was provided to stakeholders.

**Table 1: Summary of Potential Community Engagement Activities, Target Audiences, and Methods for the Long-Range Water Supply Plan**

ID	Description	Activity Type*	Responsibility	Schedule	Target Audience	Communication Methods	Resources	Comments
1	Dedicated project webpage	Information	Staff	<del>Establish- summer- 2015</del> Completed Sept. 2016	Stakeholders	Information provided via Internet; on-line methods for stakeholder comment and feedback	TBD	Potential resource need depending on amount of activity
2	Project stakeholder email list and dedicated project email	Information	Staff	<del>Establish- summer- 2015</del> Completed Sept. 2016	Stakeholders	Email distribution through Constant Contact to provide timely e-mail updates to stakeholders with notice of opportunities for participation and feedback; dedicated project email address to accept comments from public	TBD	Need to have staff to respond to emails that come in; potential resource need depending on amount of activity
3	LRWSP Tweets	Information	Staff	<del>Establish- summer- 2015</del> Completed Sept. 2016	Stakeholders	LRWSP-specific Tweets about information availability and opportunities to be involved	TBD	Need to have staff to respond; potential resource need depending on amount of activity
4a	Background on LRWSP process	Information & Engagement	Board/Staff	Fall <del>2015</del> 2016	Elected officials and customers	Letter to elected officials from Board Chair providing information and offering to make presentation. Presentation on LRWSP process at Board/Council meetings if requested	Board and Staff time	Include link to project charter and project webpage
4b		Information	Staff	Fall <del>2015</del> 2016	Customers	Electronic and paper mailings; Blue Thumb newsletter; local media outlets	Staff time	Include link to project charter and project webpage
5a	Goals/Objectives - weighing financial and non-financial metrics	Engagement	Board/Staff	4th Qtr CY <del>2015</del> 2016	Stakeholders	Board work session	Staff time	Publicize through project webpage, email distribution list, and LRWSP tweet
5b		Information & Engagement	Staff	<del>4th</del> 1st Qtr CY <del>2015</del> 2017	Stakeholders	Website update; email project stakeholders	Staff time	
6	Water demands	Engagement	Staff	1st Qtr CY <del>2016</del> 2017	Local Govt Staff, UNC staff, UNC-H staff	Meetings with local govt staff to ensure they concur with our methods to extend their growth projections to 2065 and our use of their information	Staff time	May be multiple meetings; will QA/QC demand process with local govt staff, UNC, and UNC-H
7a	Water demands and yield	Engagement	Board, Staff and consultant	2nd Qtr CY <del>2016</del> 2017	Stakeholders	Board work session	Staff time	Publicize through project webpage, email distribution list, and LRWSP tweet
7b		Information	Staff	2nd Qtr CY <del>2016</del> 2017	Customers and Other Stakeholders	Electronic and paper mailings; Blue Thumb newsletter; dedicated project webpage; dedicated project email; local media outlets	Staff time	
7c		Information & Engagement	Board/Staff	<del>2nd</del> 3rd Qtr CY <del>2016</del> 2017	Elected officials	Letter to elected officials from Board Chair, providing information about OWASA's future water supply status and offering to make presentation. Presentation at Board meetings if requested.	Board and Staff time	

**Table 1: Summary of Potential Community Engagement Activities, Target Audiences, and Methods for the Long-Range Water Supply Plan**

ID	Description	Activity Type*	Responsibility	Schedule	Target Audience	Communication Methods	Resources	Comments
8a	Alternatives evaluation	Information & Engagement	Board, Staff and consultant	TBD	Stakeholders	Board work session	TBD	Publicize through project webpage, email distribution list, and LRWSP tweet
8b		Information & Engagement	Board/Staff		Elected officials and customers	Letter to elected officials regarding alternatives and offering to make presentation. Presentation at Board meetings upon request.	Board and Staff time	
8c		Information & Engagement	Board/Staff	TBD	Targeted stakeholder groups	Meetings with targeted stakeholder groups to provide opportunity for input on goals/objectives (financial/non-financial metrics), future water supply needs, and water supply and demand management alternatives to meet those needs. Alternatives will be evaluated against metrics.	TBD	Provide opportunity for attendees to provide feedback on the stakeholder group session
8d		Information & Engagement	Board/Staff	TBD	Stakeholders	Board work session - provide follow up information regarding alternatives from targeted stakeholder groups	Staff time	Publicize through project webpage, email distribution list, and LRWSP tweet
9a	Draft LRWSP	Engagement	Board/Staff	TBD	Stakeholders	Board Work Session	Staff time	
9b		Information	Staff	TBD	Stakeholders	Media notice of upcoming Open House along with notification through webpage, email distribution list, Twitter, and Blue Thumb (if time)		
9c		Engagement	Board/Staff	TBD	Stakeholders	Public Information Open House between Board Work Session and Board meeting on Draft Plan	TBD	Provide opportunity for attendees to provide feedback on the Open House format
9d		Information & Engagement	Board/Staff	TBD	Elected officials	Letter to elected officials from Board Chair, providing information regarding the LRWSP and offering to make presentations. Presentations made upon request.	Board and Staff time	
9e		Engagement	Board/Staff	TBD	Stakeholders	Board Meeting	Staff time	
10a	Final LRWSP	Engagement	Board/Staff	TBD	Stakeholders	Board Work Session	Staff time	Publicize through media, project webpage, email distribution list, LRWSP tweet; make clear that this is discussion about final LRWSP
10b		Engagement	Board/Staff	TBD	Stakeholders	Board Meeting	Staff time	Publicize through media, project webpage, email distribution list, LRWSP tweet; make clear that this is discussion and action around final LRWSP
10c		Information	Board/Staff	TBD	Elected Officials	Letter to elected officials informing them of final LRWSP. Presentation at Board meetings upon request.	Board and Staff time	
10d		Information	Board/Staff	TBD	Stakeholders	Information provided regarding the approval of LRWSP		Publicize through media, project webpage, email distribution list, LRWSP tweet; include link to final plan
11a	Measure effectiveness of stakeholder engagement process	Survey external stakeholders	Staff	Ongoing	Stakeholders	Electronic and paper survey methods	Staff time	Provide opportunities through website or Survey Monkey; paper surveys at targeted stakeholder meetings and public meetings
11b		Survey Board	Board/Staff	TBD (end of project)	Board	Electronic survey	Board and staff time	
11c		After Action Review By Board and Staff	Board/Staff	TBD (end of project)	Board and Staff	After-Action-Review meeting with documentation for future reference	Board and staff time	

\* Written communication is typically labeled as "information", but material will also include information on how to provide feedback or obtain additional information in the written package.

\* Engagement typically means that there is a face-to-face meeting or conversation occurring.

## **Agenda Item 5:**

Discuss Activities for OWASA's 40 Years of Service to the Chapel Hill-Carrboro-Orange County Community

### **Purpose:**

To seek Board feedback and support for proposed activities for OWASA's 40<sup>th</sup> anniversary with our community and stakeholders in a way that supports our Mission, Vision and Values and highlights the essential role water plays in our community.

### **Background:**

In February 2017, OWASA will have been in service for 40 years. Before OWASA was established, water and sewer services in southeastern Orange County were provided by systems which were separately owned and operated by the University of North Carolina at Chapel Hill, the Town of Chapel Hill, and the Town of Carrboro.

### **Staff Proposal:**

Staff proposes three main 40<sup>th</sup> anniversary events for the spring of 2017:

1. **Open House at 400 Jones Ferry Road** on a Saturday to inform and engage our customers, community and other stakeholders about our services.
2. **Open House at Cane Creek Reservoir** on a Saturday to inform and engage our neighbors, the rural community (including our biosolids and quarry reservoir neighbors), customers and other stakeholders about our services.
3. **Employee Appreciation Day** on a workday to engage and appreciate our current and retired employees.

**Open House at 400 Jones Ferry Road** – on a Saturday in the spring from 9:00 a.m. to 2:00 p.m. Customers, community and stakeholders invited (will advertise and promote by various means). No formal ceremony, but a series of stations and activities to provide information and opportunities to engage with the OWASA Team in a family-friendly environment. Key themes will include:

- **Drinking Water**
  - All you want and need to know about your drinking water (where it comes from, how it is protected, how it is treated and provided to you)
  - Tours of the Jones Ferry Road Water Treatment Plant and laboratory
  - Things you should know about your drinking water and your plumbing (chloramines, dezincification, etc.)
  - Information about our Long-Range Water Supply Plan and update
  - The importance of and strategies for water conservation and efficiency
  - Giveaways (such as chloramine-resistant toilet flappers, conservation items, refillable water bottles, etc.)

- **Wastewater Management**
  - Wastewater collection and treatment (no tours, but key information and exhibits about the wastewater collection system and Mason Farm Wastewater Treatment Plant)
  - Resource recovery, including biosolids management and reclaimed water
  - Tips for proper use of wastewater system
  - Why sewer easement maintenance is important
  
- **Customer Service and Community**
  - Your bill
  - Our rates
  - E-billing
  - Payment options
  - Care-to-Share customer assistance program
  - Affordability outreach
  
- **Advanced Metering Infrastructure (AMI)**
  - All you need to know about our upcoming AMI project
  - Why it is a smart investment
  
- **Energy Management**
  - What we are doing
  - How you can help
  
- **Interaction with OWASA staff and equipment**
  - An area where our staff can explain to kids and adults the purpose of our important and cool-looking equipment
  - Activities for kids
  - Why working for a water utility is an important and rewarding career
  - OWASA is a great place to work and we provide our employees a safe and rewarding work environment which promotes diversity and equal opportunity for all

To make the event more attractive, we are considering inviting local food trucks and providing music. We expect folks visiting the Carrboro Farmer's Market would find it convenient to join us. We would also welcome donations to the Care-To-Share customer assistance program.

We have also evaluated establishing a mobile drinking water station to provide free drinking water at this and future events. As it would at the anniversary celebration, the station would provide an opportunity to engage with the community on general and specific matters. Please see attachment for additional information.

**Open House at Cane Creek Reservoir** – On a different spring Saturday morning from the Jones Ferry Open House from 8:00 a.m. to 2:00 p.m. Neighbors of our land and reservoirs

November 10, 2016

(including biosolids and quarry reservoir neighbors), rural community, customers, and other stakeholders invited (will advertise and promote by various means). No formal ceremony, but a series of stations and activities to provide information and opportunities to engage with the OWASA Team in a family friendly environment. Key themes will include:

- **Land management, watershed protection, water supply**
  - The land we own, why we have it, and how it is being managed (including quarry reservoir)
  - Forestry management at the Cane Creek mitigation tract, need for forestry management on other land, being a good neighbor
  - Water supply, now and in the future
  
- **Lakes and recreation**
  - What's provided at University Lake and Cane Creek
  - One free lake use pass per family for use later this recreation season
  - Information about the Mountains-to-Sea Trail
  
- **Activities at Cane Creek**
  - Fishing tournament for kids
  - Invite staff from NC Wildlife Resources Commission to share information about wildlife and their work with OWASA to protect resources
  
- **Biosolids Management**
  - Information about our biosolids management program, to include measures taken to minimize the risk of problems
  - Invite farmers participating in the program to join the OWASA staff in providing information and receiving feedback
  
- **Interaction with OWASA staff**
  - OWASA is a great place to work and we provide our employees a safe and rewarding work environment which promotes diversity and equal opportunity for all

**Employee Appreciation Day** – during a workday in the spring from 11:30 a.m. to 3:00 p.m. This annual lunch event for employees will feature the 40<sup>th</sup> anniversary theme. In addition to current employees, all employees who retired from OWASA with 10 or more years of service will be invited.

### **Other 40<sup>th</sup> Anniversary Measures**

In addition to these three main events, staff plans to take other modest measures to acknowledge our 40<sup>th</sup> anniversary such as banners at key facilities, special notice on letterhead and website, expanded information on our website about our history and plans moving forward, special issue of The Blue Thumb newsletter and notice on bills.

November 10, 2016

**Staff Recommendation**

While we haven't estimated the costs for these three main events, we expect that they can be managed within our existing budget. We believe these three main events will be value added for our customers and others and fully consistent with our Mission, Vision and Values.

We also recommend investing ~\$15,000 on a mobile drinking water station.

If the Board agrees with our proposal, we will proceed to develop additional detail for presentation to the Board via email and/or at a future Board meeting.

**Information:**

- Concept for Mobile Drinking Water Station

**DRAFT Concept for Mobile Drinking Water Station:**  
*Engaging our community to “drink local”*  
 November 10, 2016

OWASA is considering purchasing/building and using a mobile drinking water station to provide free drinking water at public events. While a relatively new service in our community, it would not be a novel concept in the industry. The pictures below show a wide range of drinking water stations in use (and reportedly in high demand) across the country.



**Purpose:** The use of such a station would give OWASA a public an accessible platform from which to engage directly with our community, on both general and specific issues. It would help create an awareness of OWASA, our role in the community, and the value of tap water. Additionally, a mobile drinking water station could be of use to provide drinking water (and potentially a modest amount of power) to the public and OWASA staff in times of emergency.

**Design:** As shown above, there is a wide range of design options for such a station. In reviewing various designs of mobile drinking water stations (those cited above and more) and discussing the experiences of other utilities, we believe the primary components of a successful unit to be:

Component	Purpose
Trailer-based unit	Mobility, space for branding, and professional
Sediment filter	Sediment filtration of water from hydrant
Chiller	Make more refreshing water
PV (photovoltaic) system	To provide power, primarily for the chiller

Although there are alternative methods of providing power to the station, staff recommends spending additional funds on a solar photovoltaic system because the station will provide a high profile platform for engaging with our community and provide an opportunity to demonstrate OWASA's commitment to sustainability.

We have the expertise to build this mobile drinking water station, as specified, aside from the installation of a PV system.

**Estimated Resources:** The unit specified above would cost approximately \$15,000 to construct, including the installation of an 840 watt photovoltaic system and batteries, plus approximately 80 hours of OWASA staff labor.

**Next Steps:** With the Board of Directors' feedback and approval, we will:

- Reach out to organizers of local public events (e.g. Festifall, Tarheel Ten Miler, Carrboro Music Festival, Carrboro Farmer's Market) to gauge interest and support
- Finalize the specifications for the station
- Source supplies and construct the unit
- Initiate competition to name the station
- Develop a utilization and staffing plan
- Incorporate the use of the station in our Comprehensive Emergency Management Plan

Staff Contact: Mary Tiger, Sustainability Manager, 919-537-4241, [mtiger@owasa.org](mailto:mtiger@owasa.org)

**Agenda Item 6:**

Review Board Work Schedule

**Purpose:**

- a) Request(s) by Board Committees, Board Members and Staff
- b) Review the draft agenda and discuss expectations for the December 8, 2016 and January 12, 2017 meetings
- c) Review and update the 12 Month Board Meeting Schedule
- d) Review Pending Key Staff Action Items

**Information:**

- Draft agenda for the December 8, 2016 meeting
- Draft agenda for the January 12, 2017 work session
- Draft 12 Month Board Meeting Schedule
- Pending Key Staff Action Items from Board Meetings

November 10, 2016

**Agenda**  
**Work Session of the OWASA Board of Directors**  
**Thursday, December 8, 2016, 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 e-mail or US Postal Service ([aorbich@owasa.org](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within a four minute time frame allowed each speaker.

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 and Action**

1. Decide Whether or Not to Approve Year-Round Water Rate for Multi-Family Master-Metered Customers (Stephen Winters)
2. Approve the Update to Cross Connection Control Ordinance (Todd Taylor)
3. Approve the Advanced Metering Infrastructure System Community Engagement Plan (Todd Taylor)

**Discussion**

4. Update on the Affordability Plan and Year Two (Mary Tiger)
5. Discussion of Key Performance Indicators (Mary Tiger)
6. Executive Director Draft Annual Performance Goals (Ed Kerwin)
7. Review Board Work Schedule (John Young/Ed Kerwin)
  - a. Request(s) by Board Committees, Board Members and Staff
  - b. January 12, 2017 Work Session
  - c. January 26, 2017 Board Meeting
  - d. 12 Month Board Meeting Schedule
  - e. Pending Key Staff Action Items

**Summary of Work Session Items**

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

**Agenda**  
**Work Session of the OWASA Board of Directors**  
**Thursday, January 12, 2017, 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](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within a four minute time frame allowed each speaker.

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. Update on Employee Health and Dental Insurance (Stephanie Glasgow)
2. 2016 Biosolids Management Report (John Kiviniemi)
3. Fiscal Year 2018 Budget Calendar and Assumptions (Stephen Winters)
4. ***Tentative*** – Discuss Employee Benefit Data from Benchmark Organizations (Stephanie Glasgow)
5. Discussion of Board Officers Nomination and Election Process (John Young)
6. Review Board Work Schedule (John Young/Ed Kerwin)
  - a. Request(s) by Board Committees, Board Members and Staff
  - b. January 26, 2017 Board Meeting
  - c. February 9, 2017 Work Session
  - d. 12 Month Board Meeting Schedule
  - e. Pending Key Staff Action Items

**Summary of Work Session Items**

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

## OWASA Board of Directors – 12 Month Board Meeting Schedule (November 4, 2016)

Month	Board Meetings		Committee & Other Meetings
	Work Session	Business Meeting	
November 2016	<b><i>Review Draft AMI System CEP</i></b> <b><i>Discuss LRWSP – Goals and Objectives</i></b> Interlocal Agreement for Historic Rogers Road Sewer Bidding and Construction Discuss OWASA turns 40 CS – ED Annual Review  <div style="text-align: right;"><i>11/10/2016</i></div>	Holiday - no meeting	Special Board Work Session on Diversity and Inclusion (11-3-2016)  Community Engagement Meeting on Update to Cross Connection Control Ordinance (11-16-16)  Assembly of Governments - LRWSP (11-17-2016)
December 2016	<b><i>Approve AMI System CEP</i></b> <b><i>Update on the Affordability Plan &amp; Year 2</i></b> Discuss Key Performance Indicators Approve Update to Cross Connection Control Ordinance ED Draft Performance Goals If applicable, Decision on MFMM Rate Structure  <div style="text-align: right;"><i>12/8/2016</i></div>	Holiday - no meeting	
January 2017	FY 18 Budget Calendar and Assumptions (C) Employee Health and Dental Insurance Update (C) Discuss Employee Benefit Data from Benchmark Organizations Discussion of Board Officers Nomination/Election Process CY 16 Biosolids Report  <div style="text-align: right;"><i>1/12/2017</i></div>	<b><i>Approve LRWSP – Goals and Objectives</i></b> Annual Lakes Recreation Report (regular agenda) (C) Q2 Financial Report (C) CIP Semiannual Report (C)  <div style="text-align: right;"><i>1/26/2017</i></div>	
February 2017	<b><i>Discuss AMI Opt-out Option</i></b> <b><i>Discuss Draft Energy Management Plan</i></b> <b><i>Overview of Land Management</i></b> (C) CS - General Counsel Interim Review  <div style="text-align: right;"><i>2/9/2017</i></div>	<b><i>Approve AMI Opt-out Option (if needed)</i></b> <b><i>Approve Energy Management Plan</i></b> (C) OWASA turns 40 CS - General Counsel Interim Review  <div style="text-align: right;"><i>2/23/2017</i></div>	
March 2017	<b><i>Review AMI System Procurement Contract</i></b> <b><i>Discuss LRWSP – Demands &amp; Yield</i></b> FY 18 Draft Budget & Rates (C) Set date for Public Hearings – FY 18 Budget & Rates (C) Award the Rogerson Drive Force Main Rehabilitation Contract (C) CS – ED Interim Review (C)  <div style="text-align: right;"><i>3/9/2017</i></div>	<b><i>Approve AMI System Procurement Contract</i></b> Award the Gravity Sewer Rehabilitation Contract FY 18 Draft Budget & Rates and Discussion of Reserves (C) CS – ED Interim Review (C)  <div style="text-align: right;"><i>3/23/2017</i></div>	
April 2017	FY 18 Draft Budget and Rates (C) Authorize staff to publish proposed rates (C) Appointment of the Nominating Committee (C) Employee Health and Dental Insurance Update Award the Rogerson Drive Pump Station Rehabilitation Contract Award a Construction Contract for the Eastowne, Eubanks and Meadowmont 1 Pump Stations Improvement Project  <div style="text-align: right;"><i>4/13/2017</i></div>	<b><i>Approve LRWSP – Demands &amp; Yield</i></b> Q3 Financial Report (C) Appoint Audit Firm (C)  <div style="text-align: right;"><i>4/27/2017</i></div>	

## OWASA Board of Directors – 12 Month Board Meeting Schedule (November 4, 2016)

May 2017	Discuss Employee Health and Dental Insurance Renewal Discuss Employee Merit Pay for FY 18 5/11/2017	( ) ( )	Public Hearings – FY 18 Budget and Rates Approve Employee Health and Dental Insurance Renewal (if needed) 5/25/2017	( ) ( )
June 2017	Approve FY 17 Budget and Rates Approve Employee Merit/Cost of Labor Pay Increases for FY 17 Award the Hillsborough Street Water Main Replacement Contract Election of Officers 6/8/2017	( ) ( ) ( )	TBD	6/22/2017
July 2017	TBD 7/13/2017		TBD	7/27/2017
August 2017	CS – General Counsel Review 8/10/2017	( )	Preliminary 12 Month Financial Report CIP Semiannual Report EEO/Affirmative Action Report CS – General Counsel Review 8/24/2017	( ) ( ) ( ) ( )
September 2017	CS – ED Review 9/14/2017	( )	Annual Report and Financial Audit Approve General Counsel Engagement CS – ED Review 9/28/2016	( ) ( ) ( )
October 2017	CS – ED Review 10/12/2017	( )	Q1 Financial Report Strategic Trends Report CS – ED Review 10/26/2017	( ) ( ) ( )

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. It also does not reflect meetings at which the Board will discuss and act on the update of the Strategic Plan.

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).

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.

- 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.

## OWASA Board of Directors – 12 Month Board Meeting Schedule (November 4, 2016)

Abbreviations Used in Draft Schedule:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>Ⓞ Recurring agenda item (generally these are “required” items)</li> <li>AMI Advanced Metering Infrastructure</li> <li>CE Community Engagement</li> <li>CEP Community Engagement Plan</li> <li>CIP Capital Improvements Program</li> <li>COLA Cost of Labor Adjustment</li> <li>CS Closed Session of the Board</li> <li>CY Calendar Year</li> <li>ED Executive Director</li> <li>FY Fiscal Year</li> </ul> | <ul style="list-style-type: none"> <li>JLP Jordan Lake Partnership</li> <li>LRWSP Long-Range Water Supply Plan</li> <li>MST Mountains-to-Sea Trail</li> <li>MFMM Multi-Family, Master Meter</li> <li>NRTS Natural Resources/Technical Services</li> <li>Q Quarter</li> <li>SOW Scope of Work</li> <li>TBD To Be Determined</li> <li>WTP Water Treatment Plant</li> <li>WWTP Wastewater Treatment Plant</li> </ul> |
|--|---|

### Current and Pending Key Projects and Stages

Project	Strategic Initiative	Project Lead	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-16	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
AMI	6	Taylor	CEP	CEP			Contract							
Total Compensation Study		Glasgow	<i>Schedule To Be Determined</i>											
MFMM Rate Structure Study	4	Winters	If applicable	If applicable										
LRWSP	1	Rouse	Goals & Objectives		Goals & Objectives		Demand & Yield		Demand & Yield					
Energy Plan	5	Tiger												

<b>Stages</b>	Committee Discussion	Feasibility Study	Board Review	Community Engagement	Action	Procurement	Implementation
---------------	----------------------	-------------------	--------------	----------------------	--------	-------------	----------------

## Pending Key Staff Action Items from Board Meetings

Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
11-3-2016	Update draft Diversity and Inclusion Plan for discussion at a future Board meeting.	TBD	Kerwin Staff	An update will be provided at the November 10, 2016 work session.
10-27-2016	Address the Board's feedback on the staff proposed changes to the Cross Connection Control Ordinance and inform customers/stakeholders.	12-8-2016	Taylor Feller	Notices to stakeholders distributed on November 4, 2016 and Community Meeting scheduled for November 16, 2016
10-27-2016	Address the Board's feedback in preparing the October 2017 Strategic Trends Report.	10-26-2017	Rouse	In progress
10-13-2016	Prepare employee benefit comparison data with other benchmark organizations.	1-12-2017	Glasgow	In progress.
10-13-2016	Propose a process/approach for the Board's review as it pertains to a majority of our employees being below their pay range mid-point.	TBD	Glasgow Kerwin	In progress
9-22-2016	Proceed with community engagement tasks as it pertains to chloramine use and customer considerations about their private plumbing systems.	N/A	Taylor Loflin Feller	Latest issue of the Blue Thumb included information on chloramine-resistant flappers in toilets. A letter to local government partners is being developed for the Board Chair's signature by December 2016. Additional information has been posted to the website.
9-8-2016	Propose the scope and schedule for evaluating other rate considerations that may impact all customer classes. For example, the basis for determining monthly service charge for all customer classes.	TBD	Winters	TBD

## Pending Key Staff Action Items from Board Meetings

Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
9-8-2016	Schedule a Board follow-up discussion about when forestry management may be scheduled for discussion and possible future action.	TBD	Rouse Young	In progress. "Overview of Land Management" is included on the Board's calendar for 2/9/17. Staff suggests that this item address general land management, which includes an overview of OWASA's land resources, their purpose, and forest management.
6-9-2016	Provide update on the monitoring and evaluation of Jordan Lake water quality.	TBD	Rouse	Staff will provide an email summary of water quality data on Jordan Lake.
4-28-2016	Consider educational and public access opportunities at the Cane Creek mitigation tract.	TBD	Rouse Feller	Low priority. In calendar year 2016, staff will work with our Partners to develop a plan regarding public access and educational opportunities on the Cane Creek Mitigation Tract. Staff will provide an update to the Board of Directors at a work session in early CY 2017 (to coincide with overview of forest management work session item).