



Orange Water and Sewer Authority

OWASA is Carrboro-Chapel Hill's not-for-profit public service agency delivering high quality water, wastewater, and reclaimed water services.

Agenda

Work Session of the OWASA Board of Directors

Thursday, April 8, 2021, 6:00 P.M.

Due to COVID-19 public health concerns, the Orange Water and Sewer Authority (OWASA) Board of Directors is conducting this meeting virtually utilizing [Microsoft Teams](#) software. Board Members, General Counsel and staff will be participating in the meeting remotely.

In compliance with the "Americans with Disabilities Act," interpreter services for non-English speakers and for individuals who are deaf or hard of hearing are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 919-537-4217 or aorbich@owasa.org.

The Board of Directors appreciates and invites the public to attend and observe its virtual meetings online. Public comment is invited via written materials, ideally submitted at least two days in advance of the meeting to the Board of Directors by sending an email to board_and_leadership@owasa.org or via US Postal Service (Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510). Public comments are also invited during the Board Meeting via telephone, and you will need to be available to call-in during the meeting. Please contact the Clerk to the Board at aorbich@owasa.org or 919-537-4217 to make arrangements by 3:00 p.m. the day of the meeting.

Public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors. The Board may take action on any item on the agenda.

Announcements

- a. Announcements by the Chair
 - Any Board Member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight is asked to disclose the same at this time.
 - April 21, 2021 Meeting Between Members of the Orange County Board of County Commissioners and Orange County Appointees to the OWASA Board
- b. Announcements by Board Members
 - April 20, 2021 OWASA Update to the Carrboro Town Council (Yinka Ayankoya/Robert Morgan)
- c. Announcements by Staff
- d. Additional Comments, Suggestions, and Information Items by Board Members (Chair)

Consent Agenda

Information and Reports

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

Action

2. Modification to the One-Time Additional Employee Personal Leave Merit Bonuses (Stephanie Glasgow)



3. Minutes of the March 11, 2021 Work Session of the Board of Directors (Andrea Orbich)

Regular Agenda

Discussion

4. Review Employee Health and Dental Insurance Renewals (Stephanie Glasgow/Ellen Tucker, Gallagher)
5. Draft Fiscal Year 2022 Budget and Proposed Rates (Stephen Winters)
6. OWASA Board Member Recruitment Outreach Discussion (Mary Tiger)
7. OWASA Board Members Eligible for Nominations for Election as Board Officers (Ray DuBose)
8. Decision on Whether to Complete a Board of Directors Self-Assessment (Ray DuBose)
9. Review Board Work Schedule
 - a. Request(s) by Board Committees, Board Members and Staff (Ray DuBose)
 - b. April 22, 2021 Board Meeting (Todd Taylor)
 - c. May 13, 2021 Work Session (Todd Taylor)
 - d. 12 Month Board Meeting Schedule (Todd Taylor)
 - e. Pending Key Staff Action Items (Todd Taylor)

Summary of Work Session Items

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

Closed Session

11. The Board of Directors will Meet in Closed Session for the Purpose of Discussing a Personnel Matter, as provided in N.C. General Statutes 143.318.11(6) (Jody Eimers)

ITEM 1

ORANGE WATER AND SEWER AUTHORITY - QUARTERLY REPORT

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

BOARD OF DIRECTORS	JANUARY 2021	FEBRUARY 2021	MARCH 2021
RAY DUBOSE, CHAIR	Jan 14 WS (Meeting) Jan 28 Board (Meeting)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 1 Ad Hoc (Meeting) Mar 11 WS (Meeting) Mar 25 Board (Meeting)
BRUCE BOEHM, VICE CHAIR	Jan 14 WS (Absent) Jan 28 Board (Meeting)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 1 Ad Hoc (Meeting) Mar 11 WS (Meeting) Mar 25 Board (Meeting)
JODY EIMERS, SECRETARY	Jan 14 WS (Meeting) Jan 28 Board (Meeting)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 11 WS (Meeting) Mar 25 Board (Meeting)
YINKA AYANKOYA	Jan 14 WS (Meeting) Jan 28 Board (Absent)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 11 WS (Absent) Mar 25 Board (Absent)
KEVIN LEIBEL	Jan 14 WS (Absent) Jan 28 Board (Meeting)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 1 Ad Hoc (Meeting) Mar 11 WS (Absent) Mar 25 Board (Meeting)
ROBERT MORGAN	Jan 14 WS (Absent) Jan 28 Board (Absent)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 11 WS (Meeting) Mar 25 Board (Meeting)
JOHN N. MORRIS	Jan 14 WS (Meeting) Jan 28 Board (Meeting)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 1 Ad Hoc (Meeting) Mar 11 WS (Meeting) Mar 25 Board (Meeting)
BRUCE RUNBERG	Jan 14 WS (Meeting) Jan 28 Board (Absent)	Feb 4 Special (Meeting) Feb 11 WS (Meeting) Feb 25 Board (Meeting)	Mar 1 Ad Hoc (Meeting) Mar 11 WS (Meeting) Mar 25 Board (Meeting)
VACANT CHAPEL HILL SEAT			
TOTAL MEETINGS HELD:	2	3	3

Ad Hoc – Ad Hoc Committee Meeting
Board – Board of Directors
WS – Work Session

CE – Community Engagement Committee
Special – Special Meeting of the Board of Directors

Agenda Item 2:

Modification to the One-time Additional Employee Personal Leave Merit Bonuses

Purpose:

Consider modifying the requirements for using the one-time additional personal leave bonuses employees received in lieu of the traditional merit-based compensation adjustments.

Background:

Due to budget impacts from COVID-19, the Fiscal Year (FY) 2021 Budget did not include cost of labor or merit-based compensation adjustments for employees. At the October 8, 2020 Board Work Session, a motion was approved to award one-time additional personal leave bonuses based on performance review ratings. The personal leave bonuses were as follows:

1. Employees that earned an “Exceptional” rating on their annual performance evaluation in October 2020 received five additional personal leave days on January 1, 2021.
2. Employees that earned an “Exceeds Expectations” rating on their annual performance evaluation in October 2020 received four additional personal leave days on January 1, 2021.
3. Employees that earned an “Meets Expectations” rating on their annual performance evaluation in October 2020 received three additional personal leave days on January 1, 2021.
4. Employees that earned a “Below Expectations” rating on their annual performance evaluation in October 2020 did not receive additional personal leave.

Originally, we proposed the personal leave bonuses adhere to the guidelines set forth in the Human Resources Policy Manual “personal leave can only be taken in full day (8 hour) increments.” We are asking for consideration to relax this requirement for the personal leave provided.

Our staff work a variety of schedules that include ten (10) and twelve (12) hour days. Utilizing their personal leave bonuses for a day off, require that they then use annual leave for anything over eight (8) hours.

Employees have expressed the desire to structure the personal leave bonuses such as the requirements for using annual and sick leave “used in increments of one hour and thereafter in increments of 30 minutes.” Therefore, they could use ten (10) or twelve (12) hours of personal leave for a day off.

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Action:

Proposed motion: “Motion to modify the personal leave bonus requirements and allow employees to use their one-time personal leave provided for 2021 in increments of one hour and thereafter in increments of 30 minutes as needed.”

Information:

- Excerpt from the Human Resources Policy Manual regarding Personal Leave

K. Personal Leave

Personal Leave is one full, eight-hour day available to all permanent, full-time employees in each calendar year. This time does not carry over so employees must use it within each calendar year. The Leave is to be taken all in one eight-hour day. While it is highly desirable that this Leave be pre-approved, it may be used for emergencies. The Personal Leave Day may be counted as "time worked" for overtime purposes only if it is preapproved. Personal Leave may not be donated as Compassionate Leave and may not be rolled into the employee's 457 Tax Deferred Compensation Plan account.

ITEM 3

Orange Water and Sewer Authority
Virtual Work Session of the Board of Directors
March 11, 2021

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held its duly noticed regular work session by virtual means in accordance with law, on Thursday, March 11, 2021, at 6:00 p.m. utilizing Microsoft Teams software.

Board Members present: Raymond (Ray) DuBose (Chair), Bruce Boehm (Vice Chair), Jody Eimers (Secretary), Robert Morgan, John N. Morris and Bruce Runberg. Board Members absent: Yinka Ayankoya and Kevin Leibel.

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

Others present: Peg Carlson (UNC School of Government), Meg Holton (UNC Water Resources Manager), Simon Lobdell and Kelly Satterfield.

Motions

1. Robert Morgan made a Motion to approve the Minutes of the February 11, 2021, Work Session of the Board of Directors; second by Jody Eimers and the Motion was unanimously approved.
2. Robert Morgan made a Motion to approve the Minutes of the February 25, 2021, Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter; second by Jody Eimers and the Motion was unanimously approved.

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Announcements

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

Mr. DuBose 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.

Mr. DuBose announced that effective June 30, 2021, Bruce Runberg (Chapel Hill Appointee) will resign from the OWASA Board of Directors.

Mr. DuBose said the update on the March 1, 2021 ad hoc Committee Meeting will be provided at the March 25, 2021 Board meeting.

Todd Taylor, Executive Director, announced that Vishnu Gangadharan is OWASA's new Director of Engineering and Planning effective March 10, 2021.

Item One: Minutes

Robert Morgan made a Motion to approve the Minutes of the February 11, 2021, Work Session of the Board of Directors; second by Jody Eimers and the Motion was unanimously approved. Please see Motion 1.

Item Two: Minutes

Robert Morgan made a Motion to approve the Minutes of the February 25, 2021, Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter; second by Jody Eimers and the Motion was unanimously approved. Please see Motion 2.

Item Three: Community Engagement Summary on the Update of OWASA's Long-Range Water Supply Plan

Ruth Rouse, Planning and Development Manager, provided a summary of the community engagement process and a review of the public feedback on the update of OWASA's Long-Range Water Supply Plan.

The Board agreed to move forward to the next step of developing guiding principles to use in evaluating final alternatives for potential water sources. The Board also expressed appreciation to those individuals (local entities and public individual) who provided comments and requested Staff provide the March 11, 2021 Board meeting material to local partners and the public.

Item Four: Draft Fiscal Year 2022 Operating and Capital Equipment Budgets

The Board received and discussed a presentation from Stephen Winters (Director of Finance and Customer Service) as well as other Staff on the draft operating expenses and capital equipment budgets for Fiscal Year 2022.

Item Five: Review Board Work Schedule

There were no items of note.

Item Six: Discuss Staff and General Counsel Feedback Received on Board Self-Assessment

The Board reviewed and discussed the results of the Staff and General Counsel Feedback received on the Board Self-Assessment. This discussion was facilitated by Peg Carlson, Director, Center for Public Leadership and Governance at UNC School of Government.

The following items have been noted by the Board to address improvement identified from Staff and General Counsel feedback, to ensure Board Member requests to Staff originate from a Board consensus about the need for information, not just from an individual Board Member.

- Increase use of designated time in Board meetings to bring up suggestions and/or petitions for Board discussion (this is currently underutilized and is intended to be a space for exploration of ideas and proposals from individual Board Members).
- Executive Director will discuss the survey results with Staff to get a better understanding of the types of Board requests that are especially time-consuming.
- Include more information about the role of the Board and how individual Board Members can bring ideas before the Board in new member orientation.
- When asking staff to research a topic, Board will clarify whether it is for informational or analysis purposes. Board encourages the Executive Director to raise concerns if he feels that a proposed solution is not viable and/or not worth the effort of researching.
- Board Members will copy the Executive Director on any email request to staff.

Item Seven: Summary of Work Session Items

Todd Taylor said staff will provide the March 11, 2021 Long-Range Water Supply Plan agenda material and minutes to local governing boards and other commentors.

There being no further business to come before the Board, the Chair adjourned the meeting at 7:55 p.m.

Respectfully submitted by:

Andrea Orbich
Executive Assistant/Clerk to the Board

Agenda Item 4:

Review Employee Health and Dental Insurance Renewals

Purpose:

Information and update from staff and the Gallagher firm to generate Board discussion and guidance regarding employee insurances beginning July 1, 2021.

Background:

The Orange Water and Sewer Authority began using the firm of Gallagher in April 2014 to manage benefit plans and negotiate premiums for Employee Health, Dental, Life, Dependent Life, AD&D and LTD Insurance.

The current Employee Health and Dental contracts expire on June 30, 2021.

The Board received a presentation from Gallagher January 2021 that included:

- Financial Performance of Health Insurance Plan
- Overview of Claims Data
- Renewal Considerations

Information:

At the April 8, 2021 Board Work Session, Ellen Tucker with Gallagher will be presenting information on the following:

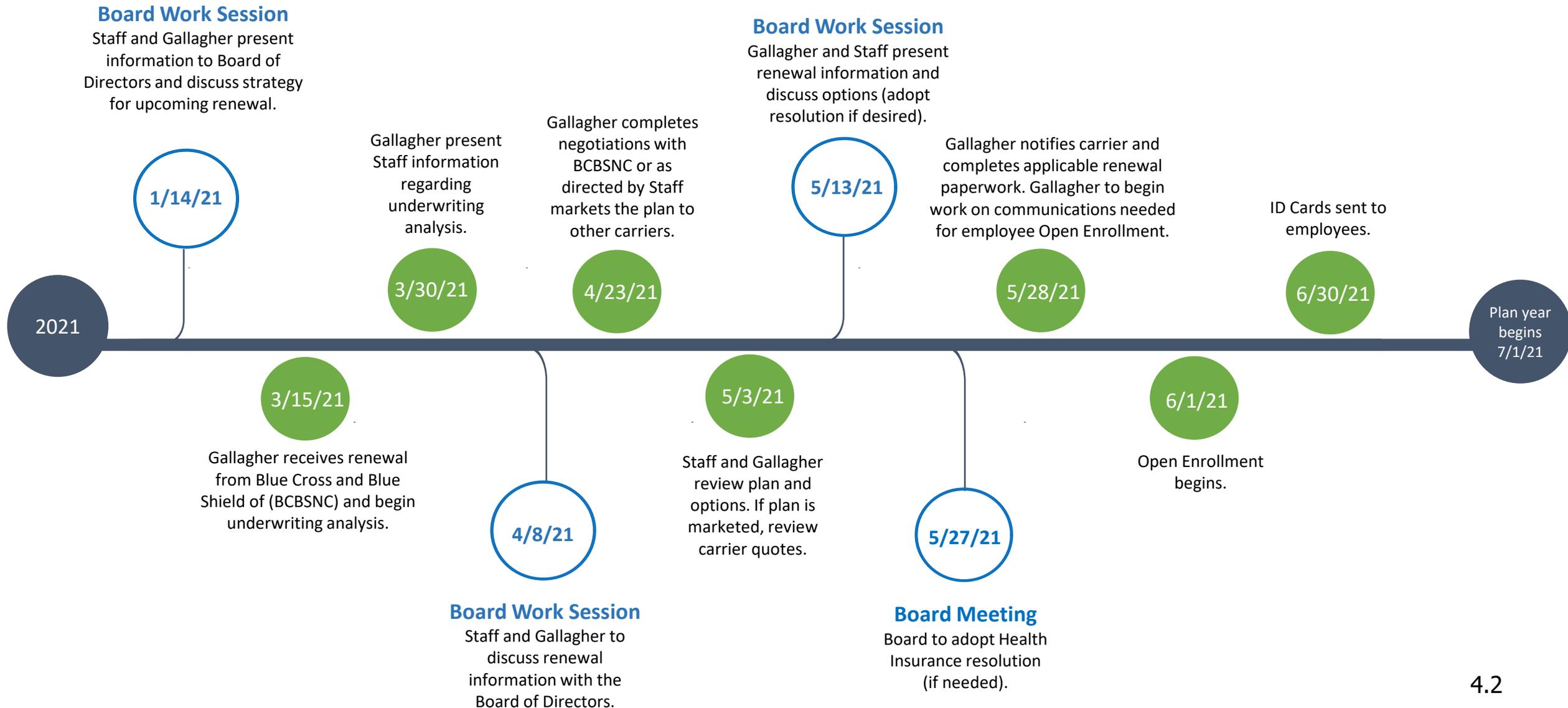
- Health Plan Renewal
 - Financial Performance
 - Benchmarking with Area Entities
 - Renewal Options and Considerations
- Dental Plan Renewal
- Next Steps

Attachment:

Renewal Timeline

Health Insurance Renewal for FY 2022

January 1, 2021 – June 30, 2021



Agenda Item 5:

Draft Fiscal Year 2022 Budget and Proposed Rates

Purpose:

At the Board Meetings on March 11, 2022 and March 25, 2022, staff presented drafts of OWASA’s operating, capital equipment, and capital improvements program (CIP) budgets (collectively, the budget). To fund the budget, staff also recommended increasing monthly water and sewer rates by five percent.

The purpose of this discussion is to identify adjustments we have made to the draft Fiscal Year (FY) 2022 budget and to present a budget and rate recommendation scenario that includes capital expenditures for a potential investment in raw water intake and water treatment infrastructure on the west side of Jordan Lake.

Revised FY 2022 Budget:

We have made the following adjustments to the draft budget presented at the March Board Meetings.

Expense	Amount	Reason for the Adjustment
Maintenance	\$75,000	We experienced an unexpected (and unbudgeted) pump failure at the Wastewater Plant in FY 2021. The replacement pump is not expected to be delivered in August which makes it an FY 2022 budget expense.
Electricity	27,973	We revised our estimate of electricity costs expected to be incurred in FY 2022 by the Distribution department.
Professional services	1,500	Added the cost of translation services related to resuming normal collection practices
Total adjustments	\$104,473	

These adjustments do not make a large enough change to the budget to cause a change in staff’s recommendation of a five percent rate increase in FY 2022.

As of the time of writing this memo, we do not yet know whether we will have an increase or decrease in our health insurance costs. Our health insurance consultant will provide an update to the Board at the April 8, 2021 meeting and has indicated that it is likely we will have no increase or decrease in the cost of health insurance premiums. The draft budget assumes there will be no change.

Capital Improvements Program Budget:

At the March 25, 2021 Board Meeting, staff presented a draft FY 2022-2026 CIP Budget totaling approximately \$87.3 million, which is about \$13.4 million less than we projected for this five-year period last year. The Board requested additional detail about the major project deferrals and deletions in comparison to the prior year’s budget. These are listed below.

Deletion of funding previously included for Western Intake Partnership projects	The Board has not yet decided on whether to become a partner in this regional facility. Last year’s budget included funding for preliminary engineering costs only; the draft FY 2022-2026 budget excludes these funds. At the Board’s request, an alternate
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	budget scenario including full partnership costs was modeled and is discussed in the section below.
Deferral of funding for proactive condition assessment of distribution system pipes.	This was determined to have lower overall benefit and programmatic applicability for our system in comparison to the high costs of the currently available technology. The prior five-year CIP budget assumed a gradual ramping up of the use of proactive condition assessment; this year, given no substantive development in the ability of these technologies to address implementation concerns, that ramp-up period is assumed to begin in Year 6 (FY 2027).
Deferral of pump and motor replacement for the Intermediate Pumping Station at the Wastewater Treatment Plant	In last year’s budget, this rehabilitation project was planned to be completed in FY 2026. The annual project prioritization process and staff’s current understanding of equipment condition led to this project being deferred out of the five-year period; it is currently programmed for FY 2027-29 completion.
Reduction of estimates of sewer rehabilitation costs in certain sewer basins	Last year’s budget included funding for sewer rehabilitation in specific basins according to results from the collection system master plan. Since that time, preliminary results from basin-wide camera inspections completed by staff suggest that the rehabilitation needs within the targeted basins are less than assumed in the master plan’s desktop analysis.
Reduction in the extent and cost estimate of Oakwood-Rogerson neighborhood water main replacement project	Staff elected to defer the portion of the project (primarily along Cleland Drive) which was not included in the initial project scope to more strictly align with the water main prioritization model results. The recent construction cost estimate established at 90% design is lower than staff’s conceptual estimate used for prior budget.

Budget Scenario with Western Intake Partnership Costs Included:

At its meeting on March 25, 2021 the Board of Directors asked to see an analysis of the budget and rate impact of including costs associated with investing in a raw water intake and water treatment facility on the western shore of Jordan Lake (Western Intake).

A group of utilities with interests in the Western Intake, including OWASA, has been working together for several years to analyze the water needs of the participating utilities and the costs of constructing an intake and treatment facility. OWASA has been participating in planning discussions and plans to continue to do so. However, since OWASA-owned raw water sources will meet the community’s needs in most circumstances, the Board has not decided whether to become a partner in the eventual construction of the facility.

Therefore, the initial draft of the FY 2022 budget does not include costs associated with the Western Intake project. Including these project costs would add a total of about \$52.6 million to the 15-year CIP for fiscal years 2022-2036: including adding about \$4.9 million to the first five years and an additional \$47.7 million to the remainder of the 15-year period. The table below shows the additions to projected CIP program expenditures:

CIP Projections	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-Yr Total	Totals for Years 6-10
First draft	\$17,629	\$18,624	\$16,291	\$17,955	\$16,767	\$87,266	\$338,032
Western Intake Costs	459	459	1,333	1,333	1,333	4,917	47,700
Adjusted	\$18,088	\$19,083	\$17,624	\$19,288	\$18,100	\$92,183	\$385,732

To estimate the impact of including costs of accessing our Jordan Lake allocation through the Western Intake Partnership (WIP), staff assumed that OWASA would participate as a full partner in the intake, plant, and conveyance facilities. This approach establishes an upper limit on the impact to our rates. The following studies, design, and construction costs were considered.

- Preliminary engineering of the proposed water treatment plant (WTP), intake, and conveyance facilities; governance; environmental permitting; and program management – these costs were based on estimates included in the WIP agreement. Based on current schedules, these studies will be completed at the end of FY 2023. OWASA’s estimated cost for these studies is approximately \$900,000.
- Final design of the proposed WTP, intake, and conveyance facilities – OWASA’s estimated cost for final design is approximately \$4 million and is spread across FY 2024 through FY 2026. This estimate is based on information provided by the program management consultant for the WIP.
- Estimated construction costs for the first phase of the facility. It is assumed that construction will begin in FY 2027 and continue through FY 2030. The program management consultant for the WIP provided cost estimates which staff escalated by 5% per year. The estimate assumes that OWASA’s share of the initial WTP is two million gallons per day (MGD) and OWASA’s share of the intake capacity and transmission lines is five MGD.

These costs are summarized in the following table.

Project Element	Fiscal Years	Total Cost
Preliminary engineering, governance, environmental permitting, program management	FY 2022 – FY 2023	\$918,000
Final Design	FY 2024 – FY 2026	\$3,999,000
Construction	FY 2027 – FY 2030	\$47,700,000

How Rates would be Impacted by Including Costs of the Western Intake:

Including the WIP project in our 15-year CIP projections would have a significant impact on rates. The following table compares the projected rate increases based on the draft FY 2022 budget with the rate increases that would be needed if we plan to fund the WIP project as a full partner. The WIP Agreement enables any partner to decide not to participate in any project; it also allows the partner to choose to participate later by reimbursing their share of project costs, plus interest that accrues at a rate of five percent per year. Thus, there is no major risk to defer our participation in the WIP.

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Rate increases needed to support the draft FY 2022 budget	5%	7%	5%	5%	4%
Rate increases need to support the draft FY 2022 budget including the costs of the WIP project	6%	10%	6%	6%	4%

Budget and rate setting next steps:

Public hearings on the budget and rates are scheduled for May 27, 2021. A final budget and proposed rate schedule are tentatively scheduled to be presented for approval at the Board work session on June 10, 2021.

1. Staff will present an updated draft of the FY 2022 budget and rate adjustment recommendation (if necessary) to the Board of Directors on April 22, 2021. Additionally, staff will ask for the Board’s authorization to publicize budget and rate information in advance of the public hearings.
2. Staff will prepare a revised draft of the FY 2022 budget and rate adjustment recommendation for presentation (if necessary) at the public hearings.
3. At the public hearings, the Board will receive and consider comments from customers and other stakeholders.
4. After considering public input, the Board of Directors will discuss and provide guidance to staff on the final draft of the FY 2022 budget and rate adjustment recommendation.
5. Staff will finalize the FY 2022 budget and rate adjustment recommendation and is scheduled to present it for adoption by the Board of Directors at its work session on June 10, 2021.

Board action requested:

Review information about the draft FY 2022 budget and rate recommendation, provide feedback, and identify additional information needed for future budget discussions.

Agenda Item 6:

OWASA Board Member Recruitment Outreach Discussion

Purpose:

Provide outreach ideas for the Board's consideration for recruiting future Board members

Background:

At the March 25, 2021, Board Meeting, the OWASA Board of Directors requested that staff provide ideas for and information on outreach strategies to help recruit applications for the next round of Board appointments.

OWASA Board Members terms are for three years. The schedule of term expirations was established so that no more than three new Board Members would be appointed in a given year for continuity and knowledge management purposes.

In the recent past, we have had the following vacancies: John Cooley's seat (Chapel Hill) has been vacant for 16 months and Jeff Danner's seat (Chapel Hill) was vacant for 3 months.

In the next few months there will be four appointments, three of which will be new appointments, assuming Jody Eimers will be reappointed. Most urgently, the deadline for applications to the Town of Chapel Hill Town Council is April 28, 2021.

The OWASA Board has expressed concern regarding the challenge of attracting new appointments.

Draft Communications Strategy for Recruiting OWASA Board Applicants:

The following strategy is proposed to leverage existing networks of OWASA Board Members and OWASA, the organization, for the purpose of attracting a diverse pool of applicants for OWASA's Board of Directors.

Key Messages and Messengers: The following messages are proposed to help inform and inspire.

1. Serving on the OWASA Board is a meaningful way to have a direct impact on our community's public health and our local environment.
2. The OWASA Board of Directors will be considering many important topics over the coming years: strategic plan, long-range water supply, water quality protection, climate change adaptation, affordability, etc.
3. It is critical that OWASA have a Board that represents the community that we serve.
4. The Town of Carrboro, the Town of Chapel Hill, and Orange County are currently accepting applications for appointment to the OWASA Board of Directors.
5. You do not have to be a subject-matter expert to serve on the Board. The main qualification is having a desire to serve the community.

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Current Board members are the greatest messengers of these key messages. Staff believes that the most compelling and inspirational appeals will come from Board Members themselves, sharing their stories and experiences. In order to fully leverage existing networks and minimize the burden on any individual Board Member, Staff proposes that all Board members assume a role in assisting with one or more of the following strategies.

Recruitment Strategies

1. The following strategies leverage relations and networks of individual Board members.
 - a. Board Member to write and submit an article to [Chapelboro Viewpoints](#), [The Local Reporter Guest Column](#), and/or [The Daily Tar Heel's OC Voice section](#).
 - b. Board Members to present to groups to which they belong (e.g. churches, local councils, HOAs, etc.)
 - c. Board Members to post to their social media sites, including LinkedIn, Twitter, and Facebook
 - d. Board Members to email/call/converse with personal networks
2. The following strategies leverage networks maintained by OWASA.
 - a. Bill message on all bills: Currently, 60% of OWASA customers receive a printed bill, and we have the ability to include a brief message on each printed bill. About 71% of OWASA customers receive an ebill, and we can also include a message on that bill. There is no additional cost to do this.
 - e. Separate bill insert printed and included in the bill. The estimated cost for the design and printing of this insert is \$2,500.
 - f. Wonderful Water Interview: OWASA has a monthly interview with WCHL that is broadcast during the "News on the Hill" program. WCHL is a cost-effective advertisement option for OWASA. The majority of WCHL's audience lives in OWASA's service area. WCHL reports to reach 35,000 unique people per week on the radio; their website and social media reach is even larger. Each Wonderful Water article posted on WCHL's website averages 170 views. There is no additional cost for utilizing this option for Board recruitment. The ideal timing for the Wonderful Water interview would be early in the week of April 19.
 - g. OWASA's Social Media networks: We maintain an active Twitter account with 2,000+ (mostly local) followers. Our Facebook account is relatively new but is also an option for a post. There is no additional cost for this option.
 - h. Working Group Networks: Due to the nature of our work, OWASA maintains a series of contact lists to reach out to on topics of expressed interest. Although this is not something that is typically done, we could email our professional contacts to help recruit Board members. One such group that comes to mind is our Affordability Partners. There is no additional cost for this option.
3. Given the current state of affairs during the pandemic, the following strategies are not currently available but could be considered as opportunities to recruit Board Member applicants in future years:

- i. OWASA Board promotion at Water Wagon events: Board Members could staff the Water Wagon and promote application to the Board.
- j. Participation in Chapel Hill and Carrboro's Citizen Academies and Open Houses: In years past, OWASA has hosted a session in both Chapel Hill and Carrboro's Citizen Academies. Both Towns established these Academies, in part, to recruit applications to local Board and Committees. We intend to participate in future years and can invite Board Members to join staff in these efforts.

Action Requested:

Staff requests feedback on and guidance from the Board regarding the proposed communications strategy. Staff stands by ready to assist the Board as requested.

Agenda Item 7:

OWASA Board Members Eligible for Nomination for Election as Board Officers

Purpose:

The Board of Directors will nominate candidates for election as Chair, Vice Chair, and Secretary of the Board for the Fiscal Year 2022. Election of officers will take place in the first meeting in June, in accordance with the Bylaws.

Background:

- The Board of Directors will elect its Chair, Vice Chair and Secretary at its June 11, 2021 meeting. Those officers will hold office for one year or until their successors are elected and qualified. Every Board Member is considered eligible for election, except those who indicate their wish not to serve as Officers, or in a particular office.
- On April 11, 2019, the Board amended its Bylaws to provide that the full Board of Directors shall serve as the Nominating Committee, and to that end, shall receive nominations for election to each office of the Board, at a Board meeting prior to the meeting in which the election of Board officers is to be held. And further, that any Board Member may nominate or self-nominate for such offices, and those nominated shall constitute the slate of eligible candidates for election to each office.
- At the April 8, 2021 meeting, all Board members will be eligible for nomination for election to those offices; any Board Member may nominate or self-nominate, and if seconded, those nominated shall constitute the slate of eligible candidates for election to each office.
- In accordance with the Bylaws, the following is a list of those Board Members eligible for nomination and election to each office for the fiscal year beginning July 1, 2021:

Chair	Vice Chair	Secretary
Yinka Ayankoya	Yinka Ayankoya	Yinka Ayankoya
Bruce Boehm	Bruce Boehm	Bruce Boehm
Ray DuBose	Ray DuBose	Ray DuBose
Jody Eimers*	Jody Eimers*	Jody Eimers*
Kevin Leibel	Kevin Leibel	Kevin Leibel
John Morris	John Morris	John Morris

*pending reappointment to the OWASA Board of Directors scheduled later this Spring.

- From this list, Board Members will nominate candidates for election to each office on April 8, 2021. The election of Officers will be conducted at the June 10, 2021 meeting, and the ballot shall consist of those persons nominated, and whose nominations were seconded, at the April 8th meeting.

- For the Election of Officers at the June 10, 2021 Board meeting and in accordance with amended [N.C. General Statutes 166A \(Public Bodies/Remote Meetings During Declared Emergencies, Section 4.31.\(a\) Article 1A\)](#), Board Members, will vote verbally by roll call in alphabetical order, will announce their votes for each office, for one of the members nominated in the April 8, 2021 meeting. The verbal election will continue in successive rounds until an Officer is elected by five votes. In each successive round, the eligible candidates shall be those who received the greater number of votes in the previous round.
- A Board member who must be absent from the June 10, 2021 meeting may vote by proxy in the Election of Officers by submitting a written, dated and signed statement of his or her vote for each office, to the Clerk to the Board prior to beginning of the June 10th Board meeting. Proxy votes will be counted so long as the person named on the written statement remains in the running through successive rounds of voting.
- OWASA Board of Director Bylaws officer descriptions:

CHAIR. The Chair shall preside at all meetings of the Authority and shall have and exercise such authority and do and perform such other duties as may be assigned by the Authority.

VICE CHAIR. At the request of the Chair, or in the event of the absence or disability of the Chair, the Vice Chair shall perform the duties and possess and exercise the powers of the Chair; and to the extent authorized by law the Vice Chair shall have such other powers as the Authority may determine, and shall perform such other duties as may be assigned to him by the Authority.

SECRETARY. The Secretary shall have charge of such books, documents and papers as the Authority may determine, and shall have the custody of the official seal. She/He shall attend and keep the Minutes of all the meetings of the Authority, unless the Authority uses the services of a stenographer for that purpose, and in such case she/he shall review the Minutes to see that they are accurately taken and transcribed in the Minute Book. She/He shall keep a record, containing the names, alphabetically arranged, of all persons who are Directors of the Authority, the dates of their appointments and dates of expiration of their terms, showing their places of residence, and such book shall be open for inspection as prescribed by law. She/He shall in writing notify the Mayor or Chairman of the Board, as the case may be, of the appointing governing body at least 30 days prior to the expiration of the term for which a member of the Authority was appointed by such governing body so that such appointing governing body may have sufficient time in which to either reappoint such person for an additional term or to appoint some other person to the Authority in his or her place. She/He shall, in general, perform all the duties incident to the office of Secretary, subject to the control and direction of the Authority, and shall do and perform such other duties as may be assigned by the Authority.

Action Needed:

Finalize the nominations for the Officers of Chair, Vice Chair and Secretary for the OWASA Board of Directors for Fiscal Year 2022 in preparation for the June 10, 2021 meeting.

Agenda Item 8:

Decision on Whether to Complete a Board of Directors Self-Assessment

Purpose:

The purpose of the Self-Assessment is to gather feedback about the current effectiveness of the Board and to stimulate Board Member thoughts, as well as collective Board thoughts, about what might be done to strengthen individual performance as a Board member and the Board as a whole.

Discussion:

- Does the Board see value in conducting a self-assessment this year?
- If so, what is the ideal timeframe, considering that Board membership will change in the coming months. Is the ideal timeframe before membership changes, shortly after changes, or several months after changes?
- Does the Board see value in utilizing a survey tool similar to the one used last year?
- If so, do Board Members prefer to maintain some degree of anonymity for survey responses?

Action:

Decision on whether to schedule a Board Self-Assessment this year.

April 8, 2021

Agenda Item 9:

Review Board Work Schedule

Purpose:

- a) Request(s) by Board Committees, Board Members, Counsel and Staff
- b) April 22, 2021 Virtual Board Meeting
- c) May 13, 2021 Virtual Board Work Session
- d) Review 12 Month Board Meeting Schedule
- e) Review Pending Key Staff Action Items

Information:

- Draft agenda for the virtual April 22, 2021 meeting
- Draft agenda for the virtual May 13, 2021 meeting
- 12 Month Board Meeting Schedule
- Pending Key Staff Action Items from Board Meetings

April 8, 2021

Agenda
Virtual Meeting of the OWASA Board of Directors
Thursday, April 22, 2021, 6:00 P.M.

Due to COVID-19 public health concerns, the Orange Water and Sewer Authority (OWASA) Board of Directors is conducting this meeting virtually utilizing [Microsoft Teams](#) software. Board Members, General Counsel and staff will be participating in the meeting remotely.

In compliance with the "Americans with Disabilities Act," interpreter services for non-English speakers and for individuals who are deaf or hard of hearing are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 919-537-4217 or aorbich@owasa.org.

The Board of Directors appreciates and invites the public to attend and observe its virtual meetings online. Public comment is invited via written materials, ideally submitted at least two days in advance of the meeting to the Board of Directors by sending an email to board_and_leadership@owasa.org or via US Postal Service (Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510). Public comments are also invited during the Board Meeting via telephone, and members of the public will need to be available to call-in during the meeting. Please contact the Clerk to the Board at aorbich@owasa.org or 919-537-4217 to make arrangements by 3:00 p.m. the day of the meeting.

Public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors. The Board may take action on any item on the agenda.

Announcements

1. Announcements by the Chair
 - A. Any Board Member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight is asked to disclose the same at this time.
 - B. Update on the April 15, 2021 Orange County Climate Council
 - C. Update on the April 21, 2021 Meeting Between Members of the Orange County Board of County Commissioners and Orange County Appointees to the OWASA Board
2. Announcements by Board Members
 - A. Update on the April 20, 2021 OWASA Update to the Carrboro Town Council (Yinka Ayankoya/Robert Morgan)
3. Announcements by Staff
4. Additional Comments, Suggestions, and Information Items by Board Members (Ray DuBose)

Petitions and Requests

1. Public – Loren C. Davis
2. Board
3. Staff

Consent Agenda

Information and Reports

1. 12 Month Board Meeting Schedule (Todd Taylor)

Action

2. Minutes of the March 25, 2021 Meeting of the Board of Directors (Andrea Orbich)
3. Closed Session of the April 8, 2021 Meeting of the Board of Directors Meeting (Jody Eimers)

Regular Agenda

Information and Reports

4. Update on OWASA's COVID-19 Information and Discussion by the Board (Todd Taylor/Mary Tiger)
5. Financial Report for the Nine Month Period Ended March 31, 2021 (Stephen Winters)

Discussion

6. Fiscal Year 2022 Draft Budgets and Rate Adjustment Information and Authorize Staff to Publish Proposed Rates (Stephen Winters)
7. Discuss Draft Process for Developing Strategic Plan (Todd Taylor/Mary Tiger)

Summary of Board Meeting Action Items

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

Closed Session

9. The Board of Directors will Meet in Closed Session for the Purpose of Discussing a Personnel Matter, as provided in N.C. General Statutes 143.318.11(6) (Jody Eimers)

Agenda
Work Session of the OWASA Board of Directors
Thursday, May 13, 2021, 6:00 P.M.

Due to COVID-19 public health concerns, the Orange Water and Sewer Authority (OWASA) Board of Directors is conducting this meeting virtually utilizing [Microsoft Teams](#) software. Board Members, General Counsel and staff will be participating in the meeting remotely.

In compliance with the "Americans with Disabilities Act," interpreter services for non-English speakers and for individuals who are deaf or hard of hearing are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 919-537-4217 or aorbich@owasa.org.

The Board of Directors appreciates and invites the public to attend and observe its virtual meetings online. Public comment is invited via written materials, ideally submitted at least two days in advance of the meeting to the Board of Directors by sending an email to board_and_leadership@owasa.org or via US Postal Service (Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510). Public comments are also invited during the Board Meeting via telephone, and you will need to be available to call-in during the meeting. Please contact the Clerk to the Board at aorbich@owasa.org or 919-537-4217 to make arrangements by 3:00 p.m. the day of the meeting.

Public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors. The Board may take action on any item on the agenda.

Announcements

- a. Announcements by the Chair
 - Any Board Member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight is asked to disclose the same at this time.
- b. Announcements by Board Members
- c. Announcements by Staff
- d. Additional Comments, Suggestions, and Information Items by Board Members (Chair)

Consent Agenda

Action

1. Minutes of the April 8, 2021 Work Session of the Board of Directors (Andrea Orbich)
2. Closed Session of the April 22, 2021 Meeting of the Board of Directors Meeting (Jody Eimers)

Regular Agenda

Discussion and Action

3. Approve Employee Health and Dental Insurance Renewals (Stephanie Glasgow/Ellen Tucker, Gallagher)
4. Finalize Process for Developing Strategic Plan (Todd Taylor/Mary Tiger)

Discussion

5. Long-Range Water Supply Plan – Guiding Principles (Ruth Rouse)
6. Discuss Employee Merit Pay for Fiscal Year 2022 (Stephanie Glasgow/Stephen Winters)
7. Review Board Work Schedule
 - a. Request(s) by Board Committees, Board Members and Staff (Ray DuBose)
 - b. May 27, 2021 Board Meeting (Todd Taylor)
 - c. June 10, 2021 Work Session (Todd Taylor)
 - d. 12 Month Board Meeting Schedule (Todd Taylor)
 - e. Pending Key Staff Action Items (Todd Taylor)

Summary of Work Session Items

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

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OWASA Board of Directors – 12 Month Board Meeting Schedule (April 1, 2021)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
April 2021	Modifications to the One-Time Additional Employee Personal Leave Merit Bonuses Review Employee Health and Dental Insurance Renewals (C) FY 22 Draft Budget and Rate Adjustment (C) OWASA Board Member Recruitment Outreach Discussion BOD Eligible for Nominations to Election as Board Officers (include Officer descriptions) (C) Planning for BOD Self-Assessment (C) CS – Prepare for ED Interim Review (C) 4/8/2021	Update on COVID-19 Q3 Financial Report (C) FY 22 Draft Budget and Rates Adjustment Information and Authorize Staff to Publish Proposed Rates (C) Discuss Draft Process for Developing Strategic Plan CS – ED Interim Review (C) 4/22/2021	<i>Carrboro Appointees Update to CTC (4-20-2021)</i> <i>Meeting between the BOCC Members & Orange County Appointees to the BOD (4-21-2021)</i>
May 2021	Approve Employee Health and Dental Insurance Renewals (C) Finalize Process for Developing Strategic Plan LRWSP – Guiding Principles Employee Merit Pay for FY22 (C) 5/13/2021	Update on COVID-19 Public Hearings – FY 22 Budget and Rates (C) Approve Employee Health and Dental Insurance Renewals (if needed) (C) (Public Hearings) 5/27/2021	<i>(Tentative) BOD Self-Assessment in Special Meeting</i>
June 2021	LRWSP – Guiding Principles Approve FY 22 Budget and Rates (including Employee Merit Pay decision) (C) Election of Officers (C) 6/10/2021	Update on COVID-19 6/24/2021	<i>(Tentative) BOD Self-Assessment in Special Meeting</i>
July 2021	D&I Update (C) Award of West Cameron Avenue Water Main Replacement Phase 2 Construction Contract 7/8/2021	TBD 7/22/2021	<i>Possible welcome of new Board member(s)</i>
August 2021	CS – Prepare for GC Annual Review (C) 8/12/2021	Preliminary 12 Month Financial Report (C) CIP Semiannual Report (C) CS – GC Annual Review (C) 8/26/2021	
September 2021	Annual Report on Disposal of Surplus Personal Property (C) EEO/Affirmative Action Report and D&I Update (C) 9/9/2021	Annual Report and Financial Audit (C) Approve GC Engagement (C) Forest Management Program Update (Annual Meeting of the BOD) 9/23/2021	
October 2021	CS – Prepare for ED Annual Review (C) 10/14/2021	Strategic Trends Report (C) Annual Update of the Energy Management Plan (C) Q1 Financial Report (C) CS – ED Annual Performance Review (C) 10/28/2021	
November 2021	TBD 11/11/2021	<i>Holiday – no meeting</i>	
December 2021	TBD 12/9/2021	<i>Holiday – no meeting</i>	
January 2022	Appoint Audit Firm (C) Employee Health and Dental Insurance Update for FY 23 (C) D&I Update (C) 1/13/2022	2021 Annual Lakes Recreation Report (C) CIP Semiannual Report (C) Q2 Financial Report (C) Discuss FY 23 Budget Calendar, Planning Assumptions, and New Budget Format (C) 1/27/2022	
February 2022	Department Managers FY 23 Budget Presentations (C) (C)	CS – GC Interim Review (C)	

OWASA Board of Directors – 12 Month Board Meeting Schedule (April 1, 2021)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
	Reliability and Resiliency Improvements Update (C) Affordability Program Update (C) CS – Prepare for GC Interim Review 2/10/2022	2/24/2022	
March 2022	FY 23 Draft Operating and Capital Equipment Budgets (C) 3/10/2022	Set date for Public Hearings – FY 23 Budget & Rates (C) FY 23 Budgets and Rate Adjustment (C) 3/24/2022	

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.

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. The NRTS Committee discussed this issue in September 2017 and determined it was lower priority than Forest Management.
- Water Conservation Plan will be prepared concurrent with update of the Long-Range Water Supply Plan.

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

Abbreviations Used in Draft Schedule:

(C)	Recurring agenda item (generally these are "required" items)	COLA	Cost of Labor Adjustment
AV/AMI	Agua Vista/Advanced Metering Infrastructure	CS	Closed Session of the Board
BOCC	Orange County Board of County Commissioners	CTC	Carrboro Town Council
BOD	Board of Directors	CY	Calendar Year
CE	Community Engagement	D&I	Diversity and Inclusion
CEP	Community Engagement Plan	ED	Executive Director
CHTC	Chapel Hill Town Council	EEO	Equal Employment Opportunity
CIP	Capital Improvements Program	EPA	Environmental Protection Agency
		FY	Fiscal Year

OWASA Board of Directors – 12 Month Board Meeting Schedule

(March 2021 to February 2022)

GC	General Counsel	NRTS	Natural Resources and Technical Services
HR	Human Resources	OC	Orange County
KPI	Key Performance Indicator	Q	Quarter
LRWSP	Long-Range Water Supply Plan	RFP	Request for Proposals
MOA	Memorandum of Agreement	SRF	State Revolving Fund
MWBE	Minority/Women-owned Business Enterprises	SOW	Scope of Work
MST	Mountains-to-Sea Trail	TBD	To Be Determined
MFMM	Multi-Family Master Meter	WTP	Water Treatment Plant
NCDOT	North Carolina Department of Transportation	WWTP	Wastewater Treatment Plant

Pending Key Staff Action Items from Board Meetings

No.	Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
1.	3-25-2021*	Explore and evaluate interim and permanent solutions to improve boat access at University Lake and follow up with Tom Wedsworth.	TBD	Darr	
2.	3-25-2021*	Add a Lakes Recreation schedule discussion for Calendar Year 2021 and follow up with Mike Hammersley.	TBD	Darr	
3.	3-25-2021	Provide analysis of customers who are past due on their bills and have received financial assistance.	4-22-2021	Tiger	
4.	3-25-2021	Provide explanations for all major deferrals of CIP expenses and provide a comparison budget of the Western Intake Partnership.	4-8-2021	Gangadharan Rouse Winters	Analysis of the impact on the budget and rates of including expenditures of the Jordan Lake western intake in the FY 22-26 CIP and explanations of CIP deferrals is included in the April 8, 2021 agenda package.
5.	3-25-2021	Provide outreach ideas for Board recruitment including the reach and costs for Wonderful Water and bill inserts.	4-8-2021	Tiger	Completed
6.	3-25-2021	Provide background information on affordability partners, a timeline for ebill Care to Share donations, and a draft network letter.	NA	Tiger	
7.	3-11-2021	March 11, 2021 Long-Range Water Supply Plan agenda material and minutes communicated to local governing boards and other commenters.	NA	Rouse Tiger	Completed; emails and Twitter sent on 3-18-2021.
8.	3-11-2021	Organize a Board/staff field trip to biosolids property to better inform and understand stream and wetland mitigation banking.	NA	Tiger	Goal: Fall field trip when weather is good and COVID is less of a threat
9.	12-10-2020	Review water main replacement model effectiveness metric.	NA	Gangadharan Spinelli	Staff is conducting additional analysis on historical break data before bringing a recommendation back to Board.