



## 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**

### **Virtual Work Session of the OWASA Board of Directors**

**Thursday, July 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](mailto: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](mailto: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](mailto: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.
  - August 12, 2021, Executive Committee Meeting
  - Standing Committees of the OWASA Board of Directors
- b. Announcements by Board Members
  - Update on the June 23, 2021, Meeting between the Chapel Hill Town Council OWASA Committee and Chapel Hill Appointees to the OWASA Board of Directors (John Morris)
- c. Announcements by Staff
  - Introduce Christopher Giesting, OWASA's new Water Supply and Treatment Manager (Mary Darr)
  - Update on the June 17, 2021, Orange County Climate Council Meeting (Mary Tiger)
- d. Additional Comments, Suggestions, and Information Items by Board Members (Jody Eimers)

### **Consent Agenda**

#### Information and Reports

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

#### Action

2. Potential Acquisition of Remaining One-third Interest in Property Adjacent to Cane Creek Reservoir (Ruth Rouse)
3. Minutes of the May 27, 2021 Public Hearing and Board Meeting (Andrea Orbich)
4. Minutes of the June 10, 2021 Work Session of the Board of Directors (Andrea Orbich)
5. Minutes of the June 10, 2021 Closed Session of the Board of Directors (Ray DuBose)

### **Regular Agenda**

#### Information and Reports

6. Diversity and Inclusion Program Update – January to June 2021 (Stephanie Glasgow/ Mary Darr/Deepthi Kalyanam/Wil Lawson)
7. Strategic Plan Update (Mary Tiger)

#### Discussion

8. Long-Range Water Supply Plan: Guiding Principles for Evaluating Water Supply Alternatives to Reliably Access OWASA's Allocation of Water in Jordan Lake (Ruth Rouse)
9. Meetings of the OWASA Board of Directors (Robert Epting/Todd Taylor)
  - a. Remote Participation in OWASA Board Meetings after the COVID-19 Emergency
  - b. Consider Scheduling all OWASA Board Meetings and Work Sessions in at 6:00 p.m. OWASA's Community Room
10. Review Proposed Work Plan for OWASA's Executive Director (Todd Taylor)
11. Review Board Work Schedule
  - a. Request(s) by Board Committees, Board Members, Counsel and Staff (Jody Eimers)
  - b. August 26, 2021 Board Meeting (Todd Taylor)
  - c. September 9, 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**

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

**ORANGE WATER AND SEWER AUTHORITY - QUARTERLY REPORT**

**ATTENDANCE AT BOARD AND COMMITTEE MEETINGS**

<b>BOARD OF DIRECTORS</b>	<b>APRIL 2021</b>	<b>MAY 2021</b>	<b>JUNE 2021</b>
<b>RAY DUBOSE, CHAIR</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 24 Board (Canceled)
<b>BRUCE BOEHM, VICE CHAIR</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 24 Board (Canceled)
<b>JODY EIMERS, SECRETARY</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 21 SPCI (Meeting) Jun 24 Board (Canceled)
<b>YINKA AYANKOYA</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 21 SPCI (Meeting) Jun 24 Board (Canceled)
<b>TODD BENDOR</b>		May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 24 Board (Canceled)
<b>KEVIN LEIBEL</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Absent)	Jun 10 WS (Meeting) Jun 24 Board (Canceled)
<b>ROBERT MORGAN</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 24 Board (Canceled)
<b>JOHN N. MORRIS</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Meeting) Jun 21 SPCI (Meeting) Jun 24 Board (Canceled)
<b>BRUCE RUNBERG</b>	April 8 WS (Meeting) April 22 Board (Meeting)	May 13 WS (Meeting) May 25 Board (Meeting)	Jun 10 WS (Absent) Jun 24 Board (Canceled)
<b>TOTAL MEETINGS HELD:</b>	<b>2</b>	<b>2</b>	<b>2</b>

Board – Board of Directors  
CE – Community Engagement Committee

SPCI – Strategic Planning Consultant Interviews  
WS – Work Session

July 8, 2021

## **Agenda Item 2:**

Potential Acquisition of Remaining One-third Interest in Property Adjacent to Cane Creek Reservoir

### **Purpose:**

To receive approval from the Board of Directors to close on purchase of remaining one-third interest in property adjacent to Cane Creek Reservoir. This purchase is required to meet legal commitments we have with the North Carolina Land and Water Fund.

### **Background:**

- As part of OWASA's critical lands program to maintain water quality in Cane Creek Reservoir, OWASA acquired a 2/3 undivided interest in the 80-acre Annie Deane Heirs property in 2002 for \$480,000, paid to two of the three sisters who owned it. Mrs. Sheila Deane Peterson, the third heir, was unwilling to sell her interest at that time. Mrs. Peterson passed away a few years ago and her interest is now owned by her son, Geoffrey Deane Peterson.
- The North Carolina Clean Water Management Trust Fund (now called the North Carolina Land and Water Fund) provided grant funds of \$277,774 to reimburse a portion of the purchase price for the 2/3 interest. In return, OWASA promised to use its best efforts to acquire the other 1/3 interest, and to convey a conservation easement to the state on 300 foot stream buffers once the remaining 1/3 interest was acquired. In 2004 OWASA signed a Reimbursement Agreement and granted a Deed of Trust to the state which obligate OWASA to pursue acquisition of the remaining 1/3 interest and require that the state be reimbursed for the grant funds should OWASA fail to acquire all or part of the 300 foot stream buffer areas should the property become available. OWASA has contacted the owners of this remaining 1/3 interest several times over the years indicating our desire to purchase their interest in the property. Recently, Geoffrey Deane Peterson contacted OWASA and stated that he would like to sell his interest in the property.
- At its May 13, 2021 meeting, the Board of Directors authorized staff to negotiate with Geoffrey Deane Peterson, and to make an offer of \$240,000, subject to final approval by the Board.
- Geoffrey Deane Peterson has accepted OWASA's offer.

### **Staff and Counsel Recommendation and Action Needed:**

Staff and counsel recommend that the Board authorize staff to close on the acquisition of the remaining one-third interest in the Deane Heirs property. Acquisition of the property will help

protect water quality in Cane Creek Reservoir and meet our commitments to the North Carolina Land and Water Fund. If the Board concurs with staff and General Counsel, we recommend that the Board of Directors approve the resolution. Draft motion language follows: *Motion that the Board of Directors approve the Resolution to Purchase Remaining One-Third Interest in Property Adjacent to Cane Creek Reservoir.*

**Information:**

Resolution to Purchase Remaining One-Third Interest in Property Adjacent to Cane Creek Reservoir

**RESOLUTION TO PURCHASE REMAINING ONE-THIRD INTEREST IN PROPERTY  
ADJACENT TO CANE CREEK RESERVOIR**

**Whereas**, in order to protect water quality in the Cane Creek Reservoir watershed, Orange Water and Sewer Authority (OWASA) supports efforts to preserve and protect properties crossed by streams and wetlands tributary to the Cane Creek Reservoir; and,

**Whereas**, OWASA purchased a two-thirds undivided interest in an 80-acre tract of land (Parcel 9830-69-1327) in 2002 to protect streams and wetlands adjacent to Cane Creek Reservoir; and,

**Whereas**, Geoffrey Deane Peterson is the sole owner of the remaining one-third interest in the property; and,

**Whereas**, the OWASA Board of Directors authorized staff to make an offer of \$240,000 to Geoffrey Deane Peterson at its May 13, 2021 Board of Directors meeting; and,

**Whereas**, Geoffrey Deane Peterson has accepted OWASA’s offer:

**Now, therefore be it resolved:**

1. That the Board of Directors of the Orange Water and Sewer Authority, having been fully advised of the proposed purchase of the remaining one-third finds that by purchasing the remaining interest that streams and wetlands to Cane Creek Reservoir will afford material protection to the water resources of Cane Creek Reservoir; and,

2. That the Executive Director, with assistance from General Counsel be, and hereby is, authorized and directed to close on the purchase of the remaining one-third interest in the 80-acre parcel 9830-69-1327 for \$240,000 from Geoffrey Deane Peterson for and on behalf of the Orange Water and Sewer Authority.

Adopted this 8<sup>th</sup> day of July 2021.

\_\_\_\_\_  
Jo Leslie Eimers, Chair

ATTEST:

\_\_\_\_\_  
John N. Morris, Secretary

## ITEM 3

Orange Water and Sewer Authority  
Virtual Public Hearings and Meeting of the Board of Directors  
May 27, 2021

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held public hearings and a regular meeting by virtual means in accordance with law, on Thursday, May 27, 2021, at 6:00 p.m. utilizing Microsoft Teams software.

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

OWASA staff present: Mary Darr, Robert Epting, Esq. (Epting and Hackney), Vishnu Gangadharan, Stephanie Glasgow, Robin Jacobs, Esq. (Epting and Hackney), Andrea Orbich, Ruth Rouse, Todd Taylor, Mary Tiger, Stephen Winters and Richard Wyatt.

Others present: Meg Holton (UNC Water Resources Manager), Michelle Mayes, Jacqueline Mills, and Kelly Satterfield.

### Motions

1. Robert Morgan made a Motion to close the Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budgets and Proposed Rates, Fees and Charges for Fiscal Year 2022 that begins on July 1, 2021, subject to the rights of the public to submit comments for up to 24 hours after the close of the public hearings, as provided by amended NC General Statutes 166A; the Motion was seconded by Jody Eimers and unanimously approved.
2. Robert Morgan made a Motion to approve the Minutes of the April 22, 2021, Meeting of the Board of Directors, second by John Morris and the Motion was unanimously approved.
3. Robert Morgan made a Motion to approve the Minutes of the May 13, 2021, Closed Session of the Board of Directors for the purpose of discussing a potential real property acquisition, second by John Morris and the Motion was unanimously approved.
4. Todd BenDor made a Motion to direct staff to adjust the Executive Director's performance review schedule to reflect an interim review in January and annual review in May of each year; second by Bruce Runberg and the Motion was unanimously approved.
5. Jody Eimers made a Motion that the Board of Directors hold a Closed Session at the end of the Board meeting on May 27, 2021 to discuss the Executive Director's salary adjustment; second by Bruce Boehm and the Motion was unanimously approved.

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### Announcements

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

Mr. DuBose welcomed Todd Bendor, new Chapel Hill Appointee to the OWASA Board of Directors.

Mr. DuBose asked if any Board Member knows 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 on May 20, 2021, Mary Tiger and he attended the Orange County Climate Council meeting to discuss the draft Bylaws for the Council. The next meeting of the Orange County Climate Council will be June 17, 2021.

Mary Tiger, Strategic Initiatives Manager, announced that members of the OWASA Board of Directors' will meet on Monday, June 21, 2021, at 6:00 p.m., to interview strategic planning consultants in OWASA's Boardroom.

### Petitions and Requests

Mr. DuBose asked for petitions and requests the public, Board and staff; none were received.

Item One:      Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budget and Proposed Rates, Fees and Charges

Ray DuBose opened the concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budget and proposed Rates, Fees and Charges for Fiscal Year (FY) 2022 that begins July 1, 2021, through June 30, 2022.

Stephen Winters, Director of Finance and Customer Services, said OWASA is a public, non-profit agency providing water, sewer and reclaimed water services to the community. The organization's revenue comes solely from the fees customers pay for services. Any funds remaining after paying for expenses and debt payments is reinvested in the water and wastewater treatment plants and pipelines that makeup OWASA's community-owned water and wastewater systems.

Mr. Winters noted the draft budget includes a 5% rate increase for FY 2022; replacement of over three miles of drinking water mains; critical resiliency and redundancy work at the Jones Ferry Road Water Treatment Plant; East Main Street sewer rehabilitation in Carrboro; 11% reduction in employee health insurance premiums; and merit and cost of labor adjustments for employees.

The FY 2022 Budget includes revenue of about \$39.7 million, operating expenses of \$23.7 million; \$17.6 million in capital improvements expenditures; \$8.6 million for debt service payments; and \$1.1 million in capital equipment.

Mr. Winters said the projected revenues for FY 2022 assumes a return to pre-pandemic, normal operating conditions. The 5% increase in monthly water and sewer rates will add \$3.79 to the average monthly bill of households in OWASA's service area. If approved, the rate increase will become effective October 1, 2021. Mr. Winters said the Board is scheduled to decide on the FY 2022 budget and rates on June 10, 2021.

Mr. DuBose stated that no requests to speak or written public comments were received for tonight's public hearings. Mr. DuBose said the public is invited to provide comments via written materials within 24 hours after tonight's public hearings via e-mail or U.S. Postal Service to the OWASA Board of Directors.

Robert Morgan made a Motion to close the Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budgets and Proposed Rates, Fees and Charges for Fiscal Year 2022 that begins on July 1, 2021, subject to the rights of the public to submit comments for up to 24 hours after the close of the public hearings, as provided by amended NC General Statutes 166A; the Motion was seconded by Jody Eimers and unanimously approved. Please see Motion No. 1.

Mr. DuBose opened the Board discussion on the Preliminary Annual Operating and Capital Improvements Budgets and Proposed Rates, Fees and Charges for Fiscal Year 2022 that begins on July 1, 2021; there were no comments or questions.

Item Two: 12 Month Board Meeting Schedule

The Board received this as an information item.

Item Three: Minutes

Robert Morgan made a Motion to approve the Minutes of the April 22, 2021, Meeting of the Board of Directors, second by John Morris and the Motion was unanimously approved. Please see Motion 2.

Item Four: Minutes

Robert Morgan made a Motion to approve the Minutes of the May 13, 2021, Closed Session of the Board of Directors for the purpose of discussing a potential real property acquisition, second by John Morris and the Motion was unanimously approved. Please see Motion 3.

Item Five: Update on OWASA's COVID-19 Information and Discussion by the Board

Todd Taylor, Executive Director, provided an update on OWASA's response to COVID-19, noting that staff continues to take proactive measures to ensure the community receives high-

quality and reliable water, wastewater, and reclaimed water services. He said staff who were working remotely, returned to OWASA facilities on May 17, 2021. A policy was implemented for routine telework opportunities for employees. Mr. Taylor said OWASA facilities will be open to the public on June 1, 2021, and lake staff will modify the lake recreation protocols in June to increase boating capacity on the reservoirs. Staff is also preparing to transition to in-person Board of Directors meeting in July 2021. Finally, Mr. Taylor reported that future updates on OWASA COVID-19 information to the Board will be provided via email.

Mary Tiger, Strategic Initiatives Manager, provided an update on the extent and severity of past due customer accounts, including staff's continued work to contact those customers who are in arrears to provide information on where they may apply for financial assistance. She provided information on how many customers have received bill assistance in the past year. Ms. Tiger said there was relaunch of the North Carolina HOPE Program which uses federal funds to provide rental and utility assistance to eligible households.

Item Six: Guidance on Individual Board Member Interactions with OWASA Staff Members

The Board expressed appreciation for the Guidance on Individual Board Member Interactions with OWASA Staff Members and provided additional suggestions and clarification to update it. The suggestions will be incorporated and provided for the Board's final approval at the June 10, 2021, work session.

Item Seven: Adjusting the Performance Review Schedule for the Executive Director

After discussion, the Board agreed to adjust the Executive Director's performance review schedule to coincide the with adjusted employees' performance review schedule ending on June 30, 2021.

Todd BenDor made a Motion to direct staff to adjust the Executive Director's performance review schedule to reflect an interim review in January and annual review in May of each year; second by Bruce Runberg and the Motion was unanimously approved. Please see Motion 4.

Jody Eimers made a Motion that the Board of Directors hold a Closed Session at the end of the Board meeting on May 27, 2021, to discuss the Executive Director's salary adjustment; second by Bruce Boehm and the Motion was unanimously approved. Please see Motion 5.

Item Eight: Summary of Board Meeting Action Items

Todd Taylor noted the following staff action items and provided an overview of the next Board meeting:

- Incorporate Board feedback on Guidance on Individual Board Member Interactions with OWASA Staff;
- Update 12 Month Board Meeting Calendar with new Executive Director interim and annual performance review dates; and
- Agenda items for the June 10, 2020, virtual Board Work Session:

- Long-Range Water Supply Plan Guiding Principles
- Approve the Fiscal Year 2022 Budget and proposed Rates, Fees and Charges including employee merit pay adjustment
- Resolution Honoring the Service of Robert Morgan as OWASA Board Member and the Carrboro-Chapel Hill-Orange County Community
- Election of Board Officers

Item Nine:    Closed Session

Without objection, the Board of Directors convened in a closed session for the purpose of discussing a personnel matter as provided in N.C. General Statutes 143.318.11(6).

Following the Closed Session, the Board reconvened in open session, reported no action was taken in the closed session, and the meeting was adjourned at 8:17 p.m.

Respectfully submitted by:

Andrea Orbich  
Executive Assistant/Clerk to the Board

DRAFT

## ITEM 4

Orange Water and Sewer Authority  
Virtual Work Session of the Board of Directors  
June 10, 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, June 10, 2021, at 6:00 p.m. utilizing Microsoft Teams software.

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

OWASA staff present: Mary Darr, Robert Epting, Esq. (Epting and Hackney), Vishnu Gangadharan, Stephanie Glasgow, Robin Jacobs (Epting and Hackney), Andrea Orbich, Ruth Rouse, Todd Taylor, Mary Tiger, Stephen Winters, and Richard Wyatt.

Others present: Monica Dodson, Michael Everhart, Jacqueline Mills, Ben Poulson (UNC Associate Director of Energy Services), and Meg Holton (UNC Water Resources Manager).

### Motions

1. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority approved the Resolution to Authorize Private Access and Utility Easement and Road Maintenance Agreement. (Motion by Robert Morgan, second by Jody Eimers and the Motion was unanimously approved.)
2. Robert Morgan made a Motion to approve the Minutes of the May 13, 2021, Work Session of the Board of Directors; second by Jody Eimers and the Motion was unanimously approved.
3. Robert Morgan made a Motion to approve the Minutes of the May 27, 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.
4. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Adopting the Schedule of Rates, Fees, and Charges on or after October 1, 2021. (Motion by Robert Morgan, second by Bruce Boehm and the Motion was unanimously approved.)
5. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Adopting the Annual Budget for Orange Water and Sewer Authority for the Fiscal Year July 1, 2021, through June 30, 2022. (Motion by Robert Morgan, second by Todd BenDor and the Motion was unanimously approved.)
6. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Approving the Capital Improvements Program and Budget for Fiscal Years

2022-206. (Motion by Jody Eimers, second by Robert Morgan and the Motion was unanimously approved.)

7. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Updating the Schedule of Employee Classification and Authorized Compensation; Adjusting Affected Employees' Compensation to the Minimum of the Pay Range; and Authorizing Cost of Labor and Merit Pay Increases for Eligible Employees. (Motion by Robert Morgan, second by Bruce Boehm and the Motion was unanimously approved.)

8. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Capital Project Resolution for Fiscal Year 2022 Infrastructure Improvements. (Motion by Kevin Leibel, second by Jody Eimers and the Motion was unanimously approved.)

9. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Honoring the Service of Robert Morgan to the Orange Water and Sewer Authority Board of Directors and the Carrboro-Chapel Hill-Orange County Community. (Motion by John Morris, second by Bruce Boehm and the Motion was unanimously approved.)

10. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Adjusting the Executive Director's Compensation by 5.35% effective the first pay period in July 2021. (Motion by Jody Eimers, second by Bruce Boehm and the Motion was unanimously approved.)

11. Jody Eimers made a Motion that the Board of Directors continue virtual meetings utilizing Microsoft Teams software (not in-person meetings) until such time as the Board has received a report from General Counsel/Staff regarding COVID-19 safety restrictions in place (hybrid or virtual meetings); second by Todd BenDor and the Motion was unanimous approved.

12. Kevin Leibel made a Motion to elect Yinka Ayankoya as Vice Chair by acclamation of the Board of Directors; second by Todd BenDor and the Motion was unanimously approved.

13. Robert Morgan made a Motion to elect John Morris as Secretary by acclamation of the Board of Directors; 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.

John Morris announced a virtual Zoom meeting between the Chapel Hill Town Council OWASA Committee and the Chapel Hill Appointees to the OWASA Board of Directors on Wednesday, June 23, 2021, at 3:00 p.m., to discuss update on the Long-Range Water Supply Plan; update on OWASA's standard collection practices and status of OWASA revenues; and update on the development of OWASA's new strategic plan.

Mary Darr, General Manager of Operations, announced staff distributed OWASA's 2020 Annual Water Quality Report to accountholders on the operation of the water treatment system. This report was also distributed to local officials and media and posted on OWASA's website.

Item One: Guidance on Individual Board Member Interactions with OWASA Staff Members

The Board approved the Guidance Regarding Individual Board Member Interactions with OWASA Staff Members and the updated Framework for OWASA Board and Committee Roles documents.

Item Two: Private Access and Utility Easement and Road Maintenance Agreement off Bradshaw Quarry Road

Robert Morgan made a Motion to approve the Resolution to Authorize Private Access and Utility Easement and Road Maintenance Agreement; second by Jody Eimers and the Motion was unanimously approved. Please see Motion 1.

Item Three: Minutes

Robert Morgan made a Motion to approve the Minutes of the May 13, 2021, Work Session of the Board of Directors; second by Jody Eimers and the Motion was unanimously approved. Please see Motion 2.

Item Four: Minutes

Robert Morgan made a Motion to approve the Minutes of the May 27, 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 3.

Item Five: Approve the Schedule of Rates, Fees and Charges; Annual Budget; Five-Year Capital Improvements Program (CIP); and Cost of Living and Merit Pay Increases

Ray DuBose said the Board received a public comment from Carol Troutman which was shared with the Board and staff on June 7, 2021. No other public comments were received.

Robert Morgan made a Motion to approve the Resolution Adopting the Schedule of Rates, Fees, and Charges on or after October 1, 2021; the Motion was seconded by Bruce Boehm and unanimously approved. Please see Motion 4.

Robert Morgan made a Motion to approve the Resolution Adopting the Annual Budget for Orange Water and Sewer Authority for the Fiscal Year July 1, 2021, through June 30, 2022; the Motion was seconded by Todd BenDor and unanimously approved. Please see Motion 5.

Jody Eimers made a motion to approve the Resolution Approving the Capital Improvements Program and Budget for Fiscal Years 2022-2026; the Motion was seconded by Robert Morgan and unanimously approved. Please see Motion 6.

Robert Morgan made a motion to adopt the Resolution Updating the Schedule of Employee Classification and Authorized Compensation; Adjusting Affected Employees' Compensation to the Minimum of the Pay Range; and Authorizing Cost of Labor and Merit Pay Increases for Eligible Employees; the Motion was seconded by Bruce Boehm and unanimously approved. Please see Motion 7.

Kevin Leibel made a motion to approve the Capital Project Resolution for Fiscal Year 2022 Infrastructure Improvements; the Motion was seconded by Jody Eimers and unanimously approved. Please see Motion 8.

Item Six:        Resolution Honoring the Service of Robert Morgan to the Orange Water and Sewer Authority to the Board of Directors and the Carrboro-Chapel Hill-Orange County Community

Ray DuBose read aloud the resolution honoring the service of Robert Morgan and expressed the Board's congratulations, deep appreciation for his service on the Board, and thanked Mr. Morgan for all his support to all over the years.

John Morris made a Motion to approve the Resolution; second by Bruce Boehm and the Motion was unanimously approved. Please see Motion 9.

Kevin Leibel expressed his appreciation and acknowledged Mr. Morgan's service and wished for him much success in the future.

Mr. Morris said he will be missed and expressed appreciation for Mr. Morgan's local government knowledge, particularly during the hiring of a new Executive Director.

Jody Eimers thanked Mr. Morgan for his service and support as Board Member in familiarizing her as Chair of the Board's Human Resources Committee.

Bruce Boehm agreed with other Board Member comments and wished Mr. Morgan best of luck in the future.

Yinka Ayankoya expressed appreciation to Mr. Morgan, especially when presenting to the Carrboro Town Council, and wished Mr. Morgan well.

Todd Taylor expressed staff's appreciation to Mr. Morgan of his support of staff and will miss him.

Mr. Mogan expressed appreciation to the Board and staff, said he enjoyed his six years on the OWASA Board of Directors and the friendships he made.

Item Seven: Resolution Adjusting the Executive Director’s Compensation

Jody Eimers made a Motion to approve the Resolution Adjusting the Executive Director’s Compensation by 5.35% effective the first pay period in July 2021; second by Bruce Boehm and the Motion was unanimously approved. Please see Motion 10.

Todd Taylor expressed appreciation to the Board for supporting him and all OWASA staff.

Item Eight: Long-Range Water Supply Plan – Guiding Principles for Evaluating Water Supply Alternatives to Reliability Access OWASA’s Allocation of Water in Jordan Lake

Ruth Rouse, Planning and Development Manager, provided an overview of this item and requested feedback from the Board on the draft Guiding Principles which will be used to evaluate water supply alternatives.

Board discussion and feedback on the draft Guiding Principles included suggestions to:

- Include information on how ranking the guiding principles as high, medium, and low will be used in decisions regarding water supply.
- Add an assumption in the Introduction section that the Board and staff will actively seek input from our customers and stakeholders.
- Update the first draft guiding principle to indicate supply sources that cannot meet quality standards after effective treatment will be eliminated from further consideration.
- Clarify next steps that even if Jordan Lake is the preferred option, it will be compared to all viable supply alternatives before a decision regarding water supply is made.
- Move flexibility to change course in the future from low priority to medium or high priority.
- Consider modifying low priority principles, to “other considerations”.
- Consider Board discussion regarding the weighting of the impact on current and future rates and update the guiding principles as needed; staff should also consider including more information on the importance of keeping rates low and affordable.

Staff will incorporate Board feedback on the Guiding Principles and this discussion will continue at July 8, 2021, Board meeting.

Item Nine: Review Board Work Schedule

Jody Eimers said the Board’s July 8, 2021, meeting is scheduled as an in-person meeting but that she would like to request a Board discussion on potentially continuing COVID-19 precautions and suggested the Board continue to meet remotely until after the discussion.

Jody Eimers made a Motion that the Board of Directors continue virtual meetings utilizing Microsoft Teams software (not in-person meetings) until such time as the Board has received a report from General Counsel/Staff regarding COVID-19 safety restrictions in place (hybrid or

virtual meetings); second by Todd BenDor and the Motion was unanimous approved. Please see Motion 11.

The Board agreed to schedule a discussion to consider holding all OWASA Board Meetings at 400 Jones Ferry Road in Carrboro on July 8, 2021.

The Board agreed to hold the July 8, 2021, meeting remotely utilizing Microsoft Teams software.

Item Ten: Report of the Nominating Committee for Election of Officers

Robert Epting, General Counsel, provided the Board an overview on how the election of officers will proceed and reminded the Board that the term of the new Board Officers will begin July 1, 2021. Mr. Epting said nominees for the office of Chair, Vice Chair and Secretary, were nominated and seconded by the Board on April 22, 2021, as required in the Bylaws, and no further nominations were allowed.

Mr. Epting said 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 name and vote for each office. He said the Clerk to the Board will record the votes and announce the person elected to each office following the vote.

Mr. Epting said the candidates for Chair of the Board are Yinka Ayankoya and Jody Eimers and called the roll in alphabetical order:

- Yinka Ayankoya voted for Yinka Ayankoya.
- Todd BenDor voted for Yinka Ayankoya.
- Bruce Boehm voted for Jody Eimers.
- Ray DuBose voted for Jody Eimers.
- Jody Eimers voted for Jody Eimers.
- Kevin Leibel voted for Jody Eimers.
- Robert Morgan voted for Yinka Ayankoya.
- John Morris voted for Jody Eimers.

Mr. Epting stated that Bruce Runberg did not submit a proxy vote. Andrea Orbich said the Board elected Jody Eimers as Chair of the Board by a vote of five to three.

Mr. Epting said the remaining candidate for Vice Chair of the Board is Yinka Ayankoya.

Kevin Leibel made a Motion to elect Yinka Ayankoya as Vice Chair by acclamation of the Board; second by Todd BenDor and the Motion was unanimously approved. Please see Motion 12.

Mr. Epting said the candidate for Secretary of the Board is John Morris.

Robert Morgan made a Motion to elect John Morris as Secretary by acclamation of the Board; second by Jody Eimers and the Motion was unanimously approved. Please see Motion 13.

Item Eleven: Summary of Work Session Items

Todd Taylor noted the following staff action items:

- Incorporate the Board’s feedback on the Long-Range Water Supply Plan Guiding Principles and provide for discussion at the July 8, 2021 Board Meeting;
- Add an agenda item on July 8, 2021, to continue virtual Board Meetings following the end of the COVID-19 emergency; and
- Add an agenda item on July 8, 2021, to consider holding all Board Meetings at OWASA office located at 400 Jones Ferry Road.

Item Twelve: Closed Session

Without objection, the Board of Directors convened in a Closed Session for the purpose of discussion a potential real property acquisition, as provided in N.C. General Statutes 143.318.11(a.5).

Following the Closed Session, the Board reconvened in open session, reported no action was taken in the closed session, and the meeting was adjourned at 8:10 p.m.

Respectfully submitted by:

Andrea Orbich  
Executive Assistant/Clerk to the Board

Attachments

## ITEM 5

### Orange Water and Sewer Authority

#### Closed Session of the Board of Directors

June 10, 2021

On Thursday June 10, 2021, the Board of Directors of Orange Water and Sewer Authority, continuing its meeting by virtual means, went into Closed Session at the end of its regular agenda open session for the purpose of discussing a potential real estate acquisition with Counsel and Staff.

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

Staff present: Todd Taylor, Robert Epting, Robin Jacobs, Mary Darr, Ruth Rouse, Stephen Winters and Vishnu Gangadharan.

\*\*\*\*\*

#### ITEM ONE

The Board of Directors met in Closed Session to receive a report from General Counsel and Staff regarding a potential real estate acquisition and gave General Counsel and Staff direction about further negotiations towards the purchase of an interest in real property located near the Cane Creek Reservoir, to be used for clean water conservation purposes. This session was held in Closed Session format pursuant to N.C. Gen. Stat. 143-318.11(a5).

No official action was taken at the meeting.

The meeting was adjourned at 8:10 p.m.

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Raymond E. DuBose, P.E., Chair  
Board of Directors

## **Agenda Item 6:**

Diversity and Inclusion Program Update (January 2021 – June 2021)

### **Purpose:**

To provide an update on recent diversity and inclusion work.

### **Background:**

In March 2017, OWASA implemented an Employee Diversity and Inclusion (D&I) program.

The D&I program goals are:

- *The diversity of OWASA's workforce reflects the communities we serve.*
- *Providing an inclusive work environment that encourages and supports each team member to contribute to their full ability towards OWASA's mission.*

Updates are provided to the Board three times per year. The annual September update is a comprehensive program progress report and contains the annual Equal Employment Opportunity report. Abbreviated updates are provided in January and July.

### **Diversity and Inclusion Update:**

Key initiatives of the D&I Program since January 2021 include:

- The Diversity Leadership Group updated the performance evaluation documents to include D&I in the overall competencies. Training was provided to all employees and the revised forms were used with both the Interim and Annual reviews.
- Held joint Diversity Group meeting with all three diversity groups on May 20, 2021 to provide each other updates and plan future goals and initiatives to include the upcoming Organizational Assessment.
- Human Resources staff attended Bilingual Career Fair sponsored by La Ley Radio as well as Career Fair sponsored by Hope Renovations.
- The Diversity Resource Group enacted some inclusive workplace initiatives by placing gender-neutral bathroom signage where applicable and offering menstrual products in restrooms.
- The Diversity Recruitment Group facilitated supervisory training on the Recruitment, Selection and Hiring process.
- Additional D&I related interview questions were created by the Diversity Recruitment Group and made available to hiring supervisors.
- Since January 2021, there have been two D&I meetups facilitated by the Diversity Resource Group:
  - Implicit Bias Conversation – January 2021
  - A.I. and Algorithmic Bias – April 2021
- OWASA held a Career Fair on June 24<sup>th</sup> in the community room to promote multiple Utility Mechanic vacancies.

- The Director of HR and Safety continues to meet monthly with the Diversity Recruitment and Resource Groups to offer support and guidance as needed.
- Members of the Diversity Leadership Group attended the following webinars:
  - Inclusivity and Belonging in the Workplace for Municipal Officials by the North Carolina League of Municipalities
  - You Must Feel Safe to be Safe by the National Safety Council

**Information:**

Deepthi Kalyanam from the Diversity Resource Group, Wil Lawson of the Diversity Recruitment Group and Mary Darr with the Diversity Leadership Group will provide updates to the Board on July 8, 2021.

## **Agenda Item 7:**

### Strategic Plan Update

#### **Purpose:**

To provide the OWASA Board of Directors an update on the development of OWASA's new strategic plan

#### **Background:**

The OWASA Board of Directors have identified the following principles to guide the development OWASA's new strategic plan.

1. An updated strategic plan is needed to ensure that we are anticipating and preparing for the future that we want and setting a course for aligning scarce resources with our strategic goals and objectives.
2. The strategic planning process will consider and/or reinforce OWASA's mission, vision, and values.
3. This process is a time to think comprehensively and identify broad-reaching strategic goals and initiatives.
4. The horizon for the strategic plan will be five to six years, during which updates can be proposed by the Board and/or staff leadership, as necessary.
5. The strategic planning process will involve and engage the Board, staff, the community, and other stakeholders. We will actively seek feedback to include and consider diverse perspectives. An active communications strategy will be integral to the process.
6. The strategic planning process will be managed by OWASA staff.
7. Staff leadership will work together with the Board of Directors to develop the strategic plan. The final strategic plan will be approved by the Board of Directors.
8. The strategic plan will set goals that align with our mission, vision, and values.
9. The plan will be operationalized throughout the Plan's implementation with SMART (Specific, Measurable, Attainable, Relevant, and Time-based) strategic objectives.
10. Staff will define a process for reporting on progress, including performance measures.
11. The strategic plan will be used to align resources and guide budgets in the coming decade.

On May 13, 2021, the OWASA Board approved [a process for developing OWASA's next strategic plan](#). The overall process starts by engaging staff and stakeholders by soliciting their input and collecting data and analyses that will provide a common foundation for staff and Board consideration. From this foundation, the OWASA Board of Directors and Staff Leadership will work together to reconsider OWASA's mission, vision, and values and identify and prioritize strategic initiatives and goals. The OWASA Board will approve the final strategic plan, which staff will operationalize through the development of SMART objectives, action plans, and budget requests. The sequential phases of the process are to:

- ✓ Develop a Plan; Set Guiding Principles (Completed 5/13/21)
- Conduct Scan of Environment and Organization (Underway)
- Synthesize Environment and Organization Scan
- Review Mission, Vision, and Values
- Identify and Prioritize Strategic Initiatives and Goals
- Finalize Plan

### **Update on Tasks (Recently completed and upcoming soon)**

The following tasks were recently completed:

- Members of the Strategic Planning Advisory and Resource Council (SPARC), made up of staff from across the organization, have met once a month for the past four months. Thus far, this group has provided valuable feedback on the process that was reviewed and approved by the Board. In addition, the SPARC played and provided feedback on the use of the Wateropolis game to engage community stakeholders in the strategic planning process. Most recently, the group discussed the development of task forces to conduct and assist with critical steps in the process, including:
  - Survey design
  - Literature review/Case studies
  - Stakeholder engagement
  - Staff engagement
  - Data synthesis

In future updates, the Board can look forward to updates from SPARC members!

- On June 21, 2021, the Executive Committee-Elect (Eimers, Ayankoya, and Morris) joined staff (Taylor, Winters, and Tiger) to meet with three groups of strategic planning consultants. The purpose of the discussions was to gauge the relevant experience and personal connection with each consultant or team of consultants that will assist OWASA in developing a new strategic plan over the coming year. The OWASA team agreed that the team from Raftelis would be the best partner for OWASA. Staff is working on getting Raftelis under-contract to assist with survey design and workshop facilitation. (Budget: \$15,000)
- We have identified 38 individuals/stakeholders that represent a local entity that works with OWASA in their professional capacity in one or more ways (see attachment for list of stakeholders). Individuals have been invited to participate in a strategic planning session and to represent their organization and professional perspective in their feedback. Invitees can choose to attend one of two sessions, held on August 23 and September 7, 2021. The stakeholders were polled, and the vast majority that responded were open to attend an in-person session. Both sessions will be held in the OWASA Community Room, as staff believes that stakeholders will be most engaged in an in-person session. In addition, stakeholders have been asked to bring an additional person that they think will add diverse and meaningful perspective to the process.

Over the next month, we expect to:

- Convene SPARC task forces to develop and pursue work plans to develop surveys, engage staff, compile and synthesize guidance documents (literature review), and synthesize results
- Provide the entire OWASA staff an update on the process and how their feedback will be considered and incorporated into the development of the strategic plan during Todd Taylor's bi-annual crew meetings
- Develop survey instruments for the community, Board, and staff survey, with the assistance of Raftelis
- Finalize the Stakeholder Engagement sessions and the mechanism for collecting input from stakeholders on OWASA's priorities and strategic initiatives

**Action Needed:**

No action is requested of the Board at this time.

**Information:**

- List of stakeholder invitees

## Strategic Planning Stakeholder Invite List

What is a stakeholder? A local entity that works with OWASA in their professional capacity in one or more ways; individuals are invited to represent their organization and professional perspective in their feedback

Invitees will be invited to bring one person that they think will contribute to the discussion.

Name	Title	Organization
Aaraon Bachenheimer	Director	UNC Off-Campus Student Life
Aaron Nelson	President	Chamber of Commerce
Ben Perry	Senior Managing Partner	East West Partners
Cathy Brennan	Environmental Health and Safety Director	UNC
Chad Nottingham	Director of Operations	East West Partners
Chris Ehrenfeld	Bold Development Group	Housing Developer
Chuck Scott	Engineering Manager	UNC Hospitals
Colleen Willger	Planning Director	Town of Chapel Hill
Daniel Eller	CEO	Eller Capital Partners
Darrell Jeter	Emergency Management and Planning Director	UNC
Delores Bailey	Executive Director	Empowerment
Eliazar Posada	Acting President/CEO	El Centro
Elizabeth Schroeder	Emergency Preparedness Coordinator	UNC Hospitals
Faith Brodie	Housing Director, Public Housing	Town of Chapel Hill
George Barrett	Executive Director	MCJC
Greg Characklis	Professor	UNC Researcher
Joe Guckavan	Public Works Director	Town of Carrboro
John Richardson	Community Resilience Officer	Town of Chapel Hill
Kirby Saunders	Emergency Services Director	Orange County
Lance Norris	Public Works Director	Town of Chapel Hill
Lee Baker	Chilled Water Systems Manager	UNC
Lew Kellogg	Energy Services Executive Director	UNC
Loryn Clark	Assistant Town Manager	Town of Chapel Hill
Manish Atma	CEO	Atma Hotel Group
Mary Jane Nirdlinger	Assistant Town Manager	Town of Chapel Hill
Matt Gladdek	Executive Director	Chapel Hill Downtown Partnership
Mike Piehler	Chief Sustainability Officer	UNC
Minister Robert Campbell	President	RENA
Patricia Sprigg	President	Carol Woods
Patrick Abele	Assistant Superintendent, Support Services	CHCCS
Rae Mosher	Chair	Carrboro Business Alliance
Rebecca Buzzard	HCS Director	Town of Carrboro
Regina Baratta	Science Teacher	Smith Middle School
Ryan Lavalley	Chair, Orange County Housing Preservation / OC Dept on Aging	Seniors and Aging Population
TBD	Sustainability Programs Director	CHCCS
Travis Myren	Assistant Manager	Orange County
Trish McGuire	Planning Director	Town of Carrboro
Victoria Hudson	Environmental Health Director	Orange County

**Agenda Item 8:**

Long-Range Water Supply Plan (LRWSP): Guiding Principles for Evaluating Water Supply Alternatives to Reliably Access OWASA’s Allocation of Water in Jordan Lake

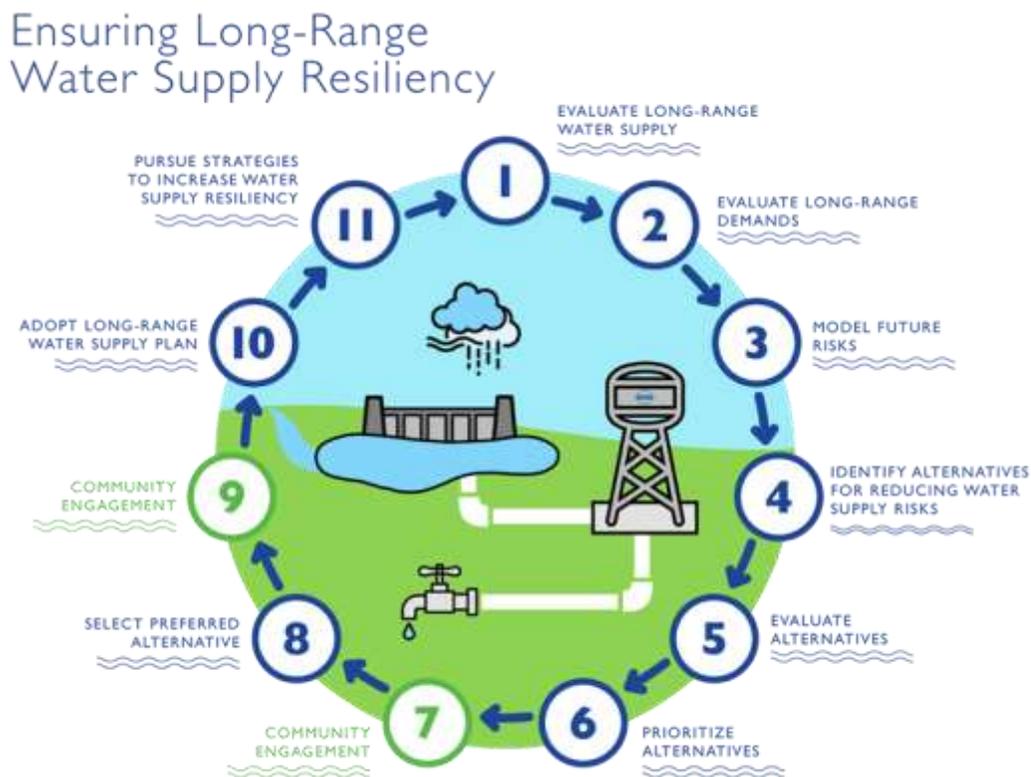
**Purpose:**

To receive approval from the Board of Directors on draft guiding principles and the weighting that will be used to evaluate water supply alternatives to reliably access OWASA’s allocation of water in Jordan Lake.

**Background:**

OWASA is updating our LRWSP to ensure that we have an adequate supply of water for our community through 2070. OWASA has updated our projections of water supply needs, estimated the yield of our planned supplies, evaluated demand management and supply alternatives to meet our long-term needs, and completed an initial round of community engagement. Figure 1 illustrates the LRWSP process; we are currently in the early stages of Step 8: Select Preferred Alternative.

**Figure 1: Long-Range Water Supply Planning Process**



At its [August 13, 2020 meeting](#), the Board of Directors discussed various supply and demand management alternatives. A group of alternatives that provide reliable access to OWASA's existing allocation to water in Jordan Lake appear to be the most viable candidates to meet future needs following the addition of the Shallow Quarry Reservoir to our water supply portfolio in 2035. The Board agreed with staff's recommendation to further evaluate this group of Jordan Lake alternatives and to move forward with the initial community engagement phase of the LRWSP. After reviewing feedback from the community, the Board requested that guiding principles be developed to steer and frame the evaluation of the suite of Jordan Lake alternatives.

Staff developed draft guiding principles for the Board's review based on feedback heard during the community engagement process as summarized in the [March 11, 2021 Board agenda](#), comments heard from Board members over the history of the update of this LRWSP, and OWASA's [mission, vision and values](#). These draft guiding principles were presented to the Board at its [May 13, 2021 meeting](#). The Board provided feedback on the draft guiding principles and requested that staff include priority buckets of "high", "medium" and "low" that will further help guide the Board in narrowing the list of Jordan Lake alternatives. Based on Board feedback, staff also included an Introduction section to the Guiding Principles to summarize assumptions; this revised version of the Guiding Principles was provided to the Board on [June 10, 2021](#). During this meeting, the Board indicated that, overall, they liked the addition of the introductory language and made some minor comments on language and the prioritization. Much of the discussion centered around cost and whether different priorities should be assigned for the impacts on current versus future rates. Additional information regarding cost is provided in the section below.

It should be noted that OWASA has not abandoned the other supply alternatives discussed at the August 13, 2020 Board meeting. The Jordan Lake alternatives required additional analyses; one of the Jordan Lake alternatives was not fully evaluated since it requires information that was not available at the time of the prior analyses. The purpose of this next step is to select one Jordan Lake alternative to evaluate against other viable water supply alternatives.

### **Incorporation and Prioritization of Cost in Guiding Principles:**

During the discussion at the June 10, 2021 Board meeting, some Board members expressed the opinion that rate impacts on current customers were more important than rate impacts on future customers. Other Board members noted that it was also important to consider rate impacts on future customers; short-term cost decisions could result in a much higher cost burden on future rates. Each of these perspectives is valid.

It is important to note that different costs can be estimated for infrastructure projects:

- Capital costs – these include the estimated cost to design, permit and construct the project and the cost is then discounted back to today's dollars. These costs are typically financed over a period of about 25 years. Thus, there will be an impact on current and future rates.

However, due to the time value of money, the greater impact will be on current rates; as you move further into the life of the loan, there is less impact on rate payers.

- Net present cost – this includes the capital cost plus operating, maintenance, and major rehabilitation and replacement costs. For the LRWSP, these costs are carried through 2070 and discounted back to today’s dollars to account for the time value of money. Thus, these costs also impact both current and future rates, but better account for the ongoing costs borne in the future.

The Jordan Lake alternatives do not fit into these traditional cost analyses with the exception of being a full partner in the new intake and water treatment facilities on the west side of Jordan Lake. The continuation of our mutual aid agreements has no capital cost and no net present cost. However, we can provide the Board the cost per 1,000 gallons purchased based on the conditions in our current mutual aid agreements.

The new type of agreement also does not have traditional capital and net present costs that we can compare to being a full partner. Moreover, in the absence of a negotiated agreement, they are hypothetical in nature. However, we can estimate other costs as proxies to the capital and net present costs. These types of agreements could have a buy-in cost plus commodity charge for each gallon purchased. Table 1 summarizes the types of costs that can be calculated for each alternative.

Alternative	Capital Cost		Net Present Cost		
	Capital Cost	Capital Cost per GPD Addl Yield	Net Present Cost	Net Present Cost per 1,000 gal of Yield	Net Present Cost per 1,000 gal water Used
Full Partner in New Intake and WTP	Based on engineering estimates	Based on engineering estimates	Based on engineering estimates	Based on engineering estimates	Based on engineering estimates
Mutual Aid Agreements	\$0	N/A	N/A	N/A	Based on price in agreement
New Guaranteed Access Agreement	Proxy based on how agreement set up and could be \$0	Proxy based on how agreement set up	Proxy based on how agreement set up	Proxy based on how agreement set up	Proxy based on how agreement set up

Staff believes that impacts on current rates should be weighted higher than impacts on future rates. Our risk of running out of raw water supply is low over the next few decades; our main risk occurs during extended drought. Thus, if we weighted impacts to future rates higher, we may delay other capital projects that are more important than addressing our raw water supply. Staff also recognizes that we need to be cognizant of future rate impacts; we will need to have guaranteed access to a supply other than our local reservoirs over the 50-year period this LRWSP addresses. Both considerations are important, but staff recommends that impacts on current rates be rated “highest” priority, and impacts on future rates be rated “high” priority.

It's also important for the Board to recognize that if they follow the above recommendation, it would result in the "Full Partner" alternative being scored much less favorably than the other two options in terms of cost.

**Draft Guiding Principles:**

Staff revised the draft guiding principles based on the feedback the Board provided during its June 10, 2021 discussion. The revised draft guiding principles are shown in Attachment 1 (with track changes) and Attachment 2 (without track changes).

**Next Steps and Action Needed:**

No formal motion or action is needed. However, if the Board is comfortable with the guiding principles, they may elect to approve them this evening.

Once the Board approves the guiding principles, the following steps are planned to complete the LRWSP:

1. Staff will post the Guiding Principles document (Attachment 2) to the [LRWSP webpage](#).
2. Staff, with consultant assistance, will evaluate the Jordan Lake alternatives against the guiding principles in Fiscal Year (FY) 2022.
3. Staff will present the Jordan Lake alternatives analysis to the Board along with a proposed community engagement plan (CEP; tentatively scheduled for November 11, 2021).
4. The Board will select a preferred supply alternative, which may be a Jordan Lake alternative or one of the other viable supply options and will approve the CEP (tentatively scheduled for January 13, 2022).
5. Staff will implement the CEP.
6. Staff will summarize the feedback from the community and present the final draft of LRWSP to Board for review.
7. Staff will incorporate feedback from the Board, finalize the LRWSP, and commence implementation.

**Information:**

Attachment 1: Draft Guiding Principles for Evaluating Water Supply Alternatives to Access Jordan Lake (with track changes to version included in June 10, 2021 agenda package)

Attachment 2: Draft Guiding Principles for Evaluating Water Supply Alternatives to Access Jordan Lake (without track changes)

## Draft Guiding Principles for Evaluating Water Supply Alternatives to Access Jordan Lake

### Introduction to Guiding Principles

OWASA has developed the following guiding principles to aid in evaluating and comparing viable water supply alternatives to reliably access OWASA's allocation of water in Jordan Lake. The guiding principles include factors that staff can quantify or use to compare alternatives on a qualitative basis. While all the social, environmental, and economic factors addressed in the guiding principles are important to consider when evaluating this group of water supply alternatives, they are ~~ranked~~ categorized as "Highest", Medium"High", or ~~Low~~ as "other considerations" to assist with the evaluation. Guiding principles ranked "Highest" will be given more weight than guiding principles ranked low"High" when evaluating Jordan Lake water supply alternatives.

The Board of Directors will use the guiding principles to guide their discussion but may also use other factors including their best judgment to select the most viable alternative. While these guiding principles may only be used to evaluate Jordan Lake alternatives, OWASA has not abandoned other supply alternatives. The Western Intake Partners (City of Durham, Chatham County, Town of Pittsboro, and OWASA) have made progress in planning for a new intake on the western side of Jordan Lake since all alternatives were presented to the Board of Directors on August 13, 2020, and more complete evaluations of the Jordan Lake alternatives can now be accomplished. These guiding principles will be used to narrow down the Jordan Lake alternatives to compare to other viable water supply alternatives. OWASA is committed to hearing feedback from our customers and will consider diverse perspectives as the Board makes its decisions concerning future water supply.

OWASA's core assumptions of our Long-Range Water Supply Plan (LRWSP) will be maintained regardless of which supply alternative is ultimately selected. These assumptions include:

- OWASA's service area as defined in the Water and Sewer Management, Planning and Boundary Agreement will remain unchanged, and we will not be required to provide water service beyond the existing Urban Service Area boundary of Carrboro and Chapel Hill.
- OWASA will continue with planned activities to develop the Shallow Quarry Reservoir alternative; this additional supply will be available by approximately 2035 and is included in our estimated yield.
- OWASA will develop our water supply portfolio to meet our community's drinking water needs for the next two generations (to 2070).
- OWASA will continue to use our local water supplies in Cane Creek Reservoir, University Lake, and the Quarry Reservoir as our primary water sources to the maximum extent practicable.
- OWASA will continue to support and encourage the water conservation ethic embraced by our community, including UNC – Chapel Hill's continued use of reclaimed water. Demand management (conservation) alternatives that are financially viable will be

included in OWASA’s Water Conservation Plan, which will be an appendix to the LRWSP.

- OWASA continues to support the affordability and cost management strategic theme included in the 2016 update to its Strategic Plan and will carefully weigh the cost impacts of supply alternatives on our customers before selecting a preferred alternative.
- OWASA will actively seek input from the community before it makes decisions concerning future water supply.

### Draft Guiding Principles

1. We will continue to provide the community with high-quality treated drinking water that meets or surpasses federal and state public health requirements regardless of the source(s) of supply. Any supply alternative that cannot meet this guiding principle will be eliminated from further consideration.
2. We will consider the following factors for each supply option:
  - a. Highest Priority
    - i. ability to reduce our vulnerability to extended drought conditions
    - ii. ability to improve the reliability and resiliency of our water supply including addressing single points of failure;
    - iii. ~~rate~~-impact on current ratecustomers.
  - b. Medium-High Priority
    - i. ~~rate~~-impact on future ratecustomers;
    - ii. incremental long-term impacts on the environment from operation of the infrastructure needed to support the water supply;
    - iii. incremental impacts on the community from OWASA’s participation in the construction and operation of the water supply source including impacts to landowners, recreation, and transportation;
    - iv. flexibility to change course as we learn more about future customer demands, growth, climate impacts, and other uncertainties;
  - c. Low PriorityOther Considerations
    - i. ~~flexibility to change course as we learn more about future customer demands, growth, climate impacts, and other uncertainties;~~
    - ii.i. support for regional water supply planning efforts, recognizing that we rely on neighboring water utilities to supply water during our occasional planned and unplanned interruptions to water supply;
    - iii-ii. incremental short-term impacts on the environment from development of the water supply and construction of the associated infrastructure

including temporary impacts to streams, wetlands, aquatic and terrestrial habitat, and other environmental considerations.

## Draft Guiding Principles for Evaluating Water Supply Alternatives to Access Jordan Lake

### Introduction to Guiding Principles

OWASA has developed the following guiding principles to aid in evaluating and comparing viable water supply alternatives to reliably access OWASA's allocation of water in Jordan Lake. The guiding principles include factors that staff can quantify or use to compare alternatives on a qualitative basis. While all the social, environmental, and economic factors addressed in the guiding principles are important to consider when evaluating this group of water supply alternatives, they are categorized as "Highest", "High", or as "other considerations" to assist with the evaluation. Guiding principles ranked "Highest" will be given more weight than guiding principles ranked "High" when evaluating Jordan Lake water supply alternatives.

The Board of Directors will use the guiding principles to guide their discussion but may also use other factors including their best judgment to select the most viable alternative. While these guiding principles may only be used to evaluate Jordan Lake alternatives, OWASA has not abandoned other supply alternatives. The Western Intake Partners (City of Durham, Chatham County, Town of Pittsboro, and OWASA) have made progress in planning for a new intake on the western side of Jordan Lake since all alternatives were presented to the Board of Directors on [August 13, 2020](#), and more complete evaluations of the Jordan Lake alternatives can now be accomplished. These guiding principles will be used to narrow down the Jordan Lake alternatives to compare to other viable water supply alternatives. OWASA is committed to hearing feedback from our customers and will consider diverse perspectives as the Board makes its decisions concerning future water supply.

OWASA's core assumptions of our Long-Range Water Supply Plan (LRWSP) will be maintained regardless of which supply alternative is ultimately selected. These assumptions include:

- OWASA's service area as defined in the Water and Sewer Management, Planning and Boundary Agreement will remain unchanged, and we will not be required to provide water service beyond the existing Urban Service Area boundary of Carrboro and Chapel Hill.
- OWASA will continue with planned activities to develop the Shallow Quarry Reservoir alternative; this additional supply will be available by approximately 2035 and is included in our estimated yield.
- OWASA will develop our water supply portfolio to meet our community's drinking water needs for the next two generations (to 2070).
- OWASA will continue to use our local water supplies in Cane Creek Reservoir, University Lake, and the Quarry Reservoir as our primary water sources to the maximum extent practicable.
- OWASA will continue to support and encourage the water conservation ethic embraced by our community, including UNC – Chapel Hill's continued use of reclaimed water. Demand management (conservation) alternatives that are financially viable will be included in OWASA's Water Conservation Plan, which will be an appendix to the LRWSP.

- OWASA continues to support the affordability and cost management strategic theme included in the 2016 update to its [Strategic Plan](#) and will carefully weigh the cost impacts of supply alternatives on our customers before selecting a preferred alternative.
- OWASA will actively seek input from the community before it makes decisions concerning future water supply.

### Draft Guiding Principles

1. We will continue to provide the community with high-quality treated drinking water that meets or surpasses federal and state public health requirements regardless of the source(s) of supply. Any supply alternative that cannot meet this guiding principle will be eliminated from further consideration.
2. We will consider the following factors for each supply option:
  - a. Highest Priority
    - i. ability to reduce our vulnerability to extended drought conditions
    - ii. ability to improve the reliability and resiliency of our water supply including addressing single points of failure;
    - iii. impact on current rates.
  - b. High Priority
    - i. impact on future rates;
    - ii. incremental long-term impacts on the environment from operation of the infrastructure needed to support the water supply;
    - iii. incremental impacts on the community from OWASA's participation in the construction and operation of the water supply source including impacts to landowners, recreation, and transportation;
    - iv. flexibility to change course as we learn more about future customer demands, growth, climate impacts, and other uncertainties.
  - c. Other Considerations
    - i. support for regional water supply planning efforts, recognizing that we rely on neighboring water utilities to supply water during our occasional planned and unplanned interruptions to water supply;
    - ii. incremental short-term impacts on the environment from development of the water supply and construction of the associated infrastructure including temporary impacts to streams, wetlands, aquatic and terrestrial habitat, and other environmental considerations.

**Agenda Item 9:**

Meetings of the OWASA Board of Directors

**Purpose:**

To receive and discuss information regarding:

- a. Remote participation in OWASA Board Meetings after the COVID-19 Emergency
- b. Consider scheduling all OWASA Board Meetings and Work Sessions at 6:00 p.m. in OWASA's Community Room

**Discussion:**

*Remote participation in OWASA Board Meetings after the COVID-19 Emergency:*

On June 10, 2021, the Board of Directors requested the Board discuss continuing virtual Board meetings following the end of the COVID-19 public health concerns State of Emergency in North Carolina.

Special legislation was adopted during the COVID-19 pandemic which authorized local government elected officials and boards to meet and take action by remote means during this period of emergency declared and extended by the Governor. That legislation carefully set out exactly how to assure the presence of a quorum, and how to conduct votes, to assure compliance with the Open Meetings Law.

Attached is a Short Analysis of the Legality of Remote Participation by Absent Members, prepared by OWASA's General Counsel which summarizes analysis by UNC School of Government.

*Consider scheduling all OWASA Board Meetings and Work Sessions in OWASA's Community Room:*

At the June 10, 2021, Board Work Session, John Morris requested, and the Board agreed, to discuss holding all Board meetings at 6:00 p.m. in OWASA's Community Room located at 400 Jones Ferry Road in Carrboro.

Prior to the pandemic, the OWASA Board's regular business meetings were held at 7:00 PM in Chapel Hill Town Hall on the 4<sup>th</sup> Thursday of each month (January through October). Currently, we have budgeted for about \$650 per meeting and an annual total cost of about \$6,500 per year to use this venue and televise the meeting.

On June 8, 2017, the Board began a trial, web-based broadcast (Microsoft Skype) of its work session meetings (second Tuesday of the Month) and on October 12, 2017, the Board agreed to continue broadcasting its work sessions live. Links are provided on OWASA's website for viewing the broadcasts before meetings and staff continues this practice to date. All meetings are

available to the public who wish to view the Board meetings via the internet and are archived on OWASA's website for future public viewing.

**Action**

- a) Discussion on the rules and regulations regarding virtual meetings of the OWASA Board of Directors after the State of Emergency is lifted.
- b) Discussion on whether to pursue holding all Board Meetings at 6:00 p.m. in OWASA's Community Room once the Board returns to in-person meetings.

**Information:**

- A Short Analysis of the Legality of Remote Participation by Absent Members

## “A Short Analysis of the Legality of Remote Participation by Absent Members”

June 16, 2021

Special legislation adopted during the COVID pandemic authorized local government boards to meet and take action by remote means during the periods of emergency declared and extended by the Governor. That legislation carefully set out exactly how to assure the presence of a quorum, and how to conduct votes, to assure compliance with the Open Meetings Law.

As the expiration of the Governor’s declaration(s) of emergency approaches, some have asked whether the OWASA Board could legally continue to meet by remote means after the period of emergency ends.

A thorough analysis of this question has been written and made available by UNC School of Government legal scholars, and may be found here:

<https://www.sog.unc.edu/sites/www.sog.unc.edu/files/reports/lglb133.pdf>.

Succinctly put, we agree with that author that there is no specific statutory authority for local governing boards to conduct their meetings remotely. Likewise, it is clear that the participation of one acting remotely may not be counted towards the number required to create a quorum. Therefore, any decision taken by vote of persons not present but counted as part of a quorum, unless a quorum is actually present at the meeting, would be put at risk.

Likewise, counting the vote of a member voting remotely, absent further statutory authority, would put at risk decisions taken if the vote of a member acting remotely were the deciding vote in a majority favoring the action.

Even so, it appears that some local boards have presumed the authority, as an extension of their power to decide how to conduct their meetings, to determine whether and if so how to allow participation by remote means. For the reasons stated, such actions may be challenged on the basis that they do not comply with the Open Meetings Law.

We acknowledge that no North Carolina Court has ruled on this question. Nor would it have material consequence unless the presence of the person participating remotely were essential to making up a quorum, or if a vote cast remotely were the deciding vote in an action taken. Therefore, in the event any public body decided to allow such remote participation, either of those instances should be avoided.

Our advice has always been to follow the Open Meetings Law strictly. Its key provisions assure the public’s right to access and participation by requiring specific notice of meetings in advance of their proceeding, and the presence of a quorum of members at the meeting. Therefore, unless the Legislature adopts legislation specifically allowing remote participation beyond the present emergency, we advise that the OWASA Board of Directors should avoid conducting any meeting where a quorum is not present at the meeting. Likewise, we advise that no action may be taken where less than five members are present and voting in favor of the proposal.

A Short Analysis of the Legality of Remote Participation by Absent Members”

June 16, 2021

Page 2

As a general proposition, we agree that it is within the Board’s inherent authority to determine how to conduct its meetings, and that provision for remote participation by absent Board members might be authorized on that basis. If the Board so chooses, it should do so with the express policy caveat that absent members participating remotely may not be counted as part of a quorum, and that no absent member’s vote may be counted to create a majority in favor of any matter coming before the Board.

Those interested in the technical legal basis for this opinion are referred to the excellent article by Professor Bluestein of the School of Government, referenced above.

**Agenda Item 10:**

Review Proposed Work Plan for OWASA's Executive Director

**Purpose:**

Review and discuss the proposed Key Focus Areas for OWASA's new Executive Director for the period of June 2021 to May 2022.

**Information:**

- Draft Key Focus Areas for OWASA's Executive Director

July 8, 2021

## **Key Focus Areas for OWASA's Executive Director For the Period of June 2021 to May 2022**

Under the Executive Director's leadership, the OWASA team works collaboratively to ensure the organization's mission, vision and values are realized. The Board of Directors expects the Executive Director to continue to use his judgement on the best use of his time to benefit the organization.

### **Operational/Business Initiatives**

#### 1) High Quality and Reliable Service

Goals and Objectives: Ensure OWASA's responsibility for protecting public health and safety is met by providing high quality and reliable drinking water, wastewater management, and reclaimed water services for the Carrboro-Chapel Hill community.

Expected results/tasks to complete:

- a) High Quality Services
  - i) Zero violations of primary drinking water standards.
  - ii) Maintain certification by the Partnership for Safe Water for Phase IV Excellence in Water Treatment.
  - iii) Maintain Presidents Award status by the Partnership for Safe Water for Distribution System Operation.
  - iv) Achieve Partnership for Clean Water Phase III Directors Award status for Wastewater Treatment.
  - v) Zero violations of treated wastewater standards.
  - vi) Zero violations of reclaimed water standards.
  - vii) Zero violations of biosolids recycling standards.
  - viii) Meet all Financial Management Objectives.
  - ix) No successful cyber-attacks which impact our operation.
- b) Reliability and Resiliency of Services
  - i) Secure the necessary resources to sustain investments in operations and Capital Improvements Program.
  - ii) Construct comprehensive improvements for water distribution piping at and leaving the Jones Ferry Road Water Treatment Plant (WTP).
  - iii) Complete supervisory control and data acquisition (SCADA) systems Master Plan.
  - iv) Begin construction for Electrical Distribution Improvements at the WTP.
  - v) Begin construction for East Main Street Sewer Rehabilitation project.
  - vi) Planned SCADA security assessment scheduled in June/July 2021 and a Payment Card Industry (PCI) security assessment in Spring 2022

The General Manager of Operations, Director of Engineering and Planning, Director of Information Technology, and Director of Finance and Customer Service have primary responsibility for ensuring these results are achieved and/or tasks are completed.

2) Sustainability and Effective Planning

Goals and Objectives: Ensure OWASA can meet its core mission of providing high quality water, wastewater and reclaimed water services well into the future through sustainable practices and effective planning.

Expected results/tasks to complete:

- a) Sustainable Practices
  - i) Energy Management Program
    - (1) Implement Cane Creek Reservoir solar installation
    - (2) Make and sustain progress toward energy goals
  - ii) Forest Management Program
    - (1) Implement stewardship plans for the Meadow Crest properties.
    - (2) Develop a stewardship plan for the Teer West site.
- b) Effective Planning
  - i) Long-Range Water Supply Plan
    - (1) Evaluate Jordan Lake alternatives
    - (2) Assist Board with selection of preferred alternative
    - (3) Implement community engagement activities
  - ii) Strategic Plan
    - (1) Conduct scan of environment and organization, including the implementation of a community survey, staff survey, stakeholder engagement, and Board member survey
    - (2) Conduct series of work sessions with the Board of Directors and staff leadership to synthesize scan of environment and organization; review mission, vision, and values; and identify and prioritize strategic initiatives and goals
    - (3) Engage OWASA employees in the development of the strategic plan

The Strategic Initiatives Manager, General Manager of Operations, and Director of Engineering and Planning have primary responsibility for ensuring these results are achieved and/or tasks are completed.

**Human Resources Initiatives**

1) Diversity and Inclusion (D&I)

Goals and Objectives: Ensure the diversity of OWASA's workforce reflects the communities we serve. Ensure an inclusive work environment for everyone that encourages and supports each team member to contribute to their full ability towards OWASA's mission.

Expected results/tasks to complete:

- a) Budget for an Apprenticeship Program to expand career development opportunities in FY23

- b) Achieve positive results on D&I performance objectives
- c) Conduct organizational assessment and develop action plan
- d) Cultivate minority and women-owned business-enterprises (MWBE) interest and participation in bidding capital improvement projects and other procurement opportunities as may be appropriate

The Director of Human Resources and Safety, Director of Engineering and Planning, and Director of Finance and Customer Service have primary responsibility for ensuring these results are achieved and/or tasks are completed.

## 2) Employee Safety

Goals and Objectives: Ensure that all employees have the proper training, equipment and working conditions to safely perform their jobs.

Expected results/tasks to complete:

- a) Hire a new Safety Manager
- b) Achieve positive results on safety performance metrics

The Director of Human Resources and Safety has the primary responsibility for ensuring these results are achieved.

## **Community Engagement Initiatives**

### 1) Affordability Outreach Program / Customer Service

Goals and Objectives: Provide bill assistance to our customers adversely impacted by COVID-19. Ensure the community is aware of options to manage and reduce water and sewer bills and empower low-income customers, and the local agencies that serve them, with information and tools to manage and reduce water and sewer bills.

Expected results/tasks to complete:

- a) Reinstigate standard bill collection procedures in September 2021
- b) Support the community as OWASA resumes standard collection practices, including:
  - i) Implement process for issuing and administering extended payment plans for customers who have accumulated past due balances during the pandemic.
  - ii) Direct customers towards utility bill assistance funding
  - iii) Work closely with affordability partners

- c) Increase community participation in and contributions to Care-to-Share

The Strategic Initiatives Manager and the Director of Finance and Customer Service have the primary responsibility for ensuring these results are achieved and/or tasks are completed.

2) Communications and Community Engagement Plan

Goals and Objectives: Ensure our customers are well informed and actively seek their participation in decisions that impact them.

Expected results/tasks to complete:

- a) Implement new mapping tool on OWASA's website to assist with outage and boil water advisory notifications
- b) Create opportunities for the community to provide input on the Board's Long-Range Water Supply planning decisions
- c) Engage the community in the development of the Strategic Plan

The Strategic Initiatives Manager has the primary responsibility for ensuring these results are achieved and/or tasks are completed.

**Financial Initiatives**

1) Stimulus Infrastructure Grants and Loans

Goals and Objectives: If feasible, access federal and state stimulus funds for infrastructure improvements.

Expected results/tasks to complete:

- a) Review application requirements for stimulus funds.
- b) If feasible, submit application for funding.

The Director of Finance and Customer Service has the primary responsibility for ensuring these results are achieved and/or tasks are completed.

**Agenda Item 11:**

Review Board Work Schedule

**Purpose:**

- a) Request(s) by Board Committees, Board Members, Counsel and Staff
- b) August 26, 2021 Board Meeting
- c) September 9, 2021 Board Work Session
- d) Review 12 Month Board Meeting Schedule
- e) Review Pending Key Staff Action Items

**Information:**

- Draft agenda for August 26, 2021 Board Meeting
- Draft agenda for September 9, 2021 Board Work Session
- 12 Month Board Meeting Schedule
- Pending Key Staff Action Items from Board Meetings

July 8, 2021

**Agenda**  
**Meeting of the OWASA Board of Directors**  
**Thursday, August 26, 2021, 6:00 P.M.**  
**OWASA Community Room**

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](mailto:aorbich@owasa.org).

The Board of Directors appreciates and invites the public to attend and observe its meetings. 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](mailto:board_and_leadership@owasa.org) or via US Postal Service (Clerk to the Board, 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, 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.
2. Announcements by Board Members
3. Announcements by Staff
4. Additional Comments, Suggestions, and Information Items by Board Members (Jody Eimers)

**Petitions and Requests**

1. Public
2. Board
3. Staff

**Consent Agenda**

**Information and Reports**

1. 12 Month Board Meeting Schedule (Todd Taylor)

**Action**

2. Minutes of the July 8, 2021 Work Session of the Board of Directors (Andrea Orbich)

**Regular Agenda**

**Discussion and Action**

3. Resolution to Award the West Cameron Avenue Water Main Replacement Phase 2 Construction Contract (Simon Lobdell)

**Information and Reports**

4. Preliminary Financial Report for the Twelve-Month Period Ended June 30, 2021 (Stephen Winters)
5. Capital Improvements Program Semiannual Report (Engineering Manager - CIP)

**Summary of Work Session Items**

6. 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**

7. 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) (Human Resources Committee Chair)

DRAFT

**Agenda**  
**Work Session of the OWASA Board of Directors**  
**Thursday, September 9, 2021, 6:00 P.M.**  
**OWASA Community Room**

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](mailto:aorbich@owasa.org).

The Board of Directors appreciates and invites the public to attend and observe its meetings. 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](mailto:board_and_leadership@owasa.org) or via US Postal Service (Clerk to the Board, 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, 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 (Jody Eimers)

**Consent Agenda**

Information and Reports

1. Annual Report on Disposal of Surplus Personal Property (Kelly Satterfield)

Action

2. Minutes of the August 26, 2021 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Human Resources Chair)

**Regular Agenda**

Information and Reports

3. Diversity and Inclusion Program Progress Report and Equal Employment Opportunity/Affirmative Action Report for Fiscal Year 2021 (Stephanie Glasgow)
4. Strategic Plan Update (Mary Tiger)

Discussion

5. Review Board Work Schedule
  - a. Request(s) by Board Committees, Board Members and Staff (Jody Eimers)
  - b. September 23, 2021 Annual Meeting of the Board (Todd Taylor)

- c. October 14, 2021 Work Session (Todd Taylor)
- d. 12 Month Board Meeting Schedule (Todd Taylor)
- e. Pending Key Staff Action Items (Todd Taylor)
- f. Action Items Reoccurring Every 3 to 5+ Years (Todd Taylor)

**Summary of Work Session Items**

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

**Closed Session**

- 7. 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) (Human Resources Committee Chair)

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## OWASA Board of Directors – 12 Month Board Meeting Schedule (July 2, 2021)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
July 2021	Potential Acquisition of Remaining 1/3 Interest in Property Adjacent to CCR D&I Update (C) Strategic Plan Update Review Proposed ED Work Plan LRWSP – Guiding Principles Meetings of the OWASA BOD 7/8/2021	Canceled 7/22/2021	
August 2021	Canceled 8/12/2021	Award of West Cameron Avenue Water Main Replacement Phase 2 Construction Contract Preliminary 12 Month Financial Report (C) CIP Semiannual Report (C) CS – Prepare for GC Annual Review (C) 8/26/2021	<i>Executive Committee Meeting (8-12-2021)</i>  <i>Meeting between the BOCC Members &amp; Orange County Appointees to the BOD (TBD)</i>
September 2021	Annual Report on Disposal of Surplus Personal Property (C) EEO/Affirmative Action Report and D&I Update (C) Strategic Plan Update CS – Prepare for GC Annual Review (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	<i>Possible welcome of new Board member(s)</i>  <i>Meeting between the BOCC Members &amp; Orange County Appointees to the BOD (TBD)</i>
October 2021	Strategic Plan Update 10/14/2021	Strategic Trends Report (C) Annual Update of the Energy Management Plan (C) Q1 Financial Report (C) 10/28/2021	<i>BOD D&amp;I Training Sessions (TBD)</i>
November 2021	(Tentative) LRWSP – Draft Alternatives Analysis and CEP 11/11/2021	<i>Holiday – no meeting</i>	<i>Strategic Plan Work Session (TBD)</i>
December 2021	CS – Prepare for ED Interim Review (C) 12/9/2021	<i>Holiday – no meeting</i>	<i>Strategic Plan Work Session (TBD)</i>
January 2022	Appoint Audit Firm (C) Employee Health and Dental Insurance Update for FY 23 (C) D&I Update (C) (Tentative) LRWSP – Select Alternative and Approve CEP CS – ED Interim Performance Review (C) 1/13/2022	2021 Annual Lakes Recreation Report (C) CIP Semiannual Report (C) Q2 Financial Report (C) Discuss FY 23 Budget Calendar and Planning Assumptions (C) 1/27/2022	<i>Strategic Plan Work Session (TBD)</i>
February 2022	Department Managers FY 23 Budget Presentations (C) Reliability and Resiliency Improvements Update (C) CS – Prepare for GC Interim Review (C) 2/10/2022	Affordability Program Update (C) CS – GC Interim Review (C) 2/24/2022	<i>Strategic Plan Work Session(s) (TBD)</i>
March 2022	FY 23 Draft Budget (C) 3/10/2022	Set date for Public Hearings – FY 23 Budget & Rates (C) FY 23 Draft Budget and Rate Adjustment (C) 3/24/2022	
April 2022	Review Employee Health and Dental Insurance Renewals (C) FY 23 Draft Budget and Rate Adjustment (C) Strategic Plan Update BOD Eligible for Nominations to Election as Board Officers (include Officer descriptions) (C) Planning for BOD Self-Assessment (C)	Q3 Financial Report (C) Authorize Staff to Publish FY23 Budget and Rate Information (C) BOD Eligible for Nominations to Election as Board Officers (include Officer descriptions – if needed) (C)	

## OWASA Board of Directors – 12 Month Board Meeting Schedule (July 2, 2021)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
	4/14/2022	4/28/2022	
May 2022	Approve Employee Insurance Renewals (C) Employee Merit Pay for FY23 (C) CS – Prepare ED Annual Review (C) 5/12/2022	Public Hearings – FY 23 Budget and Rates (C) CS –ED Annual Performance Review (C) (Public Hearings) 5/26/2022	
June 2022	Approve FY 23 Budget and Rates (including Employee Merit Pay decision) (C) Election of Officers (C) 6/9/2022	TBD	
		6/23/2022	

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.

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)	CS	Closed Session of the Board
AV/AMI	Agua Vista/Advanced Metering Infrastructure	CTC	Carrboro Town Council
BOCC	Orange County Board of County Commissioners	CY	Calendar Year
BOD	Board of Directors	D&I	Diversity and Inclusion
CCR	Cane Creek Reservoir	ED	Executive Director
CE	Community Engagement	EEO	Equal Employment Opportunity
CEP	Community Engagement Plan	EPA	Environmental Protection Agency
CHTC	Chapel Hill Town Council	FY	Fiscal Year
CIP	Capital Improvements Program	GC	General Counsel
COLA	Cost of Labor Adjustment	HR	Human Resources
		KPI	Key Performance Indicator

## OWASA Board of Directors – 12 Month Board Meeting Schedule

(March 2021 to February 2022)

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

## Pending Key Staff Action Items from Board Meetings

No.	Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
1.	6-10-2021	Incorporate Board feedback on the Long-Range Water Supply Plan Guiding Principles.	7-8-2021	Rouse	Completed
2.	6-10-2021	Discuss continuing virtual Board meetings following the end of the COVID-19 public health concerns State of Emergency in North Carolina.	7-8-2021	Epting Taylor	Completed
3.	6-10-2021	Board discussion to consider holding all Board Meetings at OWASA office located at 400 Jones Ferry Road in Carrboro.	7-8-2021	Taylor Orbich	Completed
4.	4-22-2021	Provide local elected Councils/Board information about outstanding bills and assistance of OWASA Customers.	NA	Tiger	Completed
5.	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
6.	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.