Orange Water and Sewer Authority



A public, non-profit agency providing water, sewer and reclaimed water services to the Carrboro-Chapel Hill community.

Summary of the OWASA Board's Annual Meeting on September 23, 2010

<u>Please note:</u> The summary below was prepared by OWASA staff and is not approved by the OWASA Board. Audio recordings of the OWASA Board's meetings and the Board's official minutes, when adopted, are available to citizens for review. Videotapes of OWASA Board meetings in the Chapel Hill Town Hall on the fourth Thursdays of the month are also available.

The OWASA Board of Directors:

Received the annual report on OWASA's services, projects and finances in the fiscal year from July, 2009 through June, 2010 (FY 2010). Highlights included:

- OWASA served the community in FY 2010 in full compliance with standards for the quality of drinking water and treated wastewater.
- OWASA updated its long-range water supply plan in April, 2010 following a public comment process and discussions with local governments. Due to conservation by OWASA customers, the Cane Creek Reservoir, University Lake and planned expansion of OWASA's Stone Quarry Reservoir can meet the community's needs for the next 50 years under most circumstances. Key features of our water supply future are conservation; reclaimed water use; collaboration with neighbors for cost-effective access to Jordan Lake water; and operation of the Expanded Stone Quarry Reservoir starting around 2035.
- The FY 2010 budget reflected \$1.7 million in cost reductions. Twelve positions were eliminated and seven were frozen.
- OWASA improved its financial position in FY 2010. Due to cost savings and other factors, our reserves for working capital, capital improvements and rate/revenue stability increased to \$14.4 million. The ratio of net income to annual debt payments in FY 10 improved to 1.9, reflecting continued progress toward our goal of a 2.0 ratio.
- Our independent financial auditors issued an unqualified opinion that OWASA's annual financial report fairly presents OWASA's financial position and results of operations for the fiscal year.
- Our commitment to improve remains a high priority.
- A capacity study at the Mason Farm Wastewater Treatment Plant (WWTP) is nearing completion.
 Improved WWTP processes will save money and meet the Jordan Lake nutrient removal rules.
 Expansion of the WWTP will not be needed until after 2030.
- The OWASA Board adopted a Strategic Plan in March including initiatives regarding financial security and stability, resource management, infrastructure sustainability, knowledge management, workforce sustainability and customer satisfaction.

Reappointed Robert L. Epting of Epting and Hackney as OWASA's General Counsel.

Referred to staff a petition from a customer who requested an adjustment of a recent high bill due to a leak in the customer's irrigation system. OWASA staff will report back to the Board with recommendations in a future meeting. Current OWASA policy does not allow account adjustments related to leaks in irrigation systems.

For more information, please see the agenda materials on our website, www.owasa.org.

The next scheduled business meeting of the OWASA Board will be on Thursday, October 28th at 7 PM in the Chapel Hill Town Hall, 405 Martin Luther King Jr. Boulevard. (The October 14th Board meeting has been cancelled.)