

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

NOVEMBER 12, 2009

The Board of Directors of the Orange Water and Sewer Authority (OWASA) met in regular session on Thursday, November 12, 2009, at 7:00 P.M. in OWASA's Community Room.

Directors present: Gordon Merklein, Vice Chair; Braxton Foushee, Secretary; Michael A. (Mac) Clarke; Joyce C. Preslar; and William R. Stott. Directors absent: Randy Kabrick, P.E., Chair; Fred Battle; and Alan Rimer, P.E.

OWASA staff: Ed Kerwin; Mason Crum; Stewart Carson; Patrick Davis; Greg Feller; Heidi Lamay; Andrea Orbich; Kevin Ray; and Robert Epting, Esq., Epting and Hackney.

Others present: Ben Poulson, Associate Director of Energy Services, and Meg Holton, Water, Wastewater, and Stormwater Manager, UNC; Dr. Dean Pettit, Chapel Hill resident; Duane Grotheer, Apex resident; and Carlos Lima, St. Thomas More Catholic Church.

There being a quorum present, Vice Chair Gordon Merklein called the meeting to order.

MOTIONS ACTED UPON

1. Mac Clarke made a motion to approve the Minutes of the September 24, 2009 Annual Meeting of the Board of Directors; the motion was seconded by William Stott and carried by unanimous vote.

2. Mac Clarke made a motion to approve the Minutes of the October 22, 2009 Board Meeting; the motion was seconded by William Stott and carried by unanimous vote.

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ITEM ONE: ANNOUNCEMENTS

CONFLICT OF INTEREST

Gordon Merklein said 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. There were none.

CHATHAM/ORANGE JOINT PLANNING TASK FORCE MEETING

Gordon Merklein said that the Chatham/Orange Joint Planning Task Force will hold their initial meeting on Wednesday, December 9<sup>th</sup> at 3:30 P.M. in the Southern Human Services Center in Chapel Hill.

NATURAL RESOURCES TECHNICAL SYSTEMS (NRTS) COMMITTEE

Gordon Merklein said that the NRTS Committee will meet on Tuesday, December 8<sup>th</sup> at 8:30 A.M. in the OWASA Boardroom to discuss feedback received on OWASA's draft Long-Range Water Supply Plan and benefits and costs of electronic water meter technology.

COMMUNITY MEETING

Mason Crum said that a Community Meeting was held to update residents on OWASA's Draft Long-Range Water Supply Plan on November 11<sup>th</sup> at Chapel Hill Town Hall. Five residents attended, and staff received and answered questions. A summary will be provided to the Board.

WATER SUPPLY

Ed Kerwin provided an update on recent rain event from the remnants of Tropical Storm Ida. Mr. Kerwin said that OWASA water supply capacity gained about 12 percent (from 67 to 79 percent) in a few days.

ITEM TWO: PETITIONS AND REQUESTS FROM THE PUBLIC

The Board received a written petition from Dr. Dean Pettit requesting the Board to further reduce his water bill. The Board referred Dr. Pettit's petition to staff and staff will provide the Board an update at the Board's December 10, 2009 meeting.

ITEM THREE: PETITIONS AND REQUESTS FROM THE BOARD

Gordon Merklein asked for petitions and requests from the Board; there were none.

ITEM FOUR: PETITIONS AND REQUESTS FROM THE STAFF

Gordon Merklein asked for petitions and requests from staff; there were none.

ITEM FIVE: SEMIANNUAL STATUS REPORT FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS INCLUDING THE SEMIANNUAL REPORT ON COMMUNICATION PLANS FOR CAPITAL PROJECTS

Braxton Foushee asked whether the Phase II odor control improvements at the Mason Farm Wastewater Treatment Plant have had an effect on odor in the area.

Ed Kerwin said that in the last two to three months, OWASA has received only one odor report and the odor source was not necessarily the Mason Farm Wastewater Treatment Plant. Staff has been very pleased with the results of the improvements from Phase II odor improvements.

Mac Clarke stated the summary was done well. He inquired if it was customary to have a customer survey after the completion of each project and asked if it is worth the cost to send out surveys.

Greg Feller said that response rates to the surveys are very low, but they are an opportunity for residents to provide feedback by mail or e-mail.

Mr. Clarke suggested that perhaps staff could reduce costs by sending the information out as a bill insert.

William Stott said he would like to know the cost to conduct surveys and proposed to revisit the policy that deals with the surveys.

Ed Kerwin suggested and the Board concurred that staff review the policy and report back to the Board at a future meeting.

ITEM SIX: MINUTES

Mac Clarke made a motion to approve the Minutes of the September 24, 2009 Annual Meeting of the Board of Directors; the motion was seconded by William Stott and carried by unanimous vote. Please see Motion No. 1 above.

Mac Clarke made a motion to approve the Minutes of the October 22, 2009 Board Meeting; the motion was seconded by William Stott and carried by unanimous vote. Please see Motion No. 2 above.

ITEM SEVEN: DRAFT RECLAIMED WATER SERVICE POLICIES AND RATES AND FEES APPLICABLE TO NON-UNC CUSTOMERS

Patrick Davis gave a presentation on the draft Reclaimed Water (RCW) Service Policies and Rates and Fees Applicable to Non-UNC Customers. Mr. Davis said that the timing of this proposal is driven by St. Thomas More Catholic Church's request for approval to connect to the new RCW system and to use RCW to irrigate their new all-purpose playing field.

Carlos Lima, Parish Administrator for St. Thomas More Catholic Church, expressed his appreciation to the Board and Mr. Davis for assistance in the efforts to use RCW at St. Thomas More.

Mac Clarke asked about the possible interruption of RCW service and how that interruption may affect St. Thomas More as well as other potential users. Mr. Clarke noted that such interruptions could have a substantial effect on certain RCW customers.

Mr. Davis said that an interruption of RCW is a possibility of which Mr. Lima is fully aware. Mr. Lima stated that he has concluded this is a non-issue.

Mr. Clarke said more discussion is necessary to consider all possible issues of other non-UNC customers, but he is satisfied with staff's approach.

Braxton Foushee asked how RCW customers would be notified of interruptions.

Mr. Davis said the draft policy and service regulations will be revised to include provisions for notification to RCW customers in the event of planned or unplanned service interruptions.

At the Board's December 10<sup>th</sup> meeting, staff will recommend the Board consider setting a date for a public hearing on the draft policy and proposed rates and fees for RCW service to non-UNC customers.

ITEM EIGHT: OWASA QUARTERLY FINANCIAL REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2009

The Board received this report as an information item.

The meeting was adjourned at 8:25 P.M.