

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

AUGUST 23, 2012

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, August 23, 2012, at 7 PM in Council Chambers at Chapel Hill Town Hall.

Directors present: Alan Rimer, P.E., Chair; Amy Witsil, Secretary; Stephen Dear; Michael Hughes, P.E.; Gordon Merklein; Will Raymond; and Dana Stidham. Directors absent: John A. Young, Vice Chair; and Terri Buckner.

OWASA staff: Ed Kerwin; John Greene; Mason Crum; Stuart Carson; Patrick Davis; Greg Feller; Vishnu Gangadharan; Stephanie Glasgow; Ed Holland; Kenneth Loflin; John Kiviniemi; Adam Haggerty; Andrea Orbich; Kelly Satterfield; Stephen Winters; and Robin Jacobs, Esq., Epting and Hackney.

Others present: William Stott, III; Pete Schuler, Brown and Caldwell; Daria Barazandeh, Chapel Hill resident; Ben Poulson, Associate Director of Energy Services, and Meg Holton, Water, Wastewater, and Stormwater Manager of the University of North Carolina at Chapel Hill.

There being a quorum present, Chair Alan Rimer called the meeting to order.

MOTIONS ACTED UPON

1. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled, Resolution of Appreciation to William R. Stott, III. (Resolution so titled and titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Amy Witsil and carried by unanimous vote.)

2. Will Raymond made a motion to adopt the Minutes of the July 12, 2012 Board meeting; the motion was seconded by Michael Hughes and carried by unanimous vote.

3. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Approving OWASA's 2007 Local Water Supply Plan Submitted to the NC Department of Environment and Natural Resources, Division of Water Resources. (Resolution so titled and titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Michael Hughes and carried by unanimous vote.)

4. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution for Sole Source Procurement of Single-Stage Integrally Geared Blowers from Siemens Energy, Inc. for Aeration System Improvements at the Mason Farm

Wastewater Treatment Plant. (Resolution so titled and titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Michael Hughes and carried by unanimous vote.)

5. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution of Appreciation to Fred Battle. (Resolution so titled and titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Michael Hughes and carried by unanimous vote.)

6. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution to Amend OWASA's Fiscal Year 2012 Annual Budget for Additional Capital Improvements Program Expenditures. (Resolution so titled and titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Amy Witsil and carried by unanimous vote.)

7. Gordon Merklein made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; the motion was seconded by Amy Witsil, and carried by unanimous vote.

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ITEM ONE: OATH OF OFFICE

Andrea Orbich administered the oath of office to Orange County appointee Michael M. Hughes, P.E.

ITEM TWO: ANNOUNCEMENTS

CONFLICT OF INTEREST

Alan Rimer 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.

RESOLUTION OF APPRECIATION

Alan Rimer read aloud a resolution of appreciation honoring the service of former OWASA Board member William Stott.

The Board expressed their sincere appreciation to Dr. Stott for his leadership and service to OWASA.

Will Raymond made a motion to approve the Resolution of Appreciation to William R. Stott, III; the motion was seconded by Amy Witsil and unanimously approved. Please see Motion No. 1 above.

EXECUTIVE COMMITTEE AND STANDING COMMITTEE CHAIRS MEETING

Alan Rimer announced that the Executive Committee and Standing Committee Chairs will meet with staff on Thursday, August 30, 2012, at 8 AM, in the OWASA Boardroom to discuss Committee priorities.

UPDATE REGARDING TOWN OF CARRBORO – OWASA SUBCOMMITTEE

Dana Stidham said that on August 13, 2012, the Carrboro Board of Aldermen's OWASA Subcommittee met with Mr. Tom Fransen, Deputy Director, NC Division of Water Resources. Mr. Fransen gave a presentation similar to the presentation he gave to the OWASA Board on December 8, 2011 regarding the (Round Four) Jordan Lake allocation process. There was discussion on how the Jordan Lake Allocation Rules address Level I and II allocations and whether there might be some potential for amending those rules to accommodate the idea of guaranteed emergency access.

FINANCE COMMITTEE UPDATE

Amy Witsil said the Finance Committee met on August 20, 2012 and received the preliminary financial report for Fiscal Year (FY) 2012 and discussed a proposed resolution to amend the FY 2012 budget; each of these items will be discussed tonight. The Finance Committee recommended that the Board of Directors approve the resolution amending the budget. The Committee also discussed a plan for reporting Capital Improvements Program budget execution.

TOUR OF OWASA CANE CREEK MITIGATION TRACT

Will Raymond expressed his appreciation to OWASA, NC Forestry and Wildlife Resource Commission staff for the tour of OWASA's Cane Creek Mitigation Tract.

2011 WATER QUALITY REPORT CARD

Kenneth Loflin, Water Supply and Treatment Manager, reported that OWASA met and exceeded the standards under the Federal Safe Drinking Water Act and related State rules for drinking water. OWASA's report includes information about where OWASA's water comes from, how it is treated and a summary of water testing results. Last year OWASA provided 2.5 billion gallons of drinking water to the Carrboro-Chapel Hill community and tested the drinking water for more than 150 contaminants. The 2011 water quality report card was mailed to accountholders this spring and posted on OWASA's website.

2011-12 REPORT ON TREATMENT AND RECYCLING OF WASTEWATER AND BIOSOLIDS

John Kiviniemi, Wastewater Treatment and Biosolids Recycling Manager, said that staff distributed an annual report to account holders on the operation of the wastewater collection and treatment systems and on the treatment and recycling of biosolids. This report was also distributed to local officials and media, and posted on OWASA's website. The purpose of the report is to inform citizens in accord with State requirements. The wastewater report covers Fiscal Year (FY) 2012 and reflects well on OWASA's operation and the quality of work by staff. In FY 2012, staff managed 337 miles of sewer collection lines, operated 21 wastewater pump stations, treated 2.8 billion gallons of wastewater, recycled approximately 1,500 dry tons of biosolids and distributed about 250 million gallons of reclaimed water.

CHANGE IN THE AGENDA

Without objection, the Board moved the *Resolution of Appreciation to Fred Battle* from the Announcements to the Consent Agenda.

ITEM THREE: PETITIONS AND REQUESTS

Daria Barazandeh, Chapel Hill resident, petitioned the Board to stop adding fluoride to OWASA's drinking water.

After discussion by the Board and staff, the Board referred her petition to the Board's Natural Resources/Technical Systems Committee for review and discussion and then a report back to the full Board.

Alan Rimer asked for petitions and requests from the Board and staff; there were none.

ITEM FOUR: EQUAL EMPLOYMENT OPPORTUNITY (EEO)/AFFIRMATIVE ACTION REPORT FOR FISCAL YEAR 2012

Will Raymond requested a breakdown of minority applications over the past year, or partial year, that OWASA has received.

Stephanie Glasgow said that the information has been tracked since July 1, 2012 and she will follow up as requested.

ITEM FIVE: ANNUAL REPORT ON THE TASTE OF HOPE CUSTOMER ASSISTANCE PROGRAM FOR FISCAL YEAR 2012 WITH COMPARATIVE DATA FROM PREVIOUS YEARS

The Board received this item as information.

ITEM SIX: NOTICE OF THE AMENDMENT OF AN ENGINEERING CONTRACT WITH BROWN AND CALDWELL FOR CONDITION EVALUATION OF HIGH PRIORITY FORCE MAINS AS DETERMINED BY THE 2011 SANITARY SEWER SERVICE AREA STUDY

The Board received this item as information.

ITEM SEVEN: MINUTES

Will Raymond made a motion to adopt the Minutes of the July 23, 2012 Board meeting; the motion was seconded by Michael Hughes and carried by unanimous vote. Please see Motion No. 2 above.

ITEM EIGHT: RESOLUTION APPROVING OWASA'S 2007 LOCAL WATER SUPPLY PLAN SUBMITTED TO THE NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, DIVISION OF WATER RESOURCES

Will Raymond made a motion to adopt the resolution; the motion was seconded by Michael Hughes and carried by unanimous vote. Please see Motion No. 3 above.

ITEM NINE: RESOLUTION FOR SOLE SOURCE PROCUREMENT OF SINGLE-STAGE INTEGRALLY GEARED BLOWERS FROM SIEMENS ENERGY, INC. FOR AERATION SYSTEM IMPROVEMENTS AT THE MASON FARM WASTEWATER TREATMENT PLANT

Will Raymond made a motion to adopt the resolution; the motion was seconded by Michael Hughes and carried by unanimous vote. Please see Motion No. 4 above.

ITEM TEN: RESOLUTION OF APPRECIATION TO FRED BATTLE

Will Raymond made a motion to adopt the resolution; the motion was seconded by Michael Hughes and carried by unanimous vote. Please see Motion No. 5 above.

ITEM ELEVEN: UPDATE OF THE JORDAN LAKE ROUND 4 ALLOCATION PROCESS AND TIMING OF OWASA'S REQUEST TO CONVERT ITS LEVEL II ALLOCATION TO A LEVEL I

Ed Holland provided background information and summarized staff's recommendation that the Board request the NC Division of Water Resources to convert OWASA's (current) Jordan Lake Level II allocation to Level I at the Board's September 13, 2012 meeting.

Will Raymond proposed that the Board delay action on a decision until one of its October meetings in order to provide more time for discussion with the Town of Carrboro's OWASA Subcommittee and for new OWASA Board members to get up to speed.

Michael Hughes stated he understood the issue and didn't need any more time to consider it.

Stephen Dear said that he agrees with Mr. Raymond's proposal to delay Board action until October and to continue discussions with Carrboro's OWASA Subcommittee.

Dana Stidham said she was not aware of opposition from Carrboro's OWASA subcommittee regarding conversion from Level II to Level I.

Ed Kerwin said that staff sees no problem with deferring Board action until the October 11, 2012 meeting.

Alan Rimer suggested that any Board members who need further clarification or information about this issue should check with staff. In the meantime, staff will inform the local governments of the Board's intention to consider action on converting OWASA's Jordan Lake Level II allocation to Level I at the Board's October 11th meeting.

ITEM TWELVE: KEY OPPORTUNITIES AND STRATEGIES FOR IMPROVEMENT
RESULTING FROM THE CUSTOMER SATISFACTION SURVEY

Ed Kerwin gave a presentation on the results of OWASA's customer satisfaction survey.

Stephen Dear said he would help promote the Taste of Hope Customer Assistance Program.

Will Raymond said he does not participate in the Taste of Hope program but will sign up within the month. Mr. Raymond also said he likes the Blue Thumb and looks forward to the changes. He further commented that it is key to communicate to the public that their investments today, which may be perceived as causing high rates, will help save money in the future. Mr. Raymond said it would be good to describe how OWASA is governed – how Board members are appointed and what the duties are, as well as where the Board's responsibly lies.

Amy Witsil passed on comments and suggestions from John Young as follows: he noted the proposal summarizes the key themes well and included good strategies for improving customer understanding and perceptions. Mr. Young suggested that staff consider fundamental strategy changes to improve real satisfaction (in addition to improving communication to address gaps in perception). For example, he said such strategies might include things such as accelerating automated meter infrastructure as a means to address billing accuracy; selling additional watershed property (with appropriate covenants) to improve affordability; slowing down the build-up of reserve funds to improve affordability; and modifying rate structure to charge the lowest possible rates (while respecting cost of service principles) for baseline, non-seasonal usage.

Alan Rimer suggested that on the "Manage My Account" webpage, it would be good to show an example of what customers will receive if they sign up for on-line billing. He also added that staff may want to provide responses from the survey in the Blue Thumb or take out a

sizable ad in the newspaper, i.e. “you spoke, we listened”; or possibly “tweet” survey results or note where they can be found.

Mr. Dear said he was surprised OWASA does not have a Twitter account because it is another way to engage the community.

Gordon Merklein said he is not opposed to tweeting but that the Board and staff should invest time ensuring people know who OWASA is and reach all people in the community.

ITEM THIRTEEN: PRELIMINARY FINANCIAL REPORT FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

The Board received this item as information.

ITEM FOURTEEN: RESOLUTION TO AMEND OWASA’S FISCAL YEAR 2012 ANNUAL BUDGET FOR ADDITIONAL CAPITAL IMPROVEMENTS PROGRAM EXPENDITURES

Will Raymond made a motion to adopt the resolution; the motion was seconded Amy Witsil and carried by unanimous vote. Please see Motion No. 6 above.

ITEM FIFTEEN: EXECUTIVE DIRECTOR WILL SUMMARIZE THE KEY ACTION ITEMS FROM THE BOARD MEETING AND NOTE SIGNIFICANT ITEMS FOR DISCUSSION AND/OR ACTION EXPECTED AT THE NEXT BOARD MEETING

Ed Kerwin summarized the meeting as follows:

- The Board’s Executive Committee and the Board’s Standing Committee Chairs will meet on August 30, 2012 to discuss priorities of the Committees.
- The Finance Committee will meet prior to the Board meeting on September 13, 2012 to discuss the rate study.
- The September 13, 2012 Board meeting will include:
 - A discussion of Priorities of the Standing Committees of the Board of Directors; and
 - A report on business intelligence initiatives.
- Action items from the Board meeting include:
 - Scheduling a Natural Resources/Technical Systems Committee meeting to discuss fluoridation;
 - Staff will inform the local governments of the Board’s intention to consider action on converting OWASA’s Jordan Lake Level II allocation to Level I at its October 11th meeting;
 - Assisting Will Raymond in signing up for the Taste of Hope program; and
 - Staff will provide information as requested regarding a breakdown of minority job applicants.

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ITEM SIXTEEN: CLOSED SESSION

Gordon Merklein made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; the motion was seconded by Amy Witsil, and carried by unanimous vote. Please see Motion No. 7 above.

There being no further business to come before the Board, the meeting was adjourned at 8:30 P.M.

RESOLUTION OF APPRECIATION TO WILLIAM R. STOTT, III

WHEREAS, William R. Stott, III, Ph.D., was appointed by the Town of Carrboro as a Member of the Board of Directors of the Orange Water and Sewer Authority; and

WHEREAS, from October 26, 2006 through June 30, 2012, Dr. Stott diligently served as a Member of the Board of Directors of the Orange Water and Sewer Authority; and

WHEREAS, Dr. Stott chaired the Board's Outreach and Education Committee and served on the Natural Resources/Technical Systems Committee; and

WHEREAS, Dr. Stott gave freely of his time, energy, and talents in serving the community and OWASA customers with unselfish dedication and compassionate concern; and

WHEREAS, Dr. Stott was a strong proponent for educating customers about OWASA and for community education and outreach, and he cared deeply about and advocated for the employees of OWASA;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE WATER AND SEWER AUTHORITY BOARD OF DIRECTORS:

1. That the Board of Directors of the Orange Water and Sewer Authority, acting through its Members (Terri Buckner; Stephen Dear; Michael M. Hughes, P.E.; Gordon Merklein; Will Raymond; Alan Rimer, P.E.; Dana Stidham; Amy Witsil; and John A. Young), now takes this means of expressing to William R. Stott III the Board's sincere appreciation and deep gratitude for his faithful service, able leadership, and stewardship; and the Board wishes for Dr. Stott much happiness in the years ahead.

2. That this resolution be recorded in the minutes of the OWASA Board of Directors, and be part of the permanent records of OWASA; and that a copy of this resolution be transmitted to the Town of Carrboro.

Adopted and presented with deep appreciation this 23rd day of August, 2012.

**RESOLUTION APPROVING OWASA'S 2007 LOCAL WATER SUPPLY PLAN
SUBMITTED TO THE NC DEPARTMENT OF ENVIRONMENT AND NATURAL
RESOURCES, DIVISION OF WATER RESOURCES**

WHEREAS, North Carolina General Statute (NCGS) 143-355(1) requires that each unit of local government that provides public water services or plans to provide such services shall, either individually or together with other such units of local government, prepare and submit a Local Water Supply Plan that must be revised at least once every five years; and,

WHEREAS, the North Carolina Administrative Code (NCAC) 15A NCAC 02E 0.0604 requires such units of local government to annually update the supply and demand data, current and projected water use, and other elements of their Local Water Supply Plans; and,

WHEREAS, 15A NCAC 02E 0.0606 requires each such unit of local government to develop a Local Water Shortage Response Plan for incorporation into its Local Water Supply Plan; and,

WHEREAS, in June 2008 Orange Water and Sewer Authority (OWASA) staff submitted a draft 2007 Local Water Supply Plan to the Department of Environment and Natural Resources, Division of Water Resources (DWR) in accordance with NCGS 143-355(1); and,

WHEREAS, OWASA subsequently provided four annual updates of all information contained in the 2007 draft to reflect changes in relevant data and projections per 15A NCAC 02E 0.0604; and, in November 2010 OWASA staff submitted and received DWR's approval for OWASA's Local Water Shortage Response Plan per 15A NCAC 02E 0.0606; and,

WHEREAS, on April 8, 2010 the OWASA Board of Directors adopted a *Long-Range Water Supply Plan, Final Report* (subsequently revised through April 20, 2012) that was developed by OWASA staff and consultants to serve as the Board's principal guide for future water supply policy and investment decisions; and,

WHEREAS, said *Long-Range Water Supply Plan* (as revised through April 20, 2012) is consistent with OWASA's 2007 Local Water Supply Plan originally submitted to DWR in June 2008 (as updated annually through April 2012); and,

WHEREAS, DWR notified OWASA by letter of June 21, 2012 that the 2007 Local Water Supply Plan cannot be considered compliant with NCGS 143-355(1) until DWR receives a Resolution of Approval by the OWASA Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the OWASA Board of Directors that:

1. OWASA's 2007 Local Water Supply Plan as submitted to DWR in June 2008 is hereby approved for the purposes of NCGS 143-355(1) and the OWASA Board intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by DWR, in accordance with the statute and sound planning practice; and,

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2. Not inconsistent with the requirements of NCGS 143-355(l), 15A NCAC 02E 0.0604 and 0.0606, OWASA's 2010 *Long-Range Water Supply Plan Final Report* (as revised through April 20, 2012 and attached hereto) plus technical *Appendices I through XVI* remains the principal guide for future water supply policy and investment decisions of the Orange Water and Sewer Authority.

Adopted this 23rd day of August, 2012.

**RESOLUTION OF ORANGE WATER AND SEWER AUTHORITY
DECLARING ITS INTENTION TO EXECUTE A SOLE SOURCE
PROCUREMENT OF SINGLE-STAGE INTEGRALLY GEARED BLOWERS
FROM SIEMENS ENERGY, INC. FOR AERATION SYSTEM IMPROVEMENTS
AT THE MASON FARM WASTEWATER TREATMENT PLANT**

WHEREAS, Orange Water and Sewer Authority (OWASA) is a political subdivision of, and is organized and existing under the laws of the State of North Carolina; and

WHEREAS, State of North Carolina General Statute (GS) 143-129 (Procedure for letting of public contracts) allows a governing board to approve purchases of apparatus, supplies, materials or equipment through a non-competitive, or “sole source,” process when: (i) performance or price competition are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration; and

WHEREAS, OWASA plans to design and install a new fine bubble aeration system at the Mason Farm Wastewater Treatment Plant (WWTP) to improve the efficiency of the aeration system; and

WHEREAS, OWASA, with assistance from its consulting engineer, Brown and Caldwell, has extensively evaluated the advantages and disadvantages of alternative blower technologies; and

WHEREAS, following the evaluation, OWASA has determined that for several reasons, the single-stage integrally geared blowers are preferred over other technologies; and

WHEREAS, Siemens Energy, Inc. is the only practical and proven source for single-stage integrally geared blowers capable of meeting OWASA’s needs; and

WHEREAS, pursuant to GS 143-129, the OWASA Board of Directors must approve purchases made through the sole source process prior to the award of the contract;

NOW, THEREFORE, BE IT RESOLVED:

1. That following extensive evaluation of the advantages and disadvantages of alternative blower technologies, the OWASA Board of Directors, based on guidance from staff and its consulting engineer, Brown and Caldwell, has concluded that single stage integrally geared blowers are best suited to meet OWASA’s needs for new blowers for the aeration system improvements at the Mason Farm WWTP because it has extensive advantages over other blower types, including but not limited to lower life

cycle costs, better efficiency through the expected range of operating conditions, and longer operating history for this application;

2. That the Board of Directors has concluded that a sole source procurement approach is appropriate because:

- (i) single-stage integrally geared blowers are needed considering the specific operations and needs of the Mason Farm WWTP; and
- (ii) there is only one practical source for single-stage integrally geared blowers that has been proven in the water and sewer industry in the United States.

3. That the Board of Directors hereby approves the sole source procurement of single-stage integrally geared blowers from Siemens Energy, Inc. for the Mason Farm Wastewater Treatment Plant, and authorizes and directs the Executive Director to proceed to negotiate and successfully conclude said purchase upon approval of OWASA's General Counsel.

4. This resolution shall take effect immediately upon its passage.

Adopted this the 23rd day of August, 2012.

RESOLUTION OF APPRECIATION TO FRED BATTLE

WHEREAS, Fred Battle was appointed by Orange County as a Member of the Board of Directors of the Orange Water and Sewer Authority; and

WHEREAS, from July 13, 2006 through August 23, 2012, Mr. Battle diligently served as a Member of the Board of Directors of the Orange Water and Sewer Authority; and

WHEREAS, Mr. Battle chaired the Board's Human Resources Committee and served on the Outreach and Education Committee; and

WHEREAS, Mr. Battle gave freely of his time, energy, and talents in serving the community and OWASA customers with unselfish dedication and compassionate concern; and

WHEREAS, Mr. Battle was a strong proponent for educating customers about OWASA and for community outreach, including especially minority and senior citizens; and he cared deeply about and advocated for historically underutilized businesses and the employees of OWASA;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE WATER AND SEWER AUTHORITY BOARD OF DIRECTORS:

1. That the Board of Directors of the Orange Water and Sewer Authority, acting through its Members (Terri Buckner; Stephen Dear; Michael M. Hughes, P.E.; Gordon Merklein; Will Raymond; Alan Rimer, P.E.; Dana Stidham; Amy Witsil; and John A. Young), now takes this means of expressing to Fred Battle the Board's sincere appreciation and deep gratitude for his faithful service, able leadership, and stewardship; and the Board wishes for Mr. Battle much happiness in the years ahead.

2. That this resolution be recorded in the minutes of the OWASA Board of Directors, and be part of the permanent records of OWASA; and that a copy of this resolution be transmitted to Orange County.

Adopted and presented with deep appreciation this 23rd day of August, 2012.

**RESOLUTION TO AMEND OWASA'S FISCAL YEAR (FY) 2012 ANNUAL BUDGET FOR
ADDITIONAL CAPITAL IMPROVEMENTS PROGRAM (CIP) EXPENDITURES**

WHEREAS, the Board of Directors adopted the FY 2012 Annual Budget of Orange Water and Sewer Authority; and

WHEREAS, North Carolina General Statute 159-15 provides the authority for the Board of Directors to amend the adopted budget; and

WHEREAS, staff has identified a need for CIP expenditures that were not included in the FY 2012 Annual Budget; and

WHEREAS, surplus funds exist in the Operating Budget sufficient to cover the expenditures.

NOW, THEREFORE, BE IT RESOLVED:

1. That pursuant to the provisions of North Carolina G.S. 159-15, the Official Budget of Orange Water and Sewer Authority for the FY 2012 is amended as set forth in Attachment A.
2. That \$700,000 in FY 2012 Operating Budget appropriations be transferred to the CIP Budget as set forth in Attachment A.
3. That the Executive Director is authorized and instructed to implement the revised budget as herein set forth.

Adopted this 23rd day of August, 2012.