

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

FEBRUARY 28, 2013

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, February 28, 2013, at 7:00 PM in the Council Chambers at the Chapel Hill Town Hall, 405 Martin Luther King Jr. Boulevard, Chapel Hill, North Carolina.

Board Members present: Alan Rimer, P.E., Chair; John A. Young, Vice Chair; Amy Witsil, Secretary; Terri Buckner; Michael M. Hughes, P.E.; Gordon Merklein; Dana Raborn; and Will Raymond. Board Member excused: Stephen Dear.

OWASA staff present: Ed Kerwin; John Greene; Mason Crum; Greg Feller; Patrick Davis; Stephanie Glasgow; Kenneth Loflin; Andrea Orbich; Ruth Rouse; Stephen Winters; and Robert Epting, Esq., Epting and Hackney.

Others present: Daria Barazandeh, Frazin Barazandeh, John Brantley, Dale Coker, John Cuthrell, John Galassi, Esther H. Miller, John Morris and Alan Tom, Chapel Hill residents; Patrick Mulkey, Orange County resident; Corey Sturmer, Durham Against Fluoride; Meg Holton, Water, Wastewater, and Stormwater Manager, University of North Carolina at Chapel Hill (UNC) and Ben Poulson, Associate Director of Energy Services, UNC; Eleanor Dillon; and Parker Emmerson.

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

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MOTIONS ACTED UPON

1. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled "A Resolution Honoring the Service of Mr. Hal "Doc" Crawford on the Occasion of His Retirement from the Orange Water and Sewer Authority after Serving the Community for Thirty-One Years." (Resolution so titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Amy Witsil, and unanimously approved.)

2. Will Raymond made a motion to approve the January 10, 2013 Minutes of the Board of Directors amended as follows on page 11, second paragraph: *Terri Buckner said she will vote against the resolution because lower level staffs' salary will be impacted. Ms. Buckner stated that using only a market comparison to determine pay scales builds societal biases against traditionally women's jobs, such as administrative assistant, into the OWASA rate and classification schedule. For that reason, she will vote against this proposal and hopes that future studies include other relevant criteria, in addition to the market studies, to ensure equity for all OWASA employees.* The motion was seconded by Amy Witsil, and unanimously approved.

3. Michael Hughes made a motion that Daria Barazandeh communicate with Dr. Paul Connett to determine if his book adequately represents his position on the practice of fluoridation of drinking water. If the book does and if Dr. Connett is unable to attend a meeting of the Board's Natural Resources and Technical Systems (NRTS) Committee, the NRTS Committee will meet to discuss the book with no other presentations. However, if Dr. Connett is able to meet with the NRTS Committee, at a time when he is in the Triangle area, the NRTS Committee will schedule a meeting to discuss his thoughts, along with other professionals who would have a position to counter that of Dr. Connett. The motion was seconded by Dana Raborn and passed with a vote of seven to one with Will Raymond opposed.

4. Terri Buckner made a motion that the Executive Director modify the 2013 recreation season schedule to have University Lake open to the public on Saturdays and Sundays and Cane Creek open on Fridays and Saturdays from 6:30 AM to 6:00 PM and that this schedule be revisited at the end of the 2013 recreation season; second by Michael Hughes and unanimously approved.

5. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled "Resolution Endorsing Regulations Governing In-Lake Activities and Uses of University Lake and Cane Creek Reservoir." (Resolution so titled attached hereto and made a part of these minutes. Motion by Terri Buckner, second by Michael Hughes, and unanimously approved.)

6. Terri Buckner made a motion that the recreation scheduling matter be referred back to the Natural Resources and Technical Systems Committee to review and develop possible long-term recommendations on recreational opportunities at University Lake and Cane Creek Reservoir; second by Michael Hughes and unanimously approved.

7. Terri Buckner made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; second by John Young and unanimously approved.

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ITEM ONE: 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. None were disclosed.

BOARD WORK SESSION

Mr. Rimer said the March 14, 2013 Board Work Session on Strategic Planning has been cancelled and the Board's April 11, 2013 meeting is being targeted for this Work Session and will be confirmed at a later date.

CHAPEL HILL OWASA COMMITTEE MEETING

Mr. Rimer said that a meeting was held on February 28th between Chapel Hill Town Council's OWASA Committee (Jim Ward and Gene Pease) and Chapel Hill appointees to the OWASA Board of Directors (Amy Witsil, John Young, Will Raymond, Gordon Merklein and Alan Rimer). The topics discussed were: Jordan Lake; recruitment for OWASA Board Members; recreation at University Lake and Cane Creek; possible water and sewer district in the Historic Rogers Road area; Duke Energy's proposed rate increases; possible opportunities for greater collaboration for local watershed management activities; and OWASA's and the Town of Chapel Hill's Employee Classification and Compensation Studies. Another meeting is expected to be scheduled in April, 2013.

COMMITTEE MEETINGS

John Young said that the Finance Committee met on Tuesday, February 26, 2013 to discuss the water and sewer rate study with the objective of making a rate structure recommendation to the Board on February 28, 2013 which will be discussed in tonight's meeting.

Terri Buckner said that the Natural Resources and Technical Systems (NRTS) Committee will meet on Tuesday, March 5, 2012, at 5:00 PM, in the OWASA's Boardroom to conduct a NRTS Planning Session.

QUARRY TOUR AND ORANGE COUNTY FARM AND FORESTLAND WORKSHOP

Will Raymond thanked OWASA staff and Roger Ramey and Steve Whitt of Martin Marietta for arranging a tour at the American Stone Quarry on January 31, 2013. Mr. Raymond also expressed appreciation to Rich Shaw of Orange County Lands Legacy, Jake Pressley and Justin Bennett of the North Carolina Forest Service, Bo Howes of the Triangle Land Conservancy, Tina Sturdivant of the U.S. Department of Agriculture Farm Service Agency, Kelly Douglas of the Wildlife Resources Commission, and Gail Hughes at Orange County Soil and Water Conservation District for sponsoring a work shop held on January 29, 2013 titled "Landowner Options for Farm and Forestland Conservation".

OWASA'S SMOKING POLICY

Will Raymond said that he received a tweet requesting information on how OWASA's smoking policy compares to Orange County's policy.

Ed Kerwin said that since 1997 it has been OWASA's policy and practice that there is no smoking in any facilities or vehicles.

ANNUAL CHLORINE DISINFECTION

Kenneth Loflin, Water Supply and Treatment Manager, announced that the annual chlorine disinfection of drinking water will begin on March 1, 2013 and will continue through the end of month. Chlorine disinfection ensures a high level of disinfection in the community's network of water mains.

ED HOLLAND

On behalf of the Board of Directors, Alan Rimer acknowledged and expressed appreciation to Ed Holland, OWASA's former Planning and Development Manger, who retired from OWASA after 23 years of service.

ITEM TWO: PETITIONS AND REQUESTS

Mr. Corey Sturmer, Durham resident, petitioned the Board to discontinue medicating the public water supply by adding fluoride and to stop adding fluoride to OWASA's drinking water.

Ms. Ester Miller, Chapel Hill resident, petitioned the Board to stop adding fluoride to OWASA's drinking water.

Mr. Parker Emmerson, Chapel Hill resident, petitioned the Board to stop adding fluoride to OWASA's drinking water and suggested that OWASA distribute fluoride drops instead of adding fluoride to the drinking water.

The Board agreed with John Young's suggestion that the agenda cover sheet include the following information at the end of the second paragraph: *Speakers are invited to submit more detailed comments via written materials, ideally submitted at least three days in advance of the meeting to the Clerk to the Board via e-mail or U.S. Postal Service (aorbich@owasa.org/400 Jones Ferry Road, Carrboro, NC 27510).*

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

ITEM THREE: 2012 ANNUAL RECREATION REPORT FOR UNIVERSITY LAKE AND CANE CREEK RESERVOIR

The Board received this report as an information item.

ITEM FOUR: APPROVAL OF A RESOLUTION OF APPRECIATION TO MR. HAL "DOC" CRAWFORD

Will Raymond made a motion to adopt "A Resolution Honoring the Service of Mr. Hal "Doc" Crawford on the Occasion of His Retirement from the Orange Water and Sewer Authority after Serving the Community for Thirty-One Years"; second by Amy Witsil and unanimously approved. Please see Motion No. 1 above.

ITEM FIVE: MINUTES

Will Raymond made a motion to approve the January 10, 2013 Minutes of the Board of Directors amended as follows on page 11, second paragraph: *Terri Buckner said she will vote against the resolution because lower level staffs' salary will be impacted. Ms. Buckner stated that using only a market comparison to determine pay scales builds societal biases against traditionally women's jobs, such as administrative assistant, into the OWASA rate and classification schedule. For that reason, she will vote against this proposal and hopes that future studies include other relevant criteria, in addition to the market studies, to ensure equity for all OWASA employees.* The motion was seconded by Amy Witsil, and unanimously approved. Please see Motion No. 2 above.

ITEM SIX: APPROVAL FOR A MINOR, ONE-TIME ADJUSTMENT IN MERIT PAY CALCULATIONS FOR CERTAIN EMPLOYEES

The Board of Directors' authorized the Executive Director to make a one-time adjustment in the distribution of merit pay increase for Fiscal Year 2013 retroactive to November 5, 2012, whereby the merit pay increase for each eligible employee is based on the midpoint of their current or most recent salary range, whichever is higher.

ITEM SEVEN: DISCUSSION OF THE JANUARY 10, 2013 PETITION TO RECEIVE ADDITIONAL INFORMATION ON FLUORIDE IN DRINKING WATER VIA SKYPE

Alan Rimer said that no decision will be made tonight on fluoridating drinking water. Mr. Rimer said that the Board will decide whether it is prudent and/or necessary to make arrangements to receive comments or other information from Dr. Paul Connett.

Daria Barazandeh inquired whether the Board received Dr. Connett's book (*The Case Against Fluoride, How Hazardous Waste Ended Up in Our Drinking Water and the Bad Science and Powerful Politics That Keep it There*). She also stated that since 1990 there many towns and cities in 37 states where fluoride is no longer added to drinking water; in North Carolina, the Towns of Sparta and Franklin do not add fluoride to the drinking water.

Mr. Rimer said that the Board did receive the books and expressed appreciation for them.

Frazin Barazandeh, Chapel Hill resident since 1988, said he was unaware that fluoride was added to drinking water and that after checking with friends and others in the community, he believes most citizens in Chapel Hill are unaware that fluoride is added to drinking water. Mr. Barazandeh said that based on health concerns and rights of citizens, he requested the Board seriously consider discontinuing the use of fluoride in drinking water.

John Cuthrell, Chapel Hill resident, said that adding fluoride to drinking water is medicating consumers and fluoride should not be near OWASA's drinking water. He requested OWASA discontinue the use of fluoride in the drinking water.

After discussion by the Board, Michael Hughes made a motion that Daria Barazandeh communicate with Dr. Paul Connett to determine if his book adequately represents his position

on the practice of fluoridation of drinking water. If the book does and if Dr. Connett is unable to attend a meeting of the Board's Natural Resources and Technical Systems (NRTS) Committee, the NRTS Committee will meet to discuss the book with no other presentations. However, if Dr. Connett is able to meet with the NRTS Committee, at a time when he is in the Triangle area, the NRTS Committee will schedule a meeting to discuss his thoughts, along with other professionals who would have a position to counter that of Dr. Connett. The motion was seconded by Dana Raborn and passed with a vote of seven to one with Will Raymond opposed. See Motion No. 3 above.

Ms. Barazandeh agreed to contact Dr. Connett and respond back to the Board.

The Board agreed that communicating via Skype was not an appropriate format for a Board or NRTS Committee meeting.

ITEM EIGHT: RECOMMENDATIONS FROM THE NATURAL RESOURCES AND TECHNICAL SYSTEMS COMMITTEE CONCERNING RECREATION AT UNIVERSITY LAKE AND CANE CREEK RESERVOIR; A. CHANGE IN THE OPERATING SCHEDULE AT UNIVERSITY LAKE AND CANE CREEK RESERVOIR; B. RESOLUTION ENDORSING REVISIONS TO THE REGULATIONS GOVERNING IN-LAKE ACTIVITIES AND USES OF UNIVERSITY LAKE AND CANE CREEK RESERVOIR; AND C. EVALUATION OF OPPORTUNITIES FOR EXPANDED RECREATION AT UNIVERSITY LAKE AND CANE CREEK RESERVOIR

Mr. Alan Tom, Chapel Hill resident, said that in-depth information is needed from the public on types of recreation and impact of decisions on lake recreation. Mr. Tom noted that ideas from the public can be obtained through surveys, focus groups and/or an advisory committee. He also noted his understanding that the Board would need to prioritize ideas appropriately but that seeking public input would demonstrate a commitment to citizens.

Mr. Patrick Mulkey, a resident of Orange County and owner of land adjacent to Cane Creek, said he found out about tonight's meeting and the discussion on recreation through the blog Orange Politics. He said that the neighbors of Cane Creek have not been involved with this discussion and should have been notified. Mr. Mulkey said that the neighbors are willing to help the Board with information if requested.

Terri Buckner made a motion that the Executive Director modify the 2013 recreation season schedule to have University Lake open to the public on Saturdays and Sundays and Cane Creek open on Fridays and Saturdays from 6:30 AM to 6:00 PM and that this schedule be revisited at the end of the 2013 recreation season; second by Michael Hughes and unanimously approved. See Motion No. 4 above.

Terri Buckner made a motion to adopt the Resolution Endorsing Regulations Governing In-Lake Activities and Uses of University Lake and Cane Creek Reservoir; second by Michael Hughes and unanimously approved. See Motion No. 5 above.

Terri Buckner made a motion that the recreation scheduling matter be referred back to the Natural Resources and Technical Systems Committee to review and develop possible long-term recommendations on recreational opportunities at University Lake and Cane Creek Reservoir; second by Michael Hughes and unanimously approved. See Motion No. 6 above.

ITEM NINE: DISCUSS FINANCE COMMITTEE'S RATE STUDY RECOMMENDATION AND CONSIDER SELECTION OF THE BOARD'S PREFERRED SCENARIO

After discussion, the Board agreed to continue review of the 2014 budget analysis and consider three rate structure change scenarios. The first scenario is to make no changes to the current rate structure.

The second scenario would make changes to the amount of the fixed monthly service charge each customer incurs. The amount of the fixed monthly service charge is based on the size of the meter serving the property without regard to the amount of water used. This scenario would also include a six percent reduction in the amount of the "block one" commodity rate of the increasing block rate structure applicable to individually-metered, single-family residential customers.

The third scenario would make the same changes to the fixed monthly service charges plus further changes to the increasing block rate commodity charges incurred by individually-metered, single-family residential customers. It would reduce the number of gallons billed at the block two rate and reduce the rates for blocks one and two by six percent. The second and third scenarios would each increase the rates for some commercial customers as well as individually-metered, single-family residential customers who use higher volumes of water.

ITEM TEN: 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 with the following items:

- Staff will update the agenda header as suggested by John Young as follows: *Speakers are invited to submit more detailed comments via written materials, ideally submitted at least three days in advance of the meeting to the Clerk to the Board via email or US Postal Service (aorbich@owasa.org/400 Jones Ferry Road, Carrboro, NC 27510).*
- Staff will schedule a Natural Resources and Technical Systems Committee meeting regarding Daria Barazandeh's petition once staff hears back from her regarding how Dr. Paul Connett would like to proceed.
- The Board's March 14, 2013 meeting will include the following items:
 - o Setting the date for Public Hearings for OWASA's budgets and rates;

- Awarding an audit contract for the coming fiscal year; and
- Awarding a construction contract for water main replacement on East Cameron Avenue.

ITEM ELEVEN: CLOSED SESSION

Terri Buckner made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; second by John Young and unanimously approved. Please see Motion No. 7 above.

There being no further business to come before the Board, the meeting was adjourned at 9:30 P.M.

A RESOLUTION HONORING THE SERVICE OF MR. HAL “DOC” CRAWFORD ON THE OCCASION OF HIS RETIREMENT FROM THE ORANGE WATER AND SEWER AUTHORITY AFTER SERVING THE COMMUNITY FOR THIRTY-ONE YEARS

WHEREAS, Mr. Hal “Doc” Crawford began his career in public service as a Line Mechanic I with the Orange Water and Sewer Authority (OWASA) on August 10, 1981; and

WHEREAS, Mr. Crawford has served in progressively responsible positions as a Line Mechanic II and Equipment Operator/Utility Mechanic III before his selection as a Crew Supervisor on January 5, 2004; and

WHEREAS, Mr. Crawford developed comprehensive expertise and served with distinction in all service functions for the Water Distribution and Wastewater Collection Systems; and

WHEREAS, Mr. Crawford demonstrated countless times his commitment to excellence in environmental protection, public and employee health and safety, public service, efficiency, training and project management, and he is highly respected for his exceptional skills and knowledge; and

WHEREAS, Mr. Crawford is well loved at OWASA for his good cheer, sense of humor, enthusiasm, warmth and friendship to all, and he will be greatly missed; and

WHEREAS, Mr. Crawford retired from OWASA on February 1, 2013;

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

1. Hereby formally recognize, honor and praise Mr. Hal “Doc” Crawford for his excellent service and many achievements with the Orange Water and Sewer Authority and expresses its appreciation for his service to the Chapel Hill-Carrboro community as an outstanding professional and member of the OWASA Team.

2. That this resolution shall be recorded in the minutes of the OWASA Board of Directors, shall be part of the permanent records of OWASA and shall be presented to Mr. Crawford with our gratitude.

Adopted with deep appreciation this the 28th day of February, 2013.

**RESOLUTION ENDORSING REGULATIONS GOVERNING IN-LAKE ACTIVITIES
AND USES OF UNIVERSITY LAKE AND
CANE CREEK RESERVOIR**

WHEREAS, it is necessary to revise the regulations governing in-lake activities and uses of University Lake and Cane Creek Reservoir by the general public and other organized groups in order to incorporate the changes discussed by the Board of Directors on February 28, 2013.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Orange Water and Sewer Authority Board of Directors endorse the attached Regulations Governing In-Lake Activities and Uses of University Lake and Cane Creek Reservoir dated February 28, 2013.

2. That the Executive Director be, and hereby is, authorized and directed to administer, implement, and revise the regulations as necessary to respond to actual recreational and operational experiences of University Lake and Cane Creek Reservoir facilities in accordance with the Policy on In-Lake Activities adopted June 28, 1990.

Adopted this 28th day of February 2013.