

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

FEBRUARY 27, 2014

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, February 27, 2014, at 7:00 PM in OWASA's Community Room at 400 Jones Ferry Road, Carrboro.

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

OWASA staff present: Ed Kerwin; Stuart Carson; Mary Darr; Patrick Davis; Greg Feller; Andrea Orbich; Kevin Ray; Ruth Rouse; Todd Taylor; Stephen Winters; Robert Epting, Esq., Epting and Hackney.

Others present: Meg Holton, Water, Wastewater, and Stormwater Manager, University of North Carolina at Chapel Hill; Chapel Hill residents: Susan H. Martin, Esther H. Miller, and Dale Coker; Myra Dotson, Sewage Sludge Action Network; Raymond Atwater, Andrews & Associates Realty; Bruce and Ruth Carney, Elfland residents.

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 Resolution Awarding a Construction Contract for the South Estes Drive Water Main Replacement Project. (Resolution so titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Heather Payne and unanimously approved.)

2. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Setting the Date of May 22, 2014 for a Public Hearing on the Proposed OWASA Budgets for Fiscal Year 2015. (Resolution so titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Heather Payne and unanimously approved.)

3. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Setting the Date of May 22, 2014 for a Public Hearing on the Proposed Revisions to OWASA's Schedule of Rates, Fees and Charges. (Resolution so titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Heather Payne and unanimously approved.)

4. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Authorizing Private Access Easement. (Resolution so titled attached

hereto and made a part of these minutes. Motion by Will Raymond, second by Heather Payne and unanimously approved.)

5. Will Raymond made a motion to approve the Minutes of the January 23, 2014 Meeting of the Board of Directors; second by Heather Payne and unanimously approved.

6. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Honoring the Service of the Late Dusty Martin and Expressing OWASA's Deepest Sympathies to his Family. (Resolution so titled attached hereto and made a part of these minutes. Motion by Will Raymond, second by Heather Payne and unanimously approved.)

7. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the resolution titled Resolution Awarding Audit Contract to Martin Starnes & Associates, CPAs, P.A. and Authorizing Chair of the Board of Directors and the Finance Officer to Execute Said Contract. (Resolution so titled attached hereto and made a part of these minutes. Motion by Terri Buckner, second by John Young and unanimously approved.)

8. Will Raymond made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; second by Michael Hughes 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. There were none.

CHANGE TO THE AGENDA

Mr. Rimer said that OWASA was saddened by the unexpected passing of Dusty Martin, Operations Supervisor at the Jones Ferry Road Water Treatment Plant, on Friday, February 21, 2014. Without objection, a Resolution Honoring the Service of the Late Dusty Martin and Expressing OWASA's Deepest Sympathies to his family was added to the Consent Agenda.

STEVE DEAR'S FATHER

Mr. Rimer said that Steve Dear's father, David Dear, passed away on Saturday, February 22, 2014. Mr. Rimer extended the Board and staff's deepest sympathies to the Dear family.

OWASA ANNUAL PRESENTATION TO THE COUNTY COMMISSIONERS

Mr. Rimer said that on February 18, 2014 he gave OWASA's annual update to the Orange County Board of Commissioners. Terri Buckner and Ed Kerwin also attended. Topics covered were: water supply, Strategic Plan, Historic Rogers Road sewers and forestry management.

OWASA ORIENTATION

Mr. Rimer said that an OWASA orientation was held for the two new Chapel Hill Town Council Members, Maria Palmer and George Cianciolo, on January 28, 2014 at 4:00 PM in the OWASA Boardroom.

BOARD COMPENSATION

Mr. Rimer said that in response to a Board Member question, he has requested staff provide information on Board Member compensation to be discussed at a future Board meeting.

BOARD SELF-ASSESSMENT

Mr. Rimer said that he is nearing completion of materials for a Board Self-Assessment to be discussed at a future Board meeting.

NATURAL RESOURCES AND TECHNICAL SYSTEMS (NRTS) COMMITTEE

Terri Buckner said that the NRTS Committee met on February 5, 2014 to discuss two items, an update to the Long-Range Water Supply Plan and Capital Improvements Program (CIP). Staff presented information on the individual tasks to update the Long-Range Water Supply Plan and this discussion will continue at the Committee's March 5, 2014 meeting. Ms. Buckner said the Committee discussed semi-annual reporting of the CIP. Outcomes include informing the Board of significant exceptions that may occur between semi-annual reports and that the Board likes the stop light format. Staff will continue to evaluate ways to modify the report for more clarity regarding schedules and budget variances. The next NRTS Committee meeting will be Wednesday, March 5, 2014 at 5:30 PM in the OWASA Boardroom to continue discussion of updating the Long-Range Water Supply Plan.

Ms. Buckner noted that as a result of the January 23, 2014 Board meeting, the NRTS Committee would receive a staff response to Mr. Alan Tom's comments regarding recreation at OWASA's lakes. Ms. Buckner said that NRTS Committee did not complete this task and requested the task be delayed until the fall of 2014. The Board concurred with Ms. Buckner's request and asked staff to follow up with Mr. Tom.

HUMAN RESOURCES (HR) COMMITTEE

Will Raymond said the HR Committee met February 6, 2014 to discuss several topics. The Committee is in the process of reviewing the draft employee survey regarding the newly

implemented employee Performance Evaluation and Compensation System. The survey will be conducted and resulting information reviewed for any possible improvements necessary to the System.

The HR Committee also reviewed minority outreach including recruiting. Mr. Raymond suggested this topic be reviewed and discussed annually by the Committee. Mr. Raymond said the Committee discussed the possibility of hiring a consultant for assistance in bidding health and dental insurance; discussion on this topic will continue at a future meeting. Finally, the Committee briefly reviewed information regarding the Life Insurance, Dependent Life, Long Term Disability and Accidental Death and Dismemberment. Pending agreement of all Committee Members, the next HR Committee meeting may be March 10, 2014 at 6:00 PM in the OWASA Boardroom.

FINANCE COMMITTEE

John Young said that the Finance Committee met prior to tonight's Board Meeting to discuss OWASA's Fiscal Year 2015 budget and potential rate adjustments.

Mr. Young said the Committee's main focus tonight included a review of a preliminary draft of the FY 2015-2019 Capital Improvements Program budget. The Committee also reviewed potential changes to OWASA's water and sewer rate structure as a continuation of discussion that began last year.

Mr. Young said that the Finance Committee's next meeting will be March 13, 2014 at 5:00 PM to discuss the preliminary operating budget and reserve fund policy, which is a part of the Draft Strategic Plan distributed to the public.

ITEM TWO: PETITIONS AND REQUESTS

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

The Board received Ms. Miller's petition and took no action. The Board will stay abreast of scientific developments, changes in best management practices, and accepted public health practices and recommendations regarding drinking water fluoridation.

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

ITEM THREE: PUBLIC FEEDBACK AND DISCUSSION ON OWASA'S DRAFT STRATEGIC PLAN FOR FISCAL YEARS 2014-2017

Alan Rimer said that the Board will receive public feedback and then discuss OWASA's Draft Strategic Plan for Fiscal Years 2014-2017.

Ed Kerwin summarized the following 12 comments received from citizens via e-mail on OWASA's Draft Strategic Plan (this information was added to the agenda materials):

- Rick Ennis – Service availability
- Frank Hurley – Water supply option
- Mac Clarke – Employees, reclaimed water, outreach, energy and land
- Pat Garavaglia – Rate structure
- Amy Jeroloman – Land
- Richard Ellington – Recreation
- Mary Johnson – Growth, water supply option, energy and rates
- George A. George – Rate structure
- John Thomas – Rates and rate structure
- Bethany E. Chaney – Rates, metering and land
- Nancy Drozd – Rates
- W. David Brown – Rates, recreation, land and employees

Mr. Rimer opened the floor for comments from the public.

Myra Dotson, Chair of Sewage Sludge Action Network and a resident of Orange County, said a few years ago she asked management at the Mason Farm Wastewater Treatment Plant how much of the land that OWASA owns near Orange Grove Road would be cleared and sludged? The reply she received then was, *“The OWASA land on the western side of Orange Grove Road available for biosolids spreading is approximately 500 acres. Of that 500 acres approximately 120 acres is cleared and in agriculture use. The rest of the land remains in forest. As demand for additional application is required in the future, clearing of the forested area may be required.”*

Ms. Dotson said that she had asked during consideration of OWASA’s draft forestry management plan how much of the timbered acres would be sludged. She noted that the Board’s response at that time was that biosolids spreading was not in the forestry plan. She also asked that OWASA check its files for a plan to put sludge on timbered land.

In response to a question from Will Raymond, Ms. Dotson said her question is how much OWASA land to be timbered will be used for sludge disposal, and where is that land.

Mr. Kerwin said OWASA does not plan to apply biosolids in its watersheds. He said the property Ms. Dotson referred to is outside of OWASA’s watershed. He said it is possible that the property could be cleared for biosolids application; however, there are no short-term plans to do so. Mr. Kerwin also noted that OWASA staff would engage the Board and the public if such a plan is proposed.

Mac Clarke noted that the Board already received his comments and he reiterated that his most important comment was regarding OWASA employees. He said that as a result of the Pay and Compensation Study, a minority of the staff received raises because their pay ranges were outside of the new pay ranges for their job classifications. Mr. Clarke said the Board owes it to the rest of the employees to review and adjust their pay over time. He also stated that the OWASA staff as a whole is underpaid. Regarding Strategic Initiative 1 (water supply), Mr.

Clarke expressed concern about the ability of the Stone Quarry to meet projected needs. Mr. Clarke suggested giving long-term consideration to recycling reclaimed water back to the water treatment plant. Finally, Mr. Clarke stated that OWASA should not own land other than what OWASA uses.

There were no further comments. Mr. Rimer thanked the public for their feedback and stated that a response will be sent to each citizen to ensure their questions are answered and to let them know how their feedback has been or will be addressed. He said the next step for the Board is to determine how the Board should integrate the comments from citizens into the Draft Strategic Plan. Mr. Rimer also acknowledged John Young for his leadership in the development and follow-through with the Board and staff for successful completion of the Draft Strategic Plan.

Mr. Kerwin said that the comments the Board received prior to and at the meeting were unsurprising and in line with feedback from the customer satisfaction survey conducted in 2012. He said staff believes that the Draft Strategic Plan is on target and it is recommended the Board move forward.

Terri Buckner said recreation was a subject the Board heard a lot about and she recommended the Board set up a citizens' advisory group to deal with recreational issues in the Strategic Plan to help the public understand the reasons behind Board decisions.

Mr. Rimer said that as the Board and staff look at the elements of the Strategic Plan, some suggestions/actions may go quickly while others take more time to deliberate.

Will Raymond expressed appreciation to all the citizens who provided comments and noted that while some of the topics raised by citizens are not a part of the final Draft Strategic Plan, responses to citizens should include comments on the topics discussed. Mr. Raymond also suggested communicating how each initiative in the Draft Strategic Plan is related so that OWASA can be a more sustainable and efficient organization.

John Young concurred with Mr. Kerwin's comments and said some of the public comments are operational and it might be helpful to categorize them, while other comments may indicate gaps which would need to be discussed. Mr. Young said recreation is an active topic and suggested that clarification be provided on what options are available with respect to OWASA's legal charter.

Mr. Rimer agreed that he would communicate to the citizens who commented that their remarks have been addressed and will be taken seriously.

Mr. Kerwin suggested that the Board wait until its March 13, 2014 meeting to consider adoption of the final Draft Strategic Plan so the Board Chair and staff will have time to respond to each citizen. The Board agreed.

ITEM FOUR: 2013 ANNUAL RECREATION REPORT FOR UNIVERSITY LAKE AND CANE CREEK RESERVOIR

The Board received this report as an information item.

ITEM FIVE: RESOLUTION AWARDED A CONSTRUCTION CONTRACT FOR THE SOUTH ESTES DRIVE WATER MAIN REPLACEMENT PROJECT

Michael Hughes inquired as to the size and type of pipe on each end of South Estes Drive.

Stuart Carson said he did not have the information but would follow up.

Will Raymond made a motion to adopt the resolution; second by Heather Payne and unanimously approved. Please see Motion No. 1 above.

ITEM SIX: RESOLUTION SETTING THE DATE OF MAY 22, 2014 FOR A PUBLIC HEARING ON THE PROPOSED OWASA BUDGETS FOR FISCAL YEAR 2015

Will Raymond made a motion to adopt the resolution; second by Heather Payne and carried by unanimous vote. Please see Motion No. 2 above.

ITEM SEVEN: RESOLUTION SETTING THE DATE OF MAY 22, 2014 FOR A PUBLIC HEARING ON THE PROPOSED REVISIONS TO OWASA SCHEDULE OF RATES, FEES AND CHARGES

Will Raymond made a motion to adopt the resolution; second by Heather Payne and carried by unanimous vote. Please see Motion No. 3 above.

ITEM EIGHT: PRIVATE ACCESS EASEMENT TO OWASA PROPERTY ON TEER ROAD

Will Raymond made a motion to adopt the Resolution Authorizing Private Access Easement; second by Heather Payne and carried by unanimous vote. Please see Motion No. 4 above.

ITEM NINE: MINUTES

Will Raymond made a motion to approve the Minutes of the January 23, 2014 Meeting of the Board of Directors; second by Heather Payne and unanimously approved. Please see Motion No. 5 above.

ITEM TEN: RESOLUTION HONORING THE SERVICE OF THE LATE DUSTY MARTIN AND EXPRESSING OWASA'S DEEPEST SYMPATHIES TO HIS FAMILY

Will Raymond made a motion to adopt the resolution; second by Heather Payne and carried by unanimous vote. Please see Motion No. 6 above.

ITEM ELEVEN: RESOLUTION AWARDDING AUDIT CONTRACT TO MARTIN STARNES & ASSOCIATES, CPAS, P.A. AND AUTHORIZING CHAIR OF THE BOARD OF DIRECTORS AND THE FINANCE OFFICER TO EXECUTE SAID CONTRACT

Terri Buckner made a motion to adopt the resolution; second by John Young and carried by unanimous vote. Please see Motion No. 7 above.

ITEM TWELVE: UPDATE ON OWASA'S POSSIBLE ROLE REGARDING SEWER SERVICE FOR THE ROGERS ROAD NEIGHBORHOOD

Staff provided an update on discussions between the Towns of Chapel Hill and Carrboro and Orange County about the possibility of the local governments asking OWASA to do preliminary engineering for sewer in the Historic Rogers Road neighborhood. OWASA will be reimbursed for the cost of hiring an engineering consultant.

ITEM THIRTEEN: 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:

- Staff will notify Alan Tom that his comments regarding recreation at OWASA's lakes will be addressed in the fall of 2014.
- Staff will work with Alan Rimer to provide responses to each citizen to ensure their questions and comments are answered and to let them know how their feedback has been or will be addressed.
- Staff will follow-up on questions raised on the South Estes Drive Water Main Replacement Project.
- Staff will continue to keep the Board informed of any developments regarding OWASA's role regarding sewer service for the Rogers Road neighborhood.
- The March 13, 2014 Board meeting will include:
 - Discussion and possible approval of the Draft Strategic Plan for Fiscal Years 2014-2017; and
 - Closed Session for the purpose of discussing a personnel matter.

ITEM FOURTEEN: CLOSED SESSION

Will Raymond made a motion that the Board convene in a Closed Session for the purpose of discussing a personnel matter; second by Michael Hughes and unanimously approved. Please see Motion No. 8 above.

There being no further business to come before the Board, the meeting was adjourned at 9:25 PM.

**RESOLUTION AWARDING A CONSTRUCTION CONTRACT
FOR THE SOUTH ESTES DRIVE WATER MAIN REPLACEMENT PROJECT**

WHEREAS, there is a need for the replacement of the existing water main beneath portions of South Estes Drive, Willow Drive and Conner Drive in Chapel Hill, NC; and

WHEREAS, plans and specifications for the construction of this project have been prepared by McKim and Creed; and

WHEREAS, advertisement for contractor qualifications was published on the websites of the Carolinas AGC and Orange Water and Sewer Authority and in the Greater Diversity News (Wilmington, NC) in September 2013, and eight contractors were prequalified to bid; and

WHEREAS, on December 17, 2013, the prequalified contractors were formally invited to submit construction bids for the project, and six bids were subsequently received, opened and read aloud on January 17, 2014; and

WHEREAS, Moffat Pipe, Inc. of Wake Forest, North Carolina has been determined to be the low responsive, responsible bidder for the project; and

WHEREAS, on June 13, 2013 the Board approved a resolution authorizing funds for Capital Improvement Projects, including funds for this project;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Orange Water and Sewer Authority Board of Directors awards the construction contract to Moffat Pipe, Inc., the low responsive, responsible bidder for the South Estes Drive Water Main Replacement Project, in accordance with the approved plans and specifications, in the amount of \$1,568,925.00, subject to such change orders as may apply.

2. That the Executive Director be, and hereby is, authorized to execute said contract, subject to prior approval of legal counsel, and to approve and execute change orders and such documents as may be required in connection with the construction contract.

Adopted this 27th day of February 2014.

RESOLUTION SETTING THE DATE OF MAY 22, 2014 FOR A PUBLIC HEARING ON THE PROPOSED OWASA BUDGET FOR FISCAL YEAR 2015 AND ON THE CAPITAL IMPROVEMENTS PROGRAM AND CAPITAL IMPROVEMENTS BUDGET

WHEREAS, Section 159-12 of the General Statutes of North Carolina requires a Public Hearing on the budget for the ensuing fiscal year; and

WHEREAS, in accordance with Section 7.05 of the Bond Order, and Section 159-13 of the General Statutes of North Carolina, the Board of Directors of Orange Water and Sewer Authority shall adopt an Annual Budget for the Fiscal Year 2014 on or before the first day of July 2013; and

WHEREAS, said proposed Budget will be placed with the Clerk to the Board and will be available for public inspection;

NOW, THEREFORE, BE IT RESOLVED:

1. That a Public Hearing is hereby set for Thursday, May 22, 2014, at 7:00 P.M., in OWASA's Community Room, for the purpose of receiving public comment on the proposed Fiscal Year 2015 Budget, Capital Improvements Program, and Capital Improvements Budget.

2. That any interested persons may appear in person, or by agent or attorney, and present any comments they may have regarding the proposed budget.

3. That notice of the time and place of the Public Hearing shall be advertised and mailed at least ten days prior to the date fixed above for the Public Hearing to The University of North Carolina at Chapel Hill, and to the Towns of Chapel Hill and Carrboro and to Orange County.

Adopted this 27th day of February, 2014.

**RESOLUTION SETTING MAY 22, 2014 AS THE DATE FOR A PUBLIC HEARING ON
PROPOSED REVISIONS TO OWASA'S SCHEDULE OF RATES, FEES AND
CHARGES**

WHEREAS, the Orange Water and Sewer Authority must charge fees sufficient to provide financial resources to recover the cost of ongoing operations, pay for capital improvements, and provide sufficient financial resources to ensure sustainable fiscal strength and stability; and

WHEREAS, Section 162A-6 of the General Statutes of North Carolina and Section 7.04 of the Amended and Restated Bond Order adopted September 13, 2001, provide for the revision of such rates, fees and charges;

NOW, THEREFORE, BE IT RESOLVED:

1. That a Public Hearing is hereby set for Thursday, May 22, 2014 at 7:00 P.M., in OWASA's Community Room, for the purpose of receiving public comment on any proposed adjustments to Orange Water and Sewer Authority's rates, fees and charges.

2. That any interested persons may appear in person, or by agent or attorney, to present comments on the proposed modifications to the current schedule of rates, fees and charges.

3. That notice of the time and place of the Public Hearing shall be advertised and shall be mailed at least ten days prior to the date fixed above for the Public Hearing to The University of North Carolina at Chapel Hill, Town of Carrboro, Town of Chapel Hill, and Orange County.

Adopted this 27th day of February, 2014.

RESOLUTION AUTHORIZING PRIVATE ACCESS EASEMENT

WHEREAS, Orange Water and Sewer Authority (OWASA), Gerring, Ivey, Martin, and Teer are owners of adjacent parcels located in Orange County, North Carolina; and

WHEREAS, the parties have a cooperative arrangement to share access to their respective properties from one driveway off Teer Road; and

WHEREAS, the parties wish to formalize the existing cooperative agreement through a permanent private access easement agreement; and

WHEREAS, execution of the easement agreement is in OWASA's best interest and will ensure OWASA permanent legal access to its property;

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

1. Orange Water and Sewer Authority shall be a party to the Private Access Easement to ensure permanent legal access to its property; and
2. That the Executive Director be, and hereby is, authorized to execute such Private Access Easement, subject to prior approval of legal counsel.

Adopted this 13th day of February 2014.

**RESOLUTION HONORING THE SERVICE OF THE LATE DUSTY MARTIN
AND EXPRESSING OWASA'S DEEPEST SYMPATHIES TO HIS FAMILY**

WHEREAS, the late William Darryl "Dusty" Martin served as the Operations Supervisor at OWASA's Jones Ferry Road Water Treatment Plant from April 16, 2007 to February 21, 2014; and

WHEREAS, during Mr. Martin's service as Operations Supervisor, OWASA continued to surpass Federal and State standards in providing excellent drinking water to the 80,000 residents of the Chapel Hill-Carrboro community and its businesses, agencies and institutions including the University of North Carolina (UNC) at Chapel Hill and UNC Health Care; and

WHEREAS, Mr. Martin's career in the water resources field spanned more than 20 years and included positions with Lee County, the Town of Siler City (Water Plant Superintendent), Chatham County (Utility Manager) and the Town of Cary (Water System Operator) before he joined OWASA; and

WHEREAS, in May 2011, OWASA became the ninth utility in the United States and the first in North Carolina to receive the "Phase IV" award for Excellence in Water Treatment from the national Partnership for Safe Water; and Mr. Martin's leadership was essential for and instrumental in the several years of hard work that earned this recognition for the Jones Ferry Road Water Treatment Plant Team; and

WHEREAS, in 2012 the NC Waterworks Operators Association (NCWOA) honored Mr. Martin's achievements with its Operator of the Year Award; and

WHEREAS, Mr. Martin's professional certifications from the State of North Carolina included the highest levels of recognition for expertise in drinking water and wastewater treatment and the operation of water distribution and wastewater collection systems; and

WHEREAS, Mr. Martin contributed to the development of water resource professionals in North Carolina through his participation in the NCWOA, for which he chaired the North Piedmont Section, and by teaching for many years in the NCWOA's training schools in Raleigh and Morganton; and

WHEREAS, Mr. Martin's was well-loved at OWASA and his friendship, good cheer and sense of humor will be greatly missed;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Directors of the Orange Water and Sewer Authority, acting through its Members, Alan Rimer, John Young, Michael Hughes, Terri Buckner, Stephen Dear, Heather Payne, Dana Raborn, Will Raymond and Amy Witsil, hereby honors the outstanding public service of Dusty Martin to the people of the Chapel Hill, Carrboro and Orange County community and in the other communities where he served as a water resources professional; and the Board of Directors expresses its deepest sympathies to Mr. Martin's family.

Adopted this 27th day of February, 2014.

**RESOLUTION APPROVING AND AWARDED AUDIT CONTRACT TO
MARTIN STARNES & ASSOCIATES, CPAS, P.A. AND AUTHORIZING CHAIR OF
THE BOARD OF DIRECTORS AND THE FINANCE OFFICER
TO EXECUTE THE CONTRACT**

WHEREAS, Orange Water and Sewer Authority is required by the General Statutes of the State of North Carolina and the Series 2001 Bond Order to have its financial records audited at the termination of each fiscal year; and

WHEREAS, in March of 2011, the Authority solicited audit proposals based upon the established criteria recommended by the North Carolina Local Government Commission; and

WHEREAS, Martin Starnes & Associates, CPAs, P.A. provided satisfactory service related to the Fiscal Year 2011, 2012 and 2013 financial audits;

NOW, THEREFORE, BE IT RESOLVED:

1. That the contract between Orange Water and Sewer Authority and Martin Starnes & Associates, CPAs, P.A. for financial audit of the Fiscal Year Ending June 30, 2014, for charges not to exceed \$32,000 is hereby approved subject to approval by the North Carolina Local Government Commission.
2. That the Chair of the OWASA Board of Directors and the Finance Officer are hereby authorized to execute such contract.

Adopted this 27th day of February, 2014.