

ORANGE WATER AND SEWER AUTHORITY

MEETING OF THE BOARD OF DIRECTORS

MARCH 13, 2014

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, March 13, 2014, at 7:00 PM in OWASA's Community Room at 400 Jones Ferry Road, Carrboro.

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

OWASA staff present: Ed Kerwin; Patrick Davis; Greg Feller; Andrea Orbich; Todd Taylor; Stephen Winters; Robert Epting, Esq., Epting and Hackney.

Others present: Ben Poulson, Associate Director of Energy Services and Meg Holton, Water, Wastewater, and Stormwater Manager, University of North Carolina at Chapel Hill.

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

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MOTIONS ACTED UPON

1. Terri Buckner made a motion to approve OWASA's Strategic Plan for Fiscal Years 2014-2017; second by Amy Witsil and unanimously approved.

2. Terri Buckner 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.

COMMUNITY ENGAGEMENT COMMITTEE

Steve Dear said the Community Engagement Committee met on March 4, 2014 to discuss a potential pilot program to engage target groups with information about how residential customers can reduce their water and sewer bills. The Committee agreed that the pilot project

would be small and have a narrow focus. Staff will provide a revised draft that: (a) focuses on high-use residential customers in low- to moderate-income neighborhoods, (b) begins engaging rental property owners in affordability efforts, and (c) includes partnering with social service and housing agencies to help engage and inform targeted customers. This will be a topic for discussion at the Board's March 27, 2014 meeting. Mr. Dear noted that at OWASA's request, the Association of Metropolitan Water Agencies will distribute a survey to other water utilities regarding their practices and lessons learned regarding conservation outreach and community engagement; results will be reported to OWASA.

NATURAL RESOURCES AND TECHNICAL SYSTEMS (NRTS) COMMITTEE

Terri Buckner said that the NRTS Committee met on March 5, 2014 to discuss updating the Long-Range Water Supply Plan (LRWSP). Staff presented two draft documents, the Charter and Goals and Objectives. The Committee requested staff incorporate the Goals and Objectives into the Charter as an addendum with timeline information on deliverables and communications. Ms. Buckner said that the draft Charter for the LRWSP will be scheduled for discussion and possible approval at the Board's March 27, 2014 meeting. The next NRTS Committee meeting will be Wednesday, April 2, 2014 at 5:30 PM in the OWASA Boardroom to review information technology issues.

HUMAN RESOURCES (HR) COMMITTEE

Will Raymond said the HR Committee met on March 10, 2014 to receive a presentation from Hill, Chesson and Woody (HCW) regarding managing and negotiating costs for health and dental insurance plans. He said the Committee supports staff's plan to engage HCW's services for one year with the option of renewing following a reevaluation. The Committee also reviewed and supported conducting an employee survey on performance reviews. Results of this survey will be available later in May. Mr. Raymond said the next HR Committee meeting will be Tuesday, March 25, 2014 at 5:30 PM in the OWASA Boardroom to discuss 457 plan benefits and retiree health benefits for new hires.

FINANCE COMMITTEE

Amy Witsil said that the Finance Committee met prior to tonight's Board Meeting to review and discuss the preliminary draft Fiscal Year 2015 Operating Budget. Ms. Witsil noted that a placeholder of two percent is in the budget for merit and cost of living pay adjustments for employees. She also said the staff and a majority of the Committee agreed that next year, the Board should approve an employee compensation adjustment as part of the budget approval process. Ms. Witsil said the Committee's next meeting will be Thursday, March 27, 2014 at 5:30 PM in the OWASA Boardroom.

ITEM TWO: PETITIONS AND REQUESTS

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

ITEM THREE: ADOPTION OF OWASA'S STRATEGIC PLAN FOR FISCAL YEARS 2014-2017

Alan Rimer said he responded by e-mail to the 13 citizens who commented on the Draft Strategic Plan for Fiscal Years 2014-2017; the comments are a part of the agenda materials. He also expressed appreciation to John Young for his leadership throughout the planning process.

Will Raymond said he would like the public to know that several topics were considered by the Board and staff, while they are not in the final Strategic Plan, they may be part of a future Strategic Plan. Mr. Raymond also encouraged the public to continue to provide dialogue/comment as OWASA moves forward with implementing the Strategic Plan.

Mr. Rimer said it is important that the Board receive progress reports from staff as the Strategic Plan initiatives are implemented.

Terri Buckner made a motion to approve OWASA's Strategic Plan for Fiscal Years 2014-2017; second by Amy Witsil and unanimously approved. Please see Motion No. 2 above.

ITEM FOUR: 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 March 27, 2014 Board meeting will include:
 - Discussion and possible approval of a Charter for the Long-Range Water Supply Plan;
 - Discussion and possible approval of a potential pilot program to engage target groups with information about how residential customers can reduce their water and sewer bills;
 - Discussion of Board compensation; and
 - Discussion of a Board self-assessment.

ITEM FIVE: 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 Michael Hughes and unanimously approved. Please see Motion No. 2 above.

Orange Water and Sewer Authority

March 13, 2014

Page 4

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