

ORANGE WATER AND SEWER AUTHORITY
WORK SESSION OF THE BOARD OF DIRECTORS
MARCH 10, 2016

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a Work Session on Thursday, March 10, 2016 at 6:00 PM in OWASA's Community Room in the Administration Building, 400 Jones Ferry Road, Carrboro.

Board Members present: John A. Young, Chair; Robert Morgan, Vice Chair; Terri Buckner; Barbara Foushee; David (Dave) Moreau and Ruchir Vora. Absent: Heather Payne, Secretary; Jeff Danner and Quinton Harper.

OWASA staff present: Ed Kerwin; Denise Battle; Mary Darr, P.E.; Greg Feller; Stephanie Glasgow; Andrea Orbich; Ruth Rouse; Stephen Winters; Todd Taylor, P.E.; Mary Tiger; and Robert Epting, Esq., Epting and Hackney.

Citizens present: Margaret Holton, Water, Sewer and Stormwater Coordinator, University of North Carolina at Chapel Hill.

MOTIONS

1. Ruchir Vora made a motion to approve of Minutes of the February 11, 2016 Work Session of the Board of Directors; second by Barbara Foushee and unanimously approved.
2. Ruchir Vora made a motion to approve of Minutes of the February 25, 2016 Closed Session of the Board of Directors; second by Barbara Foushee and unanimously approved.
3. BE IT RESOLVED THAT the Orange Water and Sewer Authority adopt the Resolution Setting the Date of May 26, 2016 for a Public Hearing on OWASA's Fiscal Year 2016 Budget. (Resolution so titled attached hereto and made a part of these minutes. Motion by Dave Moreau, second by Robert Morgan and unanimously approved.)
4. Dave Moreau made a motion to approve the resolution to set a Public Hearing for OWASA's Schedule of Rates, Fees and Charges; second by Robert Morgan and the motion failed with a vote of four to two with Terri Buckner and Barbara Foushee opposed.

ANNOUNCEMENTS

Mr. Young 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; none were disclosed.

Mr. Young proposed that the Board defer consideration of Agenda Item 7, Easement Acquisition and Findings of Pilot Study, to the March 24 meeting; the Board agreed.

ITEM ONE: MINUTES

Ruchir Vora made a motion to approve of Minutes of the February 11, 2016 Board Work Session of the Board of Directors; second by Barbara Foushee and unanimously approved. Please see Motion 1 above.

ITEM TWO: MINUTES

Ruchir Vora made a motion to approve of Minutes of the February 25, 2016 Closed Session of the Board of Directors; second by Barbara Foushee and unanimously approved. Please see Motion 2 above.

ITEM THREE: RECEIVE AND DISCUSS PUBLIC FEEDBACK ON ADVANCED METERING INFRASTRUCTURE

The Board noted comments received by e-mail from two additional citizens on the proposal for an Advanced Metering Infrastructure (AMI) system. The Board asked staff to provide comparative information on radio waves in an AMI system vs. other common electronic devices, and to provide a timeline for implementing AMI. The Board will receive further comments from citizens at the March 24th meeting before making a decision on whether to proceed with AMI.

ITEM FOUR: FISCAL YEAR 2017 DRAFT BUDGET

The Board received and asked questions about the draft budget for operating expenses, capital projects and other expenditures for the coming fiscal year (July 2016 - June 2017). The Board will further discuss the draft budget and receive staff's recommendation about rates on March 24th.

ITEM FIVE: RESOLUTION SETTING THE DATE OF MAY 26, 2016 FOR A PUBLIC HEARING ON OWASA'S FISCAL YEAR 2017 BUDGET

Dave Moreau made a motion to approve the resolution, second by Robert Morgan and unanimously approved. Please see Motion No. 3 above.

ITEM SIX: RESOLUTION SETTING THE DATE OF MAY 26, 2016 FOR A PUBLIC HEARING ON PROPOSED REVISIONS TO OWASA'S SCHEDULE OF RATES, FEES AND CHARGES

Dave Moreau made a motion to approve the resolution to set a Public Hearing for OWASA's Schedule of Rates, Fees and Charges; second by Robert Morgan and the motion failed with a vote of four to two with Terri Buckner and Barbara Foushee opposed. Please see Motion No. 4 above.

After discussion, the Board agreed to continue discussing this item during the March 24, 2016 meeting.

ITEM SEVEN: EASEMENT ACQUISITION AND FINDINGS OF PILOT STUDY

The Board agreed to defer this item to March 24, 2016 meeting.

ITEM EIGHT: BOARD WORK SCHEDULE

The Board reviewed the 12 Month Board Meeting Schedule and the updated March 24, 2016 Board agenda which now includes two additional items (Resolution Setting the Date for a Public Hearing on Proposed Revisions to OWASA's Schedule of Rates, Fees and Charges; and Easement Acquisition and Findings of Pilot Study).

The Board requested staff provide an email about the potential steps/roles for Orange County and OWASA regarding possible inclusion of a trail on OWASA land in the County's Mountains-to-Sea Trail project.

Dave Moreau requested, and the Board concurred, that staff provide an email update about water supply and wastewater management in the north Chatham County and Town of Pittsboro region as it may impact OWASA's short- and long-term interests.

Ruchir Vora requested, and the Board concurred, that staff contact ICMA-RC and Nationwide regarding options employees may have to direct their retirement monies to socially responsible funds. Staff will also contact the University of North Carolina at Chapel Hill for information about socially responsible investment of retirement funds. This information will be provided to the Board via email.

ITEM NINE: EXECUTIVE DIRECTOR WILL SUMMARIZE THE KEY STAFF ACTION ITEMS FROM THE WORK SESSION

Ed Kerwin summarized the key action items for staff as follows:

- Consider adding examples of radio wave exposure from other devices compared to AMI in our public messaging.
- Include a general project timeline to implement AMI (if approved) in the March 24th Board meeting agenda information.
- Provide additional detail and answer questions raised by Board Members regarding the draft Fiscal Year 2017 budget.
- For discussion of seasonal rates for multi-family, master-metered customers at the March 24th Board meeting, include options regarding monthly service charges as well as volume charges.
- Provide the Board an email update about the potential steps/roles for Orange County and OWASA regarding possible inclusion of a trail on OWASA land in the County's Mountains-to-Sea Trail project.
- Provide the Board an email update about water supply and wastewater management in the north Chatham County and the Town of Pittsboro region as it may impact OWASA's short- and long-term interests.

- Staff will contact ICMA-RC and Nationwide regarding options employees may have to direct their retirement monies to socially responsible funds. Staff will contact the University of North Carolina at Chapel Hill for information about socially responsible investment of retirement funds. This information will be provided to the Board via email.

ITEM TEN: CLOSED SESSION

Without objection, the Board convened in a closed session for the purpose of discussing a personnel matter.

The meeting was adjourned at 8:38 PM.

Respectfully submitted by:



Andrea Orbich

Executive Assistant/Clerk to the Board

Attachments

**RESOLUTION SETTING THE DATE OF MAY 26, 2016 FOR A PUBLIC HEARING ON
OWASA'S FISCAL YEAR 2017 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

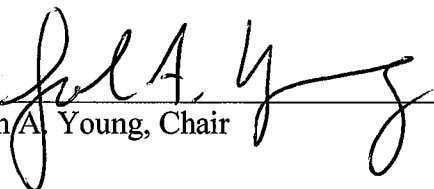
WHEREAS, in accordance with Section 7.05 of the Bond Order, and Section 159-13 of the General Statutes of North Carolina, the Board of Directors of Orange Water and Sewer Authority shall adopt an Annual Budget for the Fiscal Year 2017 on or before the first day of July 2016; and

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 26, 2016, at 7:00 P.M., in Chapel Hill Town Hall, for the purpose of receiving public comment on the proposed Fiscal Year 2017 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 10th day of March, 2016.



John A. Young, Chair

ATTEST:



Andrea Orbich, Assistant Secretary