

ORANGE WATER AND SEWER AUTHORITY
WORK SESSION OF THE BOARD OF DIRECTORS

APRIL 14, 2016

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a Work Session on Thursday, April 14, 2016 at 6 PM in OWASA's Community Room in the Administration Building, 400 Jones Ferry Road, Carrboro.

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

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

Public present: Ben Poulson, Associate Director of Energy Services, and Margaret Holton, Water, Sewer and Stormwater Coordinator, University of North Carolina at Chapel Hill; Don Schlenger, Kevin O'Connor and Linda Vaughn with Don Schlenger and Associates; and Ellen Tucker, Hill, Chesson & Woody.

MOTIONS ACTED UPON

1. Terri Buckner made a motion to authorize staff and the consulting firm of Hill, Chesson & Woody to market employee health and dental insurance plans to be effective on July 1, 2016; second by Barbara Foushee and unanimously approved.
2. Dave Moreau made a motion to authorize staff to publish information about the Fiscal Year 2017 proposed Budget and Schedule of Rates, Fees and Charges, clarifying the multi-family, master-metered rate class, in advance of the public hearings scheduled for May 26, 2016; second by Robert Morgan and unanimously approved.

ANNOUNCEMENTS

John 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 said the Board will tour the Cane Creek Reservoir Mitigation Property on Wednesday, April 20, 2016, after meeting initially at 3:30 PM in OWASA's Administration Building.

Mr. Young said the Chapel Hill Town Council's OWASA Committee will meet on April 21, 2016 at 8:30 AM in the OWASA Boardroom with the Chapel Hill Appointees to the OWASA Board to discuss items of mutual interest.

Mr. Young discussed with the Board an April 14, 2016 e-mail from Mr. Art Belden regarding OWASA's use of chloramines for disinfection and their effect on plumbing items. The Board agreed to receive information from staff on April 28, 2016 about common customers' inquiries regarding drinking water, including questions about release of zinc from brass in plumbing systems.

Todd Taylor provided an update on the April 12, 2016 water main break on East Rosemary Street.

Dave Moreau said that the Natural Resources and Technical Systems Committee will meet on April 25, 2016, at 5:30 PM in the OWASA Boardroom to discuss energy management.

Mary Tiger, Sustainability Manager, reported on the Inter-Local Energy Working Group's meeting on April 4, 2016, to discuss collaborative solar procurement opportunities.

Ms. Tiger also said that the Affordability Outreach Partners will meet on Friday, April 22, 2016 at 11:30 AM to discuss current initiatives.

ITEM ONE: REVIEW EMPLOYEE HEALTH, DENTAL, LIFE, DEPENDENT LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT AND LONG-TERM DISABILITY INSURANCE

The Board received information from Stephanie Glasgow and Ellen Tucker and authorized staff to seek proposals from other carriers for employee health and dental insurance in the coming fiscal year.

Terri Buckner made a motion to authorize staff and the consulting firm of Hill, Chesson & Woody to market employee health and dental insurance plans to be effective on July 1, 2016; second by Barbara Foushee and unanimously approved. (Please see Motion No. 1 above.)

ITEM TWO: REVIEW DRAFT FISCAL YEAR (FY) 2017 BUDGET AND RATES

The Board received and discussed information about the draft budget for FY July 2016 through June 2017 and the proposed rates that, if approved, would go into effect in October 2016.

Jeff Danner suggested that staff consider adding key performance indicators to the quarterly financial reports provided to the Board. Staff plans to include performance measurements that provide insight into the overall efficiency of the organization beginning in FY 2017.

The Board also agreed to evaluate consultant services when the FY 2018 budget is developed.

ITEM THREE: AUTHORIZE STAFF TO PUBLISH DRAFT FISCAL YEAR (FY) 2017 BUDGET AND RATES INFORMATION

Terri Buckner suggested that the multi-family, master-metered customer class be clarified in the rate schedule prior to advertising the proposed budget and rates for FY 2017; the Board agreed.

Dave Moreau made a motion to authorize staff to publish information about the Fiscal Year 2017 proposed Budget and Schedule of Rates, Fees and Charges, clarifying the multi-family, master-metered rate class, in advance of the public hearings scheduled for May 26, 2016; second by Robert Morgan and unanimously approved. (Please see Motion No. 2 above.)

ITEM FOUR: REVIEW DRAFT CONSULTANT SCOPE OF WORK FOR THE ADVANCED METERING INFRASTRUCTURE (AMI) SYSTEM PROCUREMENT AND IMPLEMENTATION SERVICES

The Board discussed the draft scope of work from consultants, Don Schlenger and Associates, and requested clarification of the service procurement and customer service training tasks in the revised scope of work for the Board's consideration on April 28, 2016.

ITEM FIVE: PROPOSED PROCESS TO COMPLETE NEW STRATEGIC PLAN

The Board agreed to delay developing a new Strategic Plan and that staff provide a draft update to the current Strategic Plan at a future meeting.

ITEM SIX: REVIEW BOARD WORK SCHEDULE

Jeff Danner requested that when an e-mail is sent out the day of a Board meeting/work session to be discussed during the meeting, a printed copy of the e-mail should be provided.

John Young suggested that the Board schedule a Board Self-Assessment for the June 9, 2016 work session; the Board agreed.

Ed Kerwin requested that the April 28, 2016 Board meeting include a 20 minute presentation on common customer inquiries including dezincification; the Board agreed.

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

Ed Kerwin summarized the key staff actions items as follows:

- Provide the Board information and a draft response to Mr. Art Belden's request regarding chloramines and dezincification;
- Hill, Chesson & Woody will market employee health and dental insurance;
- Beginning in FY 2017, staff plans to include performance measurements in quarterly financial reports that provide insight into the overall efficiency of OWASA;
- Clarify the multi-family, master-metered class in the rate schedule and advertise the proposed budgets and rates for FY 2017;
- Update the consultant's scope of work for Advanced Metering Infrastructure based on the Board's guidance for possible approval at the April 28th Board meeting;

- The Board decided not to proceed with development of a new Strategic Plan. Staff will draft an update to the current Strategic Plan for discussion at a future work session; and
- Staff will provide the Board the list of key staff action items to be completed.

ITEM EIGHT: CLOSED SESSION

Without objection, the Board convened in a Closed Session for the purpose of discussing a personnel matter.

The meeting was adjourned at 8:45 PM.

Respectfully submitted by:



Andrea Orbich
Executive Assistant/Clerk to the Board