



# ORANGE WATER AND SEWER AUTHORITY

*A public, non-profit agency providing water, sewer and reclaimed water services  
to the Carrboro-Chapel Hill community.*

## **Agenda**

### **Work Session of the OWASA Board of Directors**

**Thursday, September 14, 2017, 6:00 P.M.**

### **OWASA Community Room**

The Board of Directors appreciates and invites the public to attend and observe its meetings. For the Board's Work Session, public comments are invited on only items appearing on this agenda. 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](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

For items on the agenda, public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors.

The Board may take action on any item on the agenda.

### **Announcements**

- a. Announcements by the Chair
  - 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.
  - Update on OWASA's September 5, 2017, Annual Report to the Carrboro Board of Aldermen
- b. Announcements by Board Members
  - Natural Resources and Technical Services Committee will meet on Tuesday, September 26, 2017 at 4:00 p.m. in the OWASA Board Room to Discuss Biogas to Energy and Potential Land Disposition (John Young)
- c. Announcements by Staff

### **Consent Agenda**

#### **Information and Reports**

1. Annual Report on Disposal of Surplus Personal Property (Kelly Satterfield)

### **Action**

2. Minutes of the August 10, 2017 Work Session of the Board of Directors (Andrea Orbich)
3. Minutes of the August 10, 2017 Closed Session of the Board of Directors (Robert Morgan)

### **Regular Agenda**

#### **Discussion and Action**

4. Resolution Awarding a Construction Contract for the Administration Building Heating, Ventilation, and Air Conditioning Replacement Project (Dustin Rhodes)

### **Discussion**

5. Diversity and Inclusion Program Progress Report and Equal Employment Opportunity/Affirmative Action Report for Fiscal Year 2017 (Ed Kerwin/Stephanie Glasgow)
6. Discuss Employee Merit Pay for Fiscal Year 2018 (Stephanie Glasgow)

7. Discuss Key Performance Indicator Report (Mary Tiger)
8. Review Board Work Schedule (Robert Morgan/Ed Kerwin)
  - a. Request(s) by Board Committees, Board Members and Staff
  - b. September 28, 2017 Annual Meeting of the Board of Directors
  - c. October 12, 2017 Work Session
  - d. 12 Month Board Meeting Schedule
  - e. Pending Key Staff Action Items

**Summary of Work Session Items**

9. Executive Director will summarize the key staff action items from the Work Session

**Closed Session**

10. The Board of Directors will convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Robert Morgan)

**Agenda Item 1:**

Annual Report on Disposal of Surplus Personal Property

**Purpose:**

To update the Board of Directors on OWASA’s disposal of surplus personal property. This report is provided for information only and no action is necessary.

**Background:**

The OWASA Purchasing and Contracting Policy authorizes the Executive Director to declare as surplus and to sell personal property that is no longer needed or useful in the operation of OWASA’s water and sewer systems. Personal property is broadly defined as fixtures and equipment and excludes land.

The policy authorizes five methods of personal property disposal: trade-in, public auction, advertisement for bid, direct negotiation and sale, and scrap. Items having no residual value that remain unsold after an auction or other sale procedure, or that pose a potential threat to the public health or safety, may be treated as scrap or trash regardless of their original acquisition cost. Items having no apparent market value after being advertised for sale may be donated to charitable organizations.

The policy requires the Executive Director to report to the Board of Directors annually on the disposal of personal property.

**Information:**

The following surplus personal property was sold or otherwise disposed of during Fiscal Year 2017:

<b>Disposal Method</b>	<b>Items Sold</b>	<b>Proceeds</b>
Web-based public auction	Computer & communication equipment	\$554
Direct sale	Sound equipment, service equipment, etc.	20,743
Trade-in	Service equipment	65,000
Scrap	Metal	5,213
	<b>Total proceeds</b>	<b>\$91,510</b>

## Agenda Item 2

### Orange Water and Sewer Authority

#### Meeting of the Board of Directors

August 10, 2017

The Board of Directors of the Orange Water and Sewer Authority (OWASA) met in work session on Thursday, August 10, 2017, at 6:00 p.m. in OWASA's Community Room, 400 Jones Ferry Road, Carrboro.

Board Members present: Robert Morgan (Chair), Heather Payne (Vice Chair), Yinka Ayankoya (Secretary), Ray DuBose, Barbara Foushee, John N. Morris, Ruchir Vora, and John A. Young. Board Member Absent: Jeff Danner.

OWASA staff present: Mary Darr, Robert Epting, Esq., (Epting and Hackney), Greg Feller, Vishnu Gangadharan, Adam Haggerty, Ed Kerwin, Andrea Orbich, Ruth Rouse, Kelly Satterfield, Todd Taylor and Stephen Winters.

Others present: Margaret Holton (Water, Sewer and Reclaimed Water Coordinator) and Ben Poulson (Associate Director of Energy Services) of the University of North Carolina at Chapel Hill.

#### Motions

1. Ruchir Vora made a motion to approve the Minutes of the May 11, 2017 Work Session of the Board of Directors amended as follows on page 3, Item 4. "... second by Heather Payne and the motion passed with a vote of six to one with John Young opposed. ~~because he prefers to wait a few weeks~~ *Mr. Young supports the AMI initiative, but preferred that the Board consider the resolution on May 25th, as scheduled on the board's published agenda, because this would give the community and absent board members the advertised time to review the procurement proposal and provide input;* motion to approve those minutes as amended was seconded by Heather Payne and unanimously approved.
2. Ruchir Vora made a motion to approve the Minutes of the May 25, 2017 Public Hearings and Meeting of the Board of Directors; second by Heather Payne and unanimously approved.
3. Ruchir Vora made a motion to approve the Minutes of the June 8, 2017 Work Session of the Board of Directors; second by Heather Payne and unanimously approved.
4. John Morris made a motion that the Board of Directors convene in a Closed Session for the purpose of discussing a potential property transaction and a personnel matter; second by Barbara Foushee and unanimously approved.

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### Announcements

Robert Morgan asked any Board Member who knows of a conflict of interest or potential conflict of interest with respect to any item on the agenda tonight to disclose the same at this time; none were disclosed.

Mr. Morgan welcomed and introduced new Board Members, Ray DuBose and John Morris.

Mr. Morgan said that the Human Resources (HR) Committee met on June 21, 2017, to discuss and evaluate two items: information and options for employee merit pay for Fiscal Year 2018; and an approach to advance employee compensation based on performance. The Board will discuss this item on September 14, 2017 and the HR Committee will recommend:

- approving 1% cost of labor increase for eligible employees who have earned a “Successful” or “Exceptional” Performance review during the October 2017 annual review process and adjust by the same percentage the Salary ranges in the Schedule of Employee Classification and Authorized Compensation;
- approving a merit increase to employees earning a performance review rating of “Successful” during the October 2017 annual review process by increasing base pay 3%; and
- approving a merit increase to employees earning a performance review rating of “Exceptional” during the October 2017 annual review process by increasing base pay by 6%.

Mr. Morgan noted that the Executive Committee met on July 12, 2017 to discuss the roles of the Chair, Vice Chair and Secretary and the process for approving agendas for Board Meetings.

Yinka Ayankoya said that Mr. Morgan and she will provide an OWASA Update to the Carrboro Board of Alderman on Tuesday, September 5, 2017, at 7:30 p.m. at Carrboro Town Hall.

Robert Epting addressed the Board regarding the service and contributions to the community by the late Mr. Edward N. Mann Jr., a former Chair of the OWASA Board as follows:

EDWARD N. MANN, JR.  
1932-2017

Remembering Eddie Mann’s contributions ought to begin with the endearing example Eddie and his wife Jean Stanford Mann set in their care and affection for each other, for their family, and for their homeplace, set as it was in western Orange County along Cane Creek, on productive farm land, which had been owned by generations of Stanford family members.

Eddie Mann left the Cane Creek community each morning, and drove into Chapel Hill where he served for many years as the Chief Executive Officer and President of Orange Savings and Loan. There, he set a daily example for integrity, practicality, and warm, personal service, even as his industry moved away from his model and into a digitized, impersonal future.

His management skills, combined with an acute business judgment, made him an ideal candidate for appointment in 1980 to the Board of Directors of the newly formed Orange Water and Sewer Authority, after which he served as Vice Chair for four years, and as Chair for three years, including that contested era when permission to build the Cane Creek Reservoir was sought and obtained from the State and Federal governments. During the latter years of Eddie's service, OWASA was able to negotiate for the purchase of all of the land needed for the Reservoir, without the necessity to condemn any of it. His relations with his neighbors who had come to trust his quiet integrity and business acumen, and with the larger Orange County community, were essential to these accomplishments.

Eddie Mann was a great and gracious leader. We are grateful for his service to OWASA, and to our community, and we send our kindest personal regards to his wife Jean, and to the rest of his family.

Item One: Quarterly Report on Attendance at Board and Committee Meetings

The Board accepted the Quarterly Report on Attendance at Board and Committee meetings as an information item.

Item Two: Minutes

Ruchir Vora made a motion to approve the Minutes of the May 11, 2017 Work Session of the Board of Directors amended as follows on page 3, Item 4. "... second by Heather Payne and the motion passed with a vote of six to one with John Young opposed. ~~because he prefers to wait a few weeks~~ *Mr. Young supports the AMI initiative, but preferred that the Board consider the resolution on May 25th, as scheduled on the board's published agenda, because this would give the community and absent board members the advertised time to review the procurement proposal and provide input;* motion to approve those minutes as amended was seconded by Heather Payne and unanimously approved. Please see Motion No. 1 above.

Item Three: Minutes

Ruchir Vora made a motion to approve the Minutes of the May 25, 2017 Public Hearings and Meeting of the Board of Directors; second by Heather Payne and unanimously approved. Please see Motion No. 2 above.

Item Four: Minutes

Ruchir Vora made a motion to approve the Minutes of the June 8, 2017 Work Session of the Board of Directors; second by Heather Payne and unanimously approved. Please see Motion No. 3 above.

Item Five: Update on Risk Assessment Work for the Jones Ferry Road Water Treatment Plant and the Mason Farm Wastewater Treatment Plant

The Board received and discussed a status report on plans for risk assessment of the Jones Ferry Road Water Treatment Plant and Mason Farm Wastewater Treatment Plant. Next steps include selecting a consultant firm for the project and sharing the Board's feedback about the proposed work with the consultant. Staff will provide the Board the final scope of work for the project.

Item Six: Capital Improvements Program Semiannual Report

The Board received a status report on OWASA's capital investment program from July 2016 through June 2017 and requested that staff provide the estimated completion date for the Hillsborough Street Water Line Replacement.

The Board was provided a report on a recent purchase contract awarded to Clearwater Inc. in the amount of \$177,570 for the Non-Potable Water Pumps at the Mason Farm Wastewater Treatment Plant.

Item Seven: Preliminary Financial Report for the Twelve-Month Period Ended June 30, 2017

The Board accepted the Preliminary Financial Report for the Twelve-Month Period ended June 30, 2017, as an information item.

Item Eight: Discuss Process for Soliciting and Evaluating Proposals for Financial Auditing Services

The Board agreed that the process for selecting a financial auditor will involve recommendations to the Board by an evaluation panel that includes staff and two Board members.

Item Nine: Review Board Work Schedule

The Board agreed to cancel the August 24, 2017 Board meeting because there are no agenda items scheduled for that meeting.

The Board agreed to the following assignments for the Standing Committees of the Board of Directors:

- Community Engagement: Yinka Ayankoya (Chair), Ray DuBose, Barbara Foushee and John Morris
- Finance: Jeff Danner (Chair), Ray DuBose, Heather Payne and Ruchir Vora
- Human Resources: Barbara Foushee (Chair), Yinka Ayankoya, Jeff Danner and John Young
- Natural Resources and Technical Services: John Young (Chair), John Morris, Heather Payne and Ruchir Vora

The Board agreed that John Young will serve on the Chatham/Orange Joint Planning Task Force and Yinka Ayankoya will serve on the Intergovernmental Parks Work Group.

Stephen Winters informed the Board that the State Legislature approved House Bill (HB) 436 - Public Water and Sewer System Development Fee Act. Staff is working with advisers to determine the extent to which the bill will impact OWASA's Service Availability Fees. Future Board action will likely be required.

Mr. Winters said that the NC Division of Water Infrastructure has approved OWASA's low-interest loan project applications from the Drinking Water State Revolving Fund and that Board action will be required, most likely in September.

The Board agreed that staff include recently completed actions in the Pending Key Staff Action Items from Board Meetings as information at the next work session prior to deletion from the document.

Item Ten: Executive Director Will Summarize the Key Staff Action Items from the Work Session

Ed Kerwin said items for staff follow-up are:

- Include recently completed actions in the Pending Key Staff Action Items from Board Meetings as information at the next work session prior to deletion from the document.
- Provide the estimated completion date for the Hillsborough Street Water Main Replacement Project.
- Share the Board's feedback about the proposed risk assessment work with the consultant and develop the project's scope, proceed with the work and provide the Board a copy of the final scope of work.
- Seek two members of the Board of Directors to serve with staff on the Selection Panel for the Audit Firm and prepare recommendation for the full Board.
- Inform partner agencies that John Young will serve on the Chatham/Orange Joint Planning Task Force and Yinka Ayankoya will serve on the Intergovernmental Parks Work Group.

Item Eleven: Closed Session

John Morris made a motion that the Board of Directors convene in a Closed Session for the purpose of discussing a potential property transaction and a personnel matter; second by Barbara Foushee and unanimously approved. Please see Motion No. 4.

The Board came out of closed session and the work session was adjourned at 8:52 p.m.

Respectfully submitted by:

Andrea Orbich  
Executive Assistant/Clerk to the Board

Attachments



## Agenda Item 3

Orange Water and Sewer Authority

Closed Session of the Board of Directors

August 10, 2017

The Board of Directors of Orange Water and Sewer Authority met in Closed Session on Thursday, August 10, 2017, following the Board meeting.

Board Members present: Robert Morgan, Chair; Heather Payne, Vice Chair; Yinka Ayankoya, Secretary; Ray DuBose; Barbara M. Foushee; John N. Morris; Ruchir Vora; and John A. Young. Board Member absent: Jeff Danner.

Staff present: Ed Kerwin, Executive Director; Robert Epting, General Counsel; Todd Taylor; Mary Darr; and Ruth Rouse.

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### ITEM ONE

The Board of Directors met in Closed Session with staff to discuss a potential property transaction.

### ITEM TWO

The Board of Directors met in Closed Session without staff to evaluate the General Counsel's annual performance review.

No official action was taken at the meeting.

The meeting was adjourned at 8:52 p.m.

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Robert Morgan, Chair  
Board of Directors

#### **Agenda Item 4:**

Resolution Awarding a Construction Contract for the Administration Building Heating, Ventilation, and Air Conditioning (HVAC) Replacement Project

#### **Purpose:**

The staff request that the OWASA Board award a construction contract to Comfort Systems USA (MidAtlantic), LLC (“Comfort Systems”) for the construction of the Administration Building HVAC Replacement Project (“Project”).

#### **Background:**

The purpose of this Project is to resolve significant and ongoing comfort issues in the Administration Building by replacing the HVAC system. The building’s main HVAC system was installed when the building was constructed in 1990. Outdated HVAC system controls do not allow for temperature adjustment in individual building zones nor do they allow for integration of additional system components that have been added over the years. Adjustments and repairs to the current HVAC system were not able to resolve the issues and the system’s inability to adequately control temperature and humidity levels has led to continued discomfort of employees and customers within the building. To address the current comfort concerns, the Project will replace the outdated, patchwork system with a new, innovative, energy efficient system that will provide adequate temperature and moisture control throughout the Administration Building.

Prior to detailed design of the Project, five (5) alternatives were examined based on social (customer service, employee health and safety, etc.), environmental (energy use, greenhouse gas emissions), and financial (capital, operating, and maintenance costs, risk factors) performance measures. Using these performance measures, the best alternative was identified to be variable flow air handling units and a heat pump that utilizes potable water from OWASA’s distribution system for heating and cooling. This potable water loop, which is being installed through a different contract, is kept physically separate from the process water used in the double-walled heat exchanger. The potable water loop water will be returned to the water treatment plant for treatment. In addition to the HVAC system, this Project includes minor repairs to the building’s envelope or exterior. These repairs include replacing weatherstripping and sealant at doors and windows, repairing holes in brickwork, repairing cracked mortar joints, and other minor items that will improve the efficiency of the new HVAC system.

In terms of the 20-year cost of ownership, this Project alternative fell in the middle of the 5 alternatives that were examined. This alternative provides optimal comfort (temperature and humidity control) for OWASA customers and employees. Of the 5 alternatives, the Project was determined to have the greatest impact in reducing energy use and greenhouse gas emissions. It is projected to reduce our use of electricity for cooling by about 200,000 kWh per year and natural gas for heating by about 9,000 therms per year. This project

helps us achieve an additional 1% reduction in energy consumption from our baseline energy consumption in 2010. Our goal is to reduce energy consumption by 35% by 2020.

The energy-saving features of this Project include the use of water as the heat exchanging mechanism as well as the use of variable frequency drive (VFD) pumps for pumping water throughout the system. Due to these features, OWASA was awarded a \$14,000 incentive from Duke Energy as part of their Smart Saver Incentive Program. Energy calculations were performed during the initial “Study Phase” of the Project, and it is estimated that the new system will save approximately 30% on annual energy costs compared to the existing system.

The project was designed in Fiscal Year 2017 and bid in Fiscal Year 2018. Construction is expected to last about 10 months.

Throughout construction of the HVAC system, Capital Improvements Program (CIP) staff will provide periodic project updates and will interact with OWASA customers and employees who may be impacted by the construction. Close coordination with OWASA employees will be conducted so that office spaces may be relocated during construction and impacts to services and functions are minimized.

**Advertising and Bidding:**

Prospective bidders were screened through our standard prequalification process, which involved having interested contractors submit a package outlining their qualifications, including past performance on similar projects, credentials of their management team, safety record, etc. Only those firms that clearly demonstrated the capability to adequately perform the work were invited to submit bids.

The Request for Qualifications (RFQ) was posted June 6, 2017. After review, five contractors were prequalified to bid on the project. The invitation for bids was issued to the prequalified contractors on August 7, 2017. A total of three bids were received on August 31, 2017 and opened publicly. Comfort Systems was the low, responsive and responsible bidder for the project with a bid of \$1,532,000.00. A copy of the certified bid tabulation is attached with the Engineer’s recommendation for award (Attachment 1), and the results are summarized below:

Comfort Systems USA (MidAtlantic), LLC	\$1,532,000.00
Superior Mechanical Services, Inc.	\$1,700,000.00
H.M. Kern Corporation	\$1,734,000.00
<i>Engineer’s Final Estimate</i>	<i>\$1,327,500.00</i>

**Minority and Women Business Enterprise (MWBE) Participation:**

OWASA’s Minority Business Participation Outreach Plan and Guidelines include all of the statutory requirements from the State of North Carolina, and specifies a 10% goal for participation by minority businesses. In keeping with standard practice, OWASA staff took several actions to solicit minority participation in this contract, including advertising the RFQ in the Greater Diversity News, North Carolina Institute of Minority Economic Development, North Carolina Department of Administration Historically Underutilized Businesses, OWASA’s website, and plan rooms. OWASA also requires bidders to complete “good faith” efforts to solicit participation by minority subcontractors. OWASA staff publicly advertised the formal bid as an additional effort to encourage participation by subcontractors where it was feasible.

The apparent low bidder (Comfort Systems) anticipates that \$71,000.00 of the work will be performed by Minority and Women Business Enterprise (MWBE) subcontractors. Additionally, they provided documentation of good faith efforts of their attempts to involve MWBE subcontractors. The total percentage of work going to an MWBE in this contract is approximately 4.6%, all of which will be performed by women-owned businesses. Although the portion of work performed by an MWBE falls short of OWASA’s MWBE participation goal, every attempt was made to involve MWBEs by OWASA and Comfort Systems. Comfort Systems was responsive in its good faith efforts to reach MWBEs and achieved 110 points in its “Listing of Good Faith Efforts.” Only a minimum of 50 points is required on this list in order for the contractor’s bid to be considered responsive. In addition, Comfort Systems solicited bids from a list of 25 MWBEs, several of which have local operations within the Triangle.

**Bid Analysis and Recommendation:**

The three bids received were in the anticipated range with favorable pricing for the low bid (the high bid was roughly 13% higher than the low bid). However, the low bid was approximately 15% higher than the Engineer's estimate. An alternative was considered for re-bidding the Project in the hopes to obtain a lower bid. However, current demand for HVAC work is high and appears to be driving the price for HVAC work even higher. Based on communication with the design engineer, McKim & Creed, increasing prices for this type of work has been a trend they have noticed on other similar projects in recent years. Re-bidding the project in the future was viewed as a risk that could potentially lead to even higher prices. Therefore, it was determined that the current bid is a competitive cost under current market conditions.

Comfort Systems has worked with the design engineer, McKim & Creed, on a couple similar HVAC projects. Comfort Systems was the contractor who performed an HVAC renovation in 2011 for Partnership Elementary School in Raleigh. They also replaced components of the HVAC system at the Glaxo building on UNC Chapel Hill’s campus in 2015.

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Comfort Systems has the ability to complete this project, was evaluated thoroughly during the prequalification process, and they demonstrated sufficient qualifications in past project performance, personnel qualifications/experience, reference checks, and all other rated categories. OWASA staff also determined that Comfort System's safety performance, relevant project experience, bonding capacity, and other non-rated categories met our requirements.

McKim & Creed's recommendation that the construction contract for this project be awarded to Comfort Systems is attached along with the certified bid tabulation (Attachment 1). OWASA staff concurs with this recommendation. In order to proceed, we request the Board's adoption of the attached resolution (Attachment 2) awarding the construction contract to Comfort Systems.

**Information:**

Attachments

1. Engineer's Recommendation for Award and Certified Bid Tabulation
2. Resolution

September 5, 2017

M&C 01519-0042

Mr. Dustin Rhodes, PE  
Orange Water & Sewer Authority  
400 Jones Ferry Road  
Carrboro, NC 27510

RE: Administration Building HVAC Replacement (CIP No. 280-06)  
Recommendation of Award

Dear Mr. Rhodes:

On Thursday, August 31, 2017 at 3:00 p.m., the Orange Water & Sewer Authority received bids for the Administration Building HVAC Replacement project. Three (3) bids were received and the bids were opened and read aloud. The advertisement and bidding procedures were consistent with statutory requirements to the best of our knowledge. Please refer to the attached certified bid tabulation for the bids received. The referenced bids have been reviewed by the Engineer, and Comfort Systems USA (MidAtlantic), LLC (NC GC License #45477) is the apparent low bidder.

Comfort Systems USA (MidAtlantic), LLC is properly licensed and experienced in the type of construction involved, as indicated by the information supplied with the bid. Comfort Systems USA (MidAtlantic), LLC has also previously been prequalified to submit Bids for the project by the Orange Water & Sewer Authority. Based on the Engineer's review of the bids, we recommend award of the project to the lowest responsible, responsive bidder, Comfort Systems USA (MidAtlantic), LLC in the total amount of \$1,532,000.00. This amount includes the base bid and Alternate M1 for commissioning support.

Please accept this letter as the formal recommendation of award of construction contract to Comfort Systems USA (MidAtlantic), LLC. This recommendation of award is subject to approval and acceptance of the submitted bid by the Orange Water & Sewer Authority.

Venture IV Building

1730 Varsity Drive

Raleigh, NC 27606

919.233.8091

Fax 919.233.8031

[www.mckimcreed.com](http://www.mckimcreed.com)

Enclosed you will find the following documents:

- Certified Bid Tabulation
- Comfort Systems USA (MidAtlantic), LLC Bid Package
- Comfort Systems USA (MidAtlantic), LLC Bid Bond

It is recommended that a construction contingency be held in the budget to cover any unforeseen conditions that may be encountered during construction.

Should you have any questions or concerns in regards to this letter or any of the enclosures, please do not hesitate to contact our office. We look forward to working with the Orange Water & Sewer Authority to successfully complete the construction phase of this project.

Sincerely,

McKIM & CREED, INC.



Christopher M. Martin, Jr., PE  
Sr. Project Engineer

Enclosures

cc: File, w/encl.  
Ben Latino, PE (M&C)

CERTIFIED BID TABULATION

Orange Water and Sewer Authority  
 Administration Building HVAC Replacement  
 OWASA CIP #: 280-06  
 McKim & Creed Project #: 01519-0042  
 BID DATE: August 31, 2017 at 3:00 PM



Bidder:	Comfort Systems USA (MidAtlantic), LLC	H.M. Kern Corporation	Superior Mechanical Services, Inc.
License Number:	45477 (GC) 24425 (P&H)	8542	6911
Bid Bond:	Yes	Yes	Yes
MBE Forms:	Yes	Yes	Yes
Acknowledge Addendum No. 1	Yes	Yes	Yes
Acknowledge Addendum No. 2	Yes	Yes	Yes
ITEM 1: Administration Building HVAC Replacement	\$1,515,000.00	\$1,707,000.00	\$1,685,000.00
ITEM 2: Alternate M1 - Support Commissioning Effort as Outlined in Specifications	\$17,000.00	\$27,000.00	\$15,000.00
<b>Total Bid Amount</b>	<b>\$1,532,000.00</b>	<b>\$1,734,000.00</b>	<b>\$1,700,000.00</b>

**Certification:**

I hereby certify that the above recording sheet is a true, accurate tabulation of the bids received on August 31, 2017, at 3:00 PM in the Orange Water and Sewer Authority Administration Building, Board Room, 400 Jones Ferry Road, Carrboro, North Carolina 27510.

Christopher M. Martin, Jr., PE





**RESOLUTION AWARDING A CONSTRUCTION CONTRACT FOR THE  
ADMINISTRATION BUILDING HEATING, VENTILATION, AND AIR  
CONDITIONING (HVAC) REPLACEMENT PROJECT**

**WHEREAS**, there is a need to resolve ongoing comfort issues experienced by OWASA customers and employees in the Administration Building by replacing the HVAC system; and

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

**WHEREAS**, advertisement for contractor qualifications was published on the websites of the North Carolina Institute of Minority Economic Development, North Carolina Department of Administration, and OWASA in June 2017, and five contractors were qualified to bid; and

**WHEREAS**, on August 31, 2017, the prequalified contractors were formally invited to submit construction bids for the project, and three bids were received; and

**WHEREAS**, Comfort Systems USA (MidAtlantic), LLC of South Boston, Virginia has been determined to be the low, responsive, and responsible bidder for the project; and

**WHEREAS**, on June 8, 2017 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 Comfort Systems USA (MidAtlantic), LLC, the low responsive, responsible bidder for the Administration Building HVAC Replacement Project, in accordance with the approved plans and specifications, in the amount of \$1,532,000.00, 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 14<sup>th</sup> day of September, 2017.

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Robert Morgan, Chair

ATTEST:

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Yinka Ayankoya, Secretary

## **Agenda Item 5:**

Diversity and Inclusion Program Progress Report and Equal Employment Opportunity/Affirmative Action Report for Fiscal Year 2017

### **Purpose:**

To provide 1) Progress Report on the Initial Implementation Plan for the Employee Diversity and Inclusion Program; and 2) Annual EEO Report for Fiscal Year 2017; and to receive feedback from the Board of Directors.

### **Background:**

On March 9, 2017, the Board approved the Initial Implementation Plan for our Diversity and Inclusion Program (Plan) and requested that a consultant be hired within the next quarter to assist with the work.

Staff and VISIONS, Inc. (consultant) provided a progress report on June 8, 2017. The next progress report was scheduled for September 14, 2017.

The Plan's goals are:

1. The diversity of OWASA's workforce reflects the communities we serve.
2. Inclusive work environment for everyone that encourages and supports each Team member to contribute to their full ability towards OWASA's mission

### **Progress Report:**

With considerable assistance and guidance from VISIONS, Inc. and the active participation of our staff, we have made important progress on the Plan as summarized in Attachment #1.

Key accomplishments include:

- Staff continues to engage with agencies and organizations to seek assistance in recruitment.
- NeoGov software implemented which is a key recruitment and data management tool.
- Recruitment Plans are prepared for each job vacancy which considers local census data to develop applicant targets for under-represented groups.
- Additional employees have been trained on the newly developed standard processes for interview panels and making employment decisions.
- A new employee Welcome Team has been developed and trained to improve the onboarding process.
- Three employee groups have been formed and trained to help guide the Diversity and Inclusion (D&I) work. The *Diversity Resource Group* has 13 employee volunteers from throughout the organization to help shape the upcoming Focus Group Assessment

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interviews with all staff and to help guide and promote the D&I work throughout the organization. The *Diversity Recruitment Group* is made up of hiring managers and Human Resources staff. This group is working on improvements to the recruitment and selection process. The *Diversity Leadership Group* includes the five Department Directors and Executive Director to provide the leadership and support to make sure the OWASA Team delivers excellent service to our customers while providing a diverse workforce and an inclusive work environment for all. Each group has been provided 16 hours of training by VISIONS, Inc. See Attachment #2 for more information from VISIONS, Inc. detailing the components and goals and objectives.

### **Fiscal Year 2017 EEO Report:**

Each year staff provides the Board an annual report summarizing recruiting practices and the demographics of our workforce (attachment #3).

#### Recruiting Efforts

When a job vacancy occurs, the position is posted internally as well as externally using the following methods:

- NC Department of Commerce – Division of Employment Security
- OWASA Website and Twitter
- Newspapers and other Print Publications
- Online Advertising
- Minority Organizations and Groups
- Colleges and Universities
- Churches
- Other Organizations

#### Diversity in our Workforce

As of June 30, 2017, our workforce was 21.9% Female and 78.1% Male and 74.2% White, 14.9% Black, 5.5% Two or More Races, 2.3% Hispanic, 2.3% Asian and 0.8% American Indian or Alaska Native.

#### Applicant Diversity

Filling vacancies with the best candidates, based on the skills and qualifications needed for the position remains the focus of our hiring practices. In fulfilling this goal, we seek to encourage and promote diversity within the organization. We will continue to advertise in a wide variety of venues to attract a diverse candidate base. We will pursue opportunities to recruit employees at all levels by participating in outreach efforts to make more potential applicants aware that OWASA is a good place to work.

#### Key Take-Aways

Key takeaways for staff from EEO Report are:

- As workforce diversity is tracking similar to the previous year, we have the important opportunity to improve diversity at all levels of the organization.

September 14, 2017

- When we generate more minority applicants, we have more success at hiring minority employees.
- No applicants reported as being Hispanic for Fiscal Year 2017, this is clearly a focus area.
- More applicants voluntarily provided race and gender information from last year.
- Starting this year we are reporting separate categories for Hispanic, Asian, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander and Two or more races.

**Staff Comments:**

We are committed to address key areas of disparity and focus on the need for more diverse applicants and employees. By increasing the applicant pool, training the Diversity Recruitment Group on standard processes and reducing and eliminating bias, we are confident our long-term D&I Program will be successful.

We seek the Board's continued support and feedback on what they like about our work to date and areas for improvement.

**Information:**

At the September 14, 2017 Work Session, members of the *Diversity Resource Group* and the *Diversity Recruitment Group* will make presentations and be available to answer Board member questions.

- Attachment #1
  - OWASA's Diversity and Inclusion Program, September 14, 2017 Progress Report
- Attachment #2
  - Four slides from VISIONS, Inc.
- Attachment #3
  - Exhibit A - Workforce Race and Gender Distribution
  - Exhibit B - Applicant Race and Gender Distribution
  - Exhibit C - EEO Job Classification for each Position
  - Exhibit D - Board of Directors Race and Gender Distribution

# September 14, 2017 Progress Report

## OWASA's Diversity and Inclusion Program

### Initial Implementation Plan – adopted March 9, 2017

Goal 1. The diversity of OWASA's workforce reflects the communities we serve.

<b>Objective 1.1 Attract diverse pool of applicants for open positions.</b>						
<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
Increase the diversity of applicants for employment and establish OWASA as an employer that values diversity and inclusion.	1.1a	Develop a list of agencies/ organizations that can assist OWASA with ways to attract a more diverse group of applicants for employment.	Human Resources and Safety Director (HR Director)	March 2017 Ongoing to keep current	Comprehensive list developed	<b>Complete and ongoing.</b>  <i>The Recruitment Efforts and Strategies form is maintained and routinely updated. Individuals and agencies on this list are provided recruitment notifications.</i>
	1.1b	Engage with agencies/ organizations to seek assistance in recruitment and to communicate OWASA's commitment as an employer that values diversity and inclusion.	HR Director  (May be a collaborative effort with local governments)	August 2017 Ongoing to keep current	Number of agencies/ organizations participating  Diversity of applicants increases	<b>Since March 2017 OWASA staff attended <del>seven</del> <u>eight</u> career fairs.</b>  <i>Approximately 96 outreach letters went to area agencies describing our interest and commitment to strengthening our diversity. As a result, we met with three agencies to discuss possible employment programs. With one additional group, we advertised in their brochure that</i>

<i>Strategies</i>	<i>Task #</i>	<i>Tasks</i>	<i>Resources to Complete Task</i>	<i>Target Completion Date</i>	<i>Outcomes &amp; Measures of Success</i>	<i>Status as of Sept. 14, 2017</i>
						<i>OWASA seeks a diverse workforce. Director of HR &amp; Safety will speak at StepUp Durham event in the fall.</i>
	1.1c	<p>Solicit assistance from OWASA employees for employment referrals and suggestions to improve diversity recruitment.</p> <p>Consider adding this scope to existing Employee Human Resources Team or creating new Employee Diversity and Inclusion Team.</p>	Department Directors	Ongoing	<p>Number of employee referrals</p> <p>Diversity of applicants reflects the diversity of the labor market for that position</p>	<p><i>Since July 1, 2016 there have been <u>three-five</u> candidate referrals submitted by employees. (<u>One of None of the the referred candidates was <u>ere-hired offered a position and accepted, one was offered a position and declined.</u></u>)</i></p> <p><i>When recruitments open, an e-mail is sent to all employees reminding them of the program.</i></p> <p><i><u>Diversity and Inclusion Team will be established</u></i> <i><u>The Diversity Resource Group has been established.</u></i></p>
	1.1d	Evaluate the job application process for implicit and explicit biases.	Consultant	<u>July-October</u> <u>December</u> 2017	<p>Use industry best practices</p> <p>Increase yield of a diverse applicant pool at each stage of</p>	<p><i><u>VISIONS suggested this task be completed after the <u>Focus Group Assessment.</u></u></i> <i><u>organizational assessment.</u></i></p>

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
					the application/ selection process	
	1.1e	Implement NeoGov (on-demand HR software for the public sector) for applicant tracking and management reporting to provide greater functionality for applicants and provide statistical data for Team evaluation.	HR Director	May 2017	Software implemented Staff trained	<b><i>Software implemented and training <u>has taken place with hiring supervisors and managers. -with each recruitment.</u></i></b>  <b><i>An overview/ training session <u>will be provided at the June 8<sup>th</sup> Managers meeting.</u></i></b>
Prepare a recruitment plan for each job vacancy to ensure continuing efforts to build a diverse workforce.	1.1f	Develop process for preparing recruitment plans for each job vacancy.	Consultant	<del>August</del> <u>October</u> <u>December</u> 2017	Standard process for preparing recruitment plans completed Staff trained Applicant pools are diverse	<b><i><u>VISIONS suggested this task be completed after the organizational assessment.</u></i></b> <b><i><u>Internally we have created a recruitment plan for each vacancy.</u></i></b> <b><i><u>VISIONS, Inc. will review the current plan by December 2017.</u></i></b>
	1.1g	Using local census data, develop applicant targets for under-represented groups for each job category.	HR Director	August 2017	Targets for each job category established and incorporated into recruitment plans	<b><i><u>Ongoing Orange County census data is compared with departmental data to assist in determining under-represented groups to be targeted during advertising.</u></i></b>

**Objective 1.2 Employment decisions are made based on merit and job-related ability.**

<i>Strategies</i>	<i>Task #</i>	<i>Tasks</i>	<i>Resources to Complete Task</i>	<i>Target Completion Date</i>	<i>Outcomes &amp; Measures of Success</i>	<i>Status as of Sept. 14, 2017</i>
Conduct training for supervisors on recognizing and understanding explicit and implicit bias and how to effectively conduct screening and selection interviews.	1.2a	Provide mandatory training program for all supervisors.  (Offer voluntary training to non-supervisors.)	Consultant	<del>August 2017</del> March 2018	Training program developed  All supervisors successfully complete training and demonstrate competency  Employment decisions based on an established and creditable merit system	<b><i>VISIONS suggested this task be completed after the <u>Focus Group Assessment</u>, <u>organizational assessment</u>.</i></b>
	1.2b	Evaluate “train-the-trainer” to sustain the training program moving forward.	Consultant Department Directors	TBD	TBD	<b><i>We expect to learn more about this task after the supervisory training has been completed.</i></b>
Use an inclusive process to objectively evaluate candidates for vacant positions to inform employment decisions.	1.2c	Develop standard process for use by an employee interview panel for vacant positions.	Executive Director	March 2017	Standardized process for use of employee evaluation panel completed  Staff trained	<b><i>Completed.</i></b>  <b><i><u>One hundred and twenty-four Eighty-one (81 124)</u> employees have been trained. <u>Additional training scheduled for June 2017.</u></i></b>
	1.2d	Develop standard process for making employment decisions.	Executive Director	March 2017	Standard process completed  Staff trained	<b><i>Completed.</i></b>  <b><i><u>One hundred and twenty-four (124) Eighty-one (81)</u></i></b>

Revision mode edits reflect changes from the June 8, 2017 Progress Report



<i>Strategies</i>	<i>Task #</i>	<i>Tasks</i>	<i>Resources to Complete Task</i>	<i>Target Completion Date</i>	<i>Outcomes &amp; Measures of Success</i>	<i>Status as of Sept. 14, 2017</i>
					Workforce diversity	<i>employees have been trained. <del>Additional training scheduled for June 2017.</del></i>

## Goal 2. Inclusive work environment for everyone that encourages and supports each Team member to contribute to their full ability towards OWASA's mission

### Objective 2.1 Employees are aware of the importance and value of diversity and inclusion

<i>Strategies</i>	<i>Task #</i>	<i>Tasks</i>	<i>Resources to Complete Task</i>	<i>Target Completion Date</i>	<i>Outcomes &amp; Measures of Success</i>	<i>Status as of Sept. 14, 2017</i>
Provide training for all employees on the importance and value of diversity and inclusion and how they contribute to a successful, diverse and dynamic work environment.	2.1a	Provide voluntary training program for all employees.	Consultant	<del>October 2017</del> <u>March - May 2018</u>	Training program developed Number of employees trained Employee feedback	<i><b>VISIONS suggested this task be completed after the Focus Group Assessment <del>organizational assessment</del> and supervisor training.</b></i>  <i><b><u>Three groups have been formed and provided 16 hours of training.</u></b></i> <i><b><u>1) Diversity Resource Group</u></b></i> <i><b><u>2) Diversity Recruitment Group</u></b></i> <i><b><u>3) Leadership Group</u></b></i>

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
	2.1b	Evaluate “train-the-trainer” to sustain the training moving forward.	Consultant Department Directors	TBD	TBD	<i>We expect to learn more about this task after the supervisory training has been completed.</i>
Provide training and coaching for all supervisors on how to lead and manage their area of responsibility in a manner that promotes and values the positive aspects of a more diverse workplace.	2.1c	Provide mandatory training for supervisors.  (Offer voluntary training to non-supervisors.)	Consultant	<del>October 2017</del> <u>March 2018</u>	Training program developed  All supervisors successfully complete training and demonstrate competency  Employee feedback	<i>VISIONS suggested this task be completed after the <u>Focus Group Assessment</u>. <u>organizational assessment</u>.</i>
	2.1d	Evaluate “train-the-trainer” to sustain the training moving forward.	Consultant Department Directors	TBD	TBD	<i>We expect to learn more about this task after the supervisory training has been completed.</i>
Assess the work culture to determine level of success for diversity and inclusion.	2.1e	Develop, administer and evaluate <u>Focus Group Assessment employee survey</u> and recommend options for improvement (combined with 2.3d).	Consultant Executive Director	<del>August-October</del> <u>November 2017</u>	<u>Assessment Survey</u> participation rate  Recommendations for continuous improvement	<i>As recommended by VISIONS, the <u>Focus Group Assessment organization assessment</u> will be completed via multiple <u>focus group meetings</u>.</i>

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
Establish a “welcome team” to help acclimate new employees	2.1f	Develop and train “welcome team.”	HR Director	April 2017	Onboarding process improved	<b><u>Seven Ten</u> employees volunteered to serve on the “Welcome Team”.</b> <b><u>Specific employees assigned to each new hire. A draft outline of activities was developed and we are seeking input from the Team.</u></b>

**Objective 2.2 Provide employees with opportunities to enhance their knowledge and skills to improve their performance and advance their career.**

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
Provide job skills training.	2.2a	Develop training program(s) for core job skills that benefit all employees and the organization (teamwork, communication, problem-solving, dispute resolution, multi-cultural appreciation, etc.).	Department Directors	TBD (longer-term task)	Training program developed	<b><u>No activity.</u></b> <b><u>Discussions are underway with Durham Tech and Capital Associated Industries to provide additional core skills training.</u></b>

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
	2.2b	Make core job skills training available for all employees.	Consultant Staff Intergovernmental cooperation (?)	TBD	Employee feedback  Employees demonstrate core job competency	<del>No activity.</del> <u>On July 13, 2017 training on how to reduce stress and diffuse controversy was provided by BHS. The voluntary session was attended by seventeen (17) individuals.</u>
	2.2c	Provide interested employees a coaching and mentoring program.	Department Directors	Ongoing	Number of mentors and mentees participating  Number of employees advancing career	<b>Complete and ongoing.</b> <b>There are currently four formal mentor/mentee relationships through the program.</b>

**Objective 2.3 Retain successful employees.**

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
Provide competitive total compensation (pay and benefits) and reward	2.3a	Evaluate options to allow employees to advance more quickly through their pay range based on performance.	Board of Directors Executive Director Department Directors	April 2017	TBD	<del>HR Committee will</del> <u>discussed at their June 6 and June 21, 2017 meetings.</u>

<b>Strategies</b>	<b>Task #</b>	<b>Tasks</b>	<b>Resources to Complete Task</b>	<b>Target Completion Date</b>	<b>Outcomes &amp; Measures of Success</b>	<b>Status as of Sept. 14, 2017</b>
employees for high performance.	2.3b	Routine evaluation of total compensation.	Board of Directors Executive Director	Ongoing	Voluntary turnover rate	<b>Staff provided cost of labor and merit pay recommendation at the May 11, 2017 Work Session. <del>The Board increases the FY 2018 budget placeholder to 3.5%.</del> <u>The Board Human Resource Committee met twice in June to deliver a recommendation to the full Board on September 14, 2017.</u> Board decision on FY 2018 compensation expected in the fall 2017.</b>
Routinely assess the diversity and inclusive work culture to identify opportunities to improve.	2.3c	Evaluate process to timely and effectively address employee concerns.	HR Director	May 2017	Number of employee concerns successfully resolved	<b>The Grievance Procedures and Performance Review Appeal process were reviewed. Since July 1, 2016 there have been <del>four</del> <u>four</u> grievances successfully resolved. There were no Performance Review appeals.</b>
	2.3d	Develop, administer and evaluate <u>Focus Group Assessment employee survey</u> and recommend options for improvement	Consultant	<del>August 2017</del> <u>TBD</u>	<u>Assessment Survey</u> participation rate  Recommendations for continuous improvement	<b><del>This task is on hold.</del><u>will follow the training of the Diversity Resource Group, Recruitment Group and Leadership Group.</u></b>

<b><i>Strategies</i></b>	<b><i>Task #</i></b>	<b><i>Tasks</i></b>	<b><i>Resources to Complete Task</i></b>	<b><i>Target Completion Date</i></b>	<b><i>Outcomes &amp; Measures of Success</i></b>	<b><i>Status as of Sept. 14, 2017</i></b>
		(combined with 2.1e).				

# OWASA Diversity Goals and Objectives

*Delivering essential water, wastewater and reclaimed water services with excellence and stewardship*

## 1- Diverse Workforce

- **Diverse Applicant Pool**
  - Recruitment plan
  - Increase diversity in pool
- **Merit and Job-related Decisions**
  - Train hiring teams
  - Standard processes
  - Reduce/eliminate bias

## 2-Inclusive Environment

- **Increase Awareness**
  - Org. Assessment
  - D&I Training
  - Welcome Team
- **Job Training**
  - Supervisory, D&I and Core Job Skills
- **Retention**
  - Core job skills development
  - Compensation
  - On-going climate assessment

# **Diversity Program Components with VISIONS**

- 1. Setting the Stage - Training and Consultation with the Leadership Teams: the Diversity Leadership Group, Diversity Resource Group, and the Diversity Recruitment Group**
- 2. Organizational Assessment and Report Back (all employees)**
- 3. Joint Assessment and Report with Hiring Managers on Improvements to Recruitment and Selection Processes**
- 4. Training, Development and Plan Implementation (based on findings)**
  - Leadership/Supervisory Training and Coaching**
  - All Employee Training**
  - Optional: Follow-up Training, Consultation, and Coaching with the Diversity Committee, Employees and/or Board as desired**

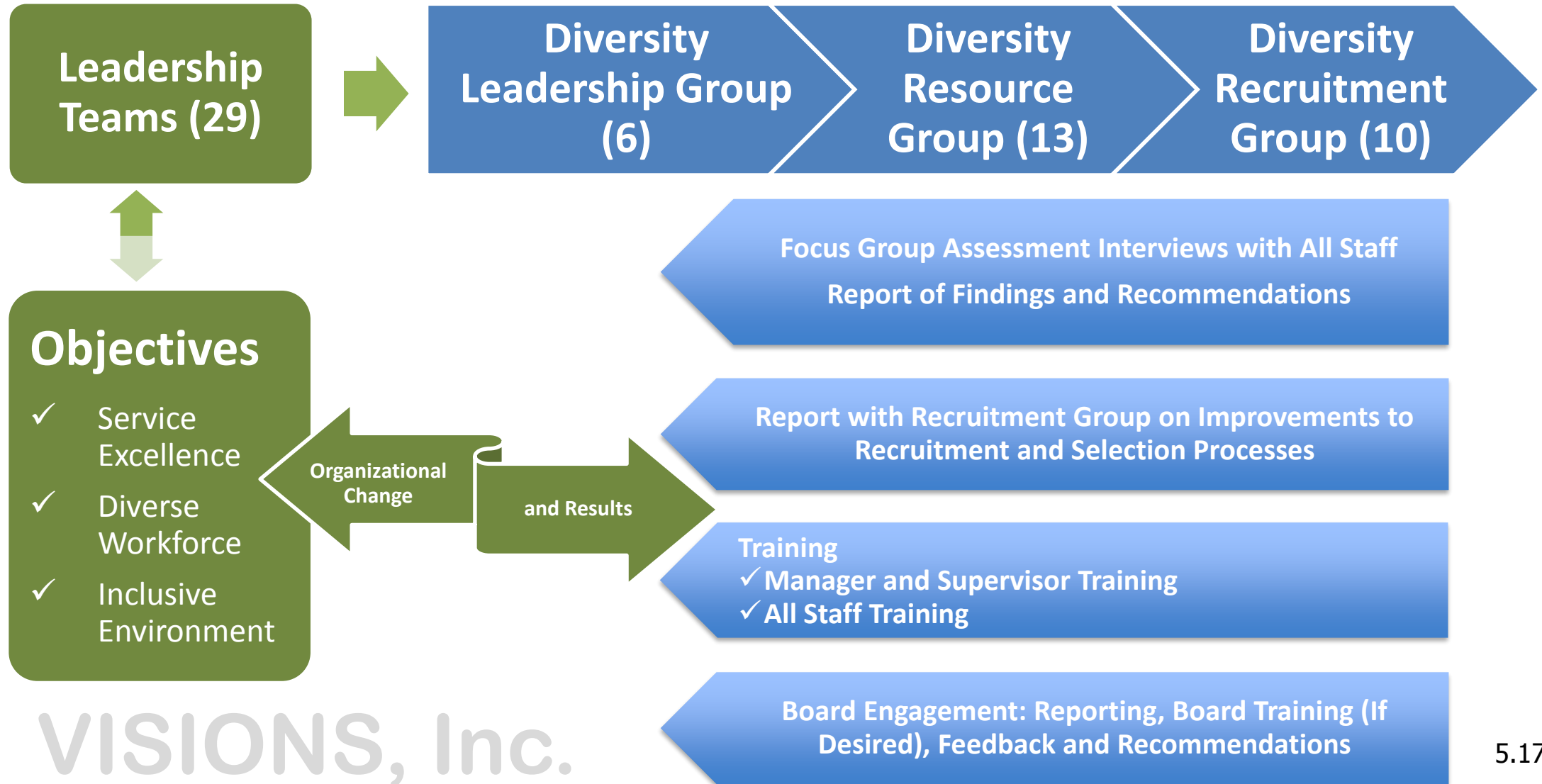


# “Setting the Stage” Training Schedule

<b>August 14</b>	8:00 – 12:00	Leadership Group
<b>August 14</b>	1:00 – 5:00	Recruitment Group
<b>August 15</b>	8:00 – 5:00	Diversity Resource Group
<b>August 16</b>	8:00 – 12:00	Leadership Group
<b>August 16</b>	1:00 – 5:00	Recruitment Group
<b>August 22</b>	8:00 – 5:00	Diversity Resource Group
<b>August 28</b>	8:00 – 12:00	Leadership Group
<b>August 28</b>	1:00 – 5:00	Recruitment Group
<b>September 6</b>	8:00 – 12:00	Leadership Group
<b>September 6</b>	1:00 – 5:00	Recruitment Group

# OWASA Diversity Initiative with VISIONS

VISIONS, Inc.



VISIONS, Inc.

<b>Workforce Race and Gender Distribution By EEO Classification on June 30, 2017</b>									
<b>EEO Classification</b>	<b>Gender</b>		<b>Race</b>						
	<b>Male</b>	<b>Female</b>	<b>Two or More Races</b>	<b>White</b>	<b>Black or African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>American Indian or Alaska Native</b>	<b>Native Hawaiian or Other Pacific Islander</b>
<b>Officials and Administrators</b>	10	5	2	12	0	0	1	0	0
<b>Professionals</b>	8	5	0	12	1	0	0	0	0
<b>Technicians</b>	10	3	1	12	0	0	0	0	0
<b>Protective Service Workers</b>	2	0	0	2	0	0	0	0	0
<b>Paraprofessionals</b>	3	2	1	1	2	0	1	0	0
<b>Administrative Support</b>	1	11	0	5	6	1	0	0	0
<b>Skilled Craft Workers</b>	41	2	3	33	4	2	0	1	0
<b>Service-Maintenance</b>	25	0	0	18	6	0	1	0	0
<b>Total (128)</b>	100	28	7	95	19	3	3	1	0
<b>Percentage</b>	78.1%	21.9%	5.5%	74.2%	14.9%	2.3%	2.3%	0.8%	0

<b>Applicant Race and Gender Distribution By EEO Classification from July 1, 2016 to June 30, 2017</b>											
	<b>Gender</b>			<b>Race</b>							
<b>EEO Classification</b>	<b>Male</b>	<b>Female</b>	<b>Not Provided</b>	<b>Two or More Races</b>	<b>White</b>	<b>Black or African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>American Indian or Alaska Native</b>	<b>Native Hawaiian or Other Pacific Islander</b>	<b>Not Provided</b>
<b>Officials and Administrators</b>	1	3	0	0	3	1	0	0	0	0	0
<b>Professionals</b>	81	35	5	6	62	20	0	20	0	0	13
<b>Technicians</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Protective Service Workers</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Paraprofessionals</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Administrative Support</b>	54	340	14	25	219	116	0	11	2	1	34
<b>Skilled Craft Workers</b>	35	2	6	1	30	8	0	0	0	0	4
<b>Service-Maintenance</b>	108	6	9	4	77	33	0	2	0	0	7
<b>Total (699)</b>	279	386	34	36	391	178	0	33	2	1	58
<b>Percentage</b>	39.9%	55.2%	4.9%	5.1%	55.9%	25.5%	0	4.8%	0.3%	0.1%	8.3%

**Officials and Administrators**

Assistant Distribution and Collection Systems Manager  
Customer Service Manager  
Director of Engineering and Planning  
Director of Finance and Customer Service  
Director of Human Resources and Safety  
Director of Information Technology  
Distribution and Collections Systems Manager  
Engineering Manager (Capital Pro)  
Engineering Manager (Systems Dev)  
Executive Director  
Finance and Procurement Manager  
General Manager of Operations  
Planning and Development Manager  
Wastewater Treatment & Biosolids Recycling Manager  
Water Supply and Treatment Manager

**Professionals**

Asset Management and Facilities Engineer  
Business Systems Analyst  
Financial Analyst  
Laboratory Supervisor  
Maintenance Coordinator  
Maintenance Supervisor  
Operations Supervisor  
Public Affairs Administrator  
Sustainability Manager  
Utilities Engineer - Non-Registered  
Utilities Engineer - Registered

**Technicians**

Construction Inspector  
Database Administrator  
Engineering Associate  
Engineering Technician  
GIS Coordinator  
Laboratory Analyst  
Network Administrator

**Protective Service Workers**

Lake Warden  
Senior Lake Warden

**Paraprofessionals**

Accounting Technician I  
Accounting Technician II  
Billing Supervisor  
Human Resources Generalist  
Information Services Technical Specialist  
Solids Handling Supervisor

**Administrative Support**

Administrative Assistant  
Customer Service Representative  
Clerk/Cashier  
Executive Assistant  
Senior Customer Service Representative

**Skilled Craft Worker**

Crew Leader  
Senior Maintenance Mechanic  
Treatment Plant Operator  
Warehouse-Cross Connection Coordinator  
Utility Mechanic II  
Utility Mechanic III

**Service Maintenance**

Assistant Lake Warden  
Maintenance Mechanic  
Solids Handler  
Utility Mechanic I

<b>Board of Directors Race and Gender Distribution on June 30, 2017</b>									
<b>Appointment</b>	<b>Gender</b>		<b>Race</b>						
	<b>Male</b>	<b>Female</b>	<b>Two or More Races</b>	<b>White</b>	<b>Black or African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>American Indian or Alaska Native</b>	<b>Native Hawaiian or Other Pacific Islander</b>
<b>Chapel Hill</b>	4	1	0	4	0	0	1	0	0
<b>Orange County</b>	0	2	0	1	1	0	0	0	0
<b>Carrboro</b>	1	1	0	1	1	0	0	0	0
<b>Total (9)</b>	5	4	0	6	2	0	1	0	0
<b>Percentage</b>	55%	45%	0	66.7%	22.2%	0	11.1%	0	0

## **Agenda Item 6:**

Discuss Employee Merit Pay for Fiscal Year (FY) 2018

### **Purpose:**

To provide the Board with the Human Resource (HR) Committee's recommendation for Employee Merit/Cost of Labor Pay Increases for FY2018.

### **Background:**

At the May 11, 2017 Board Work Session, the Board requested the HR Committee meet and put forth a recommendation to the full Board regarding employee merit pay for FY2018 and an approach to advance employee compensation based on performance.

The HR Committee met on June 6, 2017 and were provided information and a staff recommendation regarding employee merit pay. The agenda for the meeting is located [here](#).

The Committee requested additional information from staff and met again on June 21, 2017. The meeting agenda can be accessed [here](#). After review and discussion, the Committee decided on a recommendation to present to the full Board at the September 14, 2017 work session.

### **HR Committee Recommendation:**

The HR Committee recommends:

- A 1% Cost of Labor increase for eligible employees who have earned a Successful or Exceptional Performance review during the October 2017 annual review process and to adjust by the same percentage the salary ranges in the Schedule of Employee Classification and Authorized Compensation.
- A Merit increase to employees earning a performance review rating of Successful during the October 2017 annual review process by increasing each eligible employee's present salary by 3%.
- A Merit increase to employees earning a performance review rating of Exceptional during the October 2017 annual review process by increasing each eligible employee's present salary by 6%.
- Any changes to the Pay Administration Guidelines and/or Performance Review System will be shared with employees prior to the beginning of the performance review period.
- Successful employees should reach their salary grade mid-point in 7-9 years.

Implementing the above merit pay recommendation would result in the following:

- Employees receiving a Successful performance rating would receive a total wage increase of 4%.
- Employees receiving an Exceptional performance rating would receive a total wage increase of 7.0%.
- Employees receiving a Needs Improvement or Unsuccessful performance rating are not eligible for an increase.
- Should the Board decide to target 7-9 years as the appropriate time-frame for an employee starting at the minimum of the pay range to reach the mid-point, the Board would need to approve an annual merit pay increase that exceeds the cost of labor increase by no less than 2.9% each year. No change to the existing Board approved Pay Administration Guidelines would be needed.

September 14, 2017

Staff would simply provide a cost of labor and merit increase proposal for the Board's consideration as part of the annual budget cycle to meet the Board's target for pay progression.

**Employee Pay Administration Guidelines:**

Following an Employee Classification and Pay Study, the OWASA Board adopted on January 10, 2013 the Pay Administration Guidelines which provide the following recommendations for 1) maintaining a market-based pay structure (Cost of Labor); and 2) implementing employee compensation increases (Merit Pay Adjustments).

**Cost of Labor Adjustments to OWASA's Pay Structure**

Pay structure should be adjusted annually in proportion to movements in the labor market.

“The percentage allocated for future adjustments to the pay structure will be based on movement of salaries in the market. For example, if salaries have increased on average by two percent (e.g., Cost of Labor equals two percent), the salary structure would need to be adjusted upward by two percent, to maintain OWASA's position relative to the market. This would be accomplished by moving the entire structure by two percent. If the pay structure moves, all employees' salaries in the structure should move a minimum of the same amount to avoid compression.”

Pay Range adjustments should be the same percentage as the Cost of Labor per Pay Administration Guidelines.

**Merit Pay Adjustments**

Our performance management system provides four overall ratings:

- Exceptional (10% of employees maximum)
- Successful
- Needs Improvement
- Unsuccessful

Only employees with Exceptional or Successful performance ratings are to receive an increase in compensation. Regarding increases for employees receiving an Exceptional or Successful rating, the Pay Administration Guidelines state that the amount recommended for merit increases:

“Should be based on data collected through a market review. Data can be collected from benchmark organizations to determine the average budgets for merit pay increases or data from World at Work can be used to determine the acceptable increases that should be allocated.” It further states “It is recommended that employees receiving Exceptional ratings should receive a percent increase of at least twice the level of the increase for a Successful rating.”



Discuss Employee Merit Pay for FY 2018

September 14, 2017

Page 3

**Market Analysis:**

Based on the most recent World at Work survey data available for the calendar year 2017, Cost of Labor increases are projected to be from 1.1% to 2.5% and the Merit Pay increases are projected to be from 2.7% to 3.2%. (See Attachment 1 for World at Work survey data.)

The following table shows planned compensation increases for local entities.

<b>Entity</b>	<b>Merit</b>	<b>Cost of Labor</b>
City of Durham	4%	N/A
Town of Cary	4%	N/A
Town of Hillsborough	3.25% Average (0 – 4.67%)	N/A
Cape Fear Public Utility	3%	1%
Town of Chapel Hill	N/A	2.5% (Adjusting 40 positions based on a recent market survey)
Town of Carrboro	N/A	3%
Orange County	One-time \$500, \$750 or \$1,000 Bonus Based on Performance	2%
Greenville Utilities	1.5%	1.7%

**Fiscal Year 2018 Budget:**

The FY 2018 budget includes a placeholder for an increase of 3.5% of wages or about \$290,000.

	<b>Components of Employee Pay Adjustments</b>	<b>World at Work</b>	<b>HR Committee Recommended Adjustment for Successful Rating</b>	<b>HR Committee Recommended Adjustment for Exceptional Rating</b>
	Cost of Labor	1.1 – 2.5%	1.0%	1.0%
+	Merit Pay	2.7% - 3.2%	3.0%	6.0%
=	Total Pay Increase		4.0%	7.0%
	Approximate Budget Impact		\$330,000	

If approved, pay range adjustments and pay increases normally go into effect the first pay period in November.

**Staff Recommendation:**

Staff believes the most important and time-sensitive task for the Board is to make a decision on Cost of Labor and Merit Pay increase for employees to be effective for the first pay period in November 2017. The Board is scheduled to make a decision about employee pay no later than the October 12, 2017 Work Session.

**Information Provided:**

For the Boards consideration the following documents are included:

- World at Work Salary Survey Data (Attachment 1)
- Employee Salary Data in relationship to their salary range minimums, midpoints and maximum (Attachment 2)
- Draft Resolution updating the Schedule of Employee Classification and Authorized Compensation; adjusting affected employees' compensation to the minimum of the pay range; and authorizing Cost of Labor and Merit Pay increases for eligible employees (Attachment 3)

## WORLD AT WORK SALARY SURVEY DATA

	2016				2017 projected			
	COLA	Merit	Other	Total <sup>4</sup>	COLA	Merit	Other	Total <sup>4</sup>
	(Percent)				(Percent)			
<b>1-499 Employees, \$30M-\$100M revenue</b>								
All Industries								
National	1.7	3.1	0.9	3.2	2.4	3.2	1.4	3.3
Southern <sup>1</sup>	2.3	3.2	0.8	3.2	2.5	3.2	2.1	3.6
NC	*	3.2	-	2.9	*	*	*	7.4
Public Administration <sup>2</sup>								
National	-	*	-	*	-	*	-	*
Southern <sup>1</sup>	-	*	-	*	-	*	-	*
NC	-	-	-	-	-	-	-	-
Utilities <sup>3</sup>								
National	*	2.9	*	4.2	-	-	-	-
Southern <sup>1</sup>	-	*	-	*	-	-	-	-
NC	-	*	-	*	-	-	-	-
<b>All Size Employees, All Size Revenue</b>								
All Industries								
National	1.4	2.7	0.9	3.0	1.6	2.9	0.8	3.1
Southern <sup>1</sup>	1.2	2.7	0.8	2.9	1.4	2.9	0.8	3.1
NC	1.5	2.8	0.7	3.0	1.6	2.8	0.8	3.1
Public Administration <sup>2</sup>								
National	1.5	2.8	2.1	3.3	1.3	2.9	0.8	3.1
Southern <sup>1</sup>	1.4	2.7	1.2	3.2	1.1	3.0	0.9	3.2
NC	*	2.8	*	2.9	-	2.7	*	2.8
Utilities <sup>3</sup>								
National	1.8	2.7	0.9	2.9	2.2	3.0	0.5	3.2
Southern <sup>1</sup>	1.7	2.7	0.4	2.8	1.8	3.0	0.4	3.2
NC	*	2.9	-	2.9	*	2.9	-	2.6

(-) No responses for this category

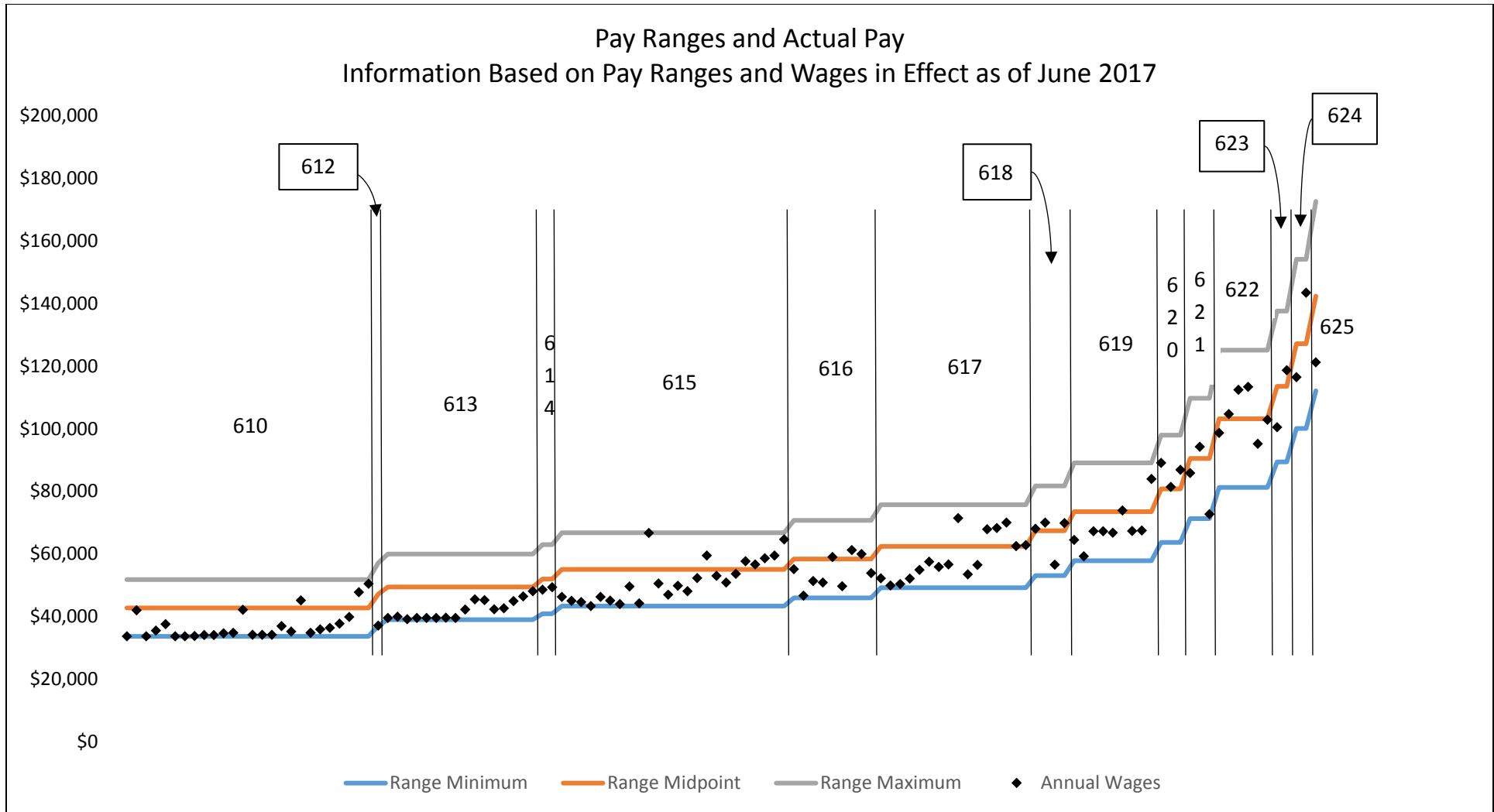
(\*) Less than 5 responses for this category

<sup>1</sup> Southern includes these states: AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

<sup>2</sup> Public Administration includes cities, states, port authorities, retirement systems, airport authorities, etc.

<sup>3</sup> Utilities include organizations such as Alliant Energy, Black Hills Corp, City Utilities of Springfield, MO, Entergy, NY Power Authority,

<sup>4</sup> The "Total Increase" is the increase for each year but it includes all types of increases. Therefore, it is not a straight average of the three "Types of Increase." The Total Increase will be an average of all increases across the three options listed (COLA, Merit, Other). When a Total Increase indicates an average that is higher than any of the three options, it means there are organizations that are giving multiple increases and the Total Increase is calculated using all increases provided by that organization.



**RESOLUTION UPDATING THE SCHEDULE OF EMPLOYEE CLASSIFICATION  
AND AUTHORIZED COMPENSATION; ADJUSTING AFFECTED EMPLOYEES'  
COMPENSATION TO THE MINIMUM OF THE PAY RANGE;  
AND AUTHORIZING COST OF LABOR AND MERIT PAY INCREASES  
FOR ELIGIBLE EMPLOYEES**

**WHEREAS**, the Orange Water and Sewer Authority maintains a Schedule of Employee Classification and Authorized Compensation which provides the appropriate number of properly classified and compensated employees to efficiently and effectively fulfill the organization's duties and responsibilities; and

**WHEREAS**, the Board of Directors has determined that it is necessary to increase the compensation provided in the various pay ranges of the Schedule of Employee Classification and Authorized Compensation in order to achieve and maintain a reasonable competitiveness with the compensation being paid in the relevant market; and

**WHEREAS**, the Board of Directors has determined that it is reasonable and necessary to provide Merit Increases in the present salary levels of qualified employees in order to reward their good work and encourage their continued performance in doing the work necessary for the operation of the OWASA service system:

**NOW THEREFORE, BE IT RESOLVED:**

1. That the Board of Directors hereby approves a \_\_\_\_\_% Cost of Labor increase for eligible employees who have earned a Successful or Exceptional Performance review during the October 2017 annual review process and the Executive Director is directed to adjust and implement the same percentage increase across the salary ranges in the Schedule of Employee Classification and Authorized Compensation.
2. That the Board of Directors hereby approves a Merit increase to employees earning a performance review rating of "Successful" during the October 2017 annual review process by increasing each qualified employee's present salary level by \_\_\_\_\_.
3. That the Board of Directors hereby approves a Merit increase to employees earning a performance review rating of "Exceptional" during the October 2017 annual review process by increasing each qualified employee's present salary level by \_\_\_\_\_.
4. That employees whose salaries fall below the minimum amount of the new pay ranges shall be brought up to the minimum of her or his respective pay range regardless of the performance rating earned.
5. That the pay adjustments will be effective October 30, 2017.

Resolution Updating the Schedule of Employee Classification and Authorized Compensation;  
Adjusting Affected Employees' Compensation to the Minimum of the Pay Range; and  
Authorizing Cost of Labor and Merit Pay Increases for Eligible Employees  
September 14, 2017  
Page 2

Adopted this 14<sup>th</sup> day of September 2017.

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Robert Morgan, Chair

ATTEST:

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Yinka Ayankoya, Secretary

## **Agenda Item 7:**

Discussion of Key Performance Indicator Report

### **Purpose:**

The purpose of this memo and its attachment is to provide the OWASA Board of Directors with a thorough explanation of the current monthly Key Performance Indicators Report (KPI Report) and make proposals for minor changes.

### **Background:**

OWASA staff have provided the OWASA Board of Directors with a KPI Report similar to the one currently provided since May 2010. The KPI Report was developed and is updated by researching performance measures in the industry, discussing the salience of KPIs for OWASA, and ensuring data availability and quality.

Data for the KPI Report are maintained and summarized by staff across the organization. Currently, the Sustainability Manager reviews and compiles this data into the KPI Report with the assistance of others. The monthly KPI Report is delivered to the Board via email and posted to the website no later than the 20<sup>th</sup> of the following month. In the email transmittal, we point out noteworthy events and trends and invite questions and feedback.

The purpose of the KPI Report is to provide a monthly snapshot, in graphic form, of organizational performance data to the OWASA Board of Directors, OWASA staff, and the community we serve. The data are not meant to be comprehensive, but rather to provide insight on (primarily outcome-related) metrics most meaningfully measured and reported on a monthly basis. Where goals exist, the metrics are tracked against them.

There are a number of methods through which these goals and targets are set. Financial targets are identified in the annual budgeting process. Other goals, such as “Biosolids Management”, “Drought Triggers”, and “Working Capital Reserve Targets” are set by the Board of Directors in policy. Some KPIs include goals linked back to industry benchmarks. The attached document identifies the source of the goals and targets embedded in the KPI Report.

In addition to keeping the Board of Directors apprised of monthly progress towards these goals and objectives, the KPI Report helps to ensure consistent focus on key performance indicators in a transparent way. Additionally, it keeps staff focused on the integrity of the data that we create and maintain.

The monthly KPI Report is not the only mode for reporting and communicating trend analysis. The Board is provided with data and trend analysis in a suite of other reports throughout the year. Below is a list of just some of these reports provided to the Board on a regular basis:

- Strategic Trends Report (Annual)
- Financial reports (Quarterly)
- Capital Improvements Program Status Report (Semi-Annual)
- Asset Management Program Report (Annual)

- Comprehensive Annual Financial Report (Annual)
- Equal Employment Opportunity Report (Annual)
- Budget (Annual)
- Capital Improvements Program (Annual)
- Energy Management Plan (Annual)

Of course, for every outcome metric included in these reports, there are a series of output and workload metrics used to help manage the day-to-day operations at OWASA. Additionally, we participate in the American Water Works Association's Benchmarking Survey, which provides us an opportunity to benchmark our performance against an array of performance indicators.

### **Discussion and Next Steps:**

The attached document provides a brief description of each set of KPIs, using the most recent KPI Report (July 2017) for content. Throughout the attached document, we propose some modifications to the existing Report for the Board's consideration (**outlined in orange**). At the end of the report, we introduce a new KPI for consideration (related to Service Reliability).

Staff welcomes the opportunity to discuss the KPI Report and individual metrics with the Board to ensure the report is usable and relevant. The Board has requested that staff update the following attachment and facilitate a Work Session discussion on a semiannual basis.

### **Action Requested:**

Staff seeks Board members' questions on individual KPIs (existing and proposed), as well as feedback on how to improve the content, update, and delivery of the report.

### **Information:**

- Explanation of Current Key Performance Indicators and Proposed Modifications

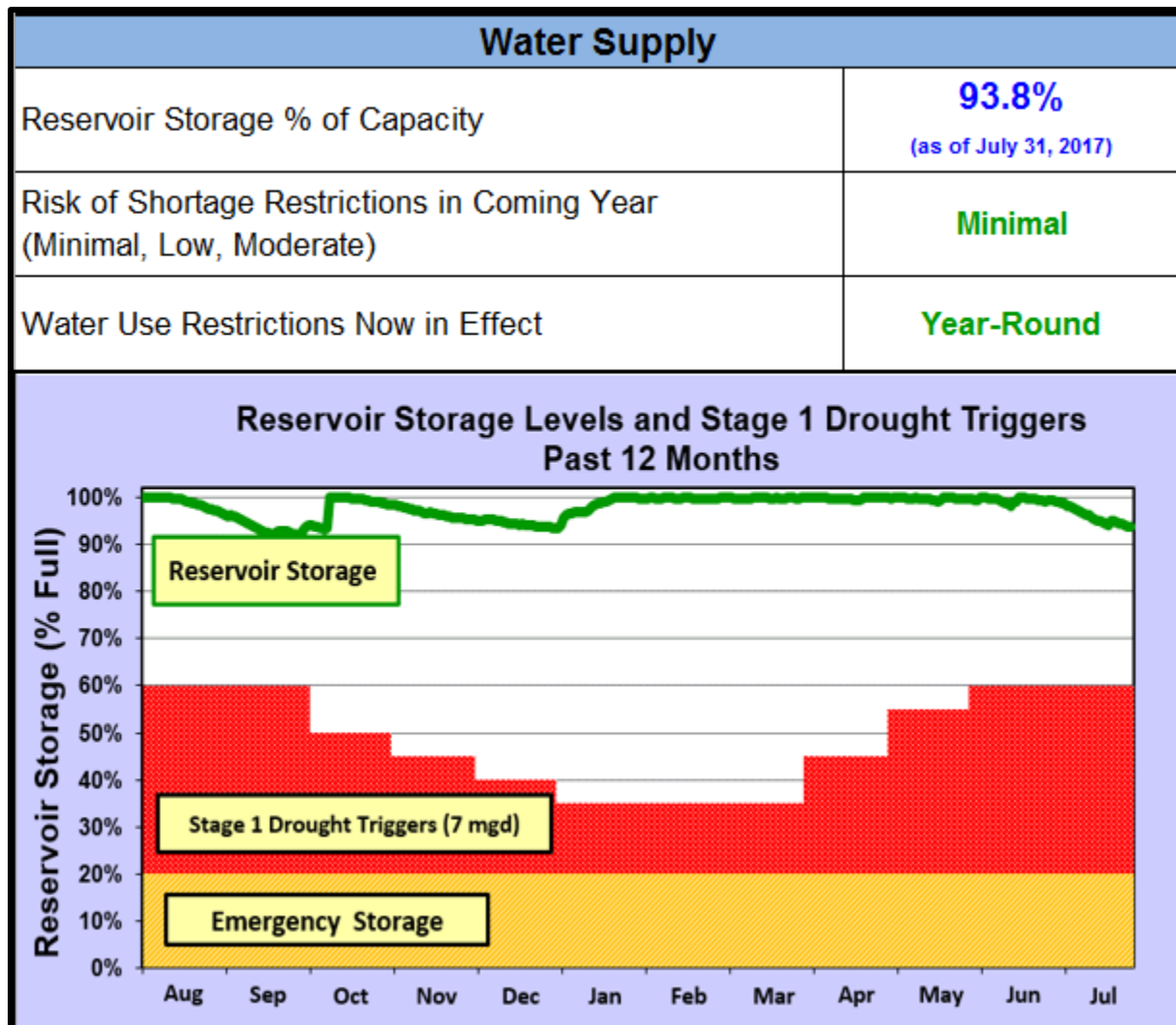


# Explanation of Current Key Performance Indicators and Proposed Modifications

## Contents

- Water Supply and Rainfall..... 2
- Water Demand (Sales in Million Gallons per Day)..... 4
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## Water Supply and Rainfall



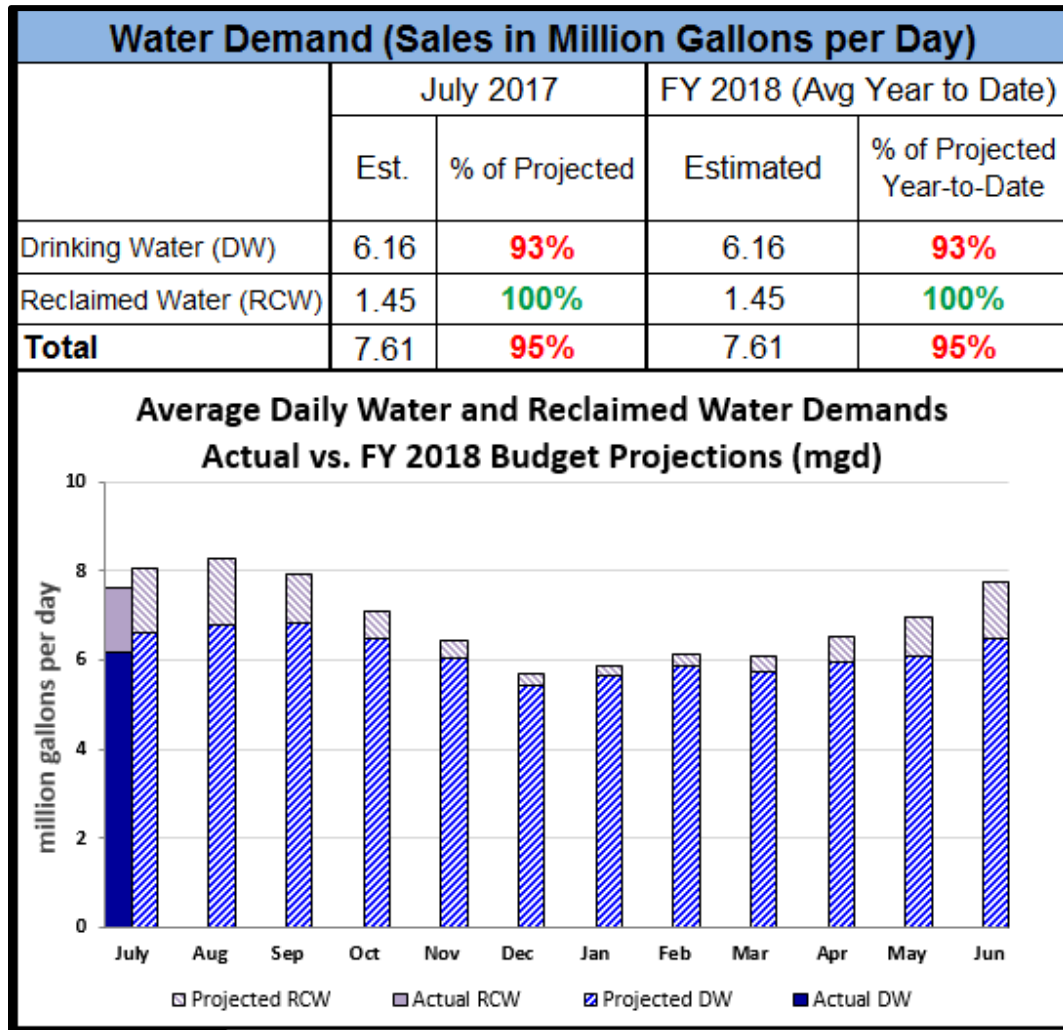
This series of metrics summarizes the condition of our water supply and helps to forecast our potential for entering into drought based on remaining supply in our reservoirs and current average water use by our customers. The calculations are based on the amount of water withdrawn from each reservoir and the water level in each reservoir every day. OWASA staff tracks customer demands and the amount of raw water supply remaining in each reservoir to ensure that customer demands can be met at any given time. On a daily basis, this information is posted on [OWASA's Water Watch website](#). The KPI summarizes this information at a monthly level.

OWASA's [Water Shortage Response Plan](#) (2015) defines the process and triggers for implementing water shortage response stages during extended droughts based on water supply risk and our Reservoir Optimization Model. The risk assessments provide a categorical assessment of the risk of entering drought restrictions based on the season and the difference between reservoir storage and the Stage 1 trigger. The KPI graph visually shows how close OWASA is to the Stage 1 drought trigger, given annual average day demand levels. (Stage 1 is the first of five stages of drought of increasing severity.)

<b>Rainfall (inches)</b>						
	July 2017			Last 12 Months		
	Actual	Hist. Avg. for Month	Variance	Actual	Hist. Average	Variance
Water Plant	3.76	4.52	<b>(0.76)</b>	53.92	47.96	<b>5.96</b>
Cane Creek	2.97	4.40	<b>(1.43)</b>	48.58	44.03	<b>4.55</b>

Trends in rainfall directly relate to our water supply, as well as inflow into the collection system. OWASA hosts two weather stations in the National Weather Service Cooperative Observer Program: one at Jones Ferry Road Water Treatment Plant (WTP) and one at Cane Creek Reservoir. Information such as maximum and minimum temperatures, current weather conditions, and precipitation amounts are collected daily and reported to the National Weather Service in Raleigh. Each month, we provide the monthly and 12 month cumulative rainfall and compare it to historical averages: 30 year average for Jones Ferry Road WTP and 25 year average for Cane Creek Reservoir. Given that we have no control over rainfall, there are no goals associated with this KPI, only historical context.

Water Demand (Sales in Million Gallons per Day)



Each year, we make monthly projections of average daily drinking water and reclaimed water sales to project revenues. Drinking water projections are based on analyses of historic information; reclaimed water sales are based on information provided by UNC. As we progress through the year, we compare actual sales to our budget projections. In effect, the budget projections become our goal for the year for water and reclaimed water sales.

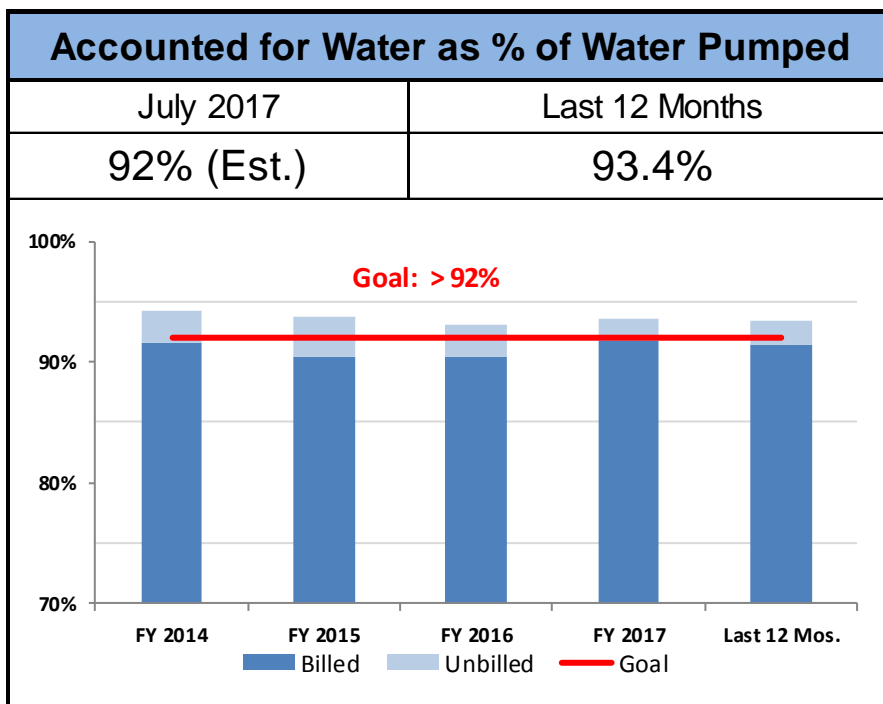
Each month in the KPI dashboard, we report the month’s actual water sales compared to what was estimated at the beginning of the fiscal year. Sales volume is the number of gallons of water sold. (We also do this for revenues, which is detailed in the Fiscal Year Budget Performance section.)

Monthly projections are made by allocating annual projections across the months based on historical trends. However, it is challenging to accurately align water demand with water revenue on a monthly basis. Given our increasing block rate structure, seasonal rates, and sewer cap, a thousand gallons of water sales can generate water and sewer commodity revenue of anywhere from about \$10 to \$25.

While monthly allocations of annual projections are valuable estimates to generally track water sales and revenue against projections, they are less accurate. We have seen that discrepancies are more evident in the early months of the year when less data is factored-in and a higher amount of the water use in those early months is largely affected by weather conditions.

It is noteworthy to recognize that the previous month’s water sales are estimated. Because we only read meters on a monthly basis, we cannot precisely assign a customer’s water use to one month or another. In an effort to better align water use with treated water that leaves the Jones Ferry Road WTP, we currently prorate each customer’s bills across the time from the latest meter reading to the last meter reading. The use of advanced metering infrastructure in the coming years will make tracking and forecasting water demand easier and more accurate.

### Accounted for Water as % of Water Pumped

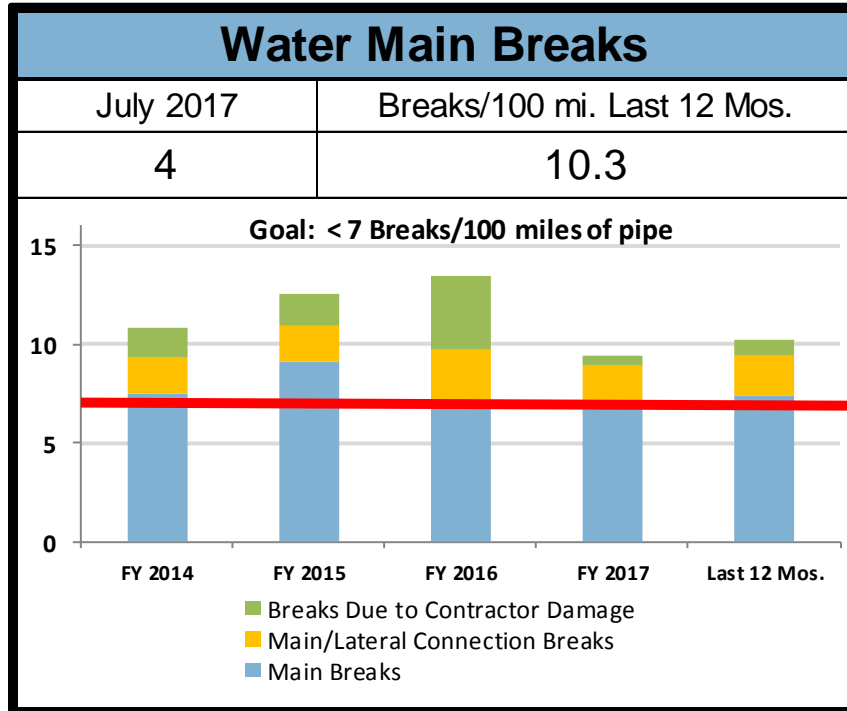


Unaccounted for water is defined as the difference between water produced and authorized water usage, including billed and unbilled water use. Unbilled water use is actual or estimated volumes of water used for authorized purposes, such as our unidirectional flushing program, flushing of water associated with the installation and testing of new lines, etc. Unaccounted for water can be attributable to include unauthorized water usage, meter inaccuracies, or leaks. The ratio of water sold to water produced can be used to gauge the overall condition of the distribution system.

Based on system characteristics, the American Water Works Association (AWWA) Water Audit Methodology calculates the low limit of leakage that could be technically achieved if all of today’s best technology could be successfully applied (referred to as the Unavoidable Annual Real Losses). In the Fiscal Year 2016 Water Audit conducted by OWASA, this amount equated to 92% of total water produced. This is the source of the goal set for this KPI. In essence, this means that it would be

technically difficult and costly to account for more than 92% of the water pumped from the Jones Ferry Road Water Treatment Plant.

### Water Main Breaks



The water main breaks KPI is defined as breaks occurring on water distribution pipes per hundred miles of water distribution pipes.

In August 2016, we revised the KPI and associated goal for water main breaks. We did so to better standardize how we track and compare this metric within the organization and the industry.

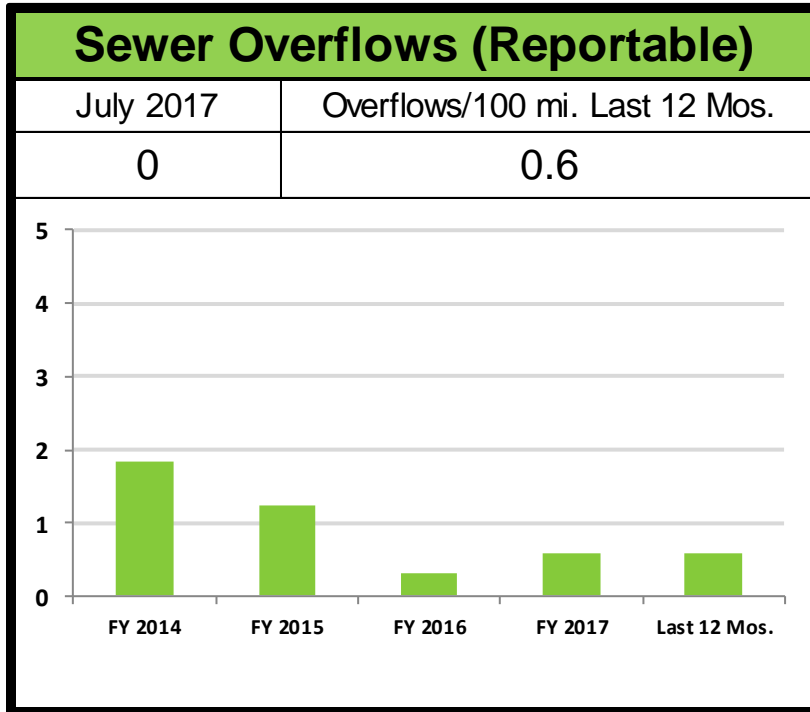
Prior to August 2016, we only reported the data represented by the light blue portion of the graph (breaks that occurred directly on water mains). The quantity of pipe breaks can be one indication of the overall condition of the distribution system. An excessive amount of main breaks per 100 miles of pipe indicates that the overall integrity of the distribution system may be declining. This portion of the graph helps inform our investment in the repair and rehabilitation of our distribution system.

After consultation with our peers and AWWA, we concluded that we should include two additional types of breaks: those that occur at the connection of our water mains and laterals and those that occur as a result of contractor damage. This modified KPI reflects the customer impact of water main breaks, as well as the integrity of our distribution system. We have separately identified each of these categories on the KPI graph to link back to our historical method of reporting and inform future decision-making.

The goal of “<7 breaks/100 miles of pipe” comes directly from the most recent (2016) AWWA benchmarking survey as the median number of breaks per 100 miles of pipe. This was a significant

decrease from the median reported in the 2012 survey at 11 breaks/100 miles of pipe. This is more likely a result in a change of participating utilities than any major change in the industry.

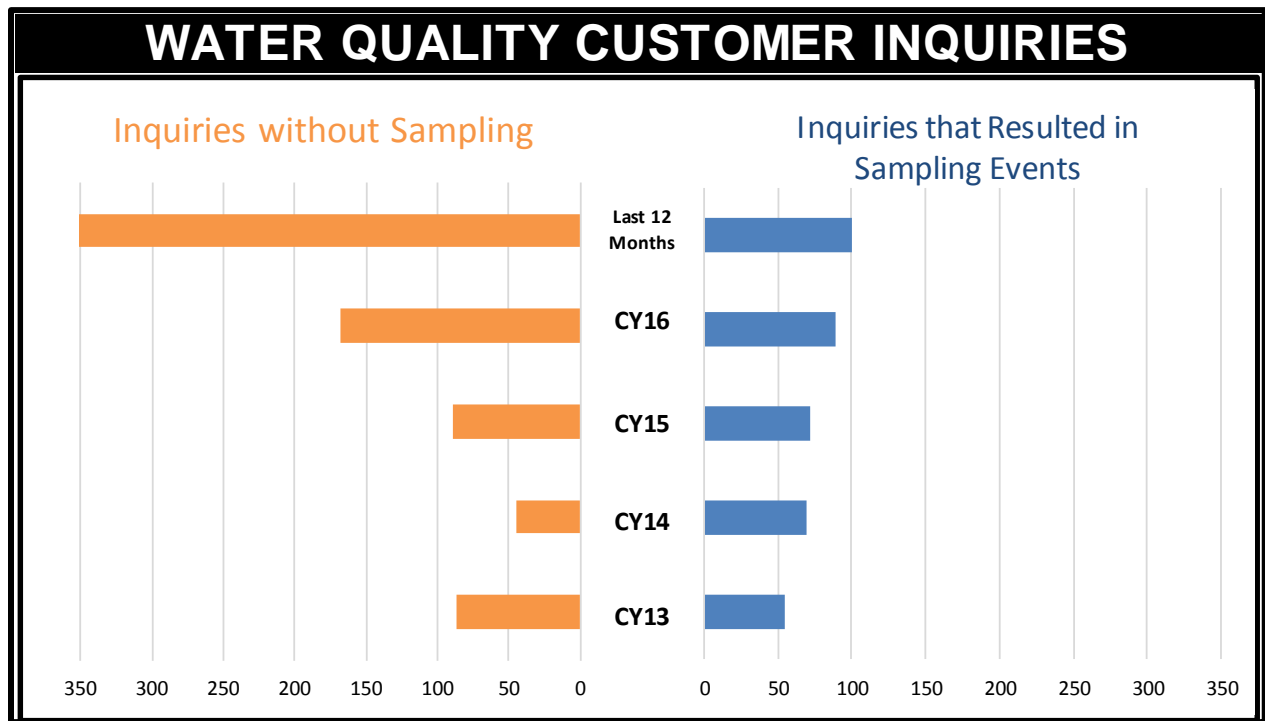
### Sewer Overflows (Reportable)



The sewer overflow metric is defined as reportable sewer overflows per hundred miles of gravity sewer and pressurized sewer pipes. A sewer overflow is reportable if the volume of sewage is equal to or greater than 1,000 gallons or any amount of sewage that reaches the surface waters of the state (including through ditches, storm drains, etc.). Overflows are typically caused by pipe breaks, pipe blockages, excessive inflow and infiltration, malfunctioning pump stations, and electrical power failure. We track the causes of sewer overflows on the annually-prepared Strategic Trends Report.

The quantity of overflows can be an indication of the overall condition of the collection system and the effectiveness of the collection system maintenance program. An excessive amount of reportable sewer overflows per 100 miles of pipe indicates that the integrity of the collection system may be declining and/or maintenance activities may be inadequate. Per NC Division of Water Resources guidance, OWASA strives to have no overflows.

## Water Quality Customer Inquires



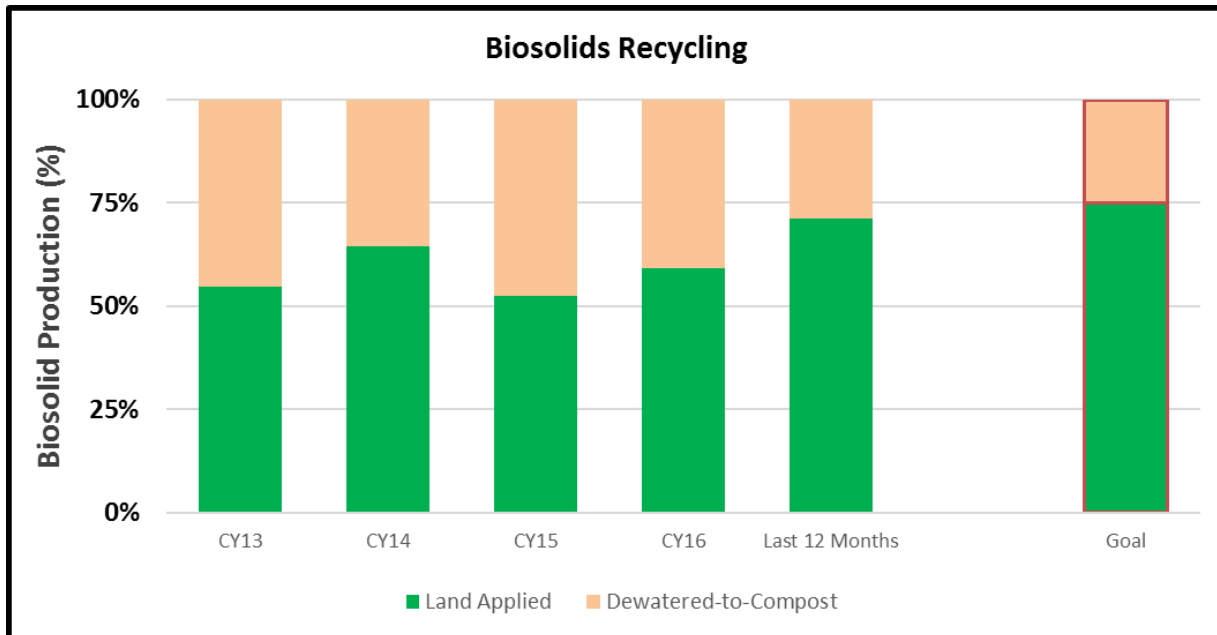
We encourage our customers to contact OWASA if they have any questions or concerns about the quality of their drinking water and take these inquiries very seriously. The inquiries we receive range from questions about boil water advisories, discoloration, our annual switch to free chlorine during the month of March, dezincification, and more as well as requests for water quality or lead and copper testing.

Some of these questions are answered with a phone call or email and others warrant sampling by WTP Laboratory staff. The number of inquiries we receive can increase following greater visibility of water quality issues at the local or national level, as well as greater awareness of OWASA and the services we provide. We experienced a higher-than-normal number of inquiries about taste and odor earlier this year.

This KPI was added in January 2017.



## Biosolids Recycling



The Biosolids Recycling KPI tracks trends in the amount of biosolids which OWASA applies to land and the amount it dewateres for composting. The WWTP produces an annual average of about 3.5 dry tons of biosolids each day. Most of this is applied in liquid form to agricultural land and a portion is dewatered to the texture and consistency of moist soil and transported to a private composting facility in Chatham County.

At its October 8, 2015 work session, the Board of Directors agreed that OWASA’s goal is to apply 75 percent of our biosolids in liquid form and to dewater 25 percent of our biosolids. The Board of Directors understands that there are factors including weather conditions which may keep staff from meeting the goal. Staff provided the Board of Directors an update on our biosolids program earlier this year in March.

## System Compliance

SYSTEM COMPLIANCE VIOLATIONS	
Within the last twelve months:	
Operating Permit Violations: Sanitary Sewer System Overflow due to contractor damage on line (September 2016).	
WTP NPDES Violation: Chlorine Exceedance and Monitoring Violation due to clearwell draining during Water Event (February 2017).	

The System Compliance Table summarizes any system compliance violations within the last 12 months. System compliance requirements come from state and federal regulations. OWASA’s goal is to be in full compliance with the regulations at all times. Violations may indicate that a portion of our system is not operating properly due to capacity limitations, aging/deteriorating equipment, inadequate operations and maintenance activities, etc. The following briefly describes applicable regulations and permits.

**Primary and Secondary Drinking Water Regulations:** National Primary Drinking Water Regulations are limits set for substances that are thought to pose a threat to health when

present in drinking water at certain levels. Secondary Drinking Water Regulations are non-enforceable federal guidelines regarding taste, odor, color and certain other non-aesthetic effects of drinking water. These contaminants normally do not have any health effects and normally do not affect the safety of our water.

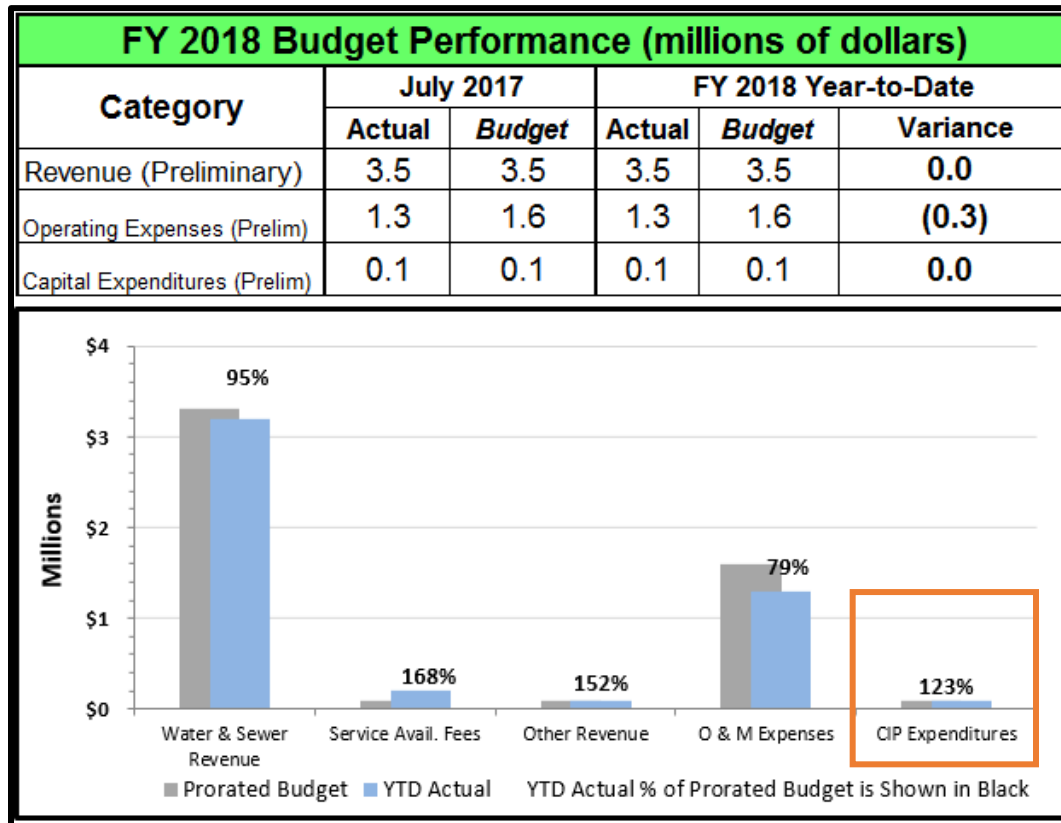
**Collection System Operating Permit:** Requirements for the wastewater collection system's design and construction, operation and maintenance, and overflow reporting are included in the Wastewater Collection System Operating Permit.

**NPDES Permit:** The National Pollution Discharge Elimination System (NPDES) is a permit system for regulating point sources of pollution. The goal of the NPDES program is to reduce pollution by establishing effluent discharge limits and monitoring requirements. OWASA's NPDES permitted discharges are located at the Jones Ferry Road WTP and Mason Farm Wastewater Treatment Plant (WWTP). The Jones Ferry Road WTP is permitted to discharge wastewater associated with clarifier effluent into Rockybrook Creek. The Mason Farm WWTP is permitted to discharge treated wastewater effluent into Morgan Creek.

**Biosolids Operating Permit:** OWASA is permitted for both Class A and Class B land application of biosolids. The biosolids permits include treatment requirements, metal concentration limits, land application restrictions, and operation and maintenance requirements.

**Reclaimed Water Utilization System Operating Permit:** The Reclaimed Water Utilization System Permit includes design and construction, operation and maintenance, and effluent limit and monitoring requirements for the reclaimed water system.

## Fiscal Year Budget Performance



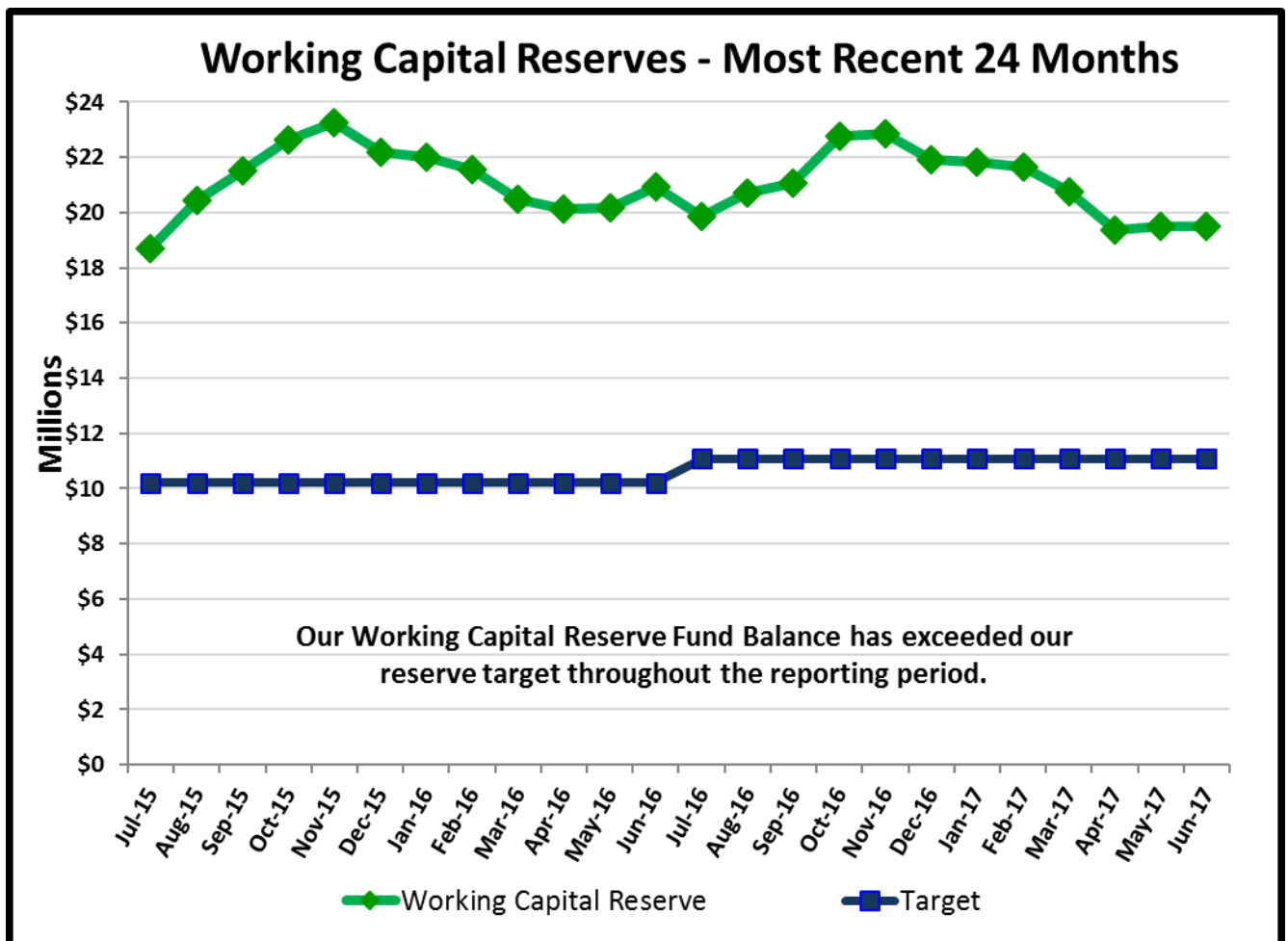
This KPI tracks actual financial performance against budget. The annual budget is allocated across the months of the year based on estimates of when revenues will be realized and expenditures incurred.

We use the following methods to prorate the budget:

- Revenue is allocated based on analyses of historic trends (see Water Demand KPI).
- Operating expenses are allocated across the year using several different methods:
  - Project-type costs such as consulting fees are allocated based on our estimate of when the work will occur.
  - Most personnel costs are allocated based on pay-periods.
  - Some costs are simply prorated evenly across the months of the year.
  - Most other costs are based on historical trends of when the expenses were incurred during prior years.

**Recommended Change:** At the last discussion of the KPI report, the Board of Directors requested that CIP Expenditures be restored in the Budget Performance KPI to give a more complete snapshot of total expenditures. (As background, this data was displayed on the monthly KPI report until July 2012.) In the quarterly Financial Report, staff provides the Board with an account of CIP Expenditures for the quarter and projects our spending trajectory for the rest of the fiscal year. The expenditures are presented alongside the original and revised projections for quarterly CIP expenditures. Staff does not rectify the CIP expenditures on a monthly basis. If provided on a monthly basis in the KPI report, the CIP Expenditures metric would be preliminary in-nature, as are the revenues and operating expenses.

## Working Capital Reserves

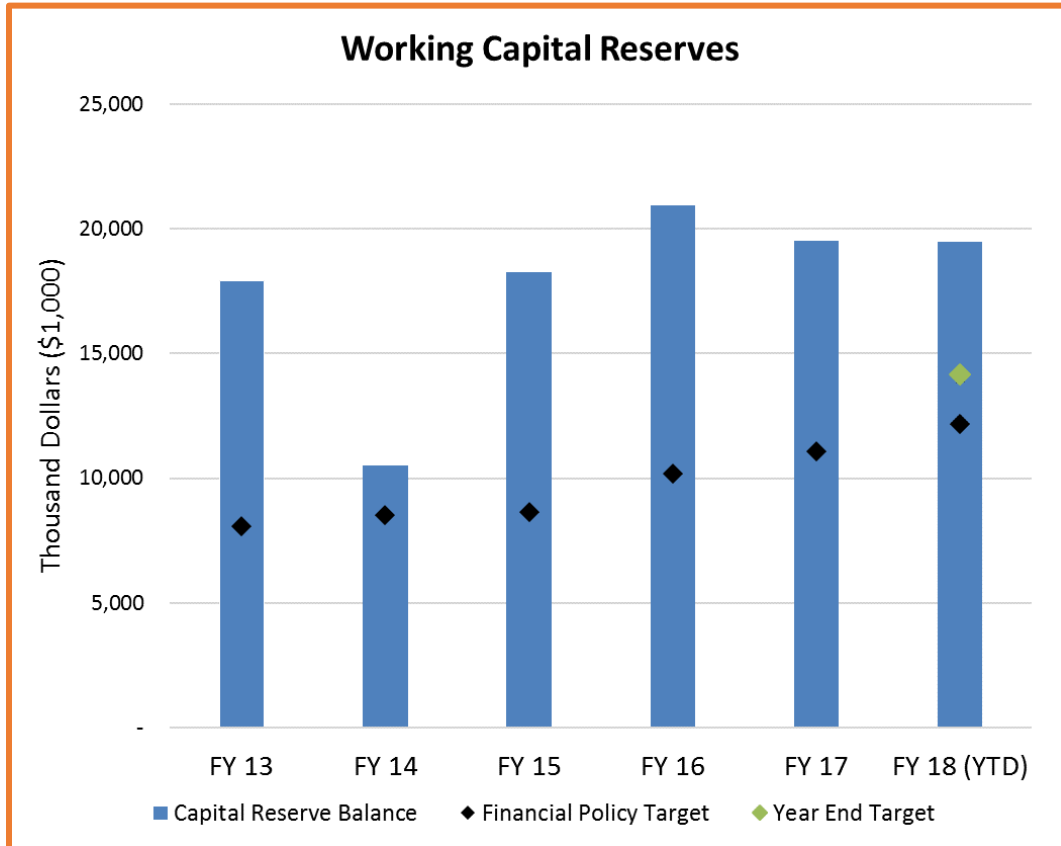


We have three reserve funds. Our Financial Management Policy specifies minimum target balances for each fund as follows:

- Rate/revenue stabilization (5% of budgeted annual water and sewer revenue)
- Capital improvements (2% of annual depreciated capital costs)
- Working capital (33% of budgeted annual operating expenses)

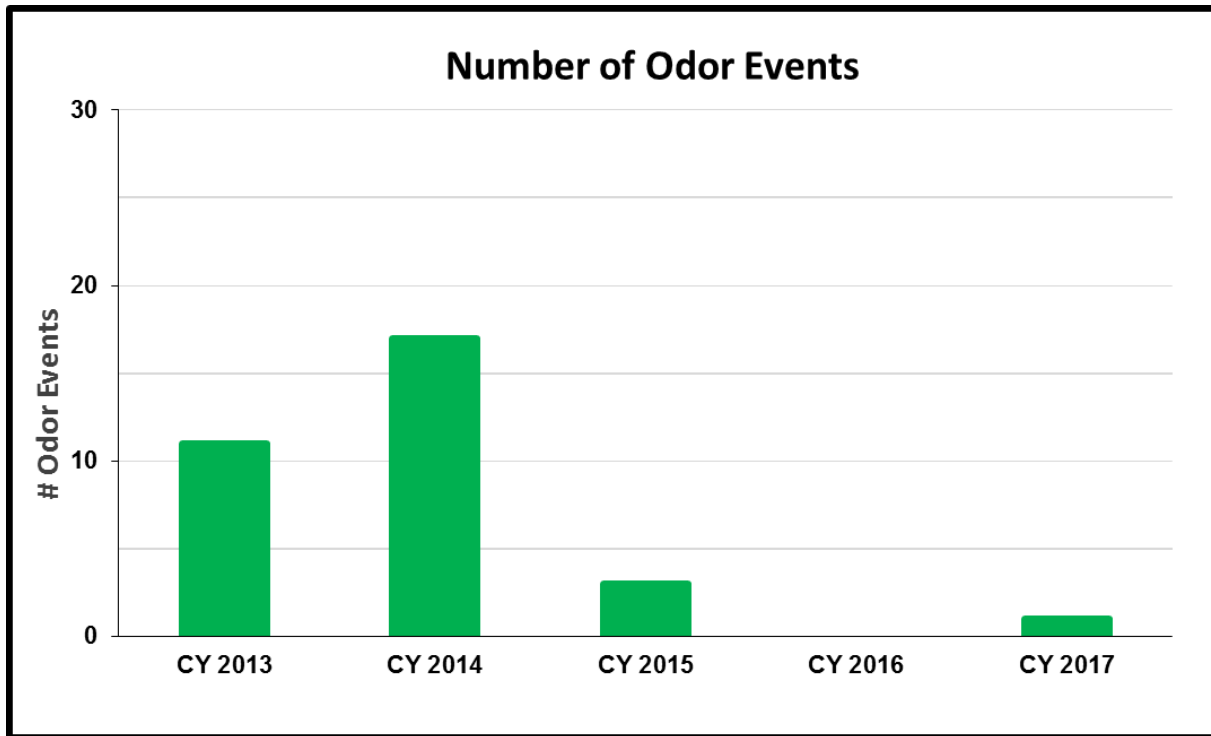
The graph above shows the working capital reserve balance on a monthly basis compared to the working capital reserve fund target. To calculate the working capital reserve, we subtract the balances in the Rate/revenue stabilization and Capital improvements reserves from the total amount of reserves on hand.

**Recommended Change:**



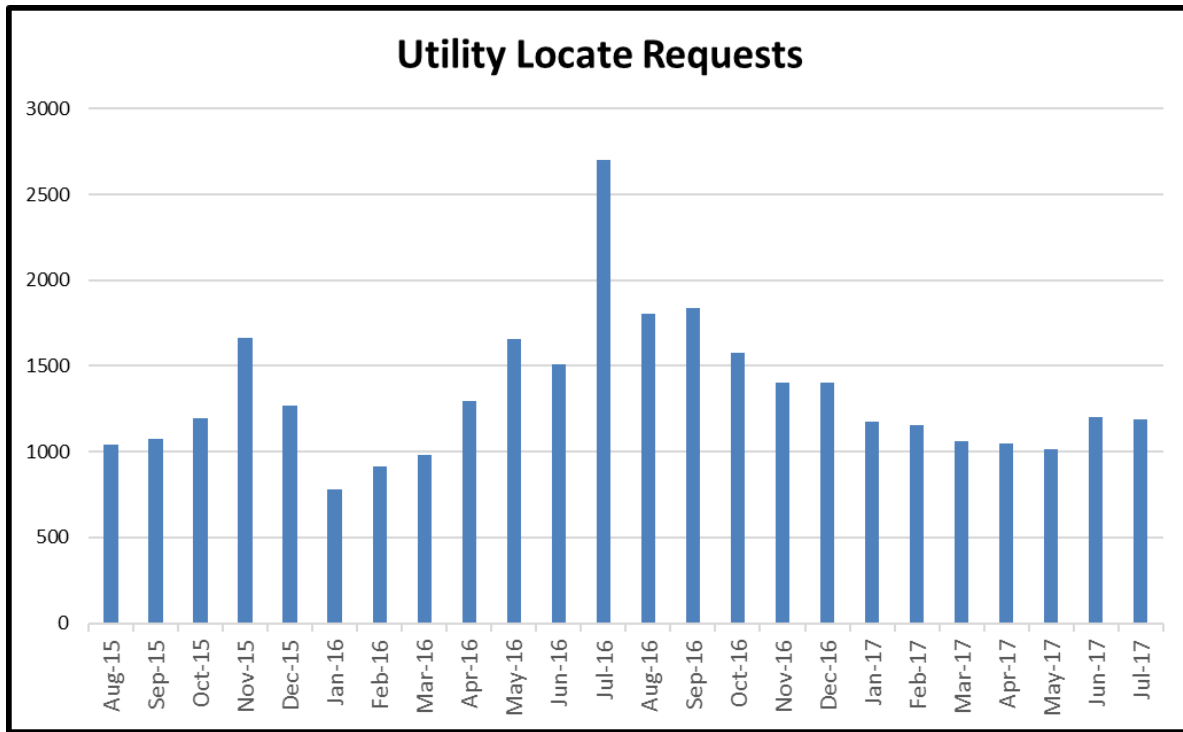
The proposed graph shows the balance for our Working Capital Reserves and the Target as defined by OWASA’s Financial Policy. For years past, the blue bar shows the year-end balance. For the current fiscal year, it shows the current balance. We have also provided the budgeted Year-End Target for the current fiscal year. The Board of Directors is scheduled to discuss OWASA’s Financial Reserve Policy at its Work Session on November 9. At that Work Session, the Board may decide that it would like to change the KPI. For now, staff proposes this change to provide a monthly update on progress towards meeting financial targets.

## Odor Elimination at Mason Farm Wastewater Treatment Plant



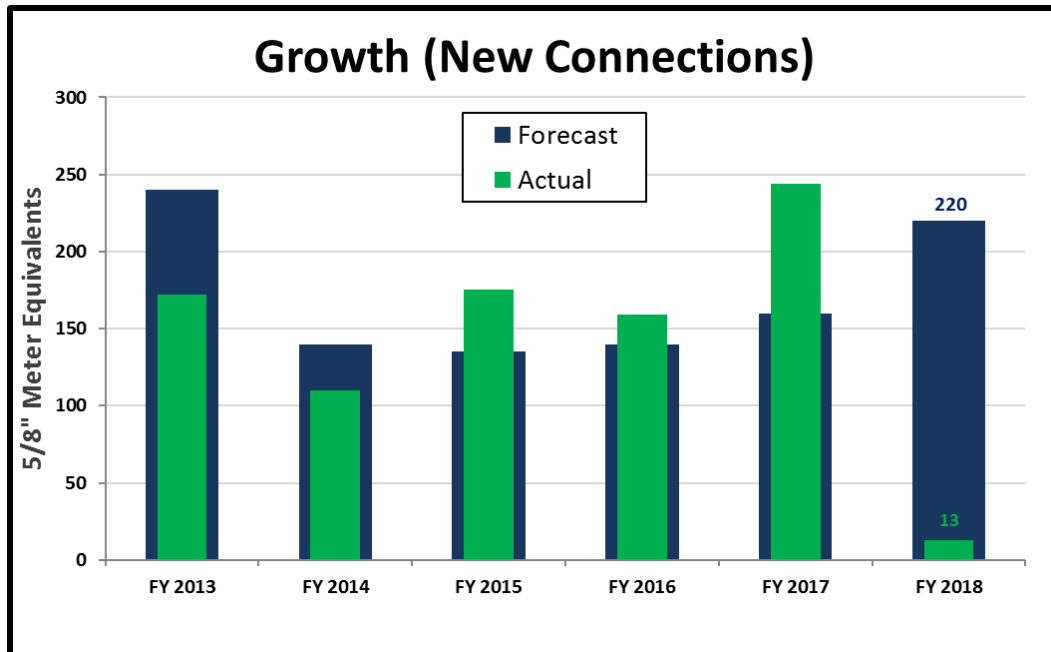
On March 1, 2004, the Chapel Hill Town Council approved a Special Use Permit (SUP) for an OWASA project to upgrade and expand the Mason Farm WWTP. The upgrade was completed in 2007. The SUP included a provision that OWASA eliminate odor emanating from the Mason Farm WWTP to the satisfaction of the Town Council and that OWASA regularly report to the Council on the progress of its off-site odor elimination program. Wastewater treatment plant odor events indicate that the odor control equipment may not be operating as intended due to capacity limitations, aging equipment, equipment malfunction, inadequate operations and maintenance activities, etc. Odor events are reported by neighboring property owners and documented by OWASA staff. The notable reduction in odor events over the past 3 years is due to several capital improvement projects that were completed as part of the WWTP's Odor Elimination Program.

Temporary KPI: Locates



The installation of fiber broadband network in our service area is drastically impacting the number of water and sewer pipe locates we are asked to provide. We experienced this in a limited area in 2015 when AT&T installed their fiber broadband network. In 2016, Google began laying a fiber broadband network in our community. The number of locate requests has stalled along with the work of Google Fiber installation. We anticipate that this will pick back up in September of this year. During this work, we propose to track and report the number of locates requested and requested on a monthly basis to provide the Board of Directors and community an indication of the change in workload.

## Growth (New Connections)

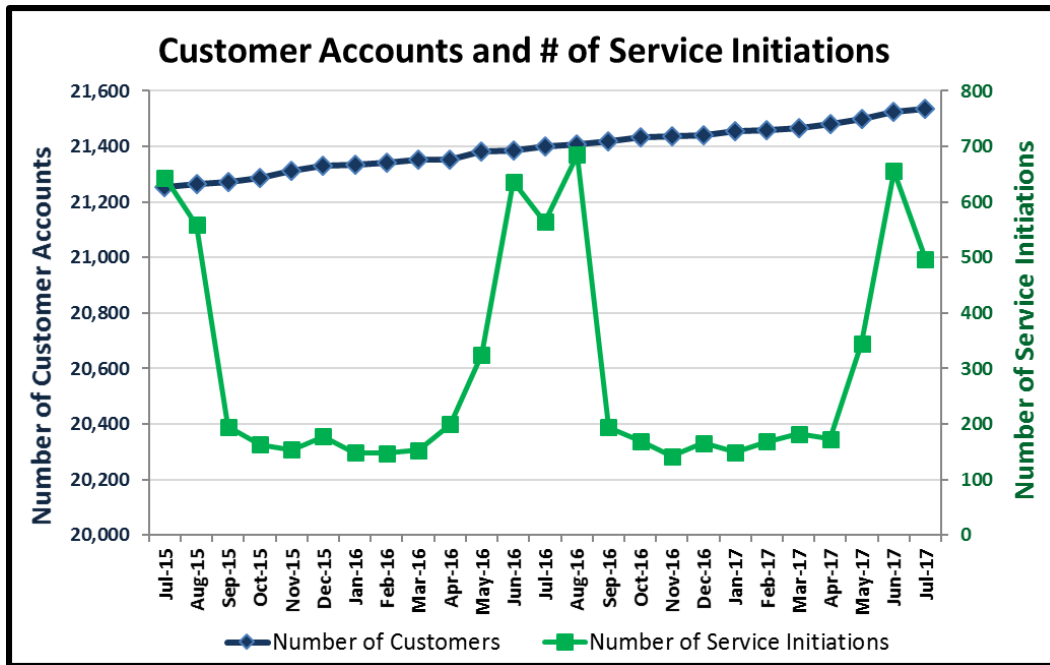


This metric is designed to compare the number of new service connections (measured in terms of a 5/8-inch residential meter equivalent) against the total forecasted for the fiscal year. Each year, we base our projections for next year's growth on our field inspections, development reviews, and historical trends. One meter equivalent (ME) represents the capacity needed to serve a typical single family residential customer. Single family homes are typically served through 5/8-inch water meters, while larger facilities are served through larger meters. These non-residential or institutional customers with greater demands require a larger meter, and are therefore represented by multiple MEs as noted in the following table.

Meter Size	Meter Equivalent
5/8"	1
1"	2.5
1 ½"	5
2"	8
3"	16
4"	25
6"	50

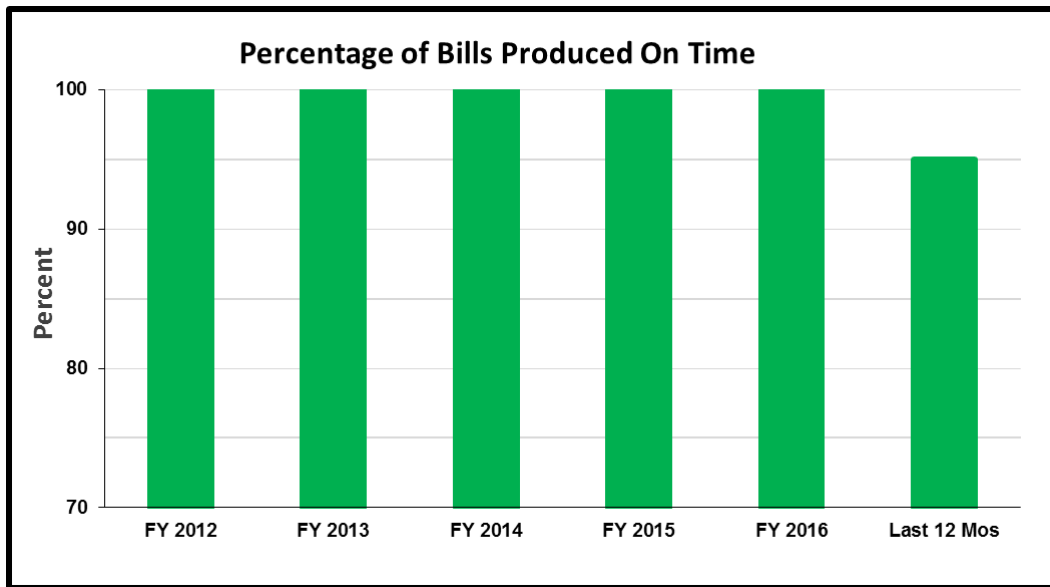


## Customer Accounts and # of Service Initiations



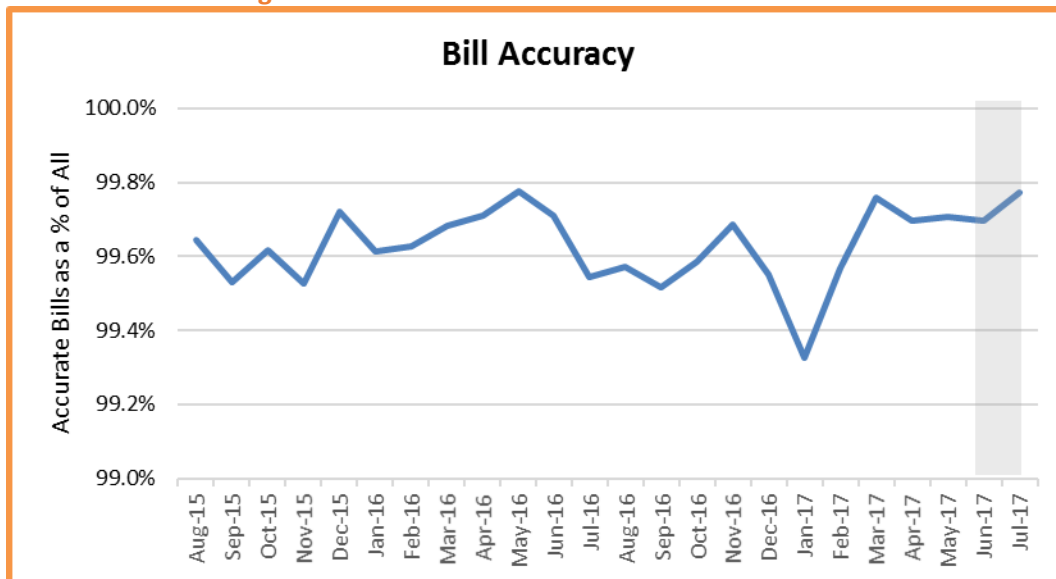
This KPI is an indication of Customer Service workload, as well as a record of system growth as measured by the number of customers. A service initiation occurs when a customer opens an account. As the graph shows, service initiations volume is highest during the summer months when students move in/out.

## Percentage of Bills Produced on Time



This graph shows the percentage of bills that were produced and sent to customers “on-time” according to the bill processing calendar that we maintain. The calendar may be affected by changes to the meter reading schedule, such as when the meter reading staff are in training or working on other special projects.

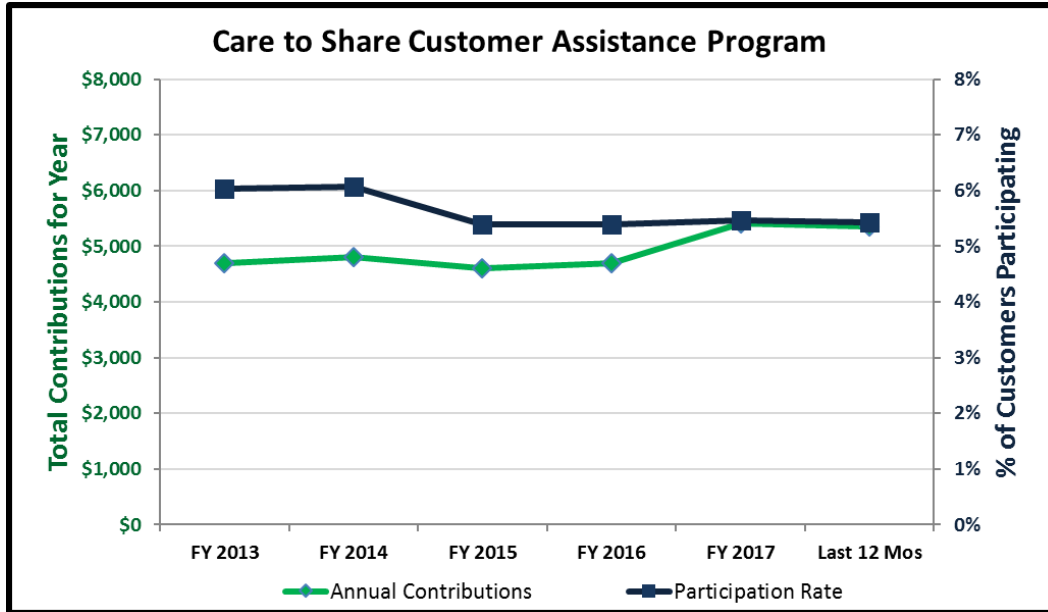
## Recommended Change:



As an alternative Customer Service KPI, we propose the graph above that summarizes the percentage of accurate bills (i.e. those that are not voided due to billing errors). Billing errors are issues that require staff to recalculate (and rebill) an original bill. We maintain a number of checks in the field (meter reading) and in the customer service office to prevent these billing errors. On average, we void and

recalculate about 77 bills each month (0.37% of all bills sent). Given that there can be a time-lag between when a bill is issued and when it is questioned and adjusted, the two latest months of data on this KPI could be moderately over-reporting the accuracy of the bills for those months. (This time period is represented by the area shaded in gray.)

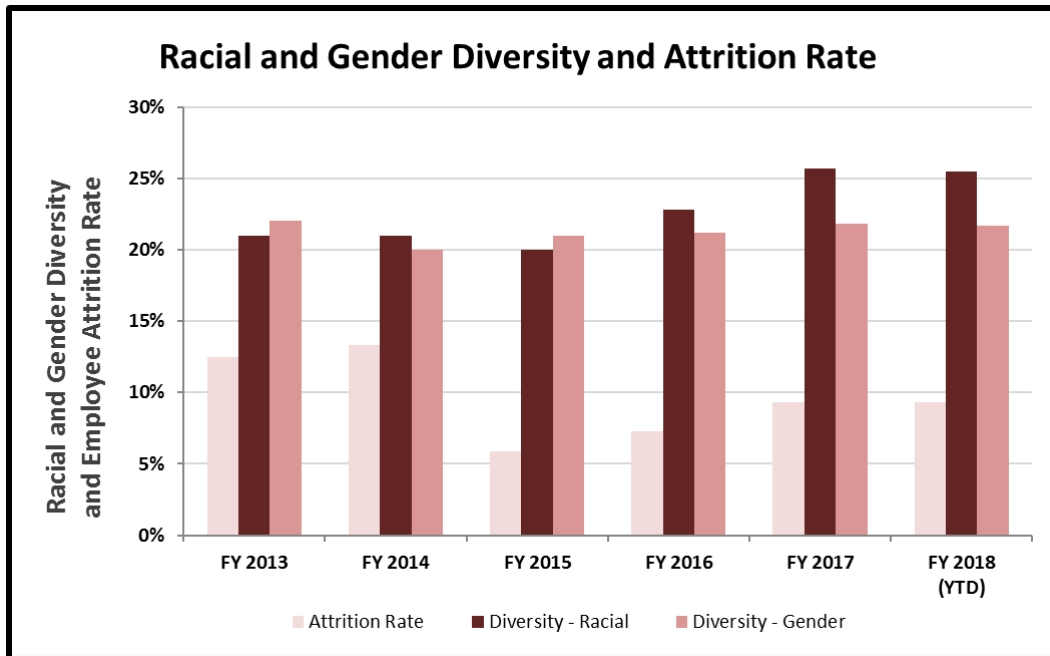
### Care to Share Customer Assistance Program



The Care to Share Customer Assistance Program provides water and sewer bill assistance to OWASA customers in financial need to help them avoid service cutoff and a \$45 reconnection fee. OWASA customers can voluntarily contribute to this program through their monthly OWASA bill payment. The Interfaith Council (IFC) for Social Services administers the program and OWASA reimburses the IFC from the funds collected via Care to Share bill contributors.

This graph tracks rolling annual contributions, as well as the percentage of customers contributing to Care to Share on their monthly bill. It doesn't include contributions made to Care to Share outside of bill contributions.

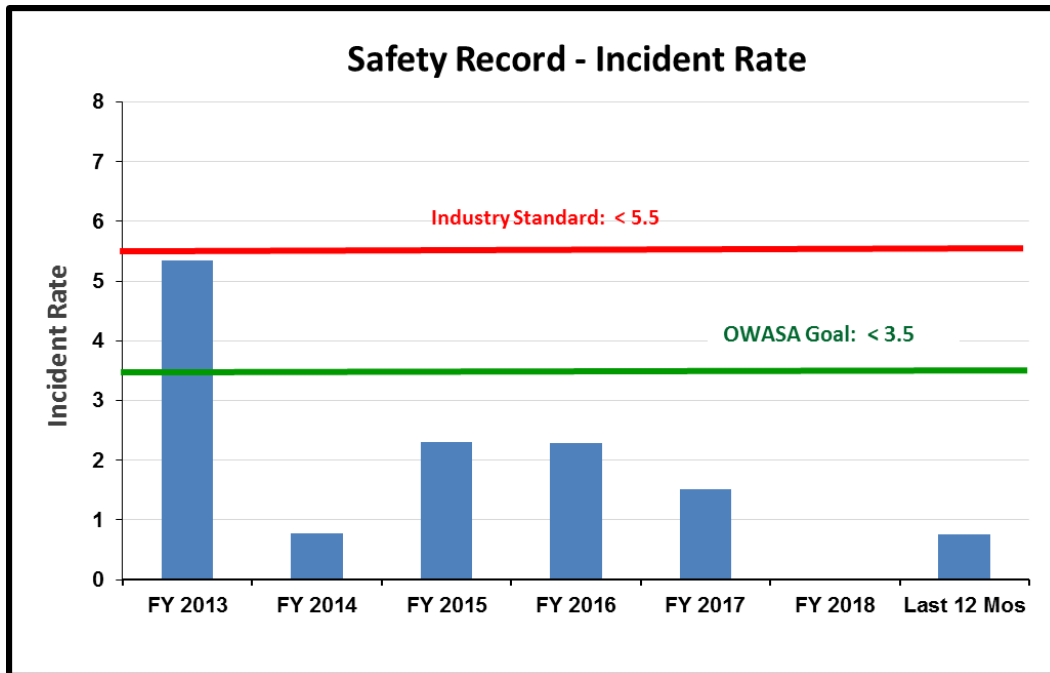
## Racial and Gender Diversity and Attrition Rate



As recognized in our Mission Statement, OWASA values our employees as our most important resource, and we provide them competitive compensation and a safe and rewarding work environment. Our goals, as set by our Diversity and Inclusion Program, are (1) that the diversity of OWASA’s workforce reflects the communities we serve and (2) that we maintain an inclusive work environment for everyone that encourages and supports each Team member to contribute their full ability towards OWASA’s mission.

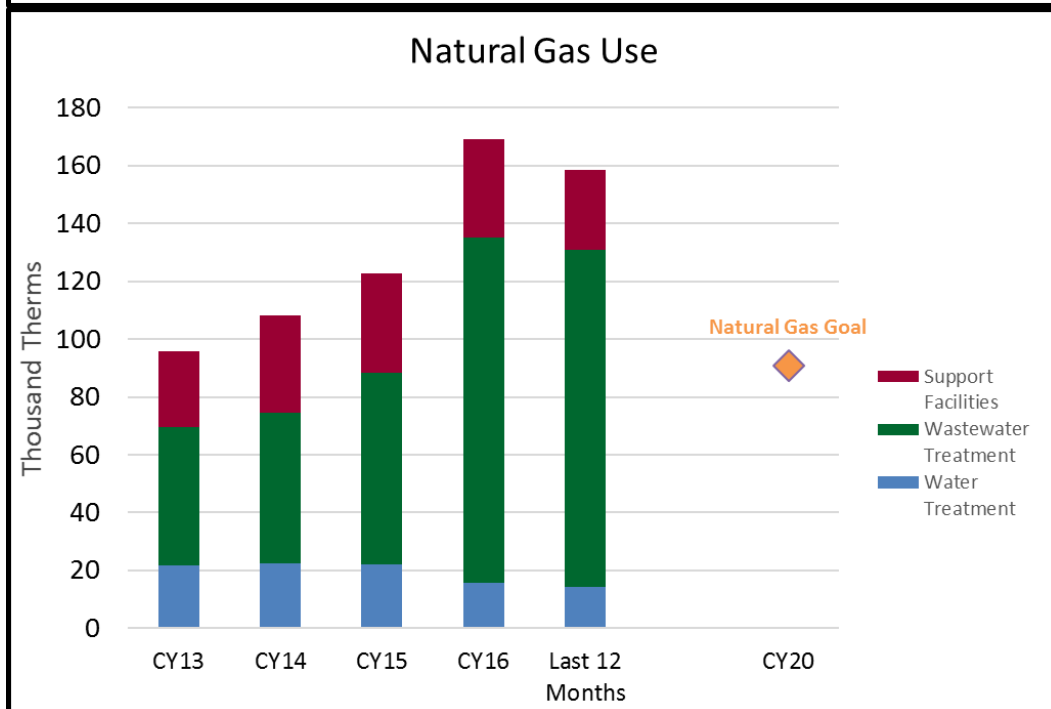
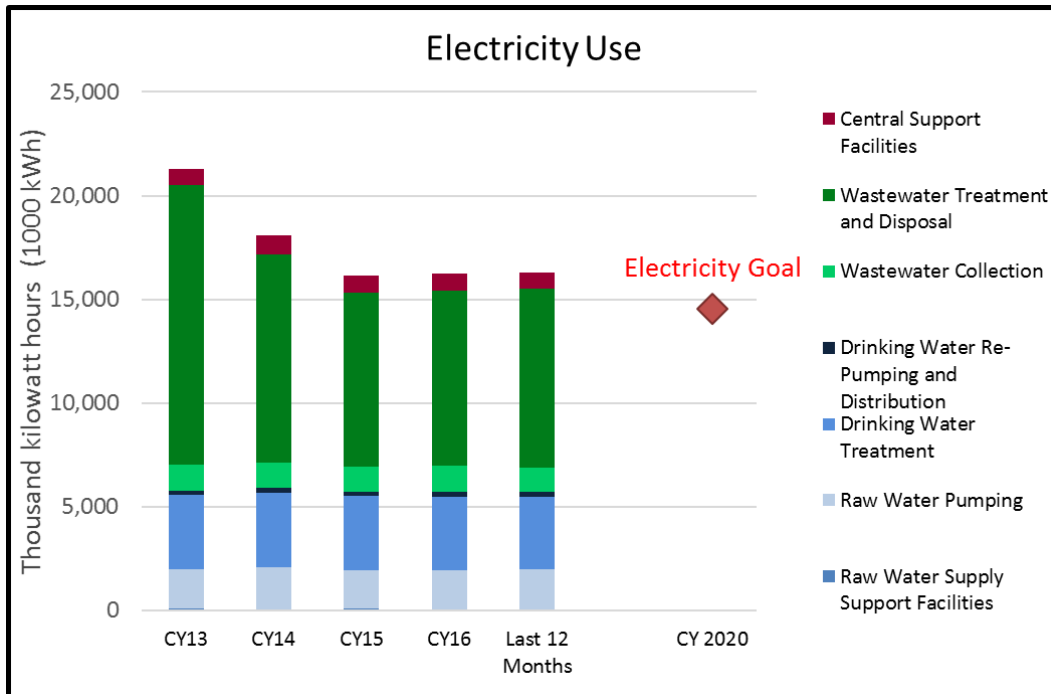
The above chart indicates the work force’s racial and gender diversity at the end of each fiscal year. It includes attrition percentages which are defined as positions vacated except in the case of transfer, promotion, or demotion.

## Safety Record – Incident Rate



Occupational Safety and Health Administration (OSHA) incidence rates are one of the more common methods of measuring safety performance. Incident rates show the level of recordable injuries and illnesses within the organization. Based on the Bureau of Labor and Statistics' most recent data, we compare OWASA with the standard incident rate for NAICS Code 2213 (Water, Sewage, and Other Systems).

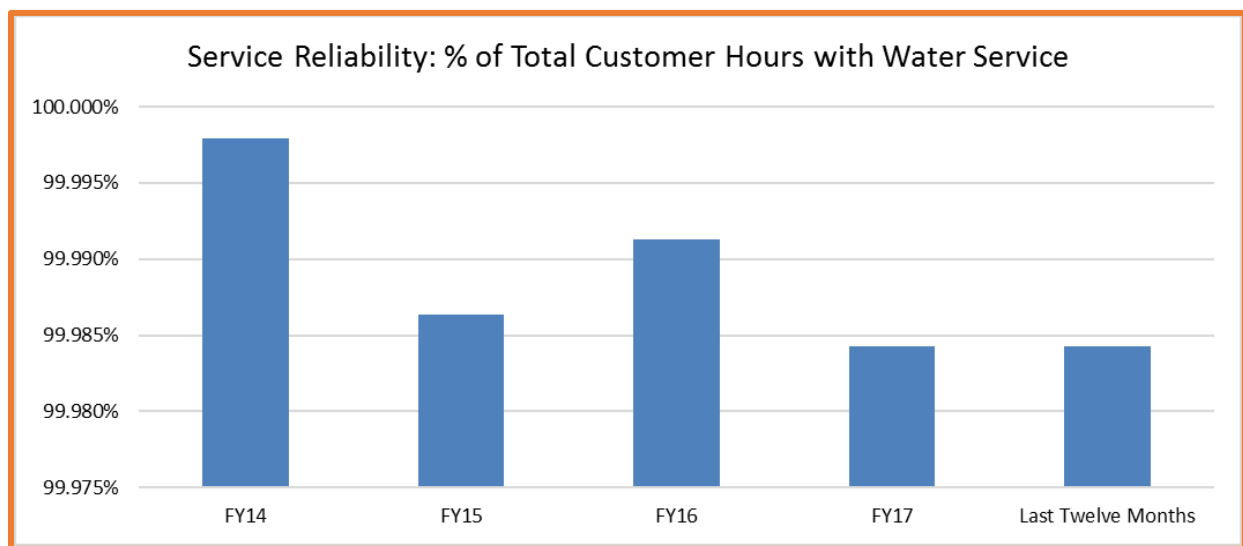
## Energy Management



In 2015, the Board of Directors set energy management goals and objectives for OWASA to (a) reduce our use of purchased electricity from 2010 levels by 35% by 2020 and (b) reduce our use of purchased natural gas from 2010 levels by 5% by 2020. The two graphs above show our progress towards these goals. OWASA’s Energy Management Program is underway and detailed updates are provided to the Board in the annually updated Energy Management Plan.

## New KPIs

### Service Reliability



The KPI Report is a resource for the OWASA Board of Directors, as well as the community. We are open to considering new ideas for KPIs that the Board and our customers would find useful and relevant on a monthly basis. Recently, OWASA Board Member Ray DuBose requested that staff look into developing a “Service Reliability” KPI that reflects the percent of customer hours for which service was available, the results of which are summarized in the graph above.

This KPI is an indicator of infrastructure integrity, CIP prioritization, expediency in repairing outages, and customer service. It is calculated as:

$$1 - \frac{\text{Number of Customers Out of Service} \times \text{Hours of Unplanned Outages}}{\text{All Billed Customers} \times \text{Total Annual Hours}}$$

OWASA staff is not aware of this metric and corresponding standard being used in the water industry. The AWWA Benchmarking Survey and Report has three separate indicators regarding Water Service Disruptions:

- Disruptions of water service of a certain duration (outages/1,000 accounts) (Durations < 4 hours, 4-12 hours, and > 12 hours)
- Average time to address water service disruptions

- Disruption Frequency Index (Total number of water service disruptions x 1,000 / number of active accounts)

We welcome the Board's thoughts and discussions on incorporating this type of KPI into the monthly KPI report.



**Agenda Item 8:**

Review Board Work Schedule

**Purpose:**

- a) Request(s) by Board Committees, Board Members and Staff
- b) September 28, 2017 Annual Meeting of the Board of Directors
- c) October 12, 2017 Work Session
- d) Review and update the 12 Month Board Meeting Schedule
- e) Review Pending Key Staff Action Items

**Information:**

- Draft agenda for the September 28, 2017 meeting
- Draft agenda for the October 12, 2017 meeting
- 12 Month Board Meeting Schedule
- Pending Key Staff Action Items from Board Meetings

September 14, 2017

**Agenda**  
**Annual Meeting of the OWASA Board of Directors**  
**Thursday, September 28, 2017, 7:00 P.M.**  
**Chapel Hill Town Hall**

In compliance with the "Americans with Disabilities Act," interpreter services are available with five days prior notice. If you need this assistance, please contact the Clerk to the Board at 919-537-4217 or [aorbich@owasa.org](mailto:aorbich@owasa.org).

The Board of Directors appreciates and invites the public to attend and observe its meetings. Public comment is invited either by petition upon topics not on the Board's agenda, or by comments upon items appearing on the Board's agenda. 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](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

Public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors.

**Announcements**

1. Announcements by the Chair
  - A. 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.
2. Announcements by Board Members
  - A. Update on the September 26, 2017 Natural Resources and Technical Services Committee Meeting (John Young)
3. Announcements by Staff
  - A. Annual Report for July 2016 through June 2017 Collection, Treatment and Recycling of Wastewater and Biosolids (Todd Taylor)

**Presentation of Annual Report**

1.
  - A. Executive Director's Comments (Ed Kerwin)
  - B. Finance and Customer Service Director's Comments (Stephen Winters)
  - C. Martin Starnes & Associates, CPAs, P.A.'s Comments (Meg Blue)

**Petitions and Requests**

2.
  - A. Public
  - B. Board
  - C. Staff

**Consent Agenda**

**Information and Reports**

3. 12 Month Board Meeting Schedule (Robert Morgan/Ed Kerwin)

**Action**

4. Resolution Awarding a Contract for the Brandywine Drive Water Main Replacement Project (Dustin Rhodes)
5. Minutes of the September 14, 2017 Work Session of the Board of Directors (Andrea Orbich)
6. Minutes of the September 14, 2017 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Robert Morgan)

**Regular Agenda**

**Information and Reports**

7. Long-Range Water Supply Plan Update (Ruth Rouse)

**Discussion and Action**

8. Resolution Reappointing the Firm of Epting and Hackney as General Counsel to the Orange Water and Sewer Authority (Robert Morgan)

**Summary of Board Meeting Action Items**

9. 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 meeting

**Closed Session**

10. The Board of Directors will convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Barbara Foushee)

DRAFT

**Agenda**  
**Work Session of the OWASA Board of Directors**  
**Thursday, October 12, 2017, 6:00 P.M.**  
**OWASA Community Room**

The Board of Directors appreciates and invites the public to attend and observe its meetings. For the Board's Work Session, public comments are invited on only items appearing on this agenda. 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](mailto:aorbich@owasa.org)/400 Jones Ferry Road, Carrboro, NC 27510).

For items on the agenda, public speakers are encouraged to organize their remarks for delivery within a four-minute time frame allowed each speaker, unless otherwise determined by the Board of Directors.

The Board may take action on any item on the agenda.

**Announcements**

- a. Announcements by the Chair
  - 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.
- b. Announcements by Board Members
- c. Announcements by Staff

**Discussion and Action**

1. Approve Employee Merit Pay for Fiscal Year 2018 (Stephanie Glasgow)

**Discussion**

2. Advanced Metering Infrastructure Policies (Todd Taylor)
3. Impact of Multi-Family Master-Meter Rate Change (Stephen Winters)
4. Televising OWASA Board of Directors' Meetings (Robert Morgan)
5. Review Board Work Schedule (Robert Morgan/Ed Kerwin)
  - a. Request(s) by Board Committees, Board Members and Staff
  - b. October 26, 2017 Board Meeting
  - c. November 9, 2017 Work Session
  - d. 12 Month Board Meeting Schedule
  - e. Pending Key Staff Action Items

**Summary of Work Session Items**

6. Executive Director will summarize the key staff action items from the Work Session

**Closed Session**

7. The Board of Directors will convene in a Closed Session for the Purpose of Discussing a Personnel Matter (Barbara Foushee)

## OWASA Board of Directors – 12 Month Board Meeting Schedule (September 8, 2017)

Month	Board Meetings		Committee & Other Meetings and Reports
	Work Session	Business Meeting	
September 2017	Award the Administration Building HVAC Replacement Contract Discuss KPI Trends Discuss Employee Merit Pay for FY 2018 Diversity and Inclusion Progress Report EEO/Affirmative Action Report (C) CS – General Counsel Review (C) 9/14/2017	<b><i>LRWSP Update</i></b> Annual Report and Financial Audit (C) Approve General Counsel Engagement (C) Award the Brandywine Drive Water Main Replacement Contract CS – ED Review (C) 9/28/2017	<i>OWASA Annual Update - Carrboro Board of Aldermen (9-5-2017)</i>  <i>NRTS Committee Meeting on Biogas-to-Energy and potential Land Disposition (9/26/17)</i>
October 2017	<b><i>Discuss AMI Policies</i></b> Discussion of impact on MFMM rate change Approve Employee Merit Pay for FY 2018 Discuss Televising Board Meetings CS – ED Review 10/12/2017 (C)	<b><i>Approve AMI Policies</i></b> Q1 Financial Report (C) Strategic Trends Report (C) Strategic Plan Update and Progress Report (C) 10/26/2017	<i>Open House at Cane Creek (10-21-2017)</i>
November 2017	Discuss revisions to Retiree Health Insurance, 457 Retirement Contributions and Parental Leave Status of Action Items on Communications during Emergencies Discuss Financial Reserves Policy Review and Approve Position Reclassification 11/9/2017	<i>Holiday - no meeting</i>	<i>Open House at Jones Ferry Road Complex (11-4-2017)</i>
December 2017	<b><i>Discuss LRWSP – Demands &amp; Yield</i></b> Award the Rogerson Drive Pump Station Phase 2 Contract Appoint Audit Firm (C) Affordability Outreach Program Update 12/14/2017	<i>Holiday - no meeting</i>	
January 2018	FY 19 Budget Calendar and Assumptions (C) Employee Health and Dental Insurance Update (C) CY 17 Biosolids Report 1/11/2018	Annual Lakes Recreation Report (regular agenda) (C) Q2 Financial Report (C) CIP Semiannual Report (C) 1/25/2018	
February 2018	Energy Management Plan Update CS - General Counsel Interim Review (C) 2/8/2018	CS - General Counsel Interim Review (C) 2/22/2018	
March 2018	Discuss KPI Trends FY 19 Draft Budget & Rates (C) Set date for Public Hearings – FY 19 Budget & Rates (C) CS - ED Interim Review (C) 3/8/2018	FY 19 Draft Budget & Rates (C) CS – ED Interim Review (C) 3/22/2018	
April 2018	Review Employee Health and Dental Insurance Renewal (C) FY 19 Draft Budget and Rates (C) Authorize staff to publish proposed rates (C) Appointment of the Nominating Committee (C) 4/12/2018	Q3 Financial Report (C) 4/26/2018	
May 2018	Discuss Employee Health and Dental Insurance Renewal (C) Discuss Employee Merit Pay for FY 19 (C)	Public Hearings – FY 19 Budget and Rates (C)	

## OWASA Board of Directors – 12 Month Board Meeting Schedule (September 8, 2017)

	<i>Discuss Community Engagement Plan for Forestry Management</i> 5/10/2018		5/24/2018	
June 2018	Approve FY 19 Budget and Rates (C) Election of Officers (C) 6/14/2018	TBD	6/28/2018	
July 2018	TBD 7/12/2018	TBD	7/26/2018	
August 2018	CS – General Counsel Review (C) 8/9/2018	Preliminary 12 Month Financial Report (C) CIP Semiannual Report (C) EEO/Affirmative Action Report (C) CS – General Counsel Review (C) 8/23/2018		

The 12 Month Board Meeting Schedule shows Strategic Plan initiatives and other priority efforts that the Board and staff plan to give greatest consideration to during the next twelve months. The schedule also shows major recurring agenda items that require Board action, or items that have been scheduled in response to the Board's prior standing request. This schedule does not show all the items the Board may consider in a work session or business meeting. It also does not reflect meetings at which the Board will discuss and act on the update of the Strategic Plan.

The 12 Month Board Meeting Schedule will be reviewed and updated at each monthly work session and may also be discussed and updated at the Board's business meetings.

In addition to the initiatives shown in this schedule, staff will be working on other Strategic Plan and organizational priorities that are not expected to require major additional discussion with the Board except as part of budget deliberations.

The schedule implies that the following Strategic Plan initiatives would be addressed beyond the 12-month period. The Board may conclude that one or more of the following initiatives are higher priority. The schedule will be revised as needed to reflect the Board's priorities, and any additional initiatives that the Board may decide to address.

- Development of a plan and policy framework for OWASA lands is considered a longer-term priority. The NRTS Committee will begin to discuss this issue in September 2017, and staff will develop a Community Engagement Plan for Forestry Management by late spring 2018.
- Improve effectiveness as a learning organization is considered a longer-term priority.
- Water Conservation Plan will be prepared concurrent with update of the Long-Range Water Supply Plan.

The OWASA Board determines which topics it wants to explore as a full Board (potentially in a work session format) and which topics it wants to assign to Board committees or committee chairs for further analysis and development of recommendations. Board also determines priorities and desired timeframes for addressing topics. Committee meetings will be updated on the schedule routinely.

## OWASA Board of Directors – 12 Month Board Meeting Schedule (September 8, 2017)

Abbreviations Used in Draft Schedule:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>☐ Recurring agenda item (generally these are “required” items)</li> <li>AMI Advanced Metering Infrastructure</li> <li>CE Community Engagement</li> <li>CEP Community Engagement Plan</li> <li>CIP Capital Improvements Program</li> <li>COLA Cost of Labor Adjustment</li> <li>CS Closed Session of the Board</li> <li>CY Calendar Year</li> <li>ED Executive Director</li> <li>FY Fiscal Year</li> </ul> | <ul style="list-style-type: none"> <li>JLP Jordan Lake Partnership</li> <li>LRWSP Long-Range Water Supply Plan</li> <li>MST Mountains-to-Sea Trail</li> <li>MFMM Multi-Family Master Meter</li> <li>NRTS Natural Resources/Technical Services</li> <li>Q Quarter</li> <li>SOW Scope of Work</li> <li>TBD To Be Determined</li> <li>WTP Water Treatment Plant</li> <li>WWTP Wastewater Treatment Plant</li> </ul> |
|--|--|

### Current and Pending Key Projects and Stages

Project	Strategic Initiative	Project Lead	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	June-18	July-18	Aug-18
AMI	6	Taylor												
				AMI Policies										
Total Compensation Study		Glasgow	Schedule To Be Determined											
LRWSP	1	Rouse				Demand & Yield								
Energy Plan	5	Tiger												
			Biogas-to-Energy											

Stages	Committee Discussion	Feasibility Study	Board Review	Community Engagement	Action	Procurement	Implementation
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## Pending Key Staff Action Items from Board Meetings

Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
8-10-2017	Inform partner agencies that Yinka Ayankoya will serve on the Intergovernmental Parks Work Group and John Young will serve on the Chatham/Orange Joint Planning Task Force.	NA	Orbich	Completed: e-mailed partner agencies on 8-11-2017
8-10-2017	Seek two members of the Finance Committee to serve with staff on the Selection Panel for the Audit Firm. Prepare recommendation for the full Board.	TBD	Winters, Danner and the Finance Committee	
8-10-2017	Share the Board's feedback about the proposed risk assessment work with the consultant and develop the project's scope and proceed with the work. Provide the Board a copy of the final scope of work and expectations for the project.	NA	Haggerty	Completed: email sent on 8-30-2017. Staff will keep the Board informed and involved throughout the project as needed.
8-10-2017	Inform the Board of the estimated completion date for the Hillsborough Street water main replacement project.	NA	Gangadharan	Completed: e-mail sent to the Board on 8-29-2017
5-25-2017	Evaluate option(s) to provide live broadcast of OWASA Board meetings at Chapel Hill Town Hall to Carrboro residents. Board discussion of the trial web-based broadcast of the 6-8-2017 Board meeting.	10-12-2017	Orbich	E-mail sent to the Board on 6-12-2017 regarding live broadcast
5-25-2017	Prepare a plan for solar PV on OWASA land.	June 2018	Tiger	
5-25-2017	Prepare a Community Engagement Plan for Forestry Management.	June 2018	Rouse	
5-25-2017	Schedule a NRTS Committee meeting in the fall of 2017 to discuss staff's recommendation on the long-term use of OWASA land and determine what analysis, if any, is recommended to inform future decision making. NRTS Committee recommendation will be made at a future Board meeting.	September 2018	Rouse	Completed: NRTS Committee meeting scheduled for September 26, 2017



## Pending Key Staff Action Items from Board Meetings

Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
12-8-2016	Implement improvements to the Key Performance Indicators as discussed with the Board on 12-8-2016.	9-14-2017	Tiger All Dept. Directors	Will be complete following the 9-14-2017 meeting. Many improvements made to the November KPI Report; others are in-development