



Orange Water and Sewer Authority

OWASA is Carrboro-Chapel Hill's not-for-profit public service agency delivering high quality water, wastewater, and reclaimed water services.

Agenda

Work Session of the OWASA Board of Directors

Thursday, March 12, 2020, 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/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
 - Update on the March 6, 2020 Chatham-Orange Task Force Meeting (Jody Eimers)
 - Update on the March 10, 2020 Closed Session of the Board of Directors (Robert Morgan)
 - Meeting between the Chapel Hill Town Council OWASA Committee and Chapel Hill Appointees to the OWASA Board on Monday, March 23, 2020 at 8:30 a.m. (Ruchir Vora)
 - Meeting between Members of the Orange County Board of County Commissioners and Orange County Appointees to the OWASA Board on Wednesday, March 25, 2020 at 8:30 a.m. (Jody Eimers)
- c. Announcements by Staff
 - Update on the February 27, 2020 Orange County Climate Council Meeting (Ruth Rouse)
- d. Additional Comments, Suggestions, and Information Items by Board Members (Ray DuBose)

Consent Agenda

Action

1. Award a Construction Contract for the Jones Ferry Road Water Treatment Plant Water Mains Resiliency Improvements Project (Brad Barber)
2. Award a Construction Contract for the Jones Ferry Road Water Treatment Plant Chemical Facility Improvements Project (Brad Barber)
3. Minutes of the February 27, 2020 Meeting of the Board of Directors (Andrea Orbich)



4. Minutes of the February 27, 2020 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Robert Morgan)

Regular Agenda
Information and Reports

5. Forest Management Program Update (Ed Kerwin)

Discussion

6. Update on New Water Main Prioritization Model (Vishnu Gangadharan/Allison Spinelli)
7. Draft Fiscal Year 2021 Budget and First Iteration of New Budget Format (Stephen Winters)
8. Review Board Work Schedule (Ray DuBose/Ed Kerwin)
 - a. Request(s) by Board Committees, Board Members and Staff
 - b. March 26, 2020 Board Meeting
 - c. April 9, 2020 Work Session
 - d. 12 Month Board Meeting Schedule
 - e. Pending Key Staff Action Items
 - f. Action Items Recurring Every 3 to 5+ Years

Summary of Work Session Items

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

Agenda Item 1:

Award a Construction Contract for the Jones Ferry Road Water Treatment Plant (WTP) Water Mains Resiliency Improvements Project (Project).

Purpose:

This memorandum recommends that the OWASA Board award a construction contract to Moffat Pipe, Inc. (Moffat) for the construction of the Project.

Background:

The WTP was originally constructed in late 1940s and many of the original facilities and infrastructure, including water mains, are still in service more than 70 years later. It was this aging infrastructure that failed on November 5, 2018 with the rupture of a 16-inch water main that resulted in a drop in distribution system pressure significantly impacting customers and creating a system-wide boil water advisory. This event revealed the need to expedite improvements to water plant yard and distribution system piping associated with the WTP.

The Project began in Fiscal Year (FY) 2019 in response to the November 2018 water emergency and was included in the [Action Plan resulting from that incident](#) in order to address the risks associated with aging isolation valves, a complex piping network at and adjacent to the WTP, and to provide additional redundancy and resiliency for the finished water distribution system.

Hazen & Sawyer (Engineer) was selected to provide engineering services for the Project. A Preliminary Engineering Report (PER) completed in FY 2019 analyzed a set of failure scenarios for a comprehensive portion of the distribution system immediately adjacent to the WTP clearwell and finished water pumps. Analysis of each failure scenario identified emergency operational impacts and potential risk mitigation solutions, including considerations for the failure of primary isolation. Utilizing information gleaned from the failure analysis, the PER refined the final scope of the Capital Improvements Program (CIP) Project:

1. replace water mains from WTP and perform new tie-ins at Jones Ferry Road;
2. replace and add new isolation valves in water mains;
3. install an isolation valve at filtered water line inside the clearwell;
4. add a redundant header at Finished Water Pump Nos. 4 and 5;
5. add a new above ground finished water loop around the clearwell;
6. add redundant finished water metering and chemical treatment injection points;

The key benefits of the Project are replacement of aging assets, added redundancy, and reduced operational risk. This project addresses not only several items from the [November 5, 2018 Water Main Break Action Plan](#), but also specific items associated with [WTP Reliability and Risk Evaluation Risk Nos. W-R1, W-R2, and W-R5](#).

Attachment 1 shows the extents (in red) of the primary areas at and adjacent to the WTP where the Project work will occur.

Advertising and Bidding:

The Engineer completed the Project design and bid documents in January 2020. The bid advertisement was posted to websites, news outlets, and emailed on January 9, 2020. Additionally, throughout the bid process, the Engineer and OWASA staff made direct contact with numerous general contractors via phone calls and emails. A total of two bids were submitted at the initial February 18, 2020 deadline. Whereas state statute requires receipt of a minimum of three bids for construction contracts greater than \$500,000, the two bids received were returned unopened and the contract was re-advertised with a re-bid date of February 26, 2020. On February 26, 2020, a total of three bids were received and opened publicly, and the results are summarized below:

Moffat Pipe, Inc.	\$2,178,593.80
Pipeline Utilities, Inc.	\$3,424,025.90
Carolina Civilworks, Inc.	\$3,855,564.33

Engineer's Final Estimate \$3,720,000.00

After an evaluation of the low bidder's project references, current projects list, financial statement and references, safety performance data, debarment status, and claims and judgements information, Moffat was determined to be the low, responsive and responsible bidder. A copy of the certified bid tabulation is attached with the Engineer's recommendation for award (Attachment 2).

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. OWASA staff took several actions to solicit minority participation in this contract, including advertising the construction bid with the Greater Diversity News, publishing the advertisement on the websites of the State of North Carolina Interactive Purchasing System (NC IPS) and OWASA, and posting advertisement in multiple plan rooms. Staff also emailed the advertisement directly to approximately six hundred and fifty (650) contractors registered with NC IPS.

OWASA also requires bidders to complete "good faith efforts" to solicit participation by minority subcontractors, and to attest to those efforts via an affidavit submitted with the bid. Staff reiterated this requirement at the pre-bid meeting and provided the bidders with detailed guidelines. The apparent low bidder (Moffat) is a Women Owned Business Enterprise (WBE) and they anticipate self-performing at least \$1,000,000.00 of the work.

Additionally, Moffat provided the required documentation of their good faith efforts, including identification of their subcontractors who qualify as Minority and Women-owned Business Enterprise (MWBE) contractors. The total percentage of work going to MWBE in this contract is approximately 47% of the contract value, consisting of 46% (Women-owned), which is solely Moffat, and 1% (Hispanic) participation. The nature and scope of this project afforded limited subcontracting opportunities.

Bid Analysis and Recommendation:

Two of the three bids received were within the anticipated range; however, the low bidder was approximately \$1.2 million (36%) below the second-place bidder and more than \$1.5 million below the Engineer's estimate. The Engineer and OWASA staff were concerned that the considerable discrepancy with low bid price was due to material omissions or clerical errors. By statute, a bidder on a formal construction contract is not allowed to make a correction to a bid once it has been opened, nor able to withdraw a bid without forfeiture of the bid bond, unless the bid was submitted in good faith and included a substantial error that was clerical in nature. Additionally, the bid documents reserve OWASA's right to reject a bid if deemed 'unbalanced'. An unbalanced bid can be either mathematically or materially, where each element of the bid must carry its proportionate share of the total cost of the work plus profits. One step in determining that a bid is unbalanced is evaluating it for reasonable conformance with the engineer's estimate. Upon subsequent consultation with General Counsel, staff contacted Moffat, who advised that their in-depth bid review revealed no omissions or clerical errors warranting bid withdrawal. Likewise, the Engineer's own detailed evaluation of the low bid did not identify omissions or clerical errors. Given the bidder's confirmation of their bid, the Engineer's evaluation, and the substantial savings to the CIP budget below the Engineer's construction estimate, staff is satisfied that the bid represents an acceptable price for this work.

Moffat has demonstrated sufficient qualifications in past project performance (including the recent OWASA projects for Rogerson Drive Force Main Emergency Repair, Gravity Sewer Rehabilitation Package 3, Manning/Country Club Water Main, Pritchard Avenue Water Main), personnel qualifications/experience, and reference checks. The Engineer and OWASA staff also determined that Moffat met safety performance, relevant project experience, bonding capacity, and other requirements.

Hazen & Sawyers' recommendation that the construction contract for this project be awarded to Moffat is attached along with the certified bid tabulation (Attachment 2). OWASA staff concurs with this recommendation. In order to proceed, we request the Board's adoption of the attached resolution (Attachment 3) awarding the construction contract to Moffat.

Information:

Attachments:

1. Work Area Location Map
2. Engineer's Recommendation for Award and Certified Bid Tabulation
3. Resolution

**JONES FERRY ROAD WATER TREATMENT PLANT
WATER MAINS RESILIENCY IMPROVEMENTS PROJECT**

WORK AREA LOCATIONS



Monday, March 2, 2020

Mr. Brad Barber, PE
Utilities Engineer
Orange Water & Sewer Authority
400 Jones Ferry Road
Carrboro, NC 27510

**Re: Jones Ferry Road WTP Finished Water Distribution Resiliency Improvements
CIP # 275-92
Bid Recommendation**

Dear Mr. Barber,

Hazen & Sawyer has reviewed the bids received on February 26th, 2020 for the Jones Ferry Road WTP Finished Water Distribution Resiliency Improvement project. In total, three-(3) bids were received and read aloud at 1:00 pm in the Board Room at the Orange Water & Sewer Authority (OWASA) headquarters located at 400 Jones Ferry Road, Carrboro, NC 27510. The results of the bids are provided below.

No.	Bidder	Lump Sum Bid
1	Moffat Pipe, Inc.	\$2,178,593.80
2	Pipeline Utilities, Inc.	\$3,424,025.90
3	Carolina Civilworks, Inc.	\$3,855,564.33
	Engineer's Estimate	\$3,720,000.00

Moffat Pipe, Inc is the lowest responsive bidder with a total lump sum bid price of \$2,178,593.80. Hazen's review of their bid indicates all required information was provided including acknowledgement of all addenda, signing and sealing all contract items, bid bond for the amount of 5% of the bid amount, and there are no math errors on the bid form. Additionally, Moffat Pipe, Inc. has provided previous project experiences, listing of equipment and financial statements.

Moffat Pipe, Inc's past safety performance provided includes a current EMR rating of 0.99, and a previous 3 year DART rate average of 2.16. The national average DART rate (heavy and civil construction) per NAICS 237 (U.S. Bureau of Labor Statistics) is 1.5. Generally, a three-year average DART rate greater than 1.50 times the national average will not be considered qualified. This equates to a DART value of 2.25 and Moffat Pipe is under this number.

We have contacted named references included in the Bid Form and spoke to Mr. Chris Rowland with the Town of Clayton. Mr. Roland noted that Moffat Pipe was finishing up the project at the East Clayton Industrial Area which included submersible pump installations. Mr. Rowland noted he only had good things to say with regards to Moffat Pipe's work on the project and provided positive feedback.

Our final evaluation of Moffat Pipe, Inc. is that they have the experience and reputation to adequately complete this work for OWASA. Therefore, we recommend awarding the contract to Moffat Pipe, Inc. in the amount of \$2,178,593.80.

Please let me know if there are any additional questions or concerns. We have also included a certified, signed and sealed bid tabulation accompanying this recommendation.

Very truly yours,



Matthew C. Miles, PE
Associate

cc: Francis Buser, Hazen
Tom Tant, Hazen

BID TABULATION

Project Owner: Orange Water and Sewer Authority
Project Name: Jones Ferry Road WTP Finished Water Distribution Resiliency Improvements
Bid Opening Date: 26-Feb-20
Bid Opening Time: 1:00 PM
Bid Opening Location: Orange Water and Sewer Authority
 Board Room
 400 Jones Ferry Road
 Carrboro, NC 27510

Name of Bidder	Moffat Pipe, Inc	Pipeline Utilities, INC	Carolina Civilworks, Inc.
Address of Bidder	701 Finger Lakes Dr	2204-F Associate Dr.	PO Box 80337
	Wake Forest, NC 27587	Raleigh, NC 27603	Raleigh, NC 27623
Bidder's Checklist-00300a	X	NO	X
North Carolina Contractor's License No.	54906	13040	74658
Executed Lump Sum Bid Form	X	X	X
Acknowledgement of all five (5) Addenda	X	X	X
Certified List of Equipment/Material Manufacturers and Subcontractors/Suppliers	X ¹	X	X
Certification Affidavit	X	X	X
Bid Certification	X	X	X
Contractor Experience	X	X	X
Qualifications of Bidders	X ²	X ³	X ^{4,5}
Appropriate Bid Form Signature Page	X	X	X
Bid Security or Bid Bond and Power of Attorney	X	X	X
Proposal Signature Page	X	X	X
Contractor's Affidavit of Organization and Authority	X	X	X
Non-Collusion Affidavit of Bidder	X	X	X
Equal Employment Opportunity Certification	X	X	X
Acknowledgement for Equal Employment Opportunity Certification	X	X	X
Bidder's North Carolina General Contractor's License	X	X	X
M/WBE Identification of Minority Business Participation	X	X	X ⁶
M/WBE Affidavit A or B	X	X	X ⁷
Submitted Bid as Written	\$2,178,593.80	\$3,424,025.90	\$3,855,564.33

Notes:

- | | | | | | |
|---|---|---|--|---|-----------------------------|
| 1 | No Diving Subcontractor Listed | 4 | No financial information provided but will provide upon request of award. | 6 | No Minority Business listed |
| 2 | Three year average DART rate = 2.167, less than 1.5*2018 rate (1.5) = 2.25 | 5 | Three year average DART rate = 3.2, greater than 1.5*2018 rate(1.5) = 2.25 | 7 | Affidavit A provided only |
| 3 | Three year average DART rate = 4.1, greater than 1.5*2018 rate (1.5) = 2.25 | | | | |

I hereby certify that the tabulation of bids shown herein was prepared under my direct supervision on this date, and that all information herein is true, and complete to the best of my knowledge

Prepared By: Matthew C. Miles, PE
 Hazen and Sawyer
 4011 WestChase Blvd. Suite 300
 Raleigh, NC 27607



**RESOLUTION AWARDING A CONSTRUCTION CONTRACT FOR THE JONES
FERRY ROAD WATER TREATMENT PLANT WATER MAINS RESILIENCY
IMPROVEMENTS PROJECT**

WHEREAS, there is a need to replace aging water mains and increase the resiliency of the finished water distribution system at the Jones Ferry Road Water Treatment Plant; and

WHEREAS, plans and specifications for the construction of this project have been prepared by Hazen & Sawyer; and

WHEREAS, the construction contract bid was publicly advertised on the State of North Carolina Interactive Purchasing System and OWASA websites, and Greater Diversity News on January 9, 2020; and

WHEREAS, three bids were received and opened publicly on February 26, 2020, and Moffat Pipe, Inc. of Wake Forest, North Carolina has been determined to be the low responsive, responsible bidder for the project; and

WHEREAS, on June 13, 2019 the Board approved a resolution authorizing funds for Capital Improvement Projects, including funds for this project;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Orange Water and Sewer Authority Board of Directors awards the construction contract to Moffat Pipe, Inc., the low responsive, responsible bidder for the Jones Ferry Road Water Treatment Plant Water Mains Resiliency Improvements Project, in accordance with the approved plans and specifications, in the amount of \$2,178,593.80, 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 12th day of March 2020.

Raymond E. DuBose, P.E., Chair

ATTEST:

Bruce Boehm, Secretary

Agenda Item 2:

Award a Construction Contract for the Jones Ferry Road Water Treatment Plant (WTP) Chemical Facility Improvements Project (Project).

Purpose:

This memorandum recommends that the OWASA Board award a construction contract to Dellinger, Inc. (Dellinger) for the construction of the Project

Background:

The WTP uses physical and chemical processes to produce high quality drinking water for the Carrboro-Chapel Hill community. The [WTP Reliability and Risk Assessment Action Plan](#) identified several high risk chemical feed system concerns due to condition and criticality of the sodium hypochlorite, caustic soda (sodium hydroxide), and ammonia (ammonia sulfate) chemical feed pumps ([Risk No. W-R6](#)). Sodium hypochlorite and ammonia are used for chloramine disinfection of drinking water; and caustic soda is used for pH control. It was noted in the reliability and risk evaluation that it is difficult to maintain a wide variety of pumps (manufacturer, type, and capacity) and recommended replacement of the sodium hypochlorite, caustic soda, and ammonia chemical feed pumps, including implementing a standardization process for chemical feed pumps. The evaluation further indicated that the ancillary pumping equipment (check valves, pressure relief valve, etc.) and piping configuration were likely inadequate.

Freese and Nichols, Inc. (Engineer) was selected to complete a detailed Preliminary Engineering Report (PER) on the WTP chemical facilities. As part of the PER process, the WTP staff identified additional system components for rehabilitation and upgrade, which were combined with the original Reliability and Risk Assessment recommendations in the Engineer's PER for the Project. The combined key recommendations informed the final scope objectives for the Capital Improvements Program (CIP) Project:

1. new bulk chemical storage containment area;
2. modifications to the existing bulk storage area;
3. chemical feed system improvements for caustic, sodium hypochlorite, ammonia, ferric sulfate (for coagulation), aluminum sulfate (for coagulation), polyphosphate (for corrosion control), and powder activated carbon (for taste and odor control); and
4. associated electrical and instrumentation updates.

The key benefits of the Project are increased operational efficiency, reduced operational risk, and replacement of aging assets.

Attachment 1 shows the extents (in red) of the primary areas where the Project work will occur at the WTP.

Advertising and Bidding:

The Engineer completed the Project design and bid documents in January 2020. The bid advertisement was posted to websites, news outlets, and emailed on January 2, 2020. Additionally, throughout the bid process, the Engineer and OWASA staff made direct contact with numerous general contractors via phone calls and emails. No bids were submitted at the initial February 11, 2020 deadline. Whereas no bids were received the contract was re-advertised with a re-bid date of February 25, 2020. On February 25, 2020, only one bid was received and opened publicly, and the results are summarized below:

Dellinger, Inc.	\$3,129,000.00
<i>Engineer's Final Estimate</i>	<i>\$3,109,400.00</i>

After an evaluation of the low bidder's project references, current projects list, financial statement and references, safety performance data, debarment status, and claims and judgements information, Dellinger was determined to be the low, responsive and responsible bidder. A copy of the certified bid tabulation is attached with the Engineer's recommendation for award (Attachment 2).

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. OWASA staff took several actions to solicit minority participation in this contract, including advertising the construction bid with the Greater Diversity News, publishing the advertisement on the websites of the State of North Carolina Interactive Purchasing System (NC IPS) and OWASA, and posting advertisement in multiple plan rooms. Staff also emailed the advertisement directly to approximately five hundred and fifty (550) MWBE contractors registered with NC IPS.

OWASA also requires bidders to complete "good faith efforts" to solicit participation by minority subcontractors, and to attest to those efforts via an affidavit submitted with the bid. Staff reiterated this requirement at the pre-bid meeting and provided the bidders with detailed guidelines. Dellinger provided the required documentation of their good faith efforts, including identification of their subcontractors who qualify as MWBE contractors. The total percentage of work going to MWBE in this contract is approximately 7.3% of the contract value, consisting of 1% (Women-owned) and 6.3% (Hispanic) participation.

Bid Analysis and Recommendation:

Given that the proposed contract amount is within 0.63% of the Engineer's construction budget estimate, OWASA staff are satisfied that this is an acceptable price for this work. Based on feedback received from contractors and consultants, the lone bid on this project appears to reflect the general bidding climate at this time, with an increasing number of private and public projects competing for a limited set of qualified contractors.

Dellinger has demonstrated sufficient qualifications in past project performance (including the recent WTP projects for Sedimentation Basin Rehabilitation, Filter Media and Backwash Improvements, and Fluoride System Improvements), personnel qualifications/experience, and reference checks. Additionally, the Board recently awarded Dellinger the WTP Finished Water Pumping Improvements project (CIP 272-42). The Engineer and OWASA staff also determined that Dellinger met safety performance, relevant project experience, bonding capacity, and other requirements.

Freese and Nichols's recommendation that the construction contract for this project be awarded to Dellinger is attached along with the certified bid tabulation (Attachment 2). OWASA staff concurs with this recommendation and requests the Board's adoption of the attached resolution (Attachment 3) awarding the construction contract to Dellinger.

Information:

Attachments:

1. Work Area Location Map
2. Engineer's Recommendation for Award and Certified Bid Tabulation
3. Resolution

**JONES FERRY ROAD WATER TREATMENT PLANT
CHEMICAL FACILITIES IMPROVEMENTS PROJECT**

WORK AREA LOCATIONS



27 February, 2020

Brad Barber, P.E.
 Orange Water and Sewer Authority
 400 Jones Ferry Road
 Carrboro, NC 27510

Reference: Re-Bid, CIP # 242-76
 Chemical Facility Improvements – Jones Ferry Road Water Treatment Plant

Dear Mr. Barber:

At the original bid opening for the referenced project on 11 February, 2020 an insufficient number of bids were received to open in compliance with the General Statutes of North Carolina. The Project was subsequently re-advertised for bid, and construction bids were received and opened at 1:00 PM on Tuesday, 25 February, 2020 in the OWASA Administrative Offices at 400 Jones Ferry Road in Carrboro. A total of one (1) bid was received, summarized as follows:

No.	Bidder	Total Bid Price
1	Dellinger, Inc.	\$3,129,000.00
	Engineer's OPCC (December 2019)	\$3,109,400.00

As the only bidder, Dellinger, Inc. is the lowest responsive, responsible bidder for the project. Their bid was less than 1% higher than the Engineer's opinion of probably construction cost (OPCC) and thus considered to be competitive and fair.

Based on Freese and Nichols (FNI) review, Dellinger's Bid is complete. All addenda are acknowledged, all bidding documents are signed and sealed, and there are no math errors on the bid form. Their documentation regarding project experience, available personnel and equipment meets project requirements, their financial statement was audited by an independent auditor, our review found no issues, and their NC contractor license is active. Additionally, they have provided the required affidavits, certifications and Minority Business Participation documentation.

Dellinger's past safety performance provided in the Bid indicates that their current year EMR is 0.94 which is less than the required maximum EMR of 1.5. Their previous 3 years of DART Rates are 0.93, 0.83 and 0.94, an average of 0.90. The national average DART rate for is 1.5 (2018 rate for NAICS 237, Heavy and Civil Engineering Construction), therefore Dellinger's three-year average is well below 1.5 times the national average, as required.

FNI also contacted several of Dellinger's relevant references:

- Shannon Dorsey of Hazen has worked with Dellinger on several projects, said they did a good job on the Raleigh Walnut Creek Lift Station project, and that they were easy to work with.
- Tyler Highfill of Highfill Infrastructure Engineering has done several projects with Dellinger and he is very impressed with their work.
- Tony Muniz of Hazen said that Dellinger has been excellent to work with on the Wiggins Mill Dam project in Wilson.

Additionally, Dellinger has successfully completed two (2) recent projects for OWASA at the Jones Ferry Road Water Treatment Plant: WTP Modifications in 2018 and Settling Basin Rehab in 2019.

FNI's evaluation of the experience and reputation of Dellinger, Inc. indicates that this company is well qualified to perform the work on this project. Therefore, we recommended that OWASA award a construction contract to Dellinger, Inc. for the referenced project in the amount of \$ 3,129,000.00.

Please let us know if you have any questions or need further information. We look forward to working with OWASA on this important project.

Sincerely,
Freese and Nichols, Inc.



Robert N. Vinay, P.E.
Project Manager

FINAL BID TABULATION (RE-BID)

Orange Water and Sewer Authority (OWASA) Chemical Facility Improvements - Jones Ferry Road WTP - CIP # 272-46 25 February, 2020, 1:00 PM Re-Bid OWS19173	Bidders
	Dellinger, Inc. 2631 Old Charlotte Highway Monroe, NC 28111
NC Contractor's License Number	5992
Executed Lump Sum Bid Form	X
Acknowledgement of all three (3) Addenda	X
Certified List of Equipment / Material Manufacturers and Subcontractors/Suppliers	X
Certification Affidavit	X
Bid Certification	X
Contractor Experience	X
Qualification of Bidders	X
Appropriate Bid Form Signature Page	X
Bid Security or Bid Bond and Power of Attorney	X
Proposal Signature Page	X
Contractor's Affidavit of Organization and Authority	X
Non-Collusion Affidavit of Bidder	X
Equal Employment Opportunity Certification	X
Acknowledgement for Equal Opportunity Certification	X
Bidder's North Carolina General Contractor's License	X
M/WBE Identification of Minority Business Participation	X
M/WBE Affidavit A or B	X
Discrepancies	None
TOTAL BID PRICE	\$3,129,000.00

I hereby certify that this tabulation of bids was prepared under my direct supervision on the date indicated, and that all information herein is true and complete to the best of my knowledge

Robert N. Vinay, P.E., Project Manager
 Freese and Nichols
 1017 Main Campus Drive, Suite 1200
 Raleigh, NC 27606
 NC Registered Engineering Firm C-3916



**RESOLUTION AWARDING A CONSTRUCTION CONTRACT FOR THE JONES
FERRY ROAD WATER TREATMENT PLANT CHEMICAL FACILITIES
IMPROVEMENTS PROJECT**

WHEREAS, there is a need to improve the chemical facilities at the Jones Ferry Road Water Treatment Plant; and

WHEREAS, plans and specifications for the construction of this project have been prepared by Freese and Nichols, Inc.; and

WHEREAS, the construction contract bid was publicly advertised on the State of North Carolina Interactive Purchasing System and OWASA websites, and Greater Diversity News on January 2, 2020; and

WHEREAS, on February 26, 2020 bids were received and publicly opened, and Dellinger, Inc. of Monroe, North Carolina has been determined to be the low responsive, responsible bidder for the project; and

WHEREAS, on June 13, 2019 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 Dellinger, Inc., the low responsive, responsible bidder for the Jones Ferry Road Water Treatment Plant Chemical Facilities Improvements Project, in accordance with the approved plans and specifications, in the amount of \$3,129,000, 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 12th day of March 2020.

Raymond E. DuBose, P.E., Chair

ATTEST:

Bruce Boehm, Secretary

Agenda Item 3

Orange Water and Sewer Authority

Meeting of the Board of Directors

February 27, 2020

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a regular meeting on Thursday, February 27, 2020, at 7:00 p.m. in Chapel Hill Town Hall Council Chamber.

Board Members present: Raymond (Ray) DuBose (Chair), Ruchir Vora (Vice Chair), Bruce Boehm (Secretary), Yinka Ayankoya, Jody Eimers, Robert Morgan and Bruce Runberg. Board Member absent: John N. Morris.

OWASA staff present: Mary Darr, Robert Epting (Epting and Hackney), Stephanie Glasgow, Tyrus Johnson, Andrea Orbich, Allison Spinelli, Todd Taylor and Stephen Winters.

Others present: Meg Holton (UNC Water Resources Manager) and Ben Poulson (UNC Associate Director of Energy Services).

Motions

1. Bruce Runberg made a motion to approve the Minutes of the January 30, 2020 Special Meeting of the Board of Directors; second by Ruchir Vora and unanimously approved.
2. Bruce Runberg made a motion to approve the Minutes of the February 13, 2020 Meeting of the Board of Directors; second by Ruchir Vora and unanimously approved.
3. Bruce Runberg made a motion to approve the Minutes of the February 13, 2020 Closed Session of the Board of Directors for the purpose of discussing a personnel matter; second by Ruchir Vora and unanimously approved.
4. Bruce Runberg made a motion that the Board approve the proposed new Computerized Maintenance Management System project information as amended by Bruce Boehm (that the title and description be updated to evaluate and implement work order business process mapping and optimization improvements as well as clarify phasing and expected results); second by Robert Morgan and approved with a vote of five to two with Yinka Ayankoya and Ruchir Vora opposed.

* * * * *

Announcements

Ray DuBose announced that the Board received an e-mail from Board Member John Cooley who announced his resignation from the OWASA Board of Directors effective February 27, 2020, due to an unexpected increase in personal and professional obligations.

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

Mr. DuBose said that members of the Orange County Board of Commissioners and Orange County Appointees to the OWASA Board will meet on Wednesday, March 25, 2020 at 8:30 a.m. in OWASA's Boardroom to discuss items of mutual interest.

Bruce Boehm said the Finance Committee met on the February 24, 2020 to discuss a draft of the Fiscal Year (FY) 2021 operating budget. Drafts of the FY 2021 5-year Capital Improvements Program and capital equipment budgets will be provided at the March 12, 2020 Board work session and staff will provide the Board with a preliminary rate adjustment recommendation for consideration at the March 26, 2020 meeting.

Jody Eimers announced the Chatham-Orange Task Force Meeting on Friday, March 6, 2020 at 12:00 noon at Clarion Associates, Chapel Hill. The topics will be an update on development along the 15-501 corridor between Pittsboro and Interstate 40, affordable housing strategies and programs, and regional transit planning.

Robert Morgan announced the Board of Directors will hold a Closed Session on March 10, 2020 at 6:00 p.m. in the OWASA Boardroom for the purpose of discussing a personnel matter.

Todd Taylor announced the lakes will open for recreation on March 21, 2020 at Cane Creek Reservoir and University Lake and during the recreation season, our lakes will normally be open from 6:30 a.m. to 6:00 p.m.

Mr. Taylor announced that the annual chlorine disinfection of drinking water will begin on March 1, 2020 and will continue through the end of March. Chlorine disinfection ensures a high level of disinfection in the community's network of water mains.

Petitions and Requests:

Ray DuBose said the Board received a petition from P.M. Dubbeling, PLLC, on behalf of Frank Baumgartner and Rachel Sumney, requesting a change to the Water and Sewer Management, Planning and Boundary Agreement; and without objection, the Board agreed to receive the petition and refer the petition to General Counsel and staff for a response at a future meeting.

Mr. DuBose asked for petitions and requests from the Board and staff; there were none.

Item One: 12 Month Board Meeting Schedule

The Board accepted this as an information item.

Item Two: Information on Proposed Computerized Maintenance Management System

(This item was pulled from the Consent Agenda at Mr. Vora's request, and discussed separately by the Board.)

Mr. Vora said he appreciated the information provided by Staff concerning its plans to upgrade and replace on the Computerized Maintenance Management System (CMMS). He mentioned though, that the cost for this project seemed very expensive, and he asked if staff could do the work in house.

Bruce Boehm agreed the cost is expensive, but noted the scope really involves two phases, which might be separated. Mr. Boehm expressed his view that Phase I ought to sort out the business process issues and tasks; and that Phase II ought to follow up with a review of the software and other products needed to meet the needs reported in findings of Phase I.

Allison Spinelli, Asset Manager, responded to Board Member questions, acknowledged the high cost for the proposed consultant work, but stated that it was felt that upfront consultant investment is important to select the best software, to insure a smooth implementation, and to provide recommendations to assure successful long-term maintenance efficiency and asset management for the organization.

Robert Morgan said he supported moving forward on this project.

Jody Eimers said she supported moving forward on this project.

Yinka Ayankoya asked which budget would be affected for this project.

Stephen Winters, Director of Finance and Customer Services, said funds are available to fund the consultant work for this fiscal year. Funding for work to be done next year is in the draft FY 2021 operating budget which the Board will consider for approval in June 2020.

Mr. Boehm said he supports the project but he believes the title and description should be updated to evaluate and implement work order business process mapping and optimization improvements as well as clarify phasing and expected results.

Bruce Runberg made a motion that the Board approve the proposed new Computerized Maintenance Management System project information as amended by Bruce Boehm (that the title and description be updated to evaluate and implement work order business process mapping and optimization improvements as well as clarify phasing and expected results); second by Robert Morgan and approved with a vote of five to two with Yinka Ayankoya and Ruchir Vora opposed. Please see motion 4.

Item Three: Resolution Awarding a Construction Contract for the Jones Ferry Road Water Treatment Plant Finished Water Pump Improvements

Bruce Runberg made a motion to approve the resolution; second by Ruchir Vora and unanimously approved. Please see Motion 1.

Item Four: Minutes

Bruce Runberg made a motion to approve the Minutes of the January 30, 2020 Special Meeting of the Board of Directors; second by Ruchir Vora and unanimously approved. Please see Motion 2.

Item Five: Minutes

Bruce Runberg made a motion to approve the Minutes of the February 13, 2020 Meeting of the Board of Directors; second by Ruchir Vora and unanimously approve. Please see Motion 3.

Item Six: Minutes

Bruce Runberg made a motion to approve the Minutes of the February 13, 2020 Closed Session of the Board of Directors for the purpose of discussing a personnel matter; second by Ruchir Vora and unanimously approved. Please see Motion 3.

Item Seven: Safety Performance Metrics

Tyrus Johnson, Safety and Risk Manager, provided the Board a presentation on the internal Safety Performance Metrics developed to reduce the number of incidents that occur each year at OWASA and provide additional information on OWASA's safety program.

Bruce Boehm asked what the personal injury trend has been over the past five years.

The Board thanked and expressed appreciation to Mr. Johnson for the report.

Item Eight: Summary of Key Staff Action Items from the Meeting

Todd Taylor noted the following items for staff follow-up:

- Provide a response to the petition presented by P.M. Dubbeling, PLLC, on behalf of Frank Baumgartner and Rachel Sumney, requesting a change to the Water and Sewer Management, Planning and Boundary Agreement at a future Board meeting.
- Provide the Board personal injury trends over the past five years via e-mail.
- Update the description of the Computerized Maintenance Management System (CMMS) project to evaluate and implement work order business process mapping and optimization improvements, as well as clarify phasing and expected results, such as a new CMMS, of the project.
- The Board's March 12, 2020 Work Session items include:
 - o Forest Management Program Update
 - o Resolution Awarding the Jones Ferry Road Water Treatment Plant Water Mains Resiliency Construction Contract

- Resolution Awarding the Jones Ferry Road Water Treatment Plant Chemical Facility Improvements Contract
 - Draft Fiscal Year 2021 Budget Including First Iteration of New Budget Format
 - Update on New Water Main Prioritization Model
- The Board's March 26, 2020 Meeting items include:
- Set date for Public Hearings on May 28, 2020
 - Fiscal Year 21 draft Budget & Rates and Proposed Staff Rate Adjustment Recommendation

Item Nine: Closed Session

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

The Board meeting reconvened in open session at 8:46 p.m., and the meeting was adjourned.

Respectfully submitted by:

Andrea Orbich
Executive Assistant/Clerk to the Board

Attachment

Agenda Item 4

Orange Water and Sewer Authority

Closed Session of the Board of Directors

February 27, 2020

The Board of Directors of Orange Water and Sewer Authority met in Closed Session in on Thursday, February 27, 2020, following the Board meeting.

Board Members present: Ray DuBose (Chair), Ruchir Vora (Vice Chair), Bruce Boehm (Secretary), Yinka Ayankoya, Jody Eimers, Robert Morgan and Bruce Runberg. Board Member absent: John N. Morris.

Staff present: Robert Epting, Epting and Hackney.

Item One

The Board of Directors met in Closed Session with staff to evaluate General Counsel's semiannual performance review.

No official action was taken at the meeting.

The meeting was adjourned at 8:46 p.m.

Robert Morgan, Chair
Human Resources Committee

Agenda Item 5:

Forest Management Program Update

Purpose:

Provide the Board of Directors and public an update on OWASA's Forest Management Program.

Background:

OWASA owns about 2,400 acres of forest lands, much of which is for protecting water quality in the Cane Creek Reservoir, the primary source of drinking water for the Carrboro-Chapel Hill communities.

On September 26, 2019, following a community engagement process, the Board authorized staff to implement the Forest Management Program on OWASA owned lands in accordance with the Board approved [Vision, Guiding Principles and management strategies](#).

Forest Management Vision

Protect water quality now and for future generations by following science-based principles to manage our forest lands so they are healthy, diverse, resilient, and sustainable.

Guiding Principles

OWASA plans to achieve its Vision through the application of seven guiding principles for our forest management program, forest stewardship plans, decisions, and actions:

- Protect Water Quality, OWASA's Highest Priority
- Improve Ecological Health of Forested Land
- Reduce the Risk of Wildfire
- Improve Wildlife Habitat and Species Diversity
- Sustainably Manage OWASA's Resources
- Engage the Community and Partner Agencies
- Minimize Adverse Impacts on Neighbors and Surrounding Community

Healthy forests are more resistant to the impacts of disease, infestation, drought, wildfire, and climate change. Maintaining healthy forests helps ensure the trees and the forest floor are better able to filter sediment, nutrients, and other pollutants. Thus, forest health serves as a proxy for protection of long-term water quality.

The forest growth rate in the last ten years is indicative of how healthy a forest is at that point in its life cycle. Healthy forests exhibit higher rates of growth. Generally, younger forests will be healthier than older or senescing (deteriorating with age) forests. Stocking density (the estimated total square foot area of tree at chest height in an acre of forest) also effects how healthy a forest may be. Overstocked forests will typically have lower growth rates, a shaded forest floor, and

March 12, 2020

lack diversity. In such areas, trees must compete for limited sunlight, water, and nutrients; and as a result are generally less healthy.

Progress since September 26, 2019 Board Approval

Working closely with True North Forest Management Services (True North), OWASA's consultant, we have completed the process to prioritize our forest lands by greatest need of active management strategies. We followed the process approved by the Board of Directors at its September 26, 2019 meeting which was based on a GIS analysis of the criteria described in the Background section followed by field verification.

The ~83 acre Meadow Crest North property (see attachment) was selected as a high priority site to begin active management in accordance with our new Vision and Guiding Principles. A large majority of this site is an extremely dense pine forest that is experiencing competition induced mortality. True North recommends this be addressed by a thinning program which will provide more space, water, sunlight, and nutrients to the remaining trees to improve their growth rates and the overall health of the forest.

True North prepared a Draft Forest Stewardship Plan for this property which we recently shared with our partner agencies inviting their feedback by March 20, 2020.

Next Steps:

Once we have the benefit of feedback from our partner agencies, we will prepare the Final Draft Forest Stewardship Plan for Meadow Crest North and invite our nearby neighbors to meet with us to discuss our plan and seek their questions, feedback and suggestions. After carefully considering neighbors' feedback, we will finalize our plan and proceed with implementation of the recommended management strategies.

At this time, we cannot predict when management activities will begin at Meadow Crest North as it will vary depending on public and partner agency feedback, weather conditions and the availability of reputable timber companies to perform the work.

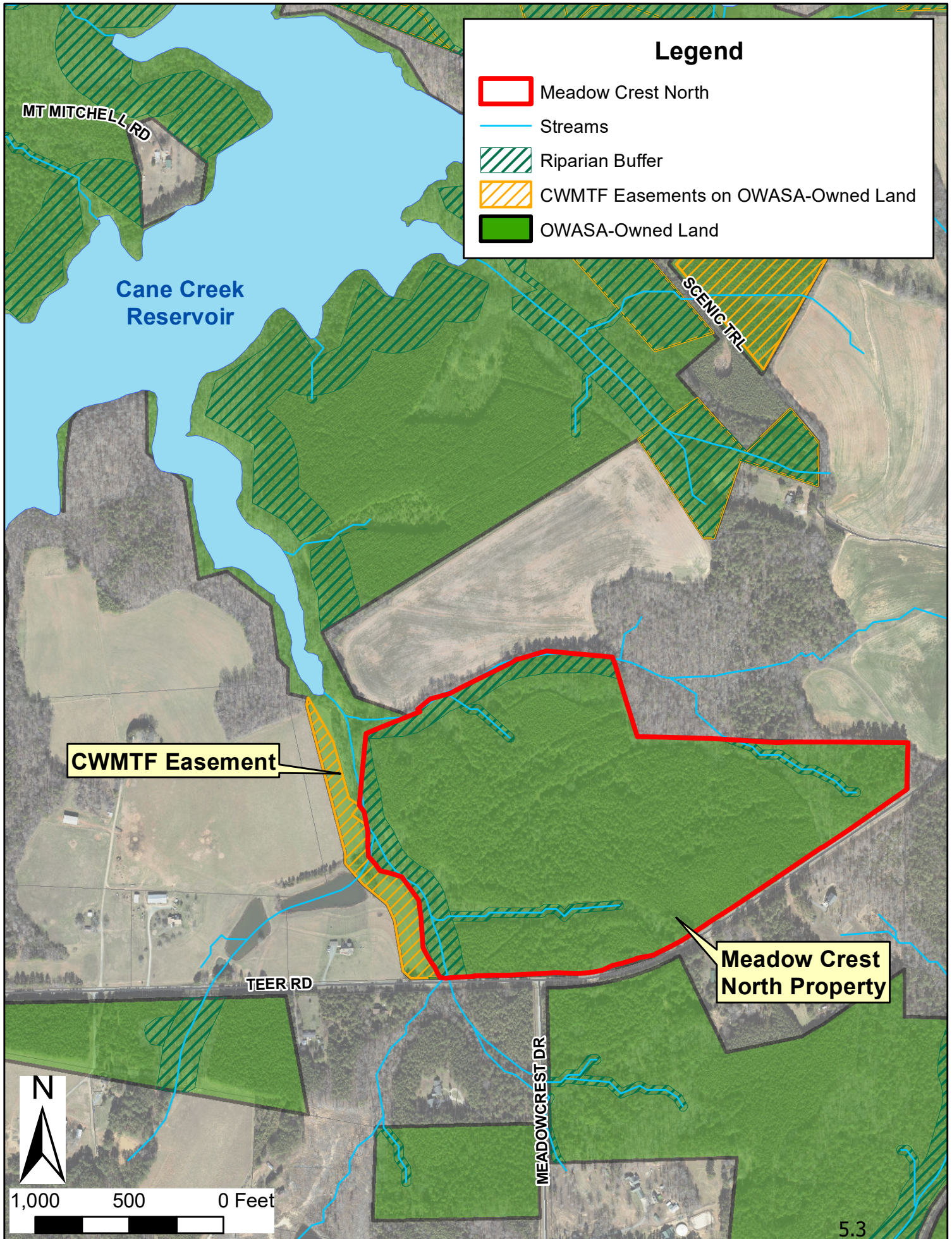
With the benefit of the experience gained in developing the Forest Stewardship Plan for Meadow Crest North, we will begin the process to develop Forest Stewardship Plans for other high priority sites to be addressed over the next several years.

As is our long-standing practice, we will keep our neighbors and stakeholders informed about our important work to sustain healthy forests and to protect our water resources.

Information:

Meadow Crest North Map

Meadow Crest North Properties



Agenda Item 6:

Update on New Water Main Prioritization Model

Purpose:

To provide an update on the development of a new risk model used to prioritize water main replacement projects and additional analysis and decision support tools which will be used to guide infrastructure investment decisions and operational strategies to manage the water distribution system consistent with expected level of service criteria.

Background:

In 2003, OWASA developed a data-driven distribution system prioritization model to identify and prioritize water mains for replacement. The model used factors such as age, material, break history, water pressure, and consequence of failure – referenced to industry standards – in order to generate an assessment of a given water main’s risk. In 2010, the underlying risk criteria were reviewed and revised.

In March 2019, work began as part of [CIP #275-89 Distribution System Prioritization Model](#) to complete a major update of this model. In addition to improving our ability to identify and prioritize needed water main replacements, the study’s objectives were expanded to include additional planning and operational improvements for a more comprehensive and integrated approach to the management of risk in the water distribution system. Questions central to the study include:

- What is our best understanding of the risk profile of any given distribution system pipe?
- Which pipes should we be replacing?
- What should our long-term rate of pipe replacement be?
- What is the best use of pipe condition assessment?
- How can we improve our ability to prepare for and respond to water main breaks?

The consulting firm of HDR Engineering, Inc. of the Carolinas (HDR) was hired through a qualification-based selection process. At the Board’s [February 14, 2019 Work Session](#), staff presented background information about OWASA’s water distribution system and the project’s scope of work, which was divided into two major phases. An interim update, including discussion of the risk framework, was provided at the [July 11, 2019 Work Session](#) near the completion of Phase 1. As of March 2020, the majority of tasks for both Phase 1 and Phase 2 have been completed and are being used to inform the draft Capital Improvements Program (CIP) budget.

This memo presents an overview of the key tasks completed during the study, discussion of the improvements and limitations of the study deliverables, as well as the status of next steps both within and in addition to the study scope.

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Key Tasks:

Key tasks for the study are outlined below.

- *Pipe Deterioration Analysis* – Based on the data we have, what are the statistically significant factors that lead to pipe deterioration and water main breaks? For this analysis, HDR reviewed staff input, GIS data, distribution system hydraulics, and a substantial set of OWASA water main break data collected over decades. The resulting correlations provide the basis for the Likelihood of Failure (LoF) component of the risk prioritization framework, as well as help predict the effect of different long-term pipe replacement rates on water main break rates. This task represents a notable refinement of the prior risk model, which relied on industry reference points rather than actual performance of pipes within the OWASA system.
- *Risk Prioritization Framework* – This framework represents our understanding of overall pipe risk and combines the above mentioned LoF with the Consequence of Failure (CoF) for each segment of pipe in the distribution system. The CoF quantifies the various negative impacts (e.g. critical customer without service, traffic disruption) of a given pipe break. We engaged UNC and UNC Healthcare when identifying critical customers for the CoF analysis. The outputs from the risk framework are leveraged not only to support the prioritization of water main replacement and reliability improvements, but also to identify condition assessment and pipe break response planning opportunities. HDR developed decision logic trees which utilize LoF, CoF, and overall risk scores to guide appropriate actions (replacement, condition assessment, etc.) for each pipe. This improves upon the prior risk model, which was built only to inform prioritization of replacement projects based on overall risk scores; the updated model provides more appropriate decision guidance for pipes in good condition (i.e., low LoF) with high CoF.
- *Renewal Investment Scenarios* – This task provides decision support for setting the level of long-term investment for pipe replacement. Using the results of the deterioration analysis above, HDR developed a planning tool to forecast long-term system performance (i.e., water main break rate) based on differing investment levels (i.e., annual rate of water main replacement), as well as benchmark those two factors against other local and national utilities. The tool found that an annual water main replacement rate of 3.0 miles/year would be necessary to meet the current Key Performance Indicator (KPI) target of 8.7 breaks per 100 miles, and that replacement rate is reflected in the draft five-year CIP for Fiscal Year 2021 – 2025. (Note: the KPI target is based on the results from the most recently available AWWA Benchmarking Study, and therefore is changed each time new survey results are released. Upon further research into this performance indicator, staff suggests setting a target range of 8 to 13 breaks per 100 mile and revising the KPI target range only after a period of say, five to seven years. Additional information about this recommendation will be presented at the March 12, 2020 Work Session).
- *Opportunistic Condition Assessment* - When a water main is exposed for any reason (e.g. service tap, break, valve replacement, water main replacement), it provides a cost-

effective opportunity to gather pipe samples and soil samples for assessment since roughly 90% of the cost of testing is in accessing the pipe. As part of this task, HDR reviewed current staff procedures for various work processes and provided recommendations and conducted staff training for data collection related to site (i.e., photos), soil, and pipe condition during the aforementioned events. Over the past several months staff has implemented these recommendations, and initial results from this data collection are being analyzed and reviewed for effectiveness and actionability.

- *Proactive Condition Assessment* – The methods and proprietary technologies for pressurized water main condition assessment have continued to advance in recent years, but are generally very expensive to implement. This task reviewed the state of available technology that might be appropriate for the pipe materials and sizes in the OWASA distribution system. The initial intent was to set up a pilot test of one or more of these technologies as part of the study scope in order to help assess the benefit and programmatic investment in given technologies. However, detailed discussions about implementation revealed some logistical concerns including in-line valves and tapping locations for the insertion and extraction of the condition assessment tools. Additionally, the OWASA distribution system has relatively few candidate pipes for proactive condition assessment, and even fewer that would not pose a significant risk to the overall distribution system should the tool become stuck or need emergency extraction.

The study has developed a long-term framework and decision logic for the cost-effective use of proactive condition assessment to assess pipe risk and inform replacement decisions. However, at this time the draft CIP reflects a ramped approach to the use of proactive condition assessment, which starts with non-invasive condition assessment methods and then moves towards the use of in-pipe technologies with the expectation that logistical concerns will be addressed over time and continued development of in-pipe technologies.

- *Break Response Preparedness* – HDR developed an uncalibrated hydraulic model of the distribution system appropriate for the goals of this study; a separate, more detailed hydraulic analysis of the distribution system will be starting this calendar year. One key finding from HDR's hydraulic modeling is that the OWASA distribution system is well-looped such that it remains hydraulically robust when taking any given pipe segment out of service anywhere in the system. However, this hydraulic robustness also means that a relatively greater volume of water can be lost through a given main break than would be lost in a more hydraulically constrained network. Thus, the ability to respond quickly to isolate main breaks is critical for our distribution system.

Beyond the study, staff has focused on break response preparedness in recent years through such efforts as the accelerated valve exercising program and monthly meetings with UNC and UNC Healthcare specifically on distribution system resiliency. Tabletop exercises with UNC and UNC Healthcare were held in June and December 2019 to test and improve various elements of coordinated break response, and an additional exercise is planned for the near future. Within the study, several subtasks have focused specifically on improving staff's ability to minimize the time between main break identification and break isolation, including:

- detailed review and charting of the break response protocol;
- development of break response plans for several high CoF pipe segments;
- development of a web-based visual tool, available to operations staff, that allow for immediate identification of the necessary valves to close (both primary and, if needed, secondary) when isolation of a pipe segment is needed for main break response;
- development of a prioritization framework for isolation valves that corresponds with the pipe risk prioritization framework;
- identification of several opportunities for addition of isolation valves;
- review of spare parts inventory needed to respond to main breaks; and
- recommendations for improvements in data collection and management (separate from the opportunistic data collection strategies discussed above).

Conclusion:

The study is expected to be complete in April 2020. Remaining tasks include the final review of the compiled technical memo (including feedback from our partners at UNC and UNC Healthcare). The primary deliverable of the study is the risk prioritization model, which is intended to be a tool for use and refinement by staff for years to come. To that end, staff have received detailed training on the model and have utilized it during the development of the draft CIP. Other key deliverables include the isolation valve identification tool and the renewal investment scenario modeling tool.

Aside from the development and maturation of an integrated condition assessment program, which is expected to continue over several years as technology develops and implementation concerns are addressed, staff feels confident that the study has provided us with the best answers to the core questions listed at the start of this memo.

Action Required:

No Board action is required. Vishnu Gangadharan and Allison Spinelli will deliver a presentation on the study and answer questions.

Agenda Item 7:

Draft Fiscal Year 2021 Budget and First Iteration of New Budget Format

Purpose:

The purpose of this discussion is to provide drafts of the Fiscal Year (FY) 2021 and the first iteration of a new format for communicating budget information to the Board and public. Budget information in this agenda includes drafts of the following:

- Operating budget
- 5-year Capital Improvements Program (CIP) budget
- Capital equipment budget

Staff will provide the Board with a preliminary rate adjustment recommendation for consideration at the March 26, 2020 meeting.

The Board of Directors will continue to discuss these topics throughout March and April, as necessary, in order to be prepared to hold public hearings, tentatively scheduled for May 28, 2020, and make final budget and rates decisions at the June 11, 2020 Board meeting.

Budget preparation efforts to date:

Our draft operating budget is based on the needs of the organization and our continued commitment to provide high value to our customers. While some expenses are more critical to OWASA's day-to-day operations than others, staff has developed the budget based on our professional judgement of what is necessary to meet our service level goals. Eliminating or reducing spending will have consequences, some more impactful than others.

We began the process of developing the FY 2021 budget in December 2019. We completed budget request worksheets for each department, compiled the information, performed various analyses, and held budget request review meetings.

At the February 13, 2020 work session, the Board heard presentations from each of the operating department managers: Ken Loflin, Water Supply and Treatment Manager; Jesse DuClau, Distribution and Collection Systems Manager; and Monica Dodson, Wastewater Treatment and Biosolids Recycling Manager. Each manager discussed the opportunities and challenges they are addressing in their FY 2021 operating budget requests.

Summary of the draft operating budget:

Expenditures in the draft FY 2021 operating budget total approximately \$24.3 million. This is about 2.9% greater than the FY 2020 operating budget and about 1% higher than we projected for FY 2021.

Approach to developing the draft FY 2021 operating budget:

We have drafted the FY 2021 operating budget based on "normal operating conditions" without contingencies. This increases our risk of exceeding the budget if we incur unanticipated cost increases from, for example, chemical price increases, more instances of equipment failures, etc. However, OWASA's financial condition, including reserve funds, allows us to manage the finances of the organization with a leaner budget.

Draft operating budget information presented to the Finance Committee:

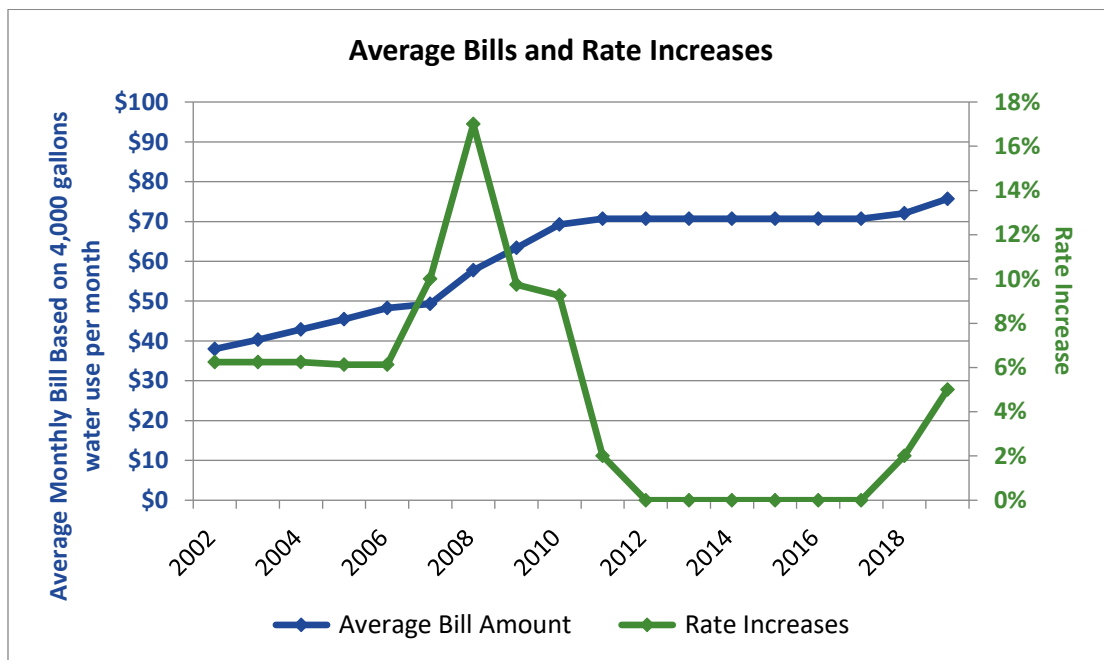
The Finance Committee met on Monday, February 24, 2020 to review the initial draft of the FY 2021 operating budget. Agenda information from this meeting is included in Appendixes [A](#) and [B](#).

Additional draft operating budget information:

At the Finance Committee meeting, staff was asked to provide the following historical and draft FY 2021 budget information.

History of rate increases

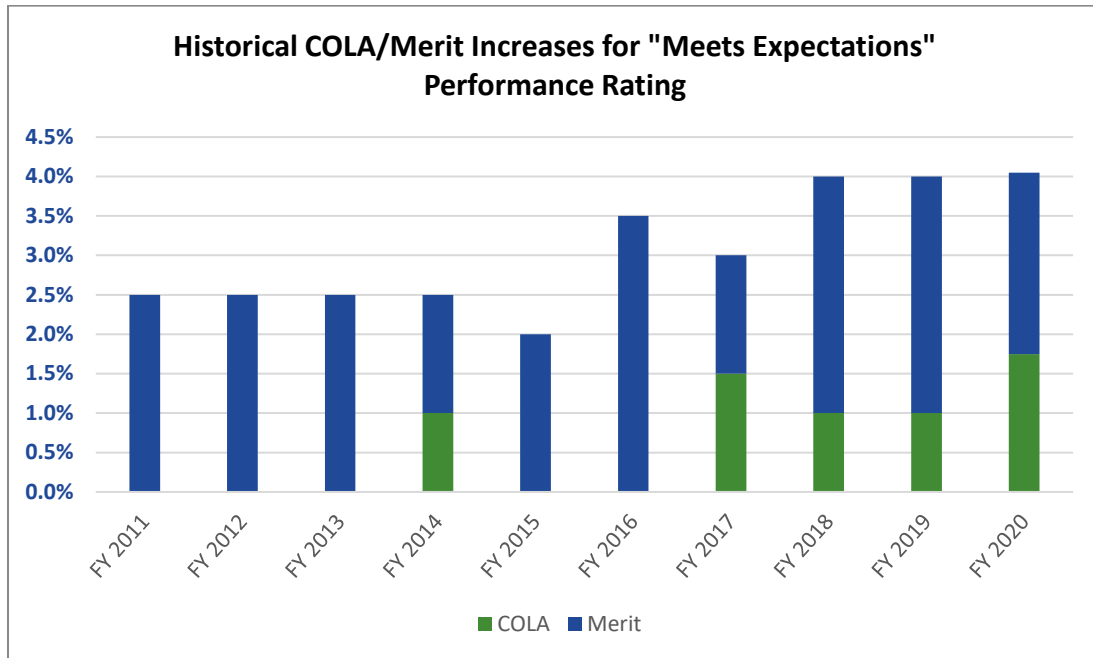
The following shows the amount of the average bill for single-family individually metered residences based on our system-wide average monthly water use of 4,000 gallons. When we have rate increases, they typically go into effect on October 1st.



History of employee wage increases

For the last three fiscal years, the Board has approved raises consisting of two components: a cost of labor adjustment based on market analysis and a performance-based merit adjustment. The merit adjustment for these years for employees earning a performance rating of Meets Expectations has been approximately 3%. Employees earning ratings of Exceeds Expectations and Exceptional have received a higher percentage increase. Prior to FY 2018, a variety of approaches were used to determine compensation increases.

The following chart shows compensation increases for the last 10 years for employees receiving a rating of Meets Expectations.



Investments in Board-supported initiatives

Over the past few years, the Board has supported a number of projects and initiatives. At the February 24, 2020 Finance Committee, staff was asked to provide information about how much we have invested in these initiatives.

Accelerated valve-maintenance program

In FY 2019, the Board approved additional investments in improving the resiliency and reliability of the water distribution system. A key to these improvements is verifying the location and operability of the 13,000 valves in our water distribution system so that, among other benefits, the customer impact of water main breaks can be minimized. We purchased and temporarily rented additional valve maintenance equipment and assigned additional personnel to test valve operability and correct problems identified. To accelerate the process, three crews were deployed in May and June of FY 2019. Since the beginning of FY 2020, two valve maintenance crews have been at work; our plan is to continue to utilize two valve maintenance crews indefinitely. The chart below shows the approximate costs of this program.

Activity	FY 2019	FY 2020 Budget	FY 2021 Draft Budget	Total
Equipment rental	\$67,200	\$8,000		\$75,200
Labor including overhead	150,719	279,158	\$290,324	720,201
Vehicle use	9,072	6,048	6,048	21,168
Equipment purchased (trucks, valve machines)	130,000	60,000	75,000	265,000
Total	\$356,991	\$353,206	\$371,372	\$1,081,569

Diversity and Inclusion program

In FY 2017, we began our Diversity and Inclusion program with the goals of improving the diversity of OWASA’s workforce so that it reflects the communities we serve and creating an inclusive work environment that encourages and supports each team member to contribute to their full ability toward OWASA’s Mission. We engaged a consulting firm to help us implement the program. The following table shows what we have spent, and plan to spend with our consultants. Other non-labor costs of the program have been minor.

Diversity and Inclusion Program	FY 2018	FY 2019	FY 2020 Budget	FY 2021 Draft Budget	Total
Consulting fees	\$140,761	\$162,004	\$50,000	\$30,000	\$382,765

New employee deferred compensation benefit

A 2014 study of OWASA’s compensation package determined that our deferred compensation benefit was significantly less than other area employers offer. The Board supported changing the plan to make it more competitive in the marketplace and the new benefit went into effect on September 1, 2019. For FY 2020, we budgeted for an increase in the expense of the plan and assumed it would be in place for half of the year. The FY 2021 draft budget includes a full year of the increased costs.

	FY 2020 Budget	FY 2021 Draft Budget
Increase in costs of deferred compensation plan	\$56,000	\$127,000

Compliance with the American Water Infrastructure Act of 2018 (AWIA)

The AWIA, among other things, requires water systems to develop or update risk assessments and emergency response plans. It specifies the components that the risk assessments and emergency response plans must address and establishes deadlines by which water systems must certify completion to the Environmental Protection Agency. We have hired a consultant to help us comply with the Act’s requirements and have recently begun work on the project.

AWIA	FY 2020 Budget	FY 2021 Draft Budget
Consulting fees	\$100,000	\$75,000

Long-Range Water Supply Plan update (LRWSP)

In FY 2019, we began working with a consultant to update our LRWSP. The following shows the expenses we have incurred and plan to spend.

LRWSP	FY 2019	Projected for FY 2020	FY 2021 Draft Budget	Total
Consulting fees	\$22,533	\$179,467	\$25,000	\$227,000

Forest management

Since FY 2011, OWASA has taken various actions to manage the forests on land we own. The table below shows the related revenue and expenses.

Forest Management	FY 2011-17 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Draft Budget	Total
Revenue	\$330,322				TBD	\$330,322
Expenses	175,424	\$12,280	\$7,768	\$22,000	\$28,000	245,472
Net	154,898	(12,280)	(7,768)	(22,000)	(28,000)	84,850

While not included in the draft budget, we may receive about \$22,000 of revenue in FY 2021.

Communication and community engagement

OWASA has always employed strategies to communicate important information and engage in dialogues with customers and other stakeholders. In FY 2019, the Board approved reclassifying the Public Affairs Administrator position to Communications and Community Relations Officer and supported additional spending to increase the effectiveness of our communications plan. The following chart shows the approximate costs of our plan.

	FY 2019	FY 2020 Budget	Draft FY 2021 Budget	Total
New activities				
Reclassification of the Public Affairs Administrator position to Communications and Community Relations Officer (net cost shown)	54,730	(10,641)	48,672	92,761
Communications Specialist		39,000	78,000	117,000
Community education - radio	6,000	10,000	6,500	22,500
Community education and engagement		13,000	9,500	22,500
Communications intern		2,000	4,500	6,500
Professional writing services		8,000	-	8,000
Professional design services		10,000	8,000	18,000
Video production		10,000	10,000	20,000
Website	22,500	22,500	20,000	65,000
Templates, design	15,000			15,000
Printing	5,000			5,000
Professional writing	5,000			5,000
Subtotal	108,230	103,859	185,172	397,261
Cost of activities in-place prior to enhancing the plan (and ongoing)	34,050	46,200	39,500	119,750
Total	142,280	150,059	224,672	517,011

Draft FY 2021 capital equipment budget:

The draft FY 2021 capital equipment budget is shown in Appendix C. The proposed purchases total \$959,700.

Capital Improvements Program

Capital Improvements Plan (CIP) needs are identified by hydraulic models, risk/prioritization models, after-action reviews, OWASA's Energy Management Program, master planning studies, condition assessments, staff observations, regulatory or contractual requirements, repair and maintenance work order evaluation, community feedback, and strategic planning. After CIP projects are identified, a staff team prioritizes projects using a weighted criteria model. In addition to the results of this project prioritization, staff accounts for project interrelationships, coordination with other entities (Towns, Department of Transportation, etc.), project urgency, implementation considerations, and other external schedule constraints.

Appendix D includes information about the draft FY 2021-2025 CIP Budget. Although two major master planning studies (for the water distribution system and the wastewater collection system) identified several new requirements for inclusion in the draft CIP, the draft CIP Budget totals are slightly lower than we projected last year, as demonstrated by the summary below:

	<u>FY 2021</u>	<u>FY 2021-2025</u>
In current CIP budget (approved last June)	\$27.9 million	\$105.4 million
In draft CIP budget	\$25.8 million	\$104.1 million

The draft FY 2021-2025 CIP Budget was developed based on the following assumptions:

- Current levels of service will be maintained.
- Service area growth will remain within projections.
- The regulatory environment for water treatment, wastewater treatment, reclaimed water, and biosolids recycling will remain substantially as it is today.
- The reclaimed water system will not be expanded.
- Mason Farm Wastewater Treatment Plant (WWTP) will continue to produce Class A biosolids.
- Biosolids recycling will continue at roughly 75% land application and 25% dewatering.
- Our Jordan Lake allocation will be maintained, and funding is included for potential planning and preliminary design efforts for a regional water intake/treatment facility at Jordan Lake depending on the Board's direction regarding the alternatives being considered as part of the update to the Long-Range Water Supply Plan.
- Construction costs are escalated at 5% annually.
- The CIP group will be fully staffed (i.e., Engineering Associate, Engineering Manager, and four Utilities Engineers).

In addition, it is worth noting that no funding is currently included in the draft FY 2021-2025 CIP Budget for the following:

- Improvements to address treatment of per- and polyfluoroalkyl substances (PFAS) at the WTP.
- A biogas-to-energy project at the WWTP.
- Treatment improvements which may be identified by the upcoming WWTP Master Plan, such as additional primary clarification or aeration capacity, side-stream treatment, denitrification filter improvements, or other improvements to optimize nutrient removal.
- Placeholder funding to address urgent, major condition-based needs that may be discovered through condition assessment programs (e.g., concrete deterioration at WWTP Headworks).
- Increase in interconnection capacity.

We are comfortable that the levels of investment presented in this CIP Budget leaves OWASA well-postured to remain the sustainable, responsible and environmentally focused organization that this community deserves and has come to expect.

Budget and rate setting next steps:

Public hearings on the budget and rates are tentatively scheduled for May 28, 2020. A final budget and proposed rate schedule are tentatively scheduled to be presented for approval at the Board work session on June 11, 2020.

1. Staff will present revised draft budgets and a rate adjustment recommendation at the Board’s March 26, 2020 meeting.
2. In previous Board and Finance Committee meetings, staff has proposed adding a Maintenance Mechanic position to the Wastewater Treatment and Biosolids Recycling Department and increasing construction performed by OWASA crews. These proposed additions are included in the budget information in this agenda item. Staff will provide the justification for, and impact of, these additions at the March 26, 2020 Board meeting.
3. Staff will incorporate feedback from the March 12 and March 26 Board meetings into the budget and financial plan.
4. Staff anticipates presenting an updated draft of the FY 2021 budget and rate adjustment recommendation to the Board of Directors on April 9. At the meeting on April 23, 2020, staff will ask for the Board’s authorization to publicize budget and rate information in advance of the public hearings.
5. Staff will prepare a revised (if necessary) draft of the FY 2021 budget and rate adjustment recommendation for presentation at public hearings.
6. At the public hearings, the Board will receive and consider comments from customers and other stakeholders.
7. After considering public input, the Board of Directors will discuss and provide guidance to staff on the final draft of the FY 2021 budget and rate adjustment recommendation.
8. Staff will finalize the FY 2021 budget and rate adjustment recommendation and is scheduled to present it for adoption by the Board of Directors at its work session on June 11, 2020.

New budget format:

Staff is working with the Board to improve the way budget information is presented to the Board and public to make it easier to digest and to make the Board decision-making process more efficient. We recognize that this will be an iterative process and will likely take several annual budget cycles to refine.

Goal – Reliable collection of wastewater resources

Our initial approach is to try to tie spending to measurable inputs (in the form of benchmarks) or outputs (in the form of performance). We have chosen to start with analyzing the costs associated with the goal related to sewer overflows. The following outlines the expenses and activities the team employs to minimize the number of overflows in the wastewater collection system:

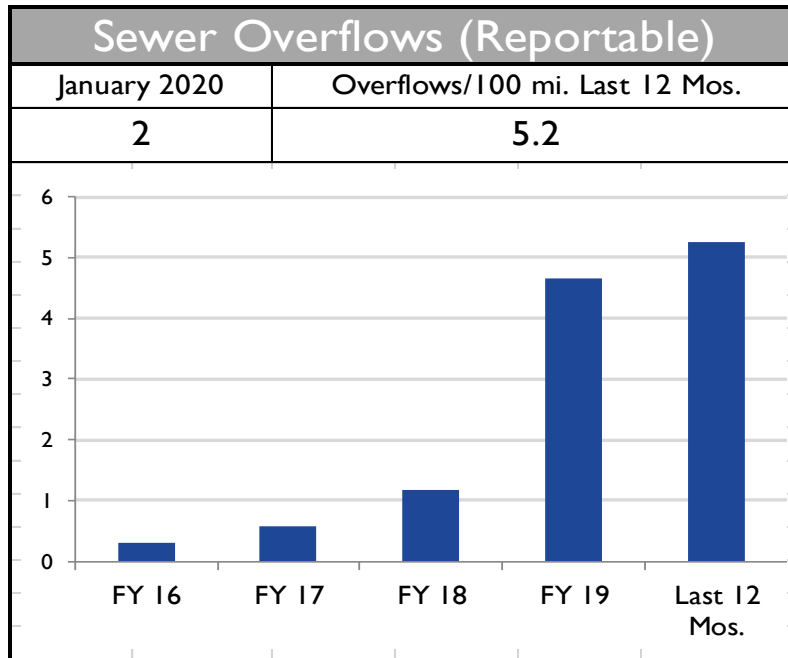
Goal	Reliable collection of wastewater resources
Desired outcome	No wastewater spills or overflows
Performance measures	Number and severity of wastewater spills and overflows

Team Goals, Activities, and Related Costs

Item No.	Priority	Activity	Materials/ Subcontractor Expense	Equipment- Use Allocation	Labor	Total
1	High	Clean ~200 miles of sewer lines	20,000	TBD		20,000
2	Medium	Inspect 150 sewer grease traps		TBD		-
3	High	Inspect (CCTV) ~40 miles of sewer lines		TBD		-
4	Medium	Apply root control herbicide to about 24 miles of sewer lines	230,000	N/A		230,000
5	Medium	Smoke test 4 mini-basins (Smoke tests help control inflow and infiltration)		TBD		-
6	Low	Repair sewer lateral pipes (we budget for six per year)	30,000	TBD		30,000
7	High	Clean and maintain sewer collection system pump stations		TBD		-
8	High	Labor allocated to Items 1-7 Sewer Preventative Maintenance Crew		N/A	388,700	388,700
9	High	Mow, clear debris, maintain about 150 miles of sewer easements	30,000	TBD		30,000
10	High	Make sewer point repairs (we budget for five per year)	35,000	TBD		35,000
11	High	Inspect and maintain 266 creek crossings		TBD		-
12	High	Make sewer taps (we budget for five per year)		TBD		-
13	Medium	Inspect and maintain 3,038 manholes		TBD		-
14	High	Road resurfacing	30,000	TBD		30,000
15	High	Labor allocated to items 9-14 Sewer Maintenance/ Easements Crew		N/A	273,000	273,000
		Totals	375,000	-	661,700	1,036,700

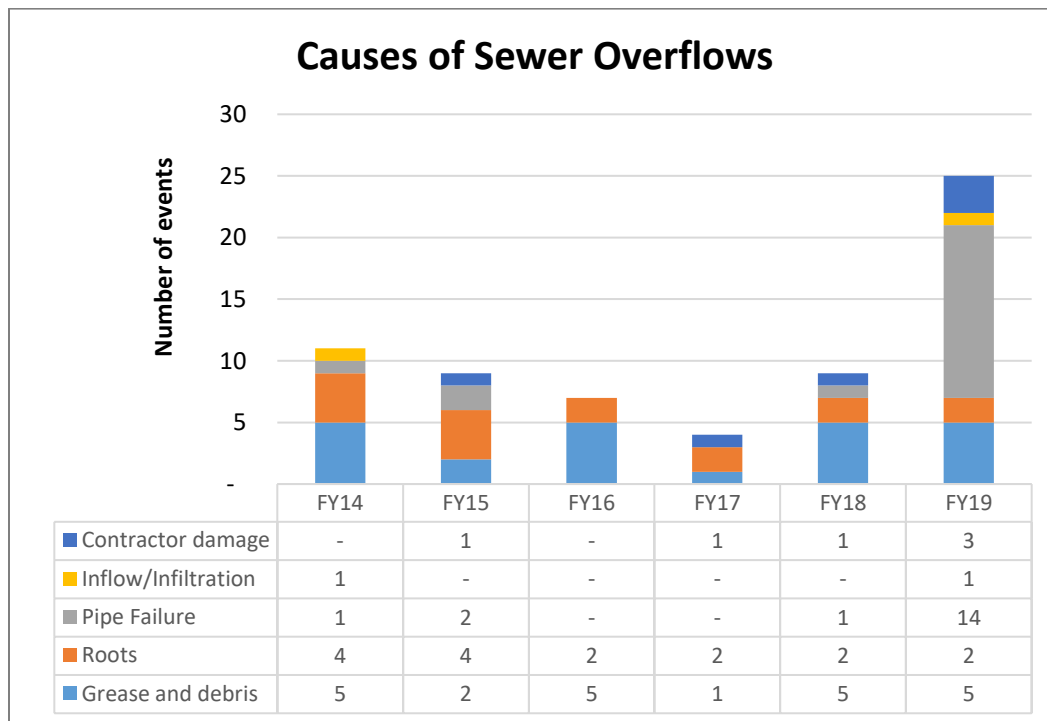
The information above is preliminary. Vehicles and other equipment are used in almost all of the activities and we have yet to allocate the expense of using equipment to accomplish the tasks involved. Once we fill-in the additional information, we hope to be able to show the cost of the activities and the estimated impact of increasing or decreasing our investment in them.

We track performance against this goal on our monthly Key Performance Indicator (KPI) Report. The following graph is from the January 2020 KPI report.



Causes of wastewater overflows

Wastewater overflows result from a variety of circumstances. The following chart shows the factors that have caused our reportable wastewater overflows for the last several years. The spike in FY 2019 from pipe failures was caused by the Rogerson Drive Force Main rupture.



Next steps related to developing a new budget format:

We seek the Board's input about the approach outlined above. If the Board believes this approach is in-line with expectations, we will continue to refine the cost allocations and the priorities of the activities employed and determine methods to present them in a way that enhances the Board's decision-making process.

Board action requested:

Review the FY 2021 budget and progress toward a new budget format, provide feedback, and identify additional information needed for future budget discussions.

- Attachments Appendix A - Agenda Information from the February 24, 2020 Finance Committee Meeting
- Appendix B – Draft FY 2021 operating budget information
- Appendix C – Draft FY 2021 capital equipment budget information
- Appendix D – Draft FY 2021-2025 capital improvements program budget information

Agenda Information from the February 24, 2020 Finance Committee Meeting

Assumptions and highlights:

The following outlines some of the more significant projects and expenses included in this draft of the operating budget.

General

- The budget is being developed so that current service levels are maintained, and all of our Financial Management Policy objectives may be met.
- 3% vacancy allowance – the personnel compensation budget has been reduced by about \$275,000, to account for position vacancies.
- Based on preliminary indications from our health insurance consultant, we have included a 15% reduction in health insurance costs. This will be adjusted as necessary as we receive more information from our health insurance provider.
- A placeholder for a 4% merit and cost of labor (combined) increase is included. The Board is scheduled to discuss employee wage increases on May 14, 2020.
- 142 Board authorized positions with 136 funded for FY 2021 (see additional information in the operating department section below).
- The draft operating budget includes \$30,000 for consulting assistance to continue our work to implement our diversity and inclusion program. This is a decrease from previous years and accounts for transitioning some responsibilities for training and program management from the consultants to staff.

Water and wastewater system design and maintenance

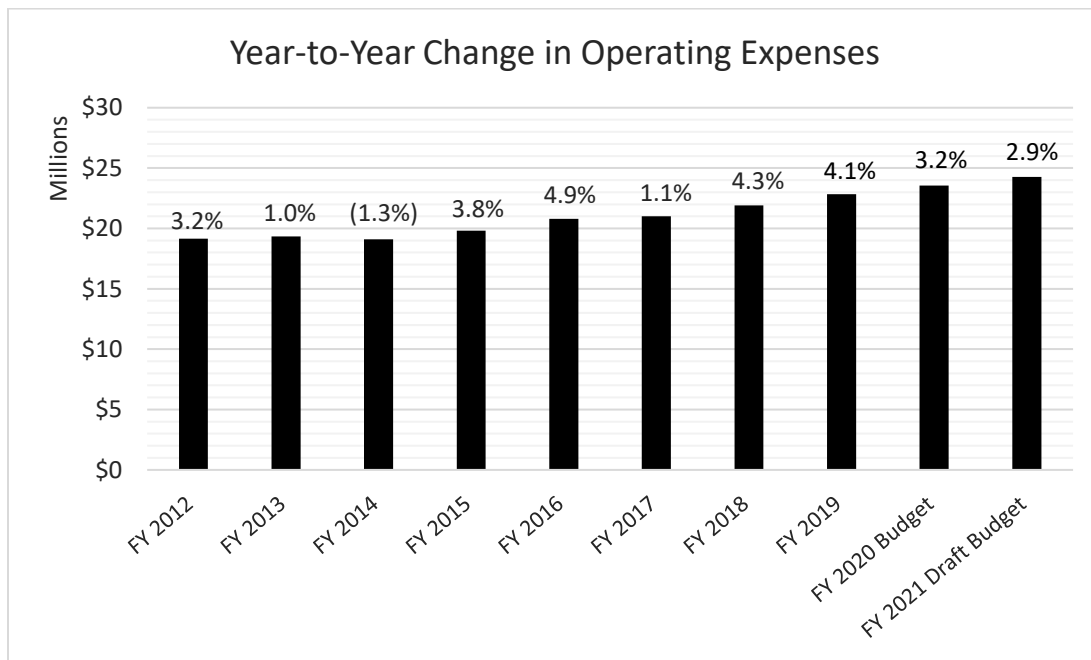
- \$75,000 for continued consulting services to help us comply with provisions of the American Water Infrastructure Act of 2018. The purpose of the Act is to improve drinking water and water quality, deepen infrastructure investments, enhance public health and quality of life, increase jobs, and bolster the economy. For OWASA, this is a multi-year project that began in the current fiscal year (FY 2020); \$100,000 was budgeted in FY 2020.
- \$100,000 for consulting services to assist in updating our construction standards and specifications. Funds for this project were deferred from the FY 2020 budget. These standards and specifications are overdue for updating, are essential in communicating technical information to utility contractors, and critical to maintaining system integrity.
- Historically, OWASA has maintained a workforce crew tasked with replacing aged and poorly functioning water lines. In recent years, this crew has focused on supporting the implementation of the Agua Vista advanced metering infrastructure system and the valve maintenance program. In FY 2021, we are budgeting for OWASA's construction crew to install approximately 1.5 miles of water lines. The impact of this work will be reflected in the CIP budget and its effect on the operating budget will be shown in future drafts. (Because this is capital improvements work, costs, including labor, are capitalized as assets rather than expensed.)

Operating departments

- Price increases for certain chemicals based on information provided by vendors.
- Funding for three positions not funded or only partially funded in the FY 2020 budget:
 - Funding for an additional Maintenance Mechanic position at the wastewater treatment plant to address unmet preventative maintenance needs. This was discussed during the presentation to the Board on February 13, 2020 by Monica Dodson, Wastewater Treatment and Biosolids Recycling Manager.
 - Retention of two previously funded and currently vacant Utility Mechanic positions that were scheduled to be eliminated through savings related to implementing Agua Vista. As discussed by Jesse DuClau, Distribution and Collection Systems Manager, during the February 13, 2020 Board Meeting, one position is being retained to adequately staff the construction crew and one to help respond to the high volume of “location requests” from contractors working in our service area.
- No additional funds have been budgeted to meet the more stringent “Jordan Lake Rules” regarding nutrient levels in wastewater discharged into the Jordan Lake watershed. We currently meet the requirements of the rules and we are confident we can continue to meet them under current conditions using our current processes. However, if flow to the wastewater plant increases or other conditions change, additional expenses may have to be incorporated into the process and we estimate the additional cost to be as much as \$750,000 per year.
- Each operating department, Water Supply and Treatment, Water Distribution and Collection, and Wastewater Treatment and Biosolids Recycling, plan to continue participating in the Partnership for Safe Water and Partnership for Clean Water programs.

Operating budget comparative information:

While we continue to focus on optimizing processes and reducing costs, operating expenses have increased by an average of 2.7% per year over the past ten years.



The draft FY 2021 budget is about \$676,000 or 2.9% greater than the FY 2020 budget. The primary differences between the FY 2020 budget and the draft FY 2021 budget include:

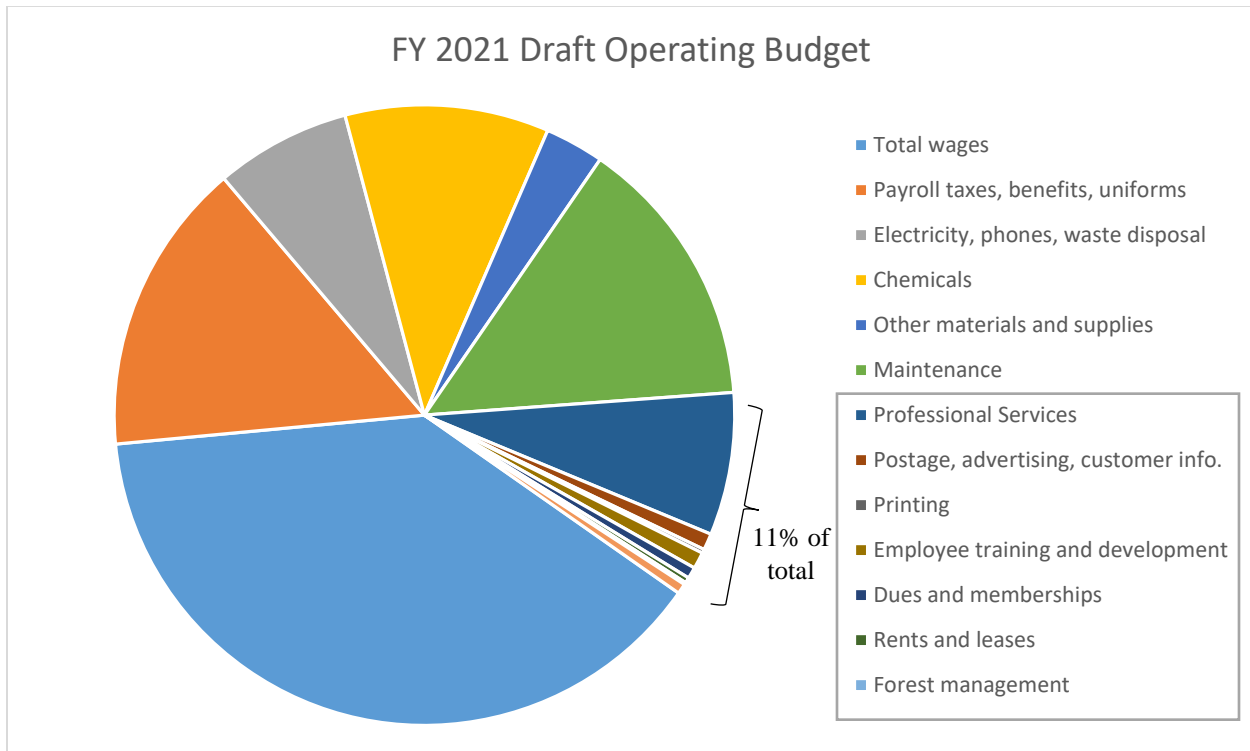
Expenses	\$ Increase	% Change	Explanation
Total salaries and wages	\$611,000	6.9%	<ul style="list-style-type: none"> • Funding for three positions that were not fully funded in FY 2020 • 4% merit/COLA increase
Professional services	\$220,000	13.8%	<ul style="list-style-type: none"> • \$250,000 has been budgeted for implementing a new Computerized Maintenance Management System
Miscellaneous	(\$97,900)	(20.9%)	<ul style="list-style-type: none"> • Completed accelerated valve exercising program in FY 2020 – no provision for renting valve maintenance equipment in FY 2021
Net decrease in other expenses	(57,000)	(0.5%)	<ul style="list-style-type: none"> • Net of various smaller increases and decreases
Total of these items	\$676,100		

Observations about OWASA’s expense categories

The following charts provide perspective regarding OWASA’s operating expenses.

Expense	FY 2021 Draft Operating Budget	Percent of Total
Total wages	9,474,034	39.0%
Payroll taxes, benefits, uniforms	3,736,899	15.4%
Electricity, phones, waste disposal	1,726,275	7.1%
Chemicals	2,596,001	10.7%
Other materials and supplies	752,169	3.1%
Maintenance	3,480,080	14.3%
Professional Services	1,816,707	7.5%
Postage, advertising, customer info.	210,246	0.9%
Printing	49,700	0.2%
Employee training and development	211,585	0.9%
Dues and memberships	144,739	0.6%
Rents and leases	69,140	0.3%
Forest management	28,000	0.1%
Other	129,525	0.5%
Construction credits	(160,000)	
Total	24,265,100	

These expenses make up 89% of the total



Observations about the FY 2021 draft operating budget

1. Employee compensation, taxes and benefits account for about 54% of our annual operating expenses.
 - a. Over the last six years, the average annual increase in salaries and wages has been between 2% and 4%. Based on the Board’s stated intentions, future merit increases will be at least 2.9%. Cost of labor will be determined based on market data.
 - b. Mandatory employer contributions to the Local Government Employees Retirement System for FY 2021 will be 10.15% of total employee wages. (While not an OWASA expense, employees are required to contribute 6% of wages.)
 - c. Employer-paid federal payroll taxes are 7.65% of total wages.
 - d. Health-related employee insurance makes up about 5.8% of FY2021 expenses. Rates are a function of benefits offered and claims experience.
2. Electricity, waste disposal, and telephone costs are about 7.1% of total expenses.
3. Chemicals expense averages 10% to 12% of total expenses each year. The unit price of chemicals is somewhat volatile, and the quantity used by our drinking water and wastewater treatment plants is impacted by the volume and condition of the water entering the plants.
4. Total maintenance expenses make up about 14.3% of total expenses.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request	FY2021 Amounts in last year's planning	FY21 Budget Compared to FY20 Forecast	FY21 Budget Compared to FY20 Budget	FY21 Budget compared to amount in last year's planning
Operating Expenses	21,614,359	22,234,798	23,588,962	23,332,905	24,265,100	24,028,627	4.0%	2.9%	1.0%
Capital Equipment	1,178,175	1,001,135	989,700	989,700	TBD	900,000			
CIP	15,085,000	17,299,150	26,423,000	27,531,000	TBD	27,939,000			
Total	<u>37,877,534</u>	<u>40,535,083</u>	<u>51,001,662</u>	<u>51,853,605</u>	<u>24,265,100</u>	<u>52,867,627</u>			

EXPENDITURE CLASSIFICATION		FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request	Dollar variance FY21 v FY20 Budgets	Percent variance FY21 v FY20 Budgets	Dollar variance FY21 Budget v FY20 Forecast	Percent variance FY21 Budget v FY20 Forecast
Salaries										
5010	Salaries and Wages, Regular	7,799,168	7,954,141	8,415,928	8,286,643	8,956,254	540,326	6.4%	669,611	7.5%
5020	Salaries and Wages, Overtime	329,755	394,170	306,670	353,530	339,711	33,041	10.8%	(13,820)	-4.1%
5050	Standby Pay	49,994	70,031	60,200	56,493	65,550	5,350	8.9%	9,057	13.8%
5060	Part-Time	91,225	116,225	64,754	58,603	97,520	32,766	50.6%	38,917	39.9%
5070	Per Diem	11,900	13,750	15,000	10,400	15,000	-	0.0%	4,600	30.7%
	Total	8,282,042	8,548,317	8,862,551	8,765,669	9,474,034	611,483	6.9%	708,366	7.5%
Payroll Taxes and Employee Benefits										
5110	Social Security and Medicare	615,628	636,512	662,463	656,300	706,803	44,340	6.7%	50,503	7.1%
5120	Retirement Contribution	617,219	655,451	780,673	781,013	831,533	50,859	6.5%	50,520	6.1%
5121	Deferred Compensation	179,845	173,023	217,360	224,814	288,834	71,474	32.9%	64,020	22.2%
5130	Workers Compensation	188,876	156,918	136,912	146,875	145,000	8,088	5.9%	(1,875)	-1.3%
5140	Health Insurance	1,922,043	1,674,722	1,546,592	1,480,063	1,266,303	(280,289)	-18.1%	(213,760)	-16.9%
5141	Dental Insurance	53,233	54,085	58,270	59,532	65,875	7,605	13.1%	6,343	9.6%
5142	Vision Insurance	27,566	25,605	32,000	31,864	32,000	-	0.0%	136	0.4%
5143	Wellness Reimbursement	2,087	2,481	2,400	2,400	6,300	3,900	162.5%	3,900	61.9%
5144	Retirees & Cobra Insurance	196,582	218,933	231,470	229,784	250,945	19,475	8.4%	21,161	8.4%
5150	Disability Insurance	34,621	29,706	32,468	31,104	35,219	2,751	8.5%	4,115	11.7%
5160	Automobile Allowance	6,250	6,500	6,000	6,000	6,000	-	0.0%	-	0.0%
5161	Unemployment Tax	3,290	1,569	8,000	7,228	2,000	(6,000)	-75.0%	(5,228)	-261.4%
5170	Uniforms	69,089	64,445	58,678	57,930	63,200	4,522	7.7%	5,270	8.3%
5180	Group Life & A.D. & D.	40,992	36,602	39,516	38,875	36,888	(2,628)	-6.7%	(1,987)	-5.4%
5190	Vacation Accrued	15,491	27,688	-	-	-	-	-	-	-
	Total	3,972,812	3,764,240	3,812,802	3,753,784	3,736,899	(75,902)	-2.0%	(16,885)	-0.5%
Utilities										
5210	Electricity	1,061,802	1,141,713	1,170,820	1,102,307	1,185,008	14,188	1.2%	82,701	7.0%
5231	Telephone - Local	125,990	109,447	118,700	121,008	122,800	4,100	3.5%	1,792	1.5%
5233	Cell Phones	55,523	57,078	63,500	58,575	63,000	(500)	-0.8%	4,425	7.0%
5240	Fuel	89,042	50,455	56,900	53,374	54,606	(2,294)	-4.0%	1,232	2.3%
5250	Waste Disposal	225,665	394,086	271,780	284,837	300,862	29,082	10.7%	16,025	5.3%
	Total	1,558,022	1,752,779	1,681,700	1,620,101	1,726,275	44,576	2.7%	106,175	6.2%
Materials and Supplies										
5310	Chemicals	2,576,434	2,586,487	2,608,773	2,501,546	2,540,501	(68,272)	-2.6%	38,955	1.5%
5315	Land Application	11,634	56,912	50,000	50,000	55,500	5,500	11.0%	5,500	9.9%
5320	Small Tools	22,733	33,169	25,905	28,722	53,830	27,925	107.8%	25,108	46.6%
5330	Subscriptions	1,897	1,336	2,115	1,813	2,455	340	16.1%	642	26.2%
5340	Lake Supplies	33,029	22,758	42,320	42,346	27,820	(14,500)	-34.3%	(14,526)	-52.2%
5350	Fuel - Vehicles	169,344	145,006	169,349	170,703	169,017	(332)	-0.2%	(1,686)	-1.0%
5360	Office Supplies	24,942	56,293	42,650	40,599	67,800	25,150	59.0%	27,201	40.1%
5365	Computer Equipment & Parts	80,778	92,816	80,600	80,553	91,128	10,528	13.1%	10,575	11.6%

EXPENDITURE CLASSIFICATION		FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request	Dollar variance FY21 v FY20 Budgets	Percent variance FY21 v FY20 Budgets	Dollar variance FY21 Budget v FY20 Forecast	Percent variance FY21 Budget v FY20 Forecast
5370	Laboratory Expenses	247,945	258,053	229,860	231,671	238,597	8,737	3.8%	6,926	2.9%
5380	Safety Supplies	46,511	48,874	70,462	66,326	76,247	5,785	8.2%	9,921	13.0%
5390	Other	25,164	30,751	26,050	22,062	25,275	(775)	-3.0%	3,213	12.7%
	Total	3,240,411	3,332,455	3,348,084	3,236,341	3,348,169	86	0.0%	111,829	3.3%
	Maintenance									
5410	Maintenance - Equipment	1,096,049	1,040,473	1,332,478	1,356,146	1,311,230	(21,248)	-1.6%	(44,917)	-3.4%
5413	Maintenance - Pumping Equipment	239,682	430,885	354,875	349,279	367,875	13,000	3.7%	18,596	5.1%
5415	Maintenance - Reservoir & Tank	226,114	191,766	205,500	203,667	182,000	(23,500)	-11.4%	(21,667)	-11.9%
5420	Facilities	74,360	71,821	111,050	112,636	137,200	26,150	23.5%	24,564	17.9%
5421	Buildings	238,353	293,501	264,825	265,498	275,145	10,320	3.9%	9,647	3.5%
5422	Maintenance - Mains	521,596	348,174	555,618	574,088	427,467	(128,151)	-23.1%	(146,621)	-34.3%
5423	Maintenance - Meters	140,033	260,532	308,200	363,901	374,100	65,900	21.4%	10,199	2.7%
5424	Maintenance - Hydrants	16,867	17,442	23,229	20,650	24,000	771	3.3%	3,350	14.0%
5425	Maintenance - Service Lines	60,704	48,655	82,324	92,523	90,169	7,845	9.5%	(2,354)	-2.6%
5430	Grounds	97,616	90,244	85,830	88,058	89,000	3,170	3.7%	942	1.1%
5440	Motor Vehicles	175,214	201,309	193,400	191,383	201,894	8,494	4.4%	10,511	5.2%
	Total	2,886,588	2,994,802	3,517,329	3,617,830	3,480,080	(37,249)	-1.1%	(137,751)	-4.0%
	Professional Services									
5500	Legal	287,796	280,950	260,000	272,400	275,000	15,000	5.8%	2,600	0.9%
5510	Accounting	30,756	32,894	32,000	32,325	33,000	1,000	3.1%	675	2.0%
5520	Engineering	4,794	-	7,500	-	7,500	-	0.0%	7,500	100.0%
5530	Insurance	226,495	233,664	236,160	237,988	237,352	1,192	0.5%	(636)	-0.3%
5560	Collection Services	27,332	27,148	40,000	40,000	40,000	-	0.0%	-	0.0%
5570	Consultants	418,381	605,203	731,950	805,977	949,355	217,405	29.7%	143,378	15.1%
5580	Financial Services	262,756	172,683	177,086	176,660	165,600	(11,486)	-6.5%	(11,060)	-6.7%
5581	Trustee Services	11,900	10,375	20,000	19,825	10,400	(9,600)	-48.0%	(9,425)	-90.6%
5590	Other	47,492	66,468	92,000	73,940	98,500	6,500	7.1%	24,560	24.9%
	Total	1,317,702	1,429,385	1,596,696	1,659,114	1,816,707	220,011	13.8%	157,593	8.7%
	Communications									
5610	Postage and Freight	93,752	121,453	122,265	112,679	110,150	(12,115)	-9.9%	(2,529)	-2.3%
5620	Customer Information	22,852	20,676	45,896	45,896	14,396	(31,500)	-68.6%	(31,500)	-218.8%
5630	Advertising	69,737	125,618	65,950	95,949	76,750	10,800	16.4%	(19,199)	-25.0%
5690	Other	3,914	20,400	31,450	15,850	8,950	(22,500)	-71.5%	(6,900)	-77.1%
	Total	190,255	288,147	265,561	270,375	210,246	(55,315)	-20.8%	(60,129)	-28.6%
	Printing and Reproduction									
5700	Printing and Reproduction	4,485	3,129	10,300	9,210	49,700	39,400	382.5%	40,490	81.5%
	Total	4,485	3,129	10,300	9,210	49,700	39,400	382.5%	40,490	81.5%

EXPENDITURE CLASSIFICATION		FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request	Dollar variance FY21 v FY20 Budgets	Percent variance FY21 v FY20 Budgets	Dollar variance FY21 Budget v FY20 Forecast	Percent variance FY21 Budget v FY20 Forecast
Education and Development										
5810	Education and Development	101,637	136,709	184,616	179,032	211,585	26,969	14.6%	32,553	15.4%
5840	Board Travel	300	-	-	-	-	-		-	
	Total	101,937	136,709	184,616	179,032	211,585	26,969	14.6%	32,553	15.4%
Miscellaneous										
5910	Dues and Memberships	135,737	137,821	148,224	147,309	144,739	(3,485)	-2.4%	(2,570)	-1.8%
5920	Conservation	1,595	4,697	6,100	6,100	1,200	(4,900)	-80.3%	(4,900)	-408.3%
5925	Easements	1,000	-	7,500	-	7,500	-	0.0%	7,500	100.0%
5930	Overages and Shortages	1,331	1,103	-	595	-	-		(595)	
5940	Uncollectable Accounts	59,649	25,117	31,000	26,980	30,000	(1,000)	-3.2%	3,020	10.1%
5950	Rent and Leases	59,376	131,873	68,400	67,917	69,140	740	1.1%	1,223	1.8%
5960	Forest Management	12,280	7,768	22,000	33,644	28,000	6,000	27.3%	(5,644)	-20.2%
5970	Board Expenses	3,721	3,696	7,000	7,000	7,000	-	0.0%	-	0.0%
5980	Recruitment	632	1,878	4,000	4,155	4,000	-	0.0%	(155)	-3.9%
5990	Other	47,675	81,369	175,100	117,740	79,825	(95,275)	-54.4%	(37,915)	-47.5%
	Total	322,996	395,322	469,324	411,439	371,404	(97,920)	-20.9%	(40,036)	-8.5%
	Total Personnel Services	12,254,854	12,312,557	12,675,353	12,519,453	13,210,934	535,581	4.2%	691,481	5.2%
	Total Operating Services	9,622,396	10,332,728	11,073,609	11,003,442	11,214,167	140,557	1.3%	210,724	1.9%
	Total Operating and Maintenance	21,877,250	22,645,285	23,748,962	23,522,895	24,425,100	676,138	2.8%	902,205	3.7%
6000	Construction Credit	(262,891)	(410,487)	(160,000)	(189,990)	(160,000)	-	0.0%	29,990	-18.7%
	Net	21,614,359	22,234,798	23,588,962	23,332,905	24,265,100	676,138	2.9%	932,195	3.8%

Acct #	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	575,580	658,519	692,843	680,008	747,479
5020	Salaries and Wages, Overtime	129			14,305	-
5060	Part-Time	27,537	27,738		-	9,000
5070	Per Diem	11,900	13,750	15,000	10,400	15,000
	Total Salaries	615,146	700,007	707,843	704,712	771,479
	Fringe Benefits					
5110	Social Security and Medicare	42,451	49,152	51,883	48,965	59,410
5120	Retirement Contribution	43,350	51,317	63,927	62,454	69,894
5121	Deferred Compensation	17,565	17,685	6,240	10,252	22,473
5130	Workers Compensation	21,525	18,778	15,000	15,341	15,000
5140	Health Insurance	85,346	84,945	83,514	77,393	58,499
5141	Dental Insurance	2,552	2,822	3,276	3,131	2,928
5150	Disability Insurance	1,771	1,653	1,989	1,906	2,070
5160	Automobile Allowance	6,250	6,500	6,000	6,000	6,000
5180	Group Life & A.D. & D.	2,174	2,212	2,218	2,221	2,234
5190	Vacation Accrued	15,686	1,451		-	-
	Total Fringe Benefits	238,670	236,515	234,047	227,662	238,507
	Utilities					
5210	Electricity	29,107	34,707	40,000	37,989	40,000
5233	Cell Phones	3,750	4,997	6,500	4,675	4,500
5240	Fuel	8,480	447	600	275	300
	Total Utilities	41,337	40,151	47,100	42,939	44,800
	Materials and Supplies					
5330	Subscriptions	1,641	867	1,150	1,150	1,380
5350	Fuel - Vehicles			-	20	-
5360	Office Supplies	2,501	4,217	6,550	6,550	11,550
5380	Safety Supplies	114	117	250	250	550
5390	Other	415	532	-	200	-
	Total Materials and Supplies	4,671	5,733	7,950	8,170	13,480
	Professional Services					
5500	Legal	287,796	280,950	260,000	272,400	275,000
5530	Insurance	37,613	60,817	61,200	81,031	81,031
5570	Consultants	157,934	21,488	137,700	136,300	119,200
5590	Other	-		-	-	-
	Total Professional Services	483,343	363,255	458,900	489,731	475,231
	Communications					
5610	Postage and Freight	11,170	15,219	18,200	18,177	18,300
5620	Customer Information	22,852	20,676	45,896	45,896	14,396
5630	Advertising	5,104	1,831	15,950	15,950	10,750
5690	Other - Televising Board Meetings	3,914	20,400	31,450	15,850	8,950
	Total Communications	43,040	58,126	111,496	95,873	52,396

Acct #	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Printing and Reproduction					
5700	Printing and Reproduction	433	340	1,250	1,250	36,150
	Total Printing and Reproduction	433	340	1,250	1,250	36,150
	Education and Development					
5810	Education and Development	14,920	25,090	22,480	22,480	26,400
5840	Board Travel	300			-	-
	Total Travel	15,220	25,090	22,480	22,480	26,400
	Miscellaneous					
5910	Dues and Memberships	17,992	19,485	21,550	22,035	23,540
5920	Conservation	1,595	4,697	6,100	6,100	1,200
5970	Board Expenses	3,721	3,696	7,000	7,000	7,000
5990	Other	6,178	4,770	46,850	14,551	3,850
	Total Miscellaneous	29,486	32,648	81,500	49,686	35,590
	Total Operating Expenses	1,471,346	1,461,865	1,672,565	1,642,503	1,694,034
	Total Personnel	853,816	936,522	941,889	932,374	1,009,986
	Total Other	617,530	525,343	730,676	710,129	684,047
6000	Construction Credit	(123,422)	(176,944)	(70,000)	(69,983)	(70,000)
	Net Operating Expenses	1,347,924	1,284,921	1,602,565	1,572,520	1,624,034

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	440,063	476,718	466,809	466,972	486,198
5020	Salaries and Wages, Overtime	742	508	-	724	-
5060	Part Time	3,925	8,060	-	7,915	5,000
	Total Salaries	444,730	485,286	466,809	475,611	491,198
	Fringe Benefits					
5110	Social Security and Medicare	34,468	37,203	36,815	36,760	38,344
5120	Retirement Contribution	33,249	36,487	43,072	42,898	45,111
5121	Deferred Compensation	13,400	14,600	15,080	16,135	18,565
5130	Workers Compensation	-	1,444	-	-	-
5140	Health Insurance	117,549	111,363	94,453	93,070	77,465
5141	Dental Insurance	3,476	3,811	3,788	3,945	4,167
5150	Disability Insurance	2,200	2,041	2,072	2,075	2,146
5170	Uniforms	-	-	-	-	-
5180	Group Life and AD&D	2,749	2,630	2,657	2,659	2,411
5190	Vacation Accrued	4,457	(135)			
	Total Fringe Benefits	211,548	209,444	197,936	197,543	188,209
	Utilities					
5233	Cell Phones	1,500	1,750	1,500	1,500	900
	Total Utilities	1,500	1,750	1,500	1,500	900
	Materials and Supplies					
5320	Small Tools	-	-	-	-	-
5350	Fuel - Vehicles	-	-	-	-	-
5360	Office Supplies	2,040	2,478	3,000	2,881	3,000
5380	Safety Supplies	14	-	-	-	-
5390	Other - Materials	-	-	-	-	-
	Total Materials and Supplies	2,054	2,478	3,000	2,881	3,000
	Maintenance					
5410	Maintenance - Equipment	1,240	1,367	-	-	-
5440	Motor Vehicles	-	-	-	-	-
	Total Maintenance	1,240	1,367	-	-	-

Orange Water and Sewer Authority
 Draft FY 2021 Budget Information
 Finance Committee Meeting - February 24, 2020
 Customer Service Department

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Professional Services					
5530	Insurance	-		-	-	-
5550	Clerical Services	-		-	-	-
5560	Collection Services	27,332	27,148	40,000	40,000	40,000
5570	Consultants	-		-	-	-
5590	Other	-		-	-	-
	Total Professional Services	27,332	27,148	40,000	40,000	40,000
	Communications					
5610	Postage and Freight	56,405	84,989	75,000	67,531	75,000
	Total Communications	56,405	84,989	75,000	67,531	75,000
	Printing and Reproduction					
5700	Printing and Reproduction	-		500	-	-
	Total Printing and Reproduction	-	-	500	-	-
	Education and Development					
5810	Education and Development	658	18,715	15,000	8,888	10,000
	Total Education and Development	658	18,715	15,000	8,888	10,000
	Miscellaneous					
5910	Dues and Memberships	-		-	-	-
5930	Overages and Shortages	1,331	1,103	-	595	-
5940	Uncollectable Accounts	59,649	25,117	31,000	26,980	30,000
5990	Other	143		-	-	-
	Total Miscellaneous	61,123	26,220	31,000	27,575	30,000
	Total Operating Expenses	806,590	857,397	830,746	821,529	838,307
	Total Personnel	656,278	694,730	664,746	673,154	679,407
	Total Other	150,312	162,667	166,000	148,374	158,900
6000	Construction credit					
	Net Operating Expenses	806,590	857,397	830,746	821,529	838,307

Orange Water and Sewer Authority
 Draft FY 2021 Budget Information
 Finance Committee Meeting - February 24, 2020
 Engineering and Planning Department

	EXPENDITURE CLASSIFICATION	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	1,197,939	1,190,098	1,374,840	1,356,883	1,475,522
5020	Salaries and Wages - Overtime	6,909	13,179	12,000	15,070	15,500
5060	Part Time	13,380	15,590	20,000	20,000	40,000
	Total Salaries	1,218,228	1,218,867	1,406,840	1,391,954	1,531,022
	Fringe Benefits					
5110	Social Security and Medicare	89,983	90,716	108,428	106,089	116,369
5120	Retirement Contribution	90,607	93,643	126,854	125,098	136,904
5121	Deferred Compensation	21,880	20,160	19,240	25,348	44,859
5130	Workers' Compensation					
5140	Health Insurance	229,698	195,270	197,100	188,373	163,885
5141	Dental Insurance	5,977	6,129	7,259	7,489	8,657
5150	Disability Insurance	5,030	3,909	4,464	4,263	4,950
5170	Uniforms	-	(6)	-	-	-
5180	Group Life and AD&D	4,990	4,283	4,835	4,817	4,550
5190	Vacation Accrued	-		-	-	-
	Total Fringe Benefits	448,165	414,104	468,179	461,477	480,174
	Utilities					
5233	Cell Phones	8,850	9,100	10,800	10,800	11,700
	Total Utilities	8,850	9,100	10,800	10,800	11,700
	Materials and Supplies					
5320	Small Tools	2,862	2,008	1,905	1,905	2,830
5330	Subscriptions	172	469	665	300	625
5350	Fuel - Vehicles and Equip.	3,206	2,651	5,500	4,287	5,500
5360	Office Supplies	4,199	3,837	4,000	4,000	8,750
5380	Safety Supplies	1,468	1,092	3,695	2,150	3,625
5390	Other	784	951	1,350	1,350	1,675
	Total Materials and Supplies	12,691	11,008	17,115	13,992	23,005
	Maintenance					
5440	Motor Vehicles	1,889	1,296	1,500	2,584	2,000
	Total Maintenance	1,889	1,296	1,500	2,584	2,000
	Professional Services					
5520	Engineering	4,794		7,500	-	7,500
5570	Consultants	37,777	124,446	185,000	185,899	145,000
	Total Professional Services	42,571	124,446	192,500	185,899	152,500

	EXPENDITURE CLASSIFICATION	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Communications					
5610	Postage and Freight	557	279	650	417	850
	Total Communications	557	279	650	417	850
	Printing and Reproduction					
5700	Printing and Reproduction	242	1,713	2,050	2,050	2,050
	Total Printing and Reproduction	242	1,713	2,050	2,050	2,050
	Education and Development					
5810	Education and Development	16,685	12,000	28,545	23,964	49,140
	Total Education and Development	16,685	12,000	28,545	23,964	49,140
	Miscellaneous					
5910	Dues and Memberships	2,520	1,864	3,285	3,285	3,805
5920	Conservation	-	-	-	-	-
5925	Easements	1,000	-	7,500	-	7,500
5960	Forest Management	12,280	7,768	22,000	33,644	-
5990	Other	442	476	750	750	750
	Total Miscellaneous	16,242	10,108	33,535	37,679	12,055
	Total Operating Expenses	1,766,120	1,802,921	2,161,714	2,130,816	2,264,496
	Total Personnel	1,666,393	1,632,971	1,875,019	1,853,430	2,011,196
	Total Other	99,727	169,950	286,695	277,385	253,300
6000	Construction Credit		(32,667)			
	Net Operating Expenses	1,766,120	1,770,254	2,161,714	2,130,816	2,264,496

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	216,143	219,692	292,567	284,934	310,068
5020	Salaries and Wages, Overtime	61	858	200	610	500
5060	Part-Time	-	11,605	-	-	-
	Total Salaries	216,204	232,155	292,767	285,545	310,568
	Fringe Benefits					
5110	Social Security and Medicare	15,827	17,450	23,074	22,085	24,454
5120	Retirement Contribution	16,229	17,048	26,995	26,221	28,769
5121	Deferred Compensation	6,240	3,740	59,280	37,232	9,321
5140	Health Insurance	47,962	34,024	45,418	42,659	38,078
5141	Dental Insurance	1,522	1,412	1,951	2,053	2,432
5142	Vision Insurance	27,566	25,605	32,000	31,864	32,000
5143	Wellness Reimbursement	2,087	2,481	2,400	2,400	6,300
5144	Retirees and Cobra Insurance	196,582	218,933	231,470	229,784	250,945
5150	Disability Insurance	948	585	991	903	1,220
5161	Unemployment Tax	3,290	1,569	8,000	7,228	2,000
5170	Uniforms	-	52	200	200	200
5180	Group Life & AD&D	1,033	843	1,101	1,091	1,138
5190	Post Employment Benefits	-	-	-	-	-
	Total Fringe Benefits	319,286	323,742	432,879	403,720	396,857
	Utilities					
5233	Cell Phones	1,500	1,975	2,800	2,800	1,800
	Total Utilities	1,500	1,975	2,800	2,800	1,800
	Materials and Supplies					
5330	Subscriptions	84		300	300	300
5350	Fuel			1,000	800	1,000
5360	Office Supplies	1,642	1,335	3,200	2,994	4,000
5380	Safety Supplies	331	126	3,500	3,531	3,500
5390	Other	37	72	500	500	500
	Total Materials and Supplies	2,094	1,533	8,500	8,125	9,300
	Maintenance					
5440	Motor Vehicles			400	400	400
	Total Materials and Supplies	-	-	400	400	400
	Professional Services					
5570	Consultants	112,458	247,376	220,250	246,250	186,255
5590	Other	17,898	13,550	50,000	50,000	50,000
	Total Professional Services	130,356	260,926	270,250	296,250	236,255

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Communications					
5610	Postage and Freight	6,482	1,779	4,000	4,000	4,000
5630	Advertising	64,464	123,787	50,000	79,999	66,000
	Total Communications	70,946	125,566	54,000	83,999	70,000
	Printing and Reproduction					
5700	Printing and Reproduction	158	66	1,000	1,000	1,000
	Total Printing and Reproduction	158	66	1,000	1,000	1,000
	Education and Development					
5810	Education and Development	652	6,005	12,900	10,883	13,000
	Total Education and Development	652	6,005	12,900	10,883	13,000
	Miscellaneous					
5910	Dues and Memberships	5,270	8,082	11,000	10,211	4,255
5980	Recruitment	632	1,878	4,000	4,155	4,000
5990	Other	15,685	33,097	45,000	45,000	50,500
	Total Miscellaneous	21,587	43,057	60,000	59,366	58,755
	Total Operating Expenses	762,783	995,025	1,135,496	1,152,088	1,097,935
	Total Personnel	535,490	555,897	725,646	689,265	707,425
	Total Other	227,293	439,128	409,850	462,823	390,510
6000	Construction Credits					
	Net Operating Expenses	762,783	995,025	1,135,496	1,152,088	1,097,935

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	400,480	390,771	417,017	415,025	431,369
5020	Salaries and Wages, Overtime	339	56	-	-	-
5060	Part Time	-	35,792	-	2,713	-
	Total Salaries	400,819	426,619	417,017	417,738	431,369
	Fringe Benefits					
5110	Social Security and Medicare	28,758	28,093	30,988	30,534	34,020
5120	Retirement Contribution	30,244	30,558	38,477	38,023	40,024
5121	Deferred Compensation	4,160	4,640	4,680	7,112	13,790
5140	Health Insurance	67,676	59,207	53,278	50,252	42,515
5141	Dental Insurance	1,591	1,615	1,700	1,709	1,870
5150	Disability Insurance	1,432	1,278	1,362	1,239	1,400
5180	Group Life and AD&D	1,624	1,447	1,525	1,514	1,363
5190	Vacation Accrued	-	-	-	-	-
	Total Fringe Benefits	135,485	126,838	132,009	130,382	134,981
	Utilities					
5233	Cell Phones	3,000	3,500	3,000	2,150	1,800
5250	Waste Disposal	2,764	1,996	2,500	2,499	3,500
	Total Utilities	5,764	5,496	5,500	4,649	5,300
	Materials and Supplies					
5360	Office Supplies	2,410	3,140	3,500	2,669	3,500
5390	Other	3,997	3,782	8,000	4,110	4,000
	Total Materials and Supplies	6,407	6,922	11,500	6,780	7,500
	Professional Services					
5510	Accounting	30,756	32,894	32,000	32,325	33,000
5570	Consultants	75,055	35,830	35,000	65,305	40,900
5580	Financial Services	262,756	172,683	177,086	176,660	165,600
5581	Trustee Services	11,900	10,375	20,000	19,825	10,400
5590	Other	29,594	40,796	30,000	18,690	36,000
	Total Professional Services	410,061	292,578	294,086	312,805	285,900
	Communications					
5610	Postage and Freight	6,524	1,833	4,000	4,066	2,500
5630	Advertising	169	-	-	-	-
	Total Communications	6,693	1,833	4,000	4,066	2,500

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Printing and Reproduction					
5700	Printing and Reproduction	3,204	974	2,000	2,000	2,000
	Total Printing and Reproduction	3,204	974	2,000	2,000	2,000
	Education and Development					
5810	Education and Development	8,683	6,278	9,600	9,548	6,620
	Total Education and Development	8,683	6,278	9,600	9,548	6,620
	Miscellaneous					
5910	Dues and Memberships	1,690	2,105	2,445	2,440	2,705
5950	Rent and Leases	2,654	2,655	3,400	3,540	3,540
5990	Other	123	(16)	-	-	-
	Total Miscellaneous	4,467	4,744	5,845	5,980	6,245
	Total Operating Expenses	981,583	872,282	881,557	893,947	882,415
	Total Personnel	536,304	553,457	549,026	548,120	566,350
	Total Other	445,279	318,825	332,531	345,828	316,065
6000	Construction Credits					
	Net Operating Expenses	981,583	872,282	881,557	893,947	882,415

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	436,372	434,299	435,045	435,020	454,807
5020	Salaries and Wages, Overtime	2,153	3,040	4,000	3,912	4,000
5060	Part Time			-	-	-
	Total Salaries	438,525	437,339	439,045	438,932	458,807
	Fringe Benefits					
5110	Social Security and Medicare	32,022	32,403	34,154	33,700	35,869
5120	Retirement Contribution	33,109	34,081	40,141	40,108	42,199
5121	Deferred Compensation	5,160	5,200	5,200	7,401	13,525
5140	Health Insurance	82,235	68,983	58,316	57,468	47,838
5141	Dental Insurance	2,513	2,404	2,368	2,577	2,870
5150	Disability Insurance	1,807	1,490	1,500	1,501	1,525
5180	Group Life and AD&D	2,011	1,582	1,582	1,582	1,402
5190	Vacation Accrued			-	-	-
	Total Fringe Benefits	158,857	146,143	143,260	144,337	145,228
	Utilities					
5231	Telephone - Local	125,990	109,447	118,700	121,008	122,800
5233	Cell Phone Stipends	8,250	7,500	8,000	5,750	4,500
	Total Utilities	134,240	116,947	126,700	126,758	127,300
	Materials and Supplies					
5330	Subscriptions			-	-	-
5360	Office Supplies	5,994	6,342	8,000	7,914	8,000
5365	Computer Equipment and Parts	80,778	92,816	80,600	80,553	91,128
5380	Safety Supplies			-	125	1,000
5390	Other			-	-	-
	Total Materials and Supplies	86,772	99,158	88,600	88,591	100,128
	Maintenance					
5410	Maintenance - Equipment	324,972	390,380	429,003	453,768	466,453
	Total Maintenance	324,972	390,380	429,003	453,768	466,453
	Professional Services					
5570	Consultants	24,682	135,057	149,000	147,101	438,000
5590	Other			-	250	-
	Total Professional Services	24,682	135,057	149,000	147,351	438,000
	Education and Development					
5810	Education and Development	19,752	21,510	22,050	22,050	21,950
	Total Education and Development	19,752	21,510	22,050	22,050	21,950

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Miscellaneous					
5910	Dues and Memberships			-	323	-
5950	Rents and Leases	48,754	50,944	46,000	45,944	46,600
5990	Other		190	-	-	-
	Total Miscellaneous	48,754	51,134	46,000	46,267	46,600
	Total Operating Expenses	1,236,554	1,397,668	1,443,657	1,468,053	1,804,465
	Total Personnel	597,382	583,482	582,305	583,269	604,035
	Total Other	639,172	814,186	861,353	884,784	1,200,431
6000	Construction Credits					
	Net Operating Expenses	1,236,554	1,397,668	1,443,657	1,468,053	1,804,465

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	1,233,932	1,210,018	1,331,538	1,313,219	1,408,292
5020	Salaries and Wages, Overtime	100,202	85,624	79,170	80,366	82,595
5050	Standby Pay	5,626	11,658	17,200	13,903	14,500
5060	Part-Time	37,831	17,057	29,754	13,000	28,520
	Total Salaries	1,377,591	1,324,357	1,457,662	1,420,487	1,533,907
	Fringe Benefits					
5110	Social Security and Medicare	103,818	99,976	105,013	105,288	111,066
5120	Retirement Contribution	101,781	101,620	122,858	123,791	130,666
5121	Deferred Compensation	28,200	24,418	27,560	31,719	44,483
5130	Workers Compensation	50,184	39,154	35,000	35,795	36,000
5140	Health Insurance	334,910	275,193	266,276	257,094	223,760
5141	Dental Insurance	9,782	9,076	10,161	10,270	11,153
5150	Disability Insurance	5,829	5,102	5,470	5,252	5,991
5170	Uniforms	18,198	16,935	14,000	14,000	16,000
5180	Group Life and AD&D	7,145	6,090	6,724	6,673	6,223
5190	Vacation Accrued	(18,998)	14,562	-	-	-
	Total Fringe Benefits	640,849	592,126	593,062	589,881	585,343
	Utilities					
5210	Electricity	282,196	231,449	257,245	238,542	260,190
5233	Cell Phones	8,735	8,250	9,600	9,600	9,900
5240	Fuel	15,796	18,328	14,000	10,905	12,000
5250	Waste Disposal	141,538	93,787	97,200	109,766	102,570
	Total Utilities	448,265	351,814	378,045	368,813	384,660
	Materials and Supplies					
5310	Chemicals	1,613,128	1,374,327	1,573,141	1,465,914	1,361,272
5320	Small Tools	8,866	7,192	6,000	6,059	6,000
5330	Subscriptions			-	-	-
5340	Lake Supplies	33,029	22,758	42,320	42,346	27,820
5350	Fuel - Vehicles and Equip.	27,032	18,529	17,784	18,146	16,739
5360	Office Supplies	1,954	6,234	5,000	4,015	4,000
5370	Laboratory Expenses	124,079	133,338	124,980	126,791	118,733
5380	Safety Supplies	12,420	13,338	9,550	8,052	12,446
5390	Other	3,334	1,611	5,200	5,092	5,100
	Total Materials and Supplies	1,823,842	1,577,327	1,783,975	1,676,416	1,552,110
	Maintenance					
5410	Maintenance - Equipment	292,092	277,815	308,235	307,139	276,833
5413	Maintenance - Pumping Equipment	101,477	126,685	104,875	99,279	110,875
5415	Maintenance - Reservoir and Tank	226,114	191,766	205,500	203,667	182,000
5420	Facilities	39,660	29,419	51,050	52,636	97,200
5421	Buildings	219,312	268,696	227,825	228,498	222,145

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
5423	Maintenance - Meters	14,804	30,895	93,200	95,589	113,500
5430	Grounds	85,335	79,909	73,830	76,058	74,000
5440	Motor Vehicles	23,605	20,684	15,000	14,861	15,000
	Total Maintenance	1,002,399	1,025,869	1,079,515	1,077,726	1,091,553
	Professional Services					
5530	Insurance	77,780	70,796	72,000	63,880	64,800
5570	Consultants	600	39,256	-	12,122	-
5590	Other		12,122	12,000	-	12,500
	Total Professional Services	78,380	122,174	84,000	76,002	77,300
	Communications					
5610	Postage and Freight	1,535	2,963	3,200	2,730	3,000
5630	Advertising					
	Total Communications	1,535	2,963	3,200	2,730	3,000
	Printing and Reproduction					
5700	Printing and Reproduction			-	-	-
	Total Printing and Reproduction	-	-	-	-	-
	Education and Development					
5810	Education and Development	9,439	4,338	12,150	8,444	12,000
	Total Education and Development	9,439	4,338	12,150	8,444	12,000
	Miscellaneous					
5910	Dues and Memberships	71,245	74,483	73,479	72,752	73,809
5950	Rents and Leases	3,385		4,000	3,432	4,000
5960	Forest Management					28,000
5990	Other	187	2,237	2,000	3,048	3,000
	Total Miscellaneous	74,817	76,720	79,479	79,233	108,809
	Total Operating Expenses	5,457,117	5,077,688	5,471,087	5,299,733	5,348,681
	Total Personnel	2,018,440	1,916,483	2,050,724	2,010,369	2,119,250
	Total Other	3,438,677	3,161,205	3,420,364	3,289,364	3,229,432
6000	Construction Credits					
	Net Operating Expenses	5,457,117	5,077,688	5,471,087	5,299,733	5,348,681

	EXPENDITURE CLASSIFICATION	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	1,533,066	1,585,025	1,572,740	1,522,812	1,673,567
5020	Salaries and Wages, Overtime	68,511	97,193	67,000	66,792	80,616
5050	Standby Pay	27,586	37,924	27,000	26,604	32,000
5060	Part-Time	8,552	383	15,000	14,975	15,000
	Total Salaries	1,637,715	1,720,525	1,681,740	1,631,183	1,801,183
	Fringe Benefits					
5110	Social Security and Medicare	122,112	129,931	127,585	124,717	131,987
5120	Retirement Contribution	122,611	134,749	149,266	147,566	155,279
5121	Deferred Compensation	39,220	40,040	37,960	41,961	55,646
5130	Workers Compensation	46,577	40,300	34,777	38,874	39,000
5140	Health Insurance	488,700	442,615	349,196	342,999	292,359
5141	Dental Insurance	13,268	14,254	14,103	14,436	15,298
5150	Disability Insurance	7,358	6,808	6,884	6,458	7,296
5170	Uniforms	25,525	23,754	22,478	22,233	23,000
5180	Group Life and AD&D	9,549	8,643	9,072	8,746	8,435
5190	Vacation Accrued	10,375	(2,717)	-	-	-
	Total Fringe Benefits	885,295	838,377	751,321	747,990	728,300
	Utilities					
5210	Electricity	180,730	189,344	187,541	185,755	191,206
5233	Cell Phones	10,050	10,306	9,000	9,000	12,600
5240	Fuel	5,978	4,926	4,300	4,247	5,000
5250	Waste Disposal	175		500	992	1,500
	Total Utilities	196,933	204,576	201,341	199,994	210,306
	Materials and Supplies					
5320	Small Tools	5,137	18,899	10,000	10,408	30,000
5330	Subscriptions			-	63	150
5350	Fuel - Vehicles and Equip.	49,092	40,508	42,000	44,370	41,178
5360	Office Supplies	1,976	21,625	3,400	3,497	3,500
5380	Safety Supplies	19,505	7,478	22,968	22,014	22,815
5390	Other	13,190	19,021	7,500	7,750	7,500
	Total Materials and Supplies	88,900	107,531	85,868	88,101	105,143
	Maintenance					
5422	Maintenance - Mains	352,709	302,976	402,573	442,089	302,467
5422	Maintenance - Mains RCW			10,000	-	10,000
5423	Maintenance - Meters	10,620	43,378	-	53,313	73,600
5424	Maintenance - Hydrants	16,867	17,442	23,229	20,650	24,000
5425	Maintenance - Service Lines	60,048	44,593	52,324	67,511	60,169
5440	Motor Vehicles	58,623	80,089	61,500	60,817	76,200
	Total Maintenance	498,867	488,478	549,626	644,380	546,436

	EXPENDITURE CLASSIFICATION	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Professional Services					
5530	Insurance	8,837	8,052	7,680	8,041	6,900
	Total Professional Services	8,837	8,052	7,680	8,041	6,900
	Communications					
5610	Postage and Freight	2,764	4,316	5,000	3,784	5,000
	Total Communications	2,764	4,316	5,000	3,784	5,000
	Printing and Reproduction					
5700	Printing and Reproduction	448	36	1,500	910	1,500
	Total Printing and Reproduction	448	36	1,500	910	1,500
	Education and Development					
5810	Education and Development	15,937	16,614	23,416	19,778	23,100
	Total Education and Development	15,937	16,614	23,416	19,778	23,100
	Miscellaneous					
5910	Dues and Memberships	1,521	1,225	1,730	1,588	1,500
5950	Rents and Leases		67,200			
5990	Other	1,426	1,382	60,500	34,227	-
	Total Miscellaneous	2,947	69,807	62,230	35,815	1,500
	Total Operating Expenses	3,338,643	3,458,312	3,369,723	3,379,977	3,429,368
	Total Personnel	2,523,010	2,558,902	2,433,062	2,379,173	2,529,483
	Total Other	815,633	899,410	936,662	1,000,804	899,885
6000	Construction Credits	(100,491)	(106,548)	(90,000)	(89,505)	(90,000)
	Net Operating Expenses	3,238,152	3,351,764	3,279,723	3,290,472	3,339,368

Orange Water and Sewer Authority
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 Wastewater Treatment and Biosolids Recycling Department

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	1,300,039	1,325,000	1,317,042	1,319,989	1,440,113
5020	Salaries and Wages, Overtime	128,084	174,453	116,300	146,027	136,500
5050	Standby Pay	4,439	8,247	4,000	4,590	4,050
	Total Salaries	1,432,562	1,507,700	1,437,342	1,470,607	1,580,663
	Fringe Benefits					
5110	Social Security and Medicare	107,787	113,123	103,870	108,203	113,576
5120	Retirement Contribution	108,441	117,269	121,521	128,130	133,619
5121	Deferred Compensation	31,920	29,740	27,040	32,080	46,141
5130	Workers' Compensation	46,592	43,427	37,135	41,525	40,000
5140	Health Insurance	326,297	283,108	268,451	255,794	221,596
5141	Dental Insurance	8,827	8,841	9,474	9,839	11,439
5150	Disability Insurance	6,026	4,930	5,438	5,369	6,160
5170	Uniforms	14,273	13,607	12,000	12,000	12,000
5180	Group Life and AD&D	6,825	6,266	6,759	6,708	6,385
5190	Vacation Accrued	(4,596)	11,652	-	-	-
	Total Fringe Benefits	652,392	631,963	591,687	599,647	590,915
	Utilities					
5210	Electricity	467,022	570,505	566,500	532,342	566,738
5233	Cell Phones	7,975	7,900	10,500	10,500	11,700
5240	Fuel	52,810	21,828	33,000	33,000	32,306
5250	Waste Disposal	81,188	298,303	171,580	171,580	191,792
	Total Utilities	608,995	898,536	781,580	747,422	802,535
	Materials and Supplies					
5310	Chemicals	777,145	1,012,434	805,632	805,632	949,229
5315	Land Application	11,634	56,912	50,000	50,000	55,500
5320	Small Tools	4,558	3,820	5,000	7,574	5,000
5350	Fuel - Vehicles and Equip.	65,829	56,907	79,065	79,065	79,730
5360	Office Supplies	1,342	6,404	5,000	5,000	20,000
5370	Laboratory Expenses	123,866	124,715	104,880	104,880	119,864
5380	Safety Supplies	11,516	24,789	20,000	20,000	20,500
5390	Other	2,795	4,171	2,000	2,000	4,000
	Total Materials and Supplies	998,685	1,290,152	1,071,577	1,074,151	1,253,823

Orange Water and Sewer Authority
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 Wastewater Treatment and Biosolids Recycling Department

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Maintenance					
5410	Maintenance - Equipment	477,745	370,911	595,240	595,240	567,944
5413	Maintenance - Pumping Equipment	138,205	304,200	250,000	250,000	257,000
5420	Facilities	34,700	42,402	60,000	60,000	40,000
5421	Buildings	19,041	24,805	37,000	37,000	53,000
5423	Maintenance - Meters	114,609	186,259	215,000	215,000	187,000
5430	Grounds	12,281	10,335	12,000	12,000	15,000
5440	Motor Vehicles	46,411	59,323	45,000	45,000	48,000
	Total Maintenance	842,992	998,235	1,214,240	1,214,240	1,167,944
	Professional Services					
5530	Insurance	93,804	86,641	87,600	78,221	77,721
5570	Consultants	9,875	1,750	5,000	13,000	20,000
5590	Other			-	5,000	-
	Total Professional Services	103,679	88,391	92,600	96,221	97,721
	Communications					
5610	Postage and Freight	8,242	9,944	11,715	11,715	1,000
	Total Communications	8,242	9,944	11,715	11,715	1,000
	Printing and Reproduction					
5700	Printing and Reproduction			-	-	5,000
	Total Printing and Reproduction	-	-	-	-	5,000
	Education and Development					
5810	Education and Development	10,374	19,817	27,000	41,657	38,625
	Total Ed and Development	10,374	19,817	27,000	41,657	38,625
	Miscellaneous					
5910	Dues and Memberships	33,289	28,467	32,625	32,625	32,625
5950	Rents and Leases	4,583	11,074	15,000	15,000	15,000
5990	Other	19,949	39,213	20,000	20,000	21,725
	Total Miscellaneous	57,821	78,754	67,625	67,625	69,350
	Total Operating Expenses	4,715,742	5,523,492	5,295,367	5,323,285	5,607,576
	Total Personnel	2,084,954	2,139,663	2,029,030	2,070,253	2,171,578
	Total Other	2,630,788	3,383,829	3,266,337	3,253,031	3,435,998
6000	Construction Credits					
	Net Operating Expenses	4,715,742	5,523,492	5,295,367	5,323,285	5,607,576

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Salaries					
5010	Salaries and Wages, Regular	465,554	464,001	515,487	491,781	528,838
5020	Salaries and Wages, Overtime	22,625	19,259	28,000	25,724	20,000
5050	Standby Pay	12,343	12,202	12,000	11,396	15,000
	Total Salaries	500,522	495,462	555,487	528,901	563,838
	Fringe Benefits					
5110	Social Security and Medicare	38,402	38,465	40,654	39,957	41,707
5120	Retirement Contribution	37,598	38,679	47,563	46,724	49,067
5121	Deferred Compensation	12,100	12,800	15,080	15,575	20,032
5130	Workers Compensation	23,998	13,815	15,000	15,341	15,000
5140	Health Insurance	141,670	120,014	130,590	114,963	100,309
5141	Dental Insurance	3,725	3,721	4,190	4,083	5,061
5150	Disability Insurance	2,220	1,910	2,299	2,138	2,460
5170	Uniforms	11,093	10,103	10,000	9,498	12,000
5180	Group Life and AD&D	2,892	2,606	3,044	2,865	2,748
5190	Vacation Accrued	8,567	2,875	-	-	-
	Total Fringe Benefits	282,265	244,988	268,421	251,145	248,385
	Utilities					
5210	Electricity	102,747	115,708	119,534	107,679	126,874
5233	Cell Phones	1,913	1,800	1,800	1,800	3,600
5240	Fuel	5,978	4,926	5,000	4,947	5,000
5250	Waste Disposal			-	-	1,500
	Total Utilities	110,638	122,434	126,334	114,426	136,974
	Materials and Supplies					
5310	Chemicals	186,161	199,726	230,000	230,000	230,000
5320	Small Tools	1,310	1,250	3,000	2,777	10,000
5350	Fuel - Vehicles and Equip.	24,185	26,411	24,000	24,015	24,870
5360	Office Supplies	884	681	1,000	1,079	1,500
5380	Safety Supplies	1,143	1,934	10,499	10,204	11,811
5390	Other	612	611	1,500	1,060	2,500
	Total Materials and Supplies	214,295	230,613	269,999	269,135	280,681
	Maintenance					
5422	Maintenance - Mains	168,887	45,198	143,045	132,000	115,000
5425	Maintenance - Service Lines	656	4,062	30,000	25,012	30,000
5440	Motor Vehicles	44,686	39,917	70,000	67,721	60,294
	Total Maintenance	214,229	89,177	243,045	224,733	205,294
	Professional Services					
5530	Insurance	8,461	7,358	7,680	6,814	6,900

Orange Water and Sewer Authority
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 Wastewater Collection Department

	Expenditure Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Forecast	FY 2021 Request
	Total Professional Services	8,461	7,358	7,680	6,814	6,900
	Communications					
5610	Postage and Freight	73	131	500	259	500
	Total Communications	73	131	500	259	500
	Printing and Reproduction					
5700	Printing and Reproduction	-		2,000	2,000	2,000
	Total Printing and Reproduction	-	-	2,000	2,000	2,000
	Education and Development					
5810	Education and Development	4,537	6,342	11,475	11,340	10,750
	Total Ed and Development	4,537	6,342	11,475	11,340	10,750
	Miscellaneous					
5910	Dues and Memberships	2,210	2,110	2,110	2,050	2,500
5990	Other	3,542	20	-	163	-
	Total Miscellaneous	5,752	2,130	2,110	2,213	2,500
	Total Operating Expenses	1,340,772	1,198,635	1,487,051	1,410,965	1,457,822
	Total Personnel	782,787	740,450	823,908	780,046	812,223
	Total Other	557,985	458,185	663,143	630,919	645,599
6000	Construction Credits	(38,978)	(94,328)	-	(30,502)	
	Net Operating Expenses	1,301,794	1,104,307	1,487,051	1,380,463	1,457,822

Item No.	Description	Dept	FY20 Budget	FY21 Draft Budget
1	Legal	Executive Director	260,000	275,000
2	Insurance-Public Officials	Executive Director	26,400	26,733
3	American Water Infrastructure Act of 2018 Compliance	Executive Director	100,000	75,000
4	Interpreter service for hearing impaired	Executive Director	1,000	1,000
5	Miscellaneous	Executive Director	2,000	2,000
6	Energy Dashboard	Executive Director	3,200	3,200
7	Communications support	Executive Director	31,500	-
8	Professional design services	Executive Director		8,000
9	Video production	Executive Director		10,000
10	Website enhancements	Executive Director		20,000
11	Insurance-Property & Casualty	Executive Director, WTP, WWTP, Distribution, Collection	209,760	210,619
12	Credit checks, collection fees	Customer Service	40,000	40,000
13	Miscellaneous survey work - easement surveys, boundary surveys, manholes, etc.	Engineering and Planning	7,500	7,500
14	Update standards and specifications	Engineering and Planning	-	100,000
15	Recurring annual membership payment to the Triangle Water Supply Partnership	Engineering and Planning	25,000	20,000
16	Long-Range Water Supply Plan (LRWSP) - update	Engineering and Planning	140,000	25,000
17	Water and sewer capacity evaluations for new developments	Engineering and Planning	20,000	-
18	Hill, Chesson and Woody (Gallagher)	Human Resources	62,000	60,000
19	Employee Assistance Program	Human Resources	4,500	4,500
20	Envirosafe (safety consulting (audits of facilities, programs) and safety training services)	Human Resources	26,250	26,000
21	HR department - administrative support	Human Resources	15,000	15,000
22	South Orange Technical Rescue (confined space response)	Human Resources	6,500	6,500
23	Diversity/employee development training programs	Human Resources	50,000	30,000
24	Compliance Training	Human Resources	22,000	20,000
25	Core Training (per Diversity and Inclusion Program plan)	Human Resources	20,000	20,000
26	Other (fit for drug screens, fitness for duty testing, background investigations, etc.)	Human Resources	64,000	-
27	Occupational medicine requirements	Human Resources		27,500
28	Hearing tests	Human Resources		2,000
29	Background checks	Human Resources		2,500
30	Dept. of Transportation clearinghouse	Human Resources		1,000
31	Hepatitis B vaccinations	Human Resources		6,000
32	Drug screenings	Human Resources		11,000
33	Safety Councils and other HR associations	Human Resources		1,455
34	CAI training	Human Resources		2,800
35	Annual financial audit	Finance	32,000	33,000
36	Annual rate revenue sufficiency study	Finance	35,000	35,000

Priority Number	Item Requested	Reason Item Needed	Estimated Cost
Information Technology			
Network Switches			
1	Model D2 replacements Qty 3 @ \$3000	Replacing equipment nearing end of service life	9,000.00
1	Model C5 replacements Qty 6 @ \$5000		30,000.00
1	Model S3 replacement Qty 2 @ \$12,000		24,000.00
1	Dell Server	Network Domain controller replacement	7,000.00
1	GPS Network Time server devices for SCADA networks		7,000.00
Water Supply and Treatment			
2	Complete the redundant fiber loop	Needed for SCADA reliability and resiliency	16,000.00
4	2 Cameras	Added at Cane Creek to be able to monitor the spillway and the pump station	8,000.00
4	1 Camera looking at the OPS truck parking lot.	Add coverage for safety and security	4,000.00
4	Badge readers for the gates at both lakes	Homeland Security recommendation for security	32,000.00
3	2 Replacement cameras	Replace old analog cameras with new digital cameras	4,000.00
Wastewater Treatment and Biosolids Recycling			
3	Add 10 cameras and card readers to doors.	Partial implementation of recommendations from security assessment	40,000.00
3	2 Cameras and 3 badge readers at Rogerson Drive and 1 camera at Countryside Pump station including cellular communication.	Add coverage for safety and security	65,000.00
2	Camera at the bridge	Safety - to monitor stream water level during flooding conditions	4,000.00
Water Distribution and Collection			
3	2 cameras for truck bay	Add coverage for safety and security	4,000.00
3	1 Camera in Truck Wash Bay		2,000.00
4	4 Cameras that can see every aisle in the warehouse		8,000.00
3	1 Camera over receiving area outside Mike's office		2,000.00
3	1 Camera covering the file storage area in the mezzanine.		2,000.00
3	2 cameras for Better coverage the employee parking lot		4,000.00
4	1 camera for better coverage at the gravel storage building		4,000.00
Subtotal			276,000

Priority Number	Item Requested	Reason Item Needed	Estimated Cost
Water Supply and Treatment			
1	TOC (total organic carbon) analyzer with autosampler	Current analyzer has been made obsolete by the manufacturer. Replacement parts are no longer being manufactured; used parts will be used instead for any repairs. Total Organic Carbon (TOC)+ analysis is required by regulation and is also a very important part of how we assess the effectiveness of our treatment process.	36,000
2	Temporary containment berm	Purchase of the temporary berm was identified in the After Action Review (AAR) for a leak we had in the hydrofluorosilicic acid tank	6,000
3	John Deere Gator	Replace existing equipment at Cane Creek that has 4,000 hours and has become too costly to maintain	7,700
5	2021 F-250 Extended Cab 4X4 with service body	Replacement based on condition assessment and replacement schedule.	44,200
	Subtotal		93,900
Water Distribution			
1	EH Wachs Valve Machine	Additional truck-mounted valve machine. Trailer-mounted valve machine currently in use is aging and will be used for backup.	75,000
2	305E-2 Mini Excavator	Small excavator for Valve Maintenance crew and service installations	70,000
3	Plate Compactor Attachment	Backhoe/excavator mounted Plate Compactor attachment for backfill and to improve employee safety	10,000
4	Wacker Neuson Smooth Drum Roller	Drum roller for compaction and asphalt repairs	10,000
5	Leak Detector/Correlator	Leak Detector Correlator for Service/Repair Crew	16,800
	Subtotal		181,800
Wastewater Treatment and Biosolids Recycling			
1	Generator	Clayton Road location	35,000
2	4X4 Tool Truck	Truck for New Maintenance Mechanic (if position is approved)	50,000
3	Online Monitoring	Process optimization (energy and partnership)	25,000
4	Larger Biosolids Spreader	Trading in our current spreader for a larger will amount to notable efficiency gains in our land application program (trade in)	40,000
5	Biosolids Road Tractors	Replace a second of the three aging road tractors	150,000
6	Utility Vehicle	Replace aging 94' Ford truck. Utility vehicle will be more efficient and because of its size it can be utilized in more areas at the Plant	20,000
7	Mid-sized SUV	Replace aging 96' Taurus with 4x4 SUV	30,000
8	Sweeper	Sweeper for Skid steer for road cleanup and snow removal	8,000
	Subtotal		358,000

Priority Number	Item Requested	Reason Item Needed	Estimated Cost
Wastewater Collection			
1	Managers Vehicle	SUV/4 Door Pickup to replace 12-26 (2000 Ford Explorer)	40,000
2	Plate Compactor Attachment	Backhoe/excavator mounted Plate Compactor attachment for backfill and minimizing employee exposure.	10,000
	Subtotal		50,000
	Total		959,700

LEGEND

Major Resiliency Improvement	
Ongoing project or requirement	\$ 150,000
Identified and included in prior year's CIP	\$ 150,000
New project	\$ 150,000

CIP	Project Name	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total five year
270-04	Jordan Lake Raw Water Supply Allocation	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
270-09	Quarry Reservoir Development	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 65,000	\$ 125,000
270-28	University Lake Permanganate Facility	\$ 1,000,000	\$ 922,000	\$ -	\$ -	\$ -	\$ 1,922,000
271-05	Cane Creek Raw Water Transmission Main Study	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
272-10	Water Facility Asset Rehabilitation	\$ 75,000	\$ 75,000	\$ -	\$ 2,514,000	\$ 2,507,000	\$ 5,171,000
272-37	WTP Belt Filter Press Replacement	\$ 100,000	\$ 2,923,000	\$ -	\$ -	\$ -	\$ 3,023,000
272-39	Water and Wastewater Facilities Concrete Condition Assessment	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ 225,000
272-42	WTP Finished Water Pump Improvements	\$ 868,000	\$ -	\$ -	\$ -	\$ -	\$ 868,000
272-46	WTP Chemical Facility Improvements	\$ 2,800,000	\$ 496,000	\$ -	\$ -	\$ -	\$ 3,296,000
272-49	WTP and WWTP Supervisory Control and Data Acquisition (SCADA) Master Plan	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
272-52	WTP Electrical Distribution Improvements	\$ 150,000	\$ 2,000,000	\$ 1,150,000	\$ -	\$ -	\$ 3,300,000
275-15	Reimbursement for Distribution System Improvements	\$ 900,000	\$ 51,000	\$ -	\$ -	\$ -	\$ 951,000
275-20	Water Distribution System Rehabilitation	\$ 400,000	\$ 300,000	\$ 250,000	\$ 419,000	\$ 1,256,000	\$ 2,625,000
275-21	Water Main Replacement Program FY 2018-2023	\$ 1,206,000	\$ 2,105,000	\$ 4,346,000	\$ -	\$ -	\$ 7,657,000
275-46	Dobbins Drive Water Main Replacement	\$ 704,000	\$ -	\$ -	\$ -	\$ -	\$ 704,000
275-52	West Cameron Avenue Water Main Replacement	\$ 2,400,000	\$ 525,000	\$ -	\$ -	\$ -	\$ 2,925,000
275-88	Kensington Drive Water Main Replacement	\$ 1,137,000	\$ -	\$ -	\$ -	\$ -	\$ 1,137,000
275-90	Distribution System Sampling Stations	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
275-92	Jones Ferry Rd Water Main Replacements	\$ 1,550,000	\$ 850,000	\$ -	\$ -	\$ -	\$ 2,400,000
275-93	Bolinwood Bridge Water Main Replacement	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ 175,000
276-45	Bolinwood Interceptor Replacement	\$ 615,000	\$ 422,000	\$ -	\$ -	\$ -	\$ 1,037,000
276-48	Dobbins Drive Interceptor Replacement	\$ 1,540,000	\$ -	\$ -	\$ -	\$ -	\$ 1,540,000
276-52	Rocky Branch Interceptor Replacement	\$ 62,000	\$ 706,000	\$ -	\$ -	\$ -	\$ 768,000
276-53	Creek Crossing Access Improvements	\$ 282,000	\$ 400,000	\$ -	\$ -	\$ -	\$ 682,000
276-58	Prince Street Service Replacement	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
277-40	Wastewater Pump Station Operational and Needs Assessments	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
277-43	Rogerson Drive Force Main and Pump Station Program Services	\$ 150,000	\$ 110,000	\$ -	\$ -	\$ -	\$ 260,000
278-51	WWTP Solids Thickening Improvements	\$ 3,357,000	\$ -	\$ -	\$ -	\$ -	\$ 3,357,000
278-72	WWTP Secondary Clarifier Rehabilitation	\$ 1,033,000	\$ -	\$ -	\$ -	\$ -	\$ 1,033,000
278-78	WWTP Fermenter Improvements	\$ 490,000	\$ -	\$ -	\$ -	\$ -	\$ 490,000
278-80	WWTP Miscellaneous Rehabilitation	\$ 100,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ 250,000
278-88	Offsite Biosolids Storage Improvements	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
270-16	Cane Creek Pump Station Improvements	\$ 50,000	\$ 200,000	\$ 1,800,000	\$ -	\$ -	\$ 2,050,000
270-29	University Lake Fishing Pier and Boat Launch	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000

LEGEND

Major Resiliency Improvement	
Ongoing project or requirement	\$ 150,000
Identified and included in prior year's CIP	\$ 150,000
New project	\$ 150,000

CIP	Project Name	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total five year
270-30	Cane Creek Dam Rehabilitation	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000
270-31	Cane Creek Resurfacing	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ 120,000
270-34	Western Intake Partnership Projects	\$ 50,000	\$ 217,000	\$ 217,000	\$ 217,000	\$ 217,000	\$ 918,000
272-51	HVAC Replacement Program	\$ 150,000	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ 500,000
272-53	Rehabilitation of WTP Front Entry	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
274-14	Storage Tank Water Quality Monitors	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
275-21	Fordham Blvd at Ephesus Church Road Water Main	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000
275-53	Distribution System Hydraulic Model	\$ 400,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 520,000
275-91	MLK Boulevard Water Main Abandonment	\$ -	\$ -	\$ 90,000	\$ 300,000	\$ -	\$ 390,000
275-xx	Water Main Replacements - Group I (OWASA Construction Crew)	\$ 1,184,000	\$ 1,046,000	\$ 1,258,000	\$ -	\$ -	\$ 3,488,000
275-xx	Water Main Replacements - Group II	\$ -	\$ 80,000	\$ 340,000	\$ 3,400,000	\$ 1,752,000	\$ 5,572,000
276-18	Gravity Sewer Rehabilitation Program	\$ 235,000	\$ 1,075,000	\$ 1,425,000	\$ 4,100,000	\$ 6,700,000	\$ 13,535,000
276-46	Willow Drive Branch Interceptor Replacement	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
276-xx	Force Main Condition Evaluation	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ 100,000
276-xx	Bolin Creek Interceptor	\$ -	\$ 25,000	\$ 90,000	\$ 400,000	\$ -	\$ 515,000
277-01	Wastewater Pump Station Rehabilitation	\$ 185,000	\$ 325,000	\$ 300,000	\$ -	\$ -	\$ 810,000
278-11	Wastewater Facility Asset Rehabilitation	\$ 150,000	\$ -	\$ -	\$ 4,286,000	\$ 3,237,000	\$ 7,673,000
278-50	WWTP Warehouse	\$ 75,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 675,000
278-61	WWTP Pavement Improvements	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
278-68	Water and Wastewater Facilities Building Envelope Rehabilitation	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ -	\$ 1,600,000
278-75	WWTP Facilities Planning	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 300,000
278-78	WWTP Digester #3 and #4 Condition Assessment	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
278-84	WWTP Security Improvements	\$ 150,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 200,000
278-86	WWTP Primary Clarifier Rehabilitation	\$ 50,000	\$ 387,000	\$ 1,490,000	\$ -	\$ -	\$ 1,927,000
278-87	WWTP Flow Monitoring	\$ -	\$ -	\$ 25,000	\$ 125,000	\$ -	\$ 150,000
278-89	WWTP RAS Pumping Improvements	\$ 150,000	\$ 660,000	\$ -	\$ -	\$ -	\$ 810,000
278-xx	WWTP Scum Pump Station Rehabilitation	\$ -	\$ 53,000	\$ 177,000	\$ -	\$ -	\$ 230,000
270-22	Reservoir Storage Capacity Surveys	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
270-xx	University Lake Raw Water Main Assessment	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
272-35	WTP Flash Mix Basin Improvements	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
272-xx	Finished Water Pump #6	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000
272-xx	HVAC Controls - Operations Center and WTP Administration Bldg	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
272-xx	WTP Clearwell Rehab	\$ -	\$ 100,000	\$ 1,110,000	\$ -	\$ -	\$ 1,210,000
274-xx	Storage Tank PLC Upgrades	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000

LEGEND

Major Resiliency Improvement	
Ongoing project or requirement	\$ 150,000
Identified and included in prior year's CIP	\$ 150,000
New project	\$ 150,000

CIP	Project Name	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total five year
275-xx	Legion Road Water Main	\$ 50,000	\$ 200,000	\$ 2,344,000	\$ -	\$ -	\$ 2,594,000
275-xx	Distribution System Condition Assessment Program	\$ 115,000	\$ 200,000	\$ 275,000	\$ 350,000	\$ 464,000	\$ 1,404,000
275-xx	West Rosemary Water Main Replacement	\$ 50,000	\$ 222,000	\$ 1,600,000	\$ -	\$ -	\$ 1,872,000
276-xx	Brigham Rd Interceptor Replacement	\$ -	\$ -	\$ 100,000	\$ 600,000	\$ -	\$ 700,000
276-xx	Willow Drive Bridge Sewer Replacement	\$ -	\$ -	\$ -	\$ 20,000	\$ 150,000	\$ 170,000
276-xx	Collection System Flow Monitors	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 160,000
276-xx	Morgan Creek Interceptor Replacement	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ 1,150,000
277-xx	Rogerson Drive Pump Station Capacity Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
278-xx	WWTP Clarifier #4 Conversion	\$ -	\$ 221,000	\$ 1,050,000	\$ -	\$ -	\$ 1,271,000
278-xx	WWTP Stormwater Pump Station to IPS	\$ -	\$ -	\$ 50,000	\$ 300,000	\$ -	\$ 350,000
278-xx	Intermediate Pump Station (IPS) Pump/Motor Replacements	\$ -	\$ -	\$ -	\$ 100,000	\$ 1,500,000	\$ 1,600,000
278-xx	WWTP Access Study	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
278-xx	WWTP Admin Bldg Planning Study	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
278-xx	WWTP Digester Heating Study	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
279-13	Reclaimed Water Valve/Coupling Rehabilitation	\$ 75,000	\$ 325,000	\$ -	\$ -	\$ -	\$ 400,000
280-13	Administration Building Locker Room Improvements	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 200,000
Totals		\$ 25,768,000	\$ 20,046,000	\$ 22,212,000	\$ 17,751,000	\$ 18,283,000	\$ 104,060,000

Agenda Item 8:

Review Board Work Schedule

Purpose:

- a) Request(s) by Board Committees, Board Members and Staff
- b) March 26, 2020 Board Meeting
- c) April 9, 2020 Board Work Session
- d) Review and update the 12 Month Board Meeting Schedule
- e) Review Pending Key Staff Action Items
- f) Review Action Items Recurring Every 3 to 5+ Years

Information:

- Draft agenda for the March 26, 2020 meeting
- Draft agenda for the April 9, 2020 meeting
- 12 Month Board Meeting Schedule
- Pending Key Staff Action Items from Board Meetings
- Action Items Recurring Every 3 to 5+ Years

March 12, 2020

Agenda
Meeting of the OWASA Board of Directors
Thursday, March 26, 2020, 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.

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/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 March 23, 2020 Meeting between the Chapel Hill Town Council OWASA Committee and Chapel Hill Appointees to the OWASA Board (Ruchir Vora)
 - B. Update on the March 25, 2020 Meeting between Members of the Orange County Board of County Commissioners and Orange County Appointees to the OWASA Board (Jody Eimers)
3. Announcements by Staff

Petitions and Requests

1. Public
2. Board
3. Staff

Consent Agenda

Information and Reports

1. 12 Month Board Meeting Schedule (Ray DuBose/Ed Kerwin)

Action

2. Resolution Setting the Date of May 28, 2020 for a Public Hearing on OWASA's Fiscal Year 2021 Budget (Stephen Winters)
3. Resolution Setting the Date of May 28, 2020 for a Public Hearing on Proposed Revisions to OWASA's Schedule of Rates, Fees and Charges (Stephen Winters)

4. Minutes of the March 10, 2019 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Ray DuBose)
5. Minutes of the March 12, 2019 Meeting of the Board of Directors (Andrea Orbich)

Regular Agenda
Information and Reports

6. (Tentative) Update on Website Relaunch (Mary Tiger/Blake Hodge)

Discussion

7. Review Fiscal Year 2021 Draft Budget and Staff Rate Adjustment Recommendation (Stephen Winters)

Summary of Board Meeting Action Items

8. 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

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

Agenda
Work Session of the OWASA Board of Directors
Thursday, April 9, 2020, 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/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
- d. Additional Comments, Suggestions, and Information Items by Board Members (Ray DuBose)

Consent Agenda

Information and Reports

1. Quarterly Report on Board and Committee Meetings (Andrea Orbich)

Action

2. Minutes of the March 26, 2020 Closed Session of the Board of Directors for the Purpose of Discussing a Personnel Matter (Robert Morgan)

Regular Agenda

Discussion

3. Review Employee Health and Dental Insurance (Stephanie Glasgow/Ellen Tucker, Gallagher)
4. Employee Merit Pay for Fiscal Year 2021 (Stephanie Glasgow)
5. Review Draft Fiscal Year 2021 Budget and Rate Adjustment Information (Stephen Winters)
6. Review Board Work Schedule (Ray DuBose/Ed Kerwin)
 - a. Request(s) by Board Committees, Board Members and Staff
 - b. April 23, 2020 Board Meeting
 - c. May 14, 2020 Work Session
 - d. 12 Month Board Meeting Schedule

- e. Pending Key Staff Action Items

Summary of Work Session Items

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

Closed Session

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

DRAFT

OWASA Board of Directors – 12 Month Board Meeting Schedule (March 6, 2020)

Month	Board Meetings		Committee & Other Meetings
	Work Session	Business Meeting	
March 2020	FY 21 Draft Budget including 1 st iteration of new budget format (C) Forest Management Program Update Award the WTP Water Mains Resiliency Contract (C) Award the WTP Chemical Facility Improvements Contract (C) Update on New Water Main Prioritization Model (C) 3/12/2020	Set date for Public Hearings – FY 21 Budget & Rates (C) FY 21 Draft Budget and Staff Rate Adjustment Recommendation (C) (Tentative) Update on Website Relaunch CS – Prepare for ED Interim Review (C) 3/26/2020	Board CS with the Consultant to discuss personnel matter 3/10/2020 Chapel Hill OWASA Board Members meet with TOCH OWASA Committee (3/23/2020) OC Appointees to the OWASA Board meet with Members of Orange County BOCC (3/25/2020) Finance Committee meeting(s) to review FY 21 budget and rates, as necessary
April 2020	Review Employee Health and Dental Insurance Renewals (C) Discuss Employee Merit Pay for FY 21 (C) FY 21 Draft Budget and Rate Adjustment Information (C) CS – ED Interim Review (C) 4/9/2020	FY 21 Draft Budget and Rate Adjustment Information and Authorize Staff to Publish Proposed Rates (C) Q3 Financial Report (C) (Tentative) Receive OC Health Department Fluoridation Report (C) 4/23/2020	Finance Committee meeting(s) to review FY 21 budget and rates, as necessary Interview ED Candidates (4/24 & 25/2020)
May 2020	Approve Employee Health and Dental Insurance Renewals (C) Diversity and Inclusion Update (C) Discuss LRWSP Supply & Demand Management Alternatives 5/14/2020	Public Hearings – FY 21 Budget and Rates (C) Approve Employee Health and Dental Insurance Renewals (if needed) (C) 5/28/2020	
June 2020	Approve FY 21 Budget and Rates, including merit pay decision (C) Election of Officers (C) 6/11/2020	TBD 6/25/2020	
July 2020	TBD 7/9/2020	TBD 7/23/2020	
August 2020	Award the Bolinwood Drive Interceptor Contract (C) CS – Prepare for GC Annual Review (C) 8/13/2020	Preliminary 12 Month Financial Report (C) CIP Semiannual Report (C) CS – GC Annual Review (C) 8/27/2020	
September 2020	EEO/Affirmative Action Report & Diversity and Inclusion Update (C) Annual Report on Disposal of Surplus Personal Property (C) Forest Management Update (Tentative) Discuss Work Plan for New ED (C) (Tentative) Discuss Process to Update the Strategic Plan (C) CS – Prepare for ED Annual Review (C) 9/10/2020	Annual Report and Financial Audit (C) Annual Update of the Energy Management Plan (C) Approve General Counsel Engagement (C) CS – ED Annual Review (C) 9/24/2020	
October 2020	TBD 10/8/2020	Q1 Financial Report (C) Strategic Trends Report (C) Reliability and Resiliency Improvements Update (C) 10/22/2020	
November 2020	TBD 11/12/2020	Holiday – no meeting	

OWASA Board of Directors – 12 Month Board Meeting Schedule (March 6, 2020)

Month	Board Meetings		Committee & Other Meetings
	Work Session	Business Meeting	
December 2020	TBD 12/10/2020	<i>Holiday – no meeting</i>	
January 2021	Appoint Audit Firm (C) Employee Health and Dental Insurance Update for FY 22 (C) Affordability Outreach Program Update (C) Diversity and Inclusion Update (C) 1/14/2021	Annual Lakes Recreation Report (C) CIP Semiannual Report (C) Q2 Financial Report (C) Discuss FY 22 Budget Calendar, Planning Assumptions, and New Budget Format (C) 1/28/2021	
February 2021	Department Managers FY 22 Budget Presentations CS – Prepare for GC Interim Review (C) 2/11/2021	CS – GC Interim Review (C) 2/25/2021	

Note: Meetings related to new ED search and selection will be scheduled. Additional Finance Committee meetings will likely be needed related to improving the budgeting process.

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 discussed this issue in September 2017 and determined it was lower priority than Forest Management.
- Water Conservation Plan will be prepared concurrent with update of the Long-Range Water Supply Plan.
- Update of Strategic Plan. On October 24, 2019, the Board and staff agreed to begin updating the Strategic Plan in FY 2021.

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 (March 6, 2020)

Abbreviations Used in Draft Schedule:

(C)	Recurring agenda item (generally these are “required” items)	JLP	Jordan Lake Partnership
AV/AMI	Agua Vista/Advanced Metering Infrastructure	KPI	Key Performance Indicator
BOCC	Board of County Commissioners	LRWSP	Long-Range Water Supply Plan
CE	Community Engagement	MOA	Memorandum of Agreement
CEP	Community Engagement Plan	MWBE	Minority/Women-owned Business Enterprises
CHTC	Chapel Hill Town Council	MST	Mountains-to-Sea Trail
CIP	Capital Improvements Program	MFMM	Multi-Family Master Meter
COLA	Cost of Labor Adjustment	NCDOT	North Carolina Department of Transportation
CS	Closed Session of the Board	NRTS	Natural Resources and Technical Services
CTC	Carrboro Town Council	OC	Orange County
CY	Calendar Year	Q	Quarter
D&I	Diversity and Inclusion	RFP	Request for Proposals
ED	Executive Director	SRF	State Revolving Fund
EEO	Equal Employment Opportunity	SOW	Scope of Work
FY	Fiscal Year	TBD	To Be Determined
GC	General Counsel	WTP	Water Treatment Plant
HR	Human Resources	WWTP	Wastewater Treatment Plant

Pending Key Staff Action Items from Board Meetings

No.	Date	Action Item	Target Board Meeting Date	Person(s) Responsible	Status
1.	2-27-2020	*Respond to P.M. Dubbeling, PLLC, on behalf of Frank Baumgartner and Rachel Sumney, requesting a change to the Water and Sewer Management, Planning and Boundary Agreement.	TBD	Rouse	E-mail sent to Board on 3-5-2020. Another update will be sent to Board after TOCH meets with their attorney and identifies next steps.
2.	2-27-2020	Provide personal injury trends over the past 5 years via email.	NA	Johnson	Completed; e-mail sent to the Board on 3-3-2020.
3.	2-27-2020	Update the description of the project to evaluate and implement work order business process optimization improvements, such as a new Computerized Maintenance Management System, in future documents. Also clarify phasing and expected results of the project.	NA	Spinelli	Working with Hazen to address Board comments.
4.	2-13-2020	Reschedule two full days in April (Friday & Saturday) for Board interviews of Executive Director candidates	4-24 & 25-2020	DuBose Orbich	Completed
5.	1-9-2020	Staff will reach out to the Towns permitting agencies to seek their cooperation to notify businesses that any new and existing discharges to OWASA's wastewater system must be in compliance with OWASA's Sewer Use Ordinance.	NA	Taylor	Completed. Revised Sewer Use Ordinance provided to the Towns/County/ UNC/UNCH on 1-22-2020 with letter requesting their assistance in notifications.
6.	10-24-2019	Proceed with planning for new strategic plan to begin next fiscal year.	TBD	TBD	
7.	9-26-2019	Proceed to finalize a solar PV lease agreement with Eagle Solar and Light and begin the design process for solar panels on five OWASA's facilities	NA	Tiger	Underway – 4/5 contracts signed and design underway; 1/5 contracts pending. Drop-In Sessions scheduled in March for Cane Creek and Biosolids installations.

OWASA Action Items Recurring Every 3 to 5+ Years

No.	Action Item	Purpose	Board Action Needed	Target Start Date	Target Completion Date	Frequency	Staff Lead
1.	Strategic Plan	Identify key strategic initiatives and corresponding actions for OWASA during the next 3-5 years (Note: the Board agreed to consider updating the 1996 Cane Creek Reservoir Watershed Study as part of the Strategic Plan process following completion of the Long-Range Water Supply Plan)	<ol style="list-style-type: none"> 1) Participate with and guide staff to develop an updated draft Strategic Plan 2) Invite and consider customer and stakeholder feedback on draft Plan 3) Approve Strategic Plan 4) Provide staff resources and guidance needed to execute the Plan 	Fall 2020	TBD	3-5 years	Executive Director
2.	Local Water Supply Plan and Water Shortage Response Plan	NC General Statutes requires Local Water Supply Plan and Water Shortage Response Plan be updated at least every 5 years to be submitted to NC Department of Environmental Quality	<ol style="list-style-type: none"> 1) If staff identifies a policy or material change in the update of the Plans, Board guidance is required 2) Approve Plans 	Spring 2022 (if policy or material change)	Spring 2023	5 years	Planning and Development Manager
3.	Water Demand Projections will be updated approximately every 10 years, unless there is a significant change in assumptions	Periodically check the assumptions used to develop our water demand projections	<ol style="list-style-type: none"> 1) Provide staff feedback and guidance on assumptions and methods to develop demand projections 2) Invite and consider stakeholder feedback on draft demand projections 	2028	2029	10 years	Planning and Development Manager
4.	Source Water Resilience and Response Plan	Develop plan to protect OWASA's local water supply reservoirs that meets regulations (Note: NCDWR revised its regulations to deem utilities compliant with America's Water Infrastructure Act (AWIA) compliant with the	No Board action needed. Regulation requires staff to notify Board when Plan developed and updated. Staff will keep Board apprised of progress and will present a draft plan to Board for feedback in spring 2021.	April 2020	6/30/2021	Every 5 years	Planning and Development Manager

OWASA Action Items Recurring Every 3 to 5+ Years

No.	Action Item	Purpose	Board Action Needed	Target Start Date	Target Completion Date	Frequency	Staff Lead
		Source Water Protection regulations – expected to be effective April 2020).					
5.	Cost of Service Rate Study	<p>1) Ensure OWASA’s rates, fees and charges continue to meet the goals of the organization (e.g. sustainability, conservation, affordability, etc.)</p> <p>2) Update cost allocations and adjust rates as necessary.</p> <p>NC General Statues requires review of System Development Fees every 5 years.</p>	<p>1) Provide guidance to staff on draft Rate Study</p> <p>2) Invite and consider customer and stakeholder feedback on draft Rate Study</p> <p>3) Approve Rate Study and annual update of rates, fees and charges as needed</p>	2022	2023	5 years	Director of Finance and Customer Service
6.	Auditor	NC General Statues requires an annual audit of OWASA’s finances. It is a best-practice to invite proposals and select best-qualified audit firm every 3 years.	<p>1) Assign 1 or 2 Board Members to participate on staff’s panel to select a best-qualified audit firm</p> <p>2) Award annual contract to audit firm</p>	Winter 2020	Spring 2021	3 years	Director of Finance and Customer Service
7.	Banking Services	It is a best-practice to invite proposals and select a best-qualified financial institution to provide OWASA’s various banking needs.	<p>1) Provide guidance to staff on the social responsibility and environmental sustainability criteria to be considered when selecting a best-qualified financial institution for banking services</p> <p>2) Approve financial institution</p>	2028	2029	10 years	Director of Finance and Customer Service
8.	Employee Classification Pay and Compensation	It is best-practice every 5-7 years to thoroughly review employee jobs to ensure they are properly classified in their position and to ensure total	<p>1) Provide guidance to staff about goals and objectives for employee total compensation</p>	2021	2022	5-7 years	Director of Human Resources and Safety

OWASA Action Items Recurring Every 3 to 5+ Years

No.	Action Item	Purpose	Board Action Needed	Target Start Date	Target Completion Date	Frequency	Staff Lead
		compensation (pay and benefits) are competitive and meeting OWASA's needs.	2) Approve Employee Classification, Pay and Compensation Study & Pay Administration Guidelines				
9.	Financial Management Policy	It is a best-practice to review OWASA's Financial Management Policy periodically to ensure organizational fiscal objectives are appropriate.	1) Provide guidance to staff about OWASA's Financial Management objectives 2) If needed, approve update to Financial Management Policy	2021	2022	5 years	Director of Finance and Customer Service
10.	Audit of OWASA Board Policies and Ordinances (such as Cross-Connection, Sewer Use, Purchasing and Procurement, etc.)	It is a best-practice to have staff audit the various Board approved policies to ensure they are still appropriate. As needs change, staff is responsible to act and inform the Board.	1) Provide guidance to staff on staff's recommended updates to various Board policies. 2) As needed, approve policy updates	Fall 2020	2021	5+ years	Executive Director
11.	Communications and Community Engagement Plan	Review key communications and engagement initiatives to ensure they align with, and support, current and future business operations, as well as community engagement needs and priorities	1) Update communications plan taking into consideration learnings from and measurement of the previous years' activities, and current and future fiscal year business priorities, as well as associated community engagement needs	As needed	Ongoing	Annual	Communications and Community Relations Officer
12.	Human Resources Policy	As needs change, staff is responsible to act and inform the Board	1) Provide guidance to staff on staff's recommended updates to various topics within the HR Policy. 2) As needed, approve policy updates	As needed	As needed	As needed	Director of Human Resources and Safety