



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

Virtual Public Hearings and Meeting of the OWASA Board of Directors

Thursday, May 28, 2020, 7:00 P.M.

Due to COVID-19 public health concerns, the Orange Water and Sewer Authority (OWASA) Board of Directors is conducting this public hearing and meeting virtually utilizing [Microsoft Teams](#). Board Members will be participating in the meeting remotely.

The Board of Directors appreciates and invites the public to attend and observe tonight's virtual public hearings and meeting online. If you would like to speak to the Board at the public hearing, please register at least two days in advance to speak during this meeting by contacting the Clerk to the Board at aorbich@owasa.org or 919-537-4217. You will need to be available to call-in during the public hearing.

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 public is also invited to submit more detailed comments via written materials, ideally submitted at least two days in advance of the meeting or within 24 hours after the public hearings to the Board of Directors by sending an email to board_and_leadership@owasa.org or US Postal Service (Clerk to the Board, 400 Jones Ferry Road, Carrboro, NC 27510).

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.
 - May 14, 2020, Orange County Board of County Commissioners Reappointed Ray DuBose to the OWASA Board of Directors
 - Update on the May 20, 2020 Chapel Hill Town Council Meeting Regarding Chapel Hill Advisory Board Member Terms
 - Update on the May 28, 2020 Orange County Climate Council Meeting
- b. Announcements by Board Members
- c. Announcements by Staff
- d. Additional Comments, Suggestions, and Information Items by Board Members (Ray DuBose)

Petitions and Requests

1. Public: Due to the current health emergency, this meeting is being held by virtual means, and will not be attended in person by members of the public or the Board of Directors. Therefore, no spoken petitions will be heard at this meeting. Members of the public may

submit written petitions for consideration by the Board, provided the written petition is received at least two days before the meeting. Written petitions should be mailed or e-mail to Clerk to the Board, at 400 Jones Ferry Road, Carrboro, NC 27510 or aorbich@owasa.org.

2. Board
3. Staff

Public Hearings

1. Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budget and Proposed Rates, Fees and Charges (Stephen Winters/Vishnu Gangadharan)
 - A. Staff Presentation
 - B. Public Comments
 - C. Motion to Close Public Hearings (written comments will be accepted 24 hours following the Hearings)
 - D. Board Discussion

Consent Agenda

Information and Reports

2. 12 Month Board Meeting Schedule (Ray DuBose)

Action

3. Minutes of the April 9, 2020 Virtual Work Session of the Board of Directors (Andrea Orbich)
4. Minutes of the April 23, 2020 Virtual Meeting of the Board of Directors (Andrea Orbich)

Regular Agenda

Information and Reports

5. Verbal Update on OWASA's COVID-19 Preparations and Response and Discussion by the Board (Ed Kerwin)
6. Update on Website Relaunch (Mary Tiger/Blake Hodge)

Summary of Board Meeting Action Items

7. Executive Director will summarize the key staff action items from the Board Meeting and note significant items for discussion and/or action expected at the next meeting

Closed Session

8. The Board will Meet in Closed Session for the Purpose of Discussing Two Confidential Personnel Matters, as provided in N.C. General Statutes 143.318.11(6)

Agenda Item

- Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budget and Proposed Rates, Fees and Charges

Background

- On April 23, 2020, the Board of Directors adopted resolutions setting May 28, 2020 as the date for concurrent public hearings on OWASA's proposed budget and rates for Fiscal Year (FY) 2021.
- The first draft of the FY 2021 budget was prepared before the COVID-19 pandemic impacted our community. To make the necessary investments in improving OWASA's water and wastewater system and delivering the levels of service the community expects, a 5% rate increase was needed.
- Due to the impact of the pandemic on the local economy, staff developed a FY 2021 budget which included no increase in any of OWASA's rates. Drafts of the budget with no rate increase were presented to the Board at its Work Sessions on April 9 and May 14, 2020.
- To balance the budget without a rate increase, approximately \$6.5 million in operating expenses, capital equipment purchases, and CIP investments are proposed to be deferred to future years.

Action Needed

- Motion to close the Concurrent Public Hearings, subject to the rights of the public to submit comments for up to twenty-four hours after the Public Hearings, as provided by amended N.C. General Statutes 166A.
- Board discussion and provide direction to staff regarding the preliminary FY 2021 Budget and the Schedule of Rates, Fees and Charges that will be considered for adoption by the Board at its June 11, 2020 or June 25, 2020 meeting.

May 28, 2020




Orange Water and Sewer Authority

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MEMORANDUM

TO: Board of Directors

THROUGH: Ed Kerwin 

FROM: Stephen Winters, CPA

DATE: May 22, 2020

SUBJECT: Concurrent Public Hearings on the Preliminary Annual Operating and Capital Improvements Budget and Proposed Schedule of Rates, Fees and Charges

Purpose

On April 23, 2020, the Board of Directors adopted resolutions setting May 28, 2020 as the date for concurrent public hearings on OWASA's preliminary budget and schedule of rates for Fiscal Year (FY) 2021. This memorandum and attachments are provided to the Board of Directors as a basis for discussing the preliminary Annual Operating and Capital Improvements Budget and Schedule of Rates, Fees and Charges for FY 2021.

Background

At the Board's [March 12, 2020 Work Session](#), staff presented a draft FY 2021 Operating Budget, 5-year Capital Improvements Program (CIP) Budget, and Capital Equipment Budget. A 5% rate increase would have been necessary to support the investments in improving our system and the operating expenses to maintain the levels of service called for in the draft budget. The March 12th draft was prepared before the COVID-19 pandemic impacted OWASA's service area.

The pandemic has had a significant effect on the local economy. Due to the stay-at-home order implemented in mid-March, UNC and local businesses have closed or cut-back operations and many in our community have seen their paychecks reduced or eliminated. Given the circumstances, staff proposed developing a budget with no FY 2021 rate increase and presented draft budgets at the Board's Work Sessions on April 9 and May 14, 2020. The FY 2021 budget presented at the May 28, 2020 public hearing does not include an increase in any of OWASA's rates.

Pandemic's Impact on Revenue and Expenses

Our projections for expenses, investments and revenues have all been impacted. Since the beginning of the state's stay-at-home order effective March 16, 2020, we have seen about a 13% reduction in customer water demand as compared to the same period in 2019. Projecting water sales and revenue for FY 2021 is challenging since we do not know how long and to what extent COVID-19 will be a factor.

The pandemic's impact on operating expenses is also difficult to project. Prices for commodities on which we depend may increase, and we may incur additional expenses to ensure we can continue to deliver reliable and high-quality services to customers and keep our employees and the public safe. And it is

uncertain whether COVID-19 related expenses incurred during this time will be reimbursed by state or federal agencies.

Adjustments to the Operating Budget

The March 12th draft of the FY 2021 budget included operating expenses of about \$24.3 million. One step we have taken to be able to balance the budget without a rate increase is to reduce operating expenses by about \$840,000. A variety of expenses were cut from the budget; the two largest reductions are:

- Cost of living and merit pay increases for employees have been eliminated (almost \$500,000 including payroll taxes and other expenses that are based on a percentage of employee wages)
- Deferral of a planned investment in a new computerized maintenance management system (CMMS) to improve operational efficiencies (\$250,000)

Adjustments to the Capital Equipment Budget

Each year, OWASA purchases equipment necessary to support our operations. This includes maintenance vehicles, lab equipment, pumping equipment, information technology, etc. The first draft of the Capital Equipment Budget totaled \$959,700. In our planning for no FY 2021 rate increase, we have reduced this budget to \$704,500. Since this equipment is necessary to maintain our current levels of service, we plan to include the equipment deferrals in future year’s budgets.

Adjustments to the Capital Improvements Program Budget

Staff conducts an annual CIP prioritization process to assess potential projects across several criteria such as regulatory compliance, safety, customer service, financial and operating risk, operational efficiency, and environmental benefits. Each of the projects in the first draft of the FY 2021 CIP Budget are important investments to improve system reliability and resiliency and operational efficiency. To balance the budget without a rate increase, it is necessary to delay some CIP projects. Staff has used its professional judgement to prioritize the revised CIP Budget to minimize near-term risk. The table below summarizes the differences in the 5-year CIP Budgets of the two rate scenarios. Attachment 2 contains the project listing for the revised five-year CIP Budget that supports the no rate increase scenario.

CIP Budget	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5-yr Total
	(in thousands)					
With a 5% rate increase	\$25,768	\$20,046	\$22,212	\$17,751	\$18,283	\$104,060
With no rate increase	20,319	20,258	20,841	19,831	19,771	101,020
Difference	(5,449)	212	(1,371)	2,080	1,488	(3,040)

The overall 5-year project portfolio for the no-rate increase scenario is substantially the same as the pre-pandemic CIP. The primary difference in the 5-year plan is the postponement of certain large near-term projects anywhere from six months to two years. The projects deferred were selected based on staff’s assessment of the additional risk incurred from the delay. The no-rate-increase CIP budget also reflects a slightly greater percentage of water main replacement being completed by OWASA staff than by

contractors. This change, in combination with certain work deferred from FY 2025 to FY 2026, accounts for the change in the 5-year total.

Risks Associated with Budget Deferrals

Operating Budget

Maintaining a high-performing workforce is critical to OWASA's ability to continue to deliver the level of service our community expects, and performance-based compensation adjustments are an important factor in employee satisfaction. By forgoing cost of labor and merit increases for employees, there is an increased risk that employees' compensation may slip below their market value which may have a negative impact on morale or that they will seek higher-compensating positions with other organizations.

Our current CMMS is not adequately meeting the needs of significant parts of the organization and the Board supports looking for and investing in a better solution. We believe a solution that better meets our needs will improve the efficiency and effectiveness of the maintenance of our treatment plants and equipment and enhance our Asset Management Program. However, we are confident that we can continue operating in the current environment in the near-term without significant negative impacts.

CIP Budget

The primary change in the 5-year CIP needed to achieve the no rate increase scenario is the postponement of up to 2 years of several large construction projects previously planned to occur in FY 2021 and FY 2022. Since the projects are still planned to be completed, the ramifications of the postponements are that the existing operational risks addressed by the projects will continue for a longer period of time. Some of these risks will be addressed by operational workarounds if we experience problems (e.g., taste and odor issues with water supplied by University Lake, lack of redundancy with Water Treatment Plant solids thickening equipment). Some project deferrals prolong addressing persistent risks (e.g., sanitary sewer overflows on a particular interceptor). Other projects that have been postponed address failure risks which are consequential but not deemed to be as likely in the near term (such as corrosion within the Wastewater Treatment Plant primary clarifiers, or deterioration of certain large Wastewater Treatment Plant pumps).

Impact on Financial Performance Objectives

The preliminary budget with no FY 2021 rate increase meets almost all of our financial performance objectives for FY 2021. One objective not met is our debt service coverage ratio. Our objective is for net income to be at least two-times the amount of our debt service (bond and loan principal and interest payments). With this plan, our coverage ratio is 1.5. Staff believes that in the current economic environment, this is justifiable, and we do not believe there will be significant negative consequences.

Future Budgets – Fiscal Years 2022-2025

As mentioned, the operating expenses and capital investments that have been deferred in order to balance the budget without a rate increase remain important to OWASA's operation. To provide for these expenditures in future years, we are projecting the need to implement a 7% rate increase in FY 2022 and 5% increases in each year from FY 2023-2025. Rate adjustments projected for FY 2022 and beyond will be re-evaluated each year. Projected rate increases for the next five years are shown below. These rate

projections assume a return to near-normal operating conditions for the community and OWASA within the next 12 to 18 months.

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Rate Increase	0%	7%	5%	5%	5%
Increase in residential monthly bill based on average use of 4,000 gallons per month	\$0.00	\$5.32	\$4.05	\$4.24	\$4.47
Amount of monthly bill after increase	\$75.67	\$80.99	\$85.04	\$89.28	\$93.75

Preliminary Fiscal Year 2021 Budget

OWASA is a non-profit, community-owned water and wastewater utility. Our investments in water and wastewater infrastructure are not supported by taxes nor federal grants: only rates and fees paid by customers for services. We reinvest the rates and fees paid by our customers directly into the treatment plants, pipes, and people that will serve our community for years to come. We strive to balance the need to invest in the community’s water and wastewater infrastructure and to maintain affordable rates.

We appreciate our customers for their partnership. Beyond paying their OWASA bill each month, the cost and commitment borne by our community to use water wisely and protect the wastewater system pays dividends ecologically and economically. Additionally, we thank the nearly 1,000 customers that voluntarily contribute every month on their monthly OWASA bill to Care to Share, a fund that provides water bill assistance to those in our community that need it most.

Preliminary Operating Budget Information

The following summarizes the preliminary FY 2021 operating budget.

	FY 2021 Preliminary Operating Budget
Operating Revenue	\$35,926
Non-Operating Revenue	1,163
Total Revenue	37,089
Operating Expenses	(23,190)
Net Income	13,899
Debt Service	(9,068)
Net income less debt service	\$4,831

Operating Budget Assumptions and Highlights

- Twelve percent reduction in projected revenue for half of FY 2021 due to UNC and area businesses being closed.
- 3% vacancy allowance – the personnel compensation budget has been reduced by about \$250,000, to account for position vacancies.
- A decrease in health insurance costs of 10%.

- Price changes for certain chemicals based on information provided by vendors.
- No merit or cost of labor increase for employees.
- 142 Board authorized positions with 136 funded for FY 2021. This includes funding for an additional Maintenance Mechanic position at the Wastewater Treatment Plant to improve our ability to increase preventative maintenance, decrease corrective maintenance, and decrease overall maintenance costs.
- \$75,000 for consulting services to help us comply with provisions of the American Water Infrastructure Act of 2018.

Preliminary FY 2021 Capital Improvements Program Budget

The preliminary FY 2021 CIP budget totals \$20.3 million of investments to improve system reliability and resiliency and operational efficiency. A complete list of projects can be found in Attachment 2. Highlights of the FY 2021 CIP budget include:

- Over 94% of the budget devoted to projects already underway.
- Completion of 2.5 miles of water main replacement, including about 1 mile by OWASA construction crew.
- Completion of 1.5 miles of sewer main replacement or rehabilitation.
- Significant funding for construction at the Mason Farm Wastewater Treatment Plant (WWTP) including Solids Thickening Improvements, Fermenter Improvements, and Secondary Clarifier Rehabilitation.
- Funding for important resiliency and redundancy construction at the Jones Ferry Water Treatment Plant (WTP) including Chemical Facility Improvements, Finished Water Main Replacements, and Finished Water Pump Improvements.
- Completion of the Supervisory Control and Data Acquisition (SCADA) Master Plan.

Proposed Schedule of Rates, Fees and Charges

Attachment 3 is a draft of the Schedule of Rates, Fees and Charges. Since there are no proposed changes to the schedule, it indicates that the rates are effective as of October 1, 2019 which is the last time rates were changed.

Key Elements in the Schedule

- The bill for a single-family individually metered customer using the community-average 4,000 gallons per month remains \$75.67.
- Continuation of the block rate structure for individually metered residential customers, year-round rate for multi-family master-metered customers, and seasonal rates for non-residential customers.
- Conservation water commodity charges under declared water shortages (surcharges) remain in place with no change in the surcharge structure.
- Irrigation accounts remain subject to a year-round uniform charge and monthly service charge for irrigation use that is higher than the peak rate under the seasonal structure.

- No changes in the commodity rate or fixed monthly charge for reclaimed water as current rates are sufficient to cover costs.
- In October 2018, system development fees were adjusted as a result of North Carolina House Bill 436/Session Law 2017-138. Pursuant to the law, OWASA's fees will be reevaluated in FY 2022.
- Lake fees are unchanged.

Next Steps

- The Board will consider input received during the public hearings and provide guidance to staff.
- Formal adoption of the Annual Budget and the Schedule of Rates, Fees and Charges is scheduled for the Board's Work Session on June 11, 2020.

Action Requested

- Motion to close the Concurrent Public Hearings, subject to the rights of the public to submit comments for up to twenty-four hours after the Public Hearings, as provided by amended N.C. General Statutes 166A.
- Board discussion and provide direction to staff regarding the preliminary FY 2021 Budget and the Schedule of Rates, Fees and Charges that will be considered for adoption by the Board at its June 11, 2020 or June 25, 2020 meeting.



Stephen Winters, CPA
Director of Finance and Customer Service

Attachments:

- Summary information about the preliminary Budget for FY 2021 (Attachment 1)
- Information about the proposed Capital Improvements Program Budget (Attachment 2)
- Proposed Schedule of Rates, Fees and Charges (Attachment 3)

**ORANGE WATER AND SEWER AUTHORITY
PROPOSED FISCAL YEAR 2021 OPERATING BUDGET**

Operating Revenue		
Water	\$17,701,102	
Sewer	17,018,502	
Reclaimed Water	463,200	
Service Initiation Fee	18,820	
Other	922,685	
Refunds and Adjustments	<u>(198,125)</u>	
Total Operating Revenue		\$35,926,184
Operating Expense		
General and Administrative	7,836,615	
Operations	<u>15,353,729</u>	
Total Operating Expense		<u>23,190,344</u>
Net Operating Income		12,735,840
Non-operating Revenue		
System Development Fees		1,081,490
Interest		<u>81,296</u>
Total Net Income		<u><u>\$13,898,626</u></u>
Debt Service		
Existing		\$7,568,498
New		<u>1,499,760</u>
Total Debt Service		<u>9,068,258</u>
Net Income Less Debt Service		<u><u>\$4,830,368</u></u>

LEGEND

Major Resiliency Improvement	
Ongoing project or requirement	\$ 100,000
Identified and included in prior year's CIP	\$ 100,000
New project	\$ 100,000

CIP	Project Name	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total five year	Comments
270-04	Jordan Lake Raw Water Supply Allocation	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000	Ongoing required payment
270-09	Quarry Reservoir Development	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 65,000	\$ 125,000	Ongoing required payment
270-11	University Lake Pump Station Improvements	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 160,000	Completion of construction to replace aging pumps #1 - #3 with new, more efficient pumps and variable frequency drives (VFD's)
270-16	Cane Creek Pump Station Improvements	\$ -	\$ -	\$ 23,000	\$ 227,000	\$ 2,041,000	\$ 2,291,000	Installation of VFD's, automatic generator transfer switchgear, and enclosure for generator
270-22	Reservoir Storage Capacity Surveys	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	Bathymetric surveys of water supply reservoirs
270-28	University Lake Permanganate Facility	\$ -	\$ 1,943,000	\$ -	\$ -	\$ -	\$ 1,943,000	New chemical storage and feed facility to improve water treatment (taste and odor)
270-29	University Lake Fishing Pier and Boat Launch	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000	Improvements to facilities to enhance visitor access and improve safety
270-30	Cane Creek Dam Rehabilitation	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000	Spillway rehabilitation recommended by recent inspection
270-31	Cane Creek Resurfacing	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ 120,000	Improvements to sidewalks and access roads
270-34	Western Intake Partnership Projects	\$ 50,000	\$ 217,000	\$ 217,000	\$ 217,000	\$ 217,000	\$ 918,000	Western intake and regional treatment plant on Jordan Lake
270-xx	University Lake Raw Water Main Assessment	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ 100,000	Condition assessment of existing mains and valves
271-05	Cane Creek Raw Water Transmission Main Study	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Condition assessment of existing main
272-10	Water Facility Asset Rehabilitation	\$ 75,000	\$ 50,000	\$ -	\$ 1,257,000	\$ 1,997,000	\$ 3,379,000	Near-term improvements for backup power; Years 4 and 5 include recapitalization funds
272-35	WTP Flash Mix Basin Improvements	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	Replacement of aging valves and improvements as recommended by FY 2018 study
272-37	WTP Belt Filter Press Replacement	\$ 43,000	\$ 500,000	\$ 2,471,000	\$ -	\$ -	\$ 3,014,000	Installation of new solids thickening equipment for redundancy; conveyance and loading improvements
272-39	Water and Wastewater Facilities Concrete Condition Assessment	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 150,000	Ongoing program for prioritized assessment of concrete structures
272-42	WTP Finished Water Pump (FWP) Improvements	\$ 550,000	\$ 338,000	\$ -	\$ -	\$ -	\$ 888,000	Improvements to FWP #5 VFD and electrical
272-46	WTP Chemical Facility Improvements	\$ 2,200,000	\$ 1,121,000	\$ -	\$ -	\$ -	\$ 3,321,000	Upgrades to several chemical feed systems as identified by plant risk study and other needs
272-49	WTP and WWTP Supervisory Control and Data Acquisition (SCADA) Master Plan	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	Planning study to identify deficiencies, potential improvements, and phased master plan
272-51	HVAC Replacement Program	\$ 20,000	\$ 400,000	\$ 100,000	\$ -	\$ -	\$ 520,000	Replacement of aging HVAC units with higher efficiency units
272-52	WTP Electrical Distribution Improvements	\$ 150,000	\$ 1,000,000	\$ 4,740,000	\$ -	\$ -	\$ 5,890,000	Conversion of plant electrical distribution system to an updated voltage standard
272-53	Rehabilitation of WTP Front Entry	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000	Replacement of aging building exterior components
272-xx	Finished Water Pump #6	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	Replacement of VFD due to obsolescence
272-xx	HVAC Controls - Operations Center and WTP Administration Bldg	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000	Installation of new controls system for increased energy efficiency
272-xx	WTP Clearwell Rehab	\$ -	\$ 100,000	\$ 400,000	\$ -	\$ -	\$ 500,000	Concrete repairs as recommended by a comprehensive FY 2020 inspection
274-14	Storage Tank Water Quality Monitors	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	Continuous monitoring and incident detection to help optimize operations
274-xx	Storage Tank PLC Upgrades	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	Replacement of landline communications due to obsolescence
275-15	Reimbursement for Distribution System Improvements	\$ 204,000	\$ 1,001,000	\$ -	\$ -	\$ -	\$ 1,205,000	Reimbursements for water main upgrades constructed as part of external projects
275-20	Water Distribution System Rehabilitation	\$ 465,000	\$ 1,347,000	\$ 768,000	\$ 1,319,000	\$ 1,450,000	\$ 5,349,000	Water main replacement projects constructed by OWASA crew; vault replacements
275-21	Water Main Replacements - Group I	\$ 759,000	\$ 2,000,000	\$ 2,801,000	\$ -	\$ -	\$ 5,560,000	Water main replacements at Scarlett-Cooper neighborhood, Rogerson-Oakwood neighborhood, and Foxcroft Drive
275-46	Dobbins Drive Water Main Replacement	\$ 312,000	\$ -	\$ -	\$ -	\$ -	\$ 312,000	Completion of construction, coordinated with Dobbins Drive Interceptor Replacements
275-52	West Cameron Avenue Water Main Replacement	\$ 1,000,000	\$ 2,292,000	\$ -	\$ -	\$ -	\$ 3,292,000	Phased construction of replacements and abandonments of aging water mains
275-53	Distribution System Hydraulic Model	\$ 30,000	\$ 230,000	\$ 230,000	\$ 30,000	\$ 30,000	\$ 550,000	On-call hydraulic modeling; model update in FY 2022 and FY 2023
275-88	Kensington Drive Water Main Replacement	\$ 1,453,000	\$ -	\$ -	\$ -	\$ -	\$ 1,453,000	Completion of construction in early FY 2021
275-90	Distribution System Sampling Stations	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000	Completion of construction to install additional sampling sites throughout the system
275-91	MLK Boulevard Water Main Abandonment	\$ -	\$ -	\$ -	\$ 100,000	\$ 300,000	\$ 400,000	Abandonment of aging 6-inch cast iron water main
275-92	Jones Ferry Rd Water Main Replacements	\$ 1,500,000	\$ 1,155,000	\$ -	\$ -	\$ -	\$ 2,655,000	Replacement of aging water mains adjacent to the WTP clearwell and finished water pumps
275-93	Bolinwood Bridge Water Main Replacement	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	Replacement of water main alongside Bolinwood Bridge
275-xx	Water Main Replacements - Group II	\$ 60,000	\$ 40,000	\$ 140,000	\$ 2,230,000	\$ 1,300,000	\$ 3,770,000	Replacement of moderate to high consequence water mains with low to moderate likelihood of failure
275-xx	Legion Road Water Main	\$ 25,000	\$ 200,000	\$ 2,319,000	\$ -	\$ -	\$ 2,544,000	Project timing coordinated with needed roadway improvements
275-xx	Distribution System Condition Assessment Program	\$ 100,000	\$ 100,000	\$ 275,000	\$ 350,000	\$ 464,000	\$ 1,289,000	Gradual development of opportunistic and proactive condition assessment program
275-xx	West Rosemary Water Main Replacement	\$ -	\$ 50,000	\$ 222,000	\$ 1,600,000	\$ -	\$ 1,872,000	Water main replacement identified by recent prioritization model update

LEGEND

Major Resiliency Improvement	
Ongoing project or requirement	\$ 100,000
Identified and included in prior year's CIP	\$ 100,000
New project	\$ 100,000

CIP	Project Name	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total five year	Comments
276-18	Gravity Sewer Rehabilitation Program	\$ 1,235,000	\$ 350,000	\$ 1,350,000	\$ 4,350,000	\$ 5,850,000	\$ 13,135,000	Completion of existing contract work in FY2021 ; future years as recommended by master plan update
276-45	Bolinwood Interceptor Replacement	\$ 100,000	\$ 1,005,000	\$ -	\$ -	\$ -	\$ 1,105,000	Funding for construction in FY 2021 and FY 2022
276-46	Willow Drive Branch Interceptor Replacement	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ 125,000	Capacity improvements identified by master plan update
276-48	Dobbins Drive Interceptor Replacement	\$ 1,390,000	\$ -	\$ -	\$ -	\$ -	\$ 1,390,000	Completion of ongoing construction
276-52	Rocky Branch Interceptor Replacement	\$ 62,000	\$ 300,000	\$ 400,000	\$ -	\$ -	\$ 762,000	Construction to increase interceptor capacity to account for WTP process water discharge
276-53	Creek Crossing Access Improvements	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000	Sitework to improve vehicular access as needed to maintain facilities
276-58	Prince Street Service Replacement	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000	Replacement of aging infrastructure
276-xx	Force Main Condition Evaluation	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 100,000	Prioritized condition assessments of selected force mains
276-xx	Bolin Creek Interceptor	\$ -	\$ 25,000	\$ 90,000	\$ 400,000	\$ -	\$ 515,000	Capacity improvements identified by master plan update
276-xx	Brigham Rd Interceptor Replacement	\$ -	\$ -	\$ 100,000	\$ 600,000	\$ -	\$ 700,000	Capacity improvements identified by master plan update
276-xx	Willow Drive Bridge Sewer Replacement	\$ -	\$ -	\$ -	\$ 20,000	\$ 150,000	\$ 170,000	Capacity improvements identified by master plan update
276-xx	Collection System Flow Monitors	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ 180,000	Funding for minor rehabilitation and temporary flow monitoring to further assess inflow/infiltration sources
276-xx	Morgan Creek Interceptor Replacement	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ 1,150,000	Capacity improvements identified by master plan update
277-01	Wastewater Pump Station Rehabilitation	\$ 235,000	\$ 250,000	\$ -	\$ 315,000	\$ -	\$ 800,000	Improvements to pump stations at North Lakeshore, Meadowmont, Rangewood, and Chapel Hill North
277-40	Wastewater Pump Station Operational and Needs Assessments	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000	Field assessments on select pumping stations to identify potential efficiency improvements
277-43	Rogerson Drive Force Main and Pump Station Program Services	\$ 147,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 247,000	Flow modeling and risk assessment
277-xx	Rogerson Drive Pump Station Capacity Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	Planning for potential capacity improvements
278-11	Wastewater Facility Asset Rehabilitation	\$ 150,000	\$ -	\$ -	\$ 1,778,000	\$ 4,212,000	\$ 6,140,000	Funding in FY 2021 for minor rehabilitation efforts; FY 2024 and 2025 include recapitalization funds
278-50	WWTP Warehouse	\$ -	\$ -	\$ 83,000	\$ 663,000	\$ -	\$ 746,000	Future facility to improve operational efficiency
278-51	WWTP Solids Thickening Improvements	\$ 3,879,000	\$ -	\$ -	\$ -	\$ -	\$ 3,879,000	Completion of construction to replace aging gravity belt thickeners with new rotary drum thickeners
278-61	WWTP Pavement Improvements	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000	Comprehensive needs assessment and planning
278-68	Water and Wastewater Facilities Building Envelope Rehabilitation	\$ 450,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ -	\$ 1,650,000	Roof replacements as prioritized and scoped from a comprehensive assessment
278-72	WWTP Secondary Clarifier Rehabilitation	\$ 1,017,000	\$ -	\$ -	\$ -	\$ -	\$ 1,017,000	Rehabilitation of concrete and aging equipment in clarifiers #2 and #3
278-75	WWTP Facilities Planning	\$ 100,000	\$ 200,000	\$ 250,000	\$ -	\$ -	\$ 550,000	Update of the WWTP Master Plan
278-78	WWTP Fermenter Improvements	\$ 540,000	\$ -	\$ -	\$ -	\$ -	\$ 540,000	Completion of construction for mixing improvements identified by FY 2019 inspection
278-80	WWTP Miscellaneous Rehabilitation	\$ 400,000	\$ 100,000	\$ 400,000	\$ -	\$ -	\$ 900,000	Improvements to aeration basin spray water system and chemical tank storage area
278-82	WWTP Headworks Rehabilitation	\$ 113,000	\$ -	\$ -	\$ -	\$ -	\$ 113,000	Completion of ongoing construction
278-84	WWTP Security Improvements	\$ 50,000	\$ 150,000	\$ 25,000	\$ -	\$ -	\$ 225,000	Lighting, cameras, and access management system identified by prior studies
278-86	WWTP Primary Clarifier Rehabilitation	\$ -	\$ -	\$ 430,000	\$ 3,010,000	\$ -	\$ 3,440,000	Rehabilitation to address concrete deterioration in primary influent and effluent distribution boxes and effluent troughs; replacement of aging equipment
278-87	WWTP Flow Monitoring	\$ -	\$ -	\$ 25,000	\$ 125,000	\$ -	\$ 150,000	Installation of supplemental flow meters to improve operation
278-88	Offsite Biosolids Storage Improvements	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	Upgrades to process monitoring equipment and evaluation of alternative mixing system
278-89	WWTP RAS Pumping Improvements	\$ -	\$ -	\$ -	\$ 175,000	\$ 765,000	\$ 940,000	Piping improvements to increase operational efficiency
278-xx	WWTP Scum Pump Station Rehabilitation	\$ -	\$ 52,000	\$ 177,000	\$ -	\$ -	\$ 229,000	Replacement of aging components
278-xx	WWTP Clarifier #4 Conversion	\$ 125,000	\$ 1,782,000	\$ -	\$ -	\$ -	\$ 1,907,000	Project to address corrosion of critical components and conversion from inboard launders to conventional outboard launders
278-xx	WWTP Stormwater Pump Station to IPS	\$ -	\$ -	\$ 50,000	\$ 300,000	\$ -	\$ 350,000	Installation of piping for redundancy
278-xx	Intermediate Pump Station (IPS) Pump/Motor Replacements	\$ -	\$ -	\$ -	\$ -	\$ 525,000	\$ 525,000	Planned replacement of aging equipment
278-xx	WWTP Admin Bldg Planning Study	\$ 25,000	\$ 30,000	\$ -	\$ -	\$ -	\$ 55,000	Funding to address needed ADA improvements and space planning study
279-13	Reclaimed Water Valve/Coupling Rehabilitation	\$ 75,000	\$ 225,000	\$ 100,000	\$ -	\$ -	\$ 400,000	Replacement of aging components with known risk factors
280-13	Administration Building Locker Room Improvements	\$ -	\$ -	\$ 50,000	\$ 175,000	\$ -	\$ 225,000	Functional and safety improvements for outdated locker room / public restroom area
Totals		\$ 20,319,000	\$ 20,258,000	\$ 20,841,000	\$ 19,831,000	\$ 19,771,000	\$ 101,020,000	

**ORANGE WATER AND SEWER AUTHORITY
SCHEDULE OF RATES, FEES, AND CHARGES**

APPLICABLE TO ALL BILLINGS AND SERVICES ON OR AFTER OCTOBER 1, 2019.

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Background and Authorization

In providing essential public water, sewer and reclaimed water services to Chapel Hill, Carrboro and portions of southern Orange County, Orange Water and Sewer Authority (OWASA) incurs substantial operating and capital expenses. As a community-owned non-profit public utility, OWASA has no authority to levy taxes, nor does it receive tax revenues from local governments for ongoing operations. OWASA finances its water, sewer and reclaimed water operations and extensive capital improvements almost entirely through customer paid fees and charges.

North Carolina G.S. 162A-9 requires that OWASA's "rates, fees and charges shall be fixed and revised so that the revenues of the Authority, together with any other available funds, will be sufficient at all times" to fund operating and maintenance expenses and to pay the principal and interest on all debt issued or assumed by OWASA. OWASA's rates are established under cost-of-service rate-making methodology. OWASA's customers pay for the cost of providing the services and/or facility capacity required to meet customer demand.

The OWASA Board of Directors has determined that the provisions in this Schedule of Rates, Fees, and Charges are necessary to adequately sustain OWASA's near-term and long-range utility operations. Revenues generated by these rate adjustments will provide OWASA with the financial resources necessary to: (1) fund operating costs; (2) adequately maintain existing water, sewer, and reclaimed water facilities; (3) fully comply with environmental and public health standards; (4) meet debt service requirements; (5) create additional facility capacity to stay abreast of water, reclaimed water and sewer service demand in a growing, dynamic community; and (6) maintain adequate reserves.

All fees are in effect as of October 1, 2019.

**ORANGE WATER AND SEWER AUTHORITY
SCHEDULE OF RATES, FEES, AND CHARGES**

SECTION I: WATER RATES AND FEES

MONTHLY WATER RATES

Water charges are billed monthly at approximately 30-day intervals. Charges are due upon receipt of the bill and become delinquent 25 days after the billing date. Monthly water rates consist of two components: a monthly service charge and a commodity (volume) charge.

Water Service Charge

This charge recovers costs related to certain direct and indirect customer service efforts, meter and lateral maintenance, and capital costs associated with supplying water to the customer’s property. Applicable to all metered water accounts, independent of the quantity of water consumed, the monthly charge is based on meter size as follows:

Meter Size	Monthly Charge
5/8”	\$15.74
3/4" Combination Fire and Domestic Service Meter	\$16.28
1”	\$31.63
1" Combination Fire and Domestic Service Meter	\$32.16
1-1/2”	\$68.39
2”	\$103.22
3”	\$212.29
4”	\$346.55
6”	\$754.69
8”	\$1,073.21

Water Irrigation Service Charge

This charge is calculated to recover certain direct and indirect customer service, meter and lateral maintenance, and capital costs associated with supplying water for irrigation through irrigation-only meters. Applicable to all metered irrigation water accounts, regardless of the quantity of water consumed, the monthly charge is based on meter size as follows:

Meter Size	Monthly Charge
5/8”	\$25.21
1”	\$50.39
1-1/2”	\$93.28
2”	\$143.47
3”	\$283.98
4”	\$435.92
6”	\$857.52
8”	\$1,363.70

Monthly service charges for compound meter arrangements are based on the largest meter in the grouping. In addition to the applicable charge for the primary meter, existing OWASA-owned sub-meters

**ORANGE WATER AND SEWER AUTHORITY
SCHEDULE OF RATES, FEES, AND CHARGES**

are billed according to the above schedule. OWASA-owned sub-meters are no longer available and no additional sub-meters will be installed. Meter readings and service charges for first and final bills are prorated based on days of service.

(NOTE: In accordance with state law, all new in-ground irrigation systems installed on lots platted and recorded in the office of the register of deeds in the county or counties in which the real property is located after July 1, 2009 and supplied by a public drinking water system are required to have a separate meter to measure the volume of water used through the irrigation system.)

Water Commodity Charge

This charge recovers the direct and indirect costs of water supply and treatment, water distribution, general administration and capital costs not recovered by the monthly service charge. This charge is applicable to all water accounts based on meter readings of water consumed. When a billing period includes a change in commodity rates, the charges are prorated based on the ratio of days in the billing period at the old and new rates. Metered monthly consumption will be billed in thousand-gallon increments rounded down to the nearest thousand gallons. Unbilled consumption due to rounding will be carried forward and billed in the month when the next thousand-gallon increment is registered by the meter.

When no meter reading is available due to an inoperative, damaged or inaccessible meter, consumption will be estimated based on prior usage at the location.

Individually Metered Residential Accounts Except Irrigation-only Accounts

Individually metered residential accounts will be billed under an increasing block rate structure designed to encourage efficient water use by applying increasing commodity charges (rate per thousand gallons) to incremental increases in water use.

	Volume of Use (Gallons)	Commodity Rate per 1,000 Gallons
Block 1	1,000 to 2,000	\$2.82
Block 2	3,000 to 5,000	\$6.84
Block 3	6,000 to 10,000	\$8.39
Block 4	11,000 to 15,000	\$11.72
Block 5	All use 16,000 and up	\$21.20

Multi-family Master-metered Residential Accounts

Multi-family master-metered residential accounts have one (or more) OWASA meter that serves more than one residential dwelling. Examples include apartment complexes, duplexes and condominiums. Multi-family master-metered residential accounts shall be charged the following year-round commodity rate.

\$6.07 per thousand gallons

**ORANGE WATER AND SEWER AUTHORITY
SCHEDULE OF RATES, FEES, AND CHARGES**

Non-residential Accounts Except Irrigation Accounts

To achieve demand reduction during peak water use periods, a seasonal conservation rate structure will be applied to all non-residential accounts other than irrigation-only accounts. A reduced water commodity charge is in effect during lower demand months (October through April), and a higher commodity charge is in effect during high demand months (May through September).

	Rate
Off-peak seasonal rate per 1,000 gallons (October through April)	\$4.46
Peak seasonal rate per 1,000 gallons (May through September)	\$8.47

Irrigation-only Accounts

To promote conservation of water used for irrigation and to achieve greater equity between rates for irrigation-only use and irrigation use through a domestic meter, irrigation-only accounts shall be charged the following year-round commodity rate.

\$9.11 per thousand gallons

WATER COMMODITY SURCHARGES APPLICABLE UNDER WATER SHORTAGE
DECLARATION STAGES

Conservation Water Commodity Charges Under Mandatory Water Use Restrictions

Water commodity charges will be temporarily increased during periods of declared Water Shortages and mandatory water use restrictions regardless of the time of year. These applicable surcharges are summarized in the following table.

Individually-Metered Residential						Multi-family Master-metered Residential	Non-Residential and Irrigation- Only
Block:	Res. Block 1	Res. Block 2	Res. Block 3	Res. Block 4	Res. Block 5		
Use Level: (gallons)	1,000 to 2,000	3,000 to 5,000	6,000 to 10,000	11,000 to 15,000	16,000 and up		
Stage 1	No surcharge	No surcharge	1.25 times normal Block 3 rate	1.5 times normal Block 4 rate	2 times normal Block 5 rate	1.15 times year- round rate	1.15 times seasonal and irrigation-only rate
Stage 2	No surcharge	1.25 times normal Block 2 rate	1.5 times normal Block 3 rate	2 times normal Block 4 rate	3 times normal Block 5 rate	1.25 times year- round rate	1.25 times seasonal and irrigation-only rate
Stage 3 and Emergency	No surcharge	1.5 times normal Block 2 rate	2 times normal Block 3 rate	3 times normal Block 4 rate	4 times normal Block 5 rate	1.5 times year- round rate	1.5 times seasonal and irrigation- only rate

**ORANGE WATER AND SEWER AUTHORITY
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INTERLOCAL WATER TRANSFER CHARGES

The purpose of this charge is to recover costs associated with the provision of supplemental water supply under contractual agreement with other water purveyors. The specific rates to be charged will be negotiated with the other party based upon specific conditions using the cost-of-service rate-making approach and approved by OWASA.

TEMPORARY HYDRANT METER CHARGE

Subject to availability, a Customer may obtain a temporary hydrant meter from OWASA for a period of up to 60 days. A customer may submit a written request to use the hydrant meter for one additional 60-day period but granting said request will be subject to availability and is at OWASA’s sole discretion. Service from a fire hydrant is subject to interruption when the hydrant is needed for fire protection, compliance with water conservation standards, and other applicable law. For situations where temporary water service is needed for a period longer than 120 days, the user can purchase a metering device of a size, make and model specified by OWASA. A service charge, payable in advance, shall be collected for setting and removing the meter.

Service Charge \$320

In addition, a security deposit shall be required.

Temporary Hydrant Meter Security Deposit
\$1,000

Monthly billings for temporary hydrant meters consist of two charges: (1) a service charge for that size meter, and (2) the seasonal commodity charge, including surcharges where applicable, based on monthly readings of the meter. When the hydrant meter is returned, the security deposit shall be applied to the final bill plus any damages. The Customer is responsible for paying OWASA for damages that exceed the amount of the Security Deposit. Any credit balance will be refunded within thirty (30) days.

WATER SYSTEM DEVELOPMENT FEE

Water system development Fees are calculated to recover a portion of the capital costs of providing water system facility capacity. The system development fee is applicable to each new connection to a water main, regardless of who may have paid for the installation of the water main to which the connection is to be made. For the purpose of system development fees, customer accounts are divided into three categories: (1) Single-family Residential, (2) Multi-family Residential, Individually- metered; and (3) Non-residential. The Non-residential category includes master-metered multi-family customers and all commercial, University, and other institutional accounts. The use of these categories is justified by distinctive patterns of water and sewer consumption.

Property Description	Fee
5/8” Meter or 3/4" Combination Fire and Domestic Service, Single-family Residential:	
<800 square feet	\$620
801-1300 square feet	\$770
1301-1700 square feet	\$864
1701-2400 square feet	\$1,142

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Property Description	Fee
2401-3100 square feet	\$1,767
3101-3800 square feet	\$2,442
>3800 square feet	\$4,295
1" Meter, Single-Family Residential (all square footages)	\$7,338
5/8" Meter or 3/4" Combination Fire and Domestic Service Meter, Multi-family Residential	\$830
1" Meter, Multi-Family Residential (all square footages)	\$7,338
5/8" Meter or 3/4" Combination Fire and Domestic Service Meter, Non-residential*	\$2,933
1" Meter, Non-residential*	\$7,338
1-1/2" Meter, Multi-Family Residential and Non-residential*	\$14,666
2" Meter, Multi-Family Residential and Non-residential*	\$23,466
3" Meter, Multi-Family Residential and Non-residential*	\$46,933
4" Meter, Multi-Family Residential and Non-residential*	\$73,332
6" Meter, Multi-Family Residential and Non-residential*	\$146,664
8" Meter, Multi-Family Residential and Non-residential*	\$234,663

* Same fee for Irrigation-Only accounts.

A person or party completing a development or re-development project may be eligible to request and receive a credit on the water system development Fees due if their project directly results in the permanent abandonment of previously existing water meters which were connected to residences, buildings or facilities connected to and having a documented demand on the OWASA water system.

If OWASA determines that a credit is due, the amount of the credit shall be based on the current water system development Fees that would apply to the size of the water meters that are permanently abandoned as a direct result of the project. However, the credit due shall not exceed the amount of the water system development Fees that would otherwise apply to the development or re-development project. System development fee credits are not transferrable to any other project or property.

If an existing water meter is removed from service and/or is replaced with a smaller meter, OWASA will not issue any credit or refund to the customer for any previously paid system development fees.

WATER SERVICE AND METER INSTALLATION CHARGE

This charge is to recover costs of extending service from the OWASA distribution system to individual properties, and includes the installation of a service connection from the water main to the meter and the setting of the meter to serve the customer's premises, subject to satisfactory easement or license being provided by the applicant. Where a suitable OWASA stub-out for service has been made and is available, the "meter-only" charge shall apply. Customer requested meter/water service relocations shall be performed on a time and materials basis. Complete new and/or additional water service installation and meter-only charges are as follows:

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Service Description	Fee
Complete Water Service Installation, 5/8" meter	\$4,600
Complete Water Service Installation, 3/4" Combination Fire and Domestic Service Meter	\$4,840
Complete Water Service Installation, 1" meter	\$4,850
Meter Only Installation, 5/8" meter	\$260
Meter Only Installation, 3/4" Combination Fire and Domestic Service Meter	\$500
Meter Only Installation, 1" Combination Fire and Domestic Service Meter	\$540
Meter Only Installation, 1" meter	\$340
Meter Only Installation, 1-1/2" meter	\$650
Meter Only Installation, 1-1/2" Combination Fire and Domestic Service Meter	\$830
Meter Only Installation, 2" meter	\$1,320
Meter Only Installation, 2" Combination Fire and Domestic Service Meter	\$1,000
Remote Read Box with 5/8" Detector Meter	\$500

Complete installation costs are determined on a time and materials basis for 1-1/2 inch and 2- inch meters. For 3-inch and larger meters, the applicant shall be responsible for providing a meter box or vault constructed to OWASA standards. All meters, regardless of size, shall be purchased from OWASA at cost plus 10%.

Delivery fee for 3-inch and large meters:

Delivery Fee \$160

A remote read box and 5/8" detector meter shall be required on all private fire protection service connections. The remote read box shall be purchased from OWASA and installed by the applicant. OWASA shall install the 5/8" detector meter at the applicant's expense.

WATER MAIN TAPPING FEE

This charge is for making a tap into an OWASA water main. The tap fee shall be paid in advance of OWASA performing the work, with a minimum of 48-hours advance notice given to OWASA.

The applicant shall be responsible for opening the ditch, providing adequate working clearance at the point of tap, adequately shoring the trench sidewalls, dewatering and such other associated activities as may be needed to provide a suitable and safe condition for OWASA personnel to complete the tap. Additionally, the applicant shall be responsible for providing an appropriate size tapping sleeve and tapping valve, and a backhoe or similar device shall be available on-site for lowering the tapping unit into the ditch line. All permits, bonds and paving shall be the responsibility of the applicant. The charge shall be for time and equipment plus an allowance for overhead, subject to minimum amount.

Minimum Charge \$430

The base fee noted above includes one (1) site visit by OWASA to determine if the applicant is ready for OWASA to perform the tap. A reinspection fee will be charged for each additional site visit required to

**ORANGE WATER AND SEWER AUTHORITY
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determine if the water main is accessible and all required material and safety measures are in place. The tap will not be performed until any applicable reinspection fees are paid in full.

Tap Reinspection Fee - \$150

HYDRAULIC FIRE FLOW TESTING

This charge is calculated to recover the cost of hydrant 'fire flow' testing of the water distribution system. Test results provide data to developers and engineers to determine available flows and pressures in the systems they are designing for new developments.

\$230 per test

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SECTION II: SEWER RATES AND FEES

MONTHLY SEWER RATES

Sewer charges are billed monthly at approximately 30-day intervals. Charges are due upon receipt of the bill and become delinquent 25 days after the billing date. Monthly sewer rates consist of two components: a monthly service charge and a sewer commodity (volume) charge.

Sewer Service Charge

This charge is calculated to recover the direct and indirect customer service, service and inspection maintenance, and capital costs associated with providing sewer service to the customer's property. Meter readings and service charges for first and final bills are prorated based on days of service. Applicable to all sewer accounts, regardless of whether there is a commodity charge, the monthly service charge is based on the size of the meter where sewer usage is measured as follows:

Meter Size	Monthly Charge
5/8" or 3/4" Combination Fire and Domestic Service	\$12.85
1"	\$22.07
1-1/2"	\$38.05
2"	\$57.53
3"	\$108.79
4"	\$166.30
6"	\$304.91
8"	\$520.31

The monthly sewer service charge shall apply to any meter(s) used to directly or indirectly measure the volume of wastewater discharged from a customer's premises, regardless of whether the water source to the customer is from OWASA's drinking water and/or reclaimed water system, or a non-OWASA water source including but not limited to harvested rainwater or groundwater.

Sewer Commodity Charge

This charge is calculated to recover the remaining direct and indirect costs of wastewater treatment and collection, maintenance, inspection, customer service and administration and sewer capital costs not recovered by the monthly service charge. When a billing period includes a change in commodity rates, the charges are prorated based on the ratio of days in the billing period at the old and new rates. Metered monthly consumption will be billed in thousand-gallon increments rounded down to the nearest thousand gallons. Unbilled consumption due to rounding will be carried forward and billed in the month when the next thousand-gallon increment is registered by the meter. This charge is applicable to all accounts receiving sewer service based on the water meter reading, sewer meter reading if applicable, or estimated volume of discharge as determined by OWASA.

The sewer commodity charge is applicable to all customers discharging wastewater into the OWASA sewer system, regardless of whether that discharge results from the customer's use of OWASA's drinking water or reclaimed water, or their use of a non-OWASA water source, including but not limited to harvested rainwater or groundwater.

**ORANGE WATER AND SEWER AUTHORITY
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\$6.94 per thousand gallons

Individually metered residential customers will not be charged for monthly sewer use in excess of 15,000 gallons.

INTERLOCAL WASTEWATER COLLECTION, TREATMENT AND DISPOSAL CHARGES

The purpose of this charge is to recover costs associated with the provision of wastewater collection, treatment and disposal services under contractual agreements with other wastewater service providers. The specific rates to be charged will be negotiated with the other party based upon specific conditions using the cost-of-service rate-making approach and approved by OWASA.

MONTHLY RATES FOR SEWER-ONLY ACCOUNTS

For sewer-only accounts where there is no OWASA meter for directly or indirectly measuring the volume of wastewater discharged by the customer, the monthly sewer service and commodity charges shall be fixed and be the total of:

- (1) a monthly service charge which shall be determined by the water meter size which would be required to supply water service to the property,

plus

- (2) a sewer commodity charge per 1,000 gallons of the estimated volume of wastewater expected to be discharged by the customer (using national engineering standards as the basis); provided however, that in no case shall the billable quantity be less than 4,000 gallons per month.

\$6.94 per 1,000 gallons

For special commercial and industrial customer classifications where the proportion of water consumed to wastewater discharged is extremely large, a metered sewer account may be approved. Metered sewer accounts must also pay the appropriate monthly sewer service charge based on the sewer meter size.

If a customer that has a standard metered water and sewer service (sewer gallons billed are based on the water gallons billed) also discharges wastewater resulting from the use of OWASA reclaimed water, harvested rainwater, groundwater, or sources other than OWASA drinking water, that customer shall be billed a monthly service charge and commodity charges calculated in accordance the *OWASA Rainwater Harvesting Systems Requirements and Charges Policy* for said additional discharge; provided, however, that the minimum threshold for which the charges shall apply is 3,000 gallons per month. For this purpose, such systems serving single-family residential customers are deemed to fall below this threshold, provided there is also a standard metered water and sewer service.

SEWER SYSTEM DEVELOPMENT FEE

The purpose of this fee is to recover a portion of the capital costs of providing sewer system facility capacity. The system development fee is applicable to each new connection to a sewer main, regardless of who may have paid for the installation of the main to which the connection is to be made. For the purpose of the system development fee, customer accounts are divided into three categories: (1) Single-family Residential; (2) Multi-family Residential Individually metered; and (3) Non-residential. The Non-residential category includes master-metered Multi-family customers plus all other commercial,

**ORANGE WATER AND SEWER AUTHORITY
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University, and other institutional accounts. The use of these categories is justified by distinctive patterns of water and sewer consumption.

Property Description	Fee
5/8" Meter or 3/4" Combination Fire and Domestic Service, Single-family Residential:	
<800 square feet	\$1,632
801-1300 square feet	\$2,207
1301-1700 square feet	\$2,251
1701-2400 square feet	\$2,391
2401-3100 square feet	\$2,652
3101-3800 square feet	\$2,912
>3800 square feet	\$3,466
1" Meter, Single-Family Residential (all square footages)	\$11,329
5/8" Meter or 3/4" Combination Fire and Domestic Service, Multi-family Residential	\$2,196
1" Meter, Multi-Family Residential (all square footages)	\$11,329
5/8" Meter or 3/4" Combination Fire and Domestic Service, Nonresidential	\$5,673
1" Meter, Nonresidential	\$14,192
1-1/2" Meter, Multi-family Residential and Nonresidential	\$28,366
2" Meter, Multi-family Residential and Nonresidential	\$45,386
3" Meter, Multi-family Residential and Nonresidential	\$90,773
4" Meter, Multi-family Residential and Nonresidential	\$141,832
6" Meter, Multi-family Residential and Nonresidential	\$283,664
8" Meter, Multi-family Residential and Nonresidential	\$453,863

In addition to the sewer system development fee, an excess sewer capacity fee of four percent (4%) of the applicable sewer system development fee shall be charged to recover the costs of excess sewer capacity installed in an area covered by an agreement between OWASA and a developer for credit payments to the constructing developer. This fee shall apply to residential and non-residential customers.

A person or party completing a development or re-development project may be eligible to request and receive a credit on the sewer system development fees due if their project directly results in the permanent abandonment of previously existing water meters and sewer services which were connected to residences, buildings or facilities connected to and having a documented demand on the OWASA sanitary sewer system.

If OWASA determines that a credit is due, the amount of the credit shall be based on the current sewer system development fees that would apply to the size water meters that are permanently abandoned as a direct result of the project. However, the credit due shall not exceed the amount of the sewer system development fees that would otherwise apply to the development or re-development project. System development fee credits are not transferrable to any other project or property.

If an existing water or sewer meter upon which consumption is based is removed from service and/or is replaced with a smaller meter, OWASA will not issue any credit or refund to the customer for any previously paid system development fees.

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SEWER TAP CHARGE

This charge is for making a tap of the applicant's private sewer lateral into the main sewer line or sewer manhole of OWASA. The tap fee must be paid in advance of OWASA performing the work, with a minimum of 48-hours advance notice given to OWASA.

The applicant shall be responsible for opening the ditch, providing adequate working clearance at the point of tap, adequately shoring the trench sidewalls, dewatering and such other associated activities as may be needed to provide a suitable and safe condition for OWASA to connect the service lateral of the applicant into the facilities of OWASA. The minimum charge is based on a standard 4" service tap to the OWASA sewer line. All lines 6" in diameter and larger must be tapped into a manhole. All permits, bonds and pavement repairs are the responsibility of the applicant. The charge shall be for time and equipment plus an allowance for overhead, subject to a minimum.

Minimum charge \$520.

The base fee noted above includes one (1) site visit by OWASA to determine if the applicant is ready for OWASA to perform the tap. A reinspection fee will be charged for each additional site visit required to determine if the sewer main is accessible and all required material and safety measures are in place. The tap will not be performed until any applicable reinspection fees are paid in full.

Tap Reinspection Fee - \$150

HIGH STRENGTH WASTE SURCHARGE

The purpose of this charge is to recover operation and maintenance costs from customers whose wastewater discharge into the system is in excess of certain parameters for normal strength domestic wastewater as determined by OWASA. Based on local sampling and analysis, normal strength domestic wastewater has been determined to have the following pollutant characteristics.

Normal Strength Domestic Wastewater	
Carbonaceous Biochemical Oxygen Demand (CBOD)	205 mg/l
Suspended Solids (SS)	235 mg/l
Ammonia Nitrogen (NH ₃ -N)	25 mg/l
Phosphorus (P)	6.5 mg/l

High Strength Waste Surcharges shall apply at the following rates to all wastes exceeding the above concentrations:

Carbonaceous Biochemical Oxygen Demand (CBOD)	\$0.46 per pound for all CBOD in excess of 205 mg/l
Suspended Solids (SS)	\$0.56 per pound for all SS in excess of 235 mg/l
Ammonia Nitrogen (NH ₃ -N)	\$3.26 per pound for all NH ₃ -N in excess of 25 mg/l
Phosphorus (P)	\$13.13 per pound for all P excess of 6.5 mg/l

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SECTION III: RECLAIMED WATER RATES AND CHARGES

MONTHLY RECLAIMED WATER RATES

Reclaimed water (RCW) charges will be billed monthly at approximately 30-day intervals. Charges are due upon receipt of the bill and become delinquent 21 days after the original billing date. Monthly reclaimed water rates consist of two components: a monthly service charge and a commodity (volume) charge.

The University of North Carolina at Chapel Hill (UNC) funded the construction of the first phase of the reclaimed water system, and the methodology for determining reclaimed water charges applicable to UNC is stipulated by a contract between OWASA and UNC. For this reason, reclaimed water charges have been established for two major customer classes: UNC uses and non-UNC uses. As determined necessary by OWASA, and in accord with OWASA’s contractual obligations to UNC, reclaimed water service to non-UNC customers may be temporarily interrupted to ensure the UNC’s reclaimed water demand can be met from the facilities and capacity paid for by UNC.

Reclaimed Water Service Charge

This fixed monthly charge is calculated to recover direct and indirect costs including but not limited to customer service and billing, meter and lateral maintenance, general and administrative services, and fixed costs associated with supplying reclaimed water to the customer’s property. The Reclaimed Water service charge is applicable to all metered reclaimed water accounts, independent of the quantity of reclaimed water consumed. Meter readings and service charges for first and final bills are prorated based on days of service.

UNC Reclaimed Water Use (covers all UNC reclaimed water uses served by the facilities paid for by UNC) \$24,000 per month.

Non-UNC RCW Customers	
Meter Size	Per Month
5/8”	\$8.37
1”	\$16.74
1.5”	\$30.96
2”	\$47.62

Service charges for non-UNC reclaimed water meters larger than 2” will be determined on a case-by-case basis following an evaluation of the reclaimed water demands of the customer.

Reclaimed Water Commodity Charge

This charge is calculated to recover the direct costs for reclaimed water treatment and distribution and all other direct and indirect costs not recovered by fixed monthly service charges. This charge is applicable to all reclaimed water accounts based on meter readings of reclaimed water consumed.

When a billing period includes a change in commodity rates, the charges are prorated based on the ratio of days in the billing period at the old and new rates. Metered monthly consumption will be billed in thousand-gallon increments rounded down to the nearest thousand gallons. Unbilled consumption due to rounding will be carried forward and billed in the month when the next thousand-gallon increment is

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registered by the meter.

Customer Type	Rate per 1,000 gallons
UNC Accounts	\$0.60
Non-UNC Accounts	\$2.18
Bulk (tanker) Sales	\$0.00

RECLAIMED WATER SYSTEM DEVELOPMENT AND CONNECTION FEES

Reclaimed Water System Development Fees

The purpose of this fee is to recover the capital costs of providing reclaimed water system facility capacity and to fund future expansion of that capacity. Since the University (UNC) has paid to construct the reclaimed water system, UNC will not be required to pay a reclaimed water system development fee for UNC facilities that are connected to and can be served by capacity available in the reclaimed water facilities paid for by the UNC.

Reclaimed water system development fees are applicable to each non-UNC connection to the reclaimed water system, regardless of who may have paid for the installation of the main to which the connection is to be made. Reclaimed water system development fees for non-UNC customers are as follows:

Meter Size	Fee
5/8"	\$1,229
1"	\$3,073
1-1/2"	\$6,146
2"	\$9,833

Reclaimed water system development fees for connections to be served by meters larger than 2 inches shall be determined on a case-by-case basis following an evaluation of the reclaimed water demands of the customer.

Reclaimed Water Service Connection Fees

Reclaimed water service connection fees, including meter installation and meter fees, shall be the same as the fees applicable to potable water system service connections, as specified in Section I of this schedule.

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SECTION IV: MISCELLANEOUS CHARGES

SERVICE INITIATION FEE

The purpose of this charge is to defray the labor and administrative costs associated with the establishment of a water and/or sewer account. This includes establishing service and account records for billing and is applicable to all accounts.

\$45 per event
\$80 per event, outside of normal business hours of OWASA

RETURNED CHECK CHARGE

Checks or automatic bank drafts made payable to OWASA are accepted as payment on account subject to collection. When a check or bank draft is not honored for payment by the bank or other institution on which it is drawn, a Returned Check Charge will be applied to the customer's account as follows:

Returned Check:	\$25
Dishonored Draft:	\$25

The customer will be notified of the returned check charge and instructed to pay the amount due immediately. Failure to respond within the time allowed will result in disconnection of water service and an additional charge for reconnection. The customer may also be required to pay a security deposit or an additional security deposit.

CHARGE FOR DELINQUENT ACCOUNTS

The purpose of this charge is to offset the costs of special handling of delinquent accounts, which may include, but is not limited to, the disconnection and reconnection of service due to nonpayment of the customer's bill. This charge applies to all accounts scheduled for disconnection for nonpayment and is applicable on or after the specified disconnect date, regardless of whether the service was disconnected or not. Reconnection resulting from disconnection due to nonpayment will be made within 24 hours of receipt of full payment of the balance due plus the delinquency charge and applicable security deposit.

\$45 per event, during OWASA's normal business hours
\$80 per event, outside OWASA's normal business hours

CHARGE FOR TEMPORARY DISCONNECTION/SUBSEQUENT RECONNECTION AT CUSTOMER'S REQUEST

OWASA customers may request to have their service temporarily disconnected and subsequently reconnected. In emergency conditions, there will be no charge to the customer for this service. Additionally, no more than once in any twelve-month period, a customer may request to have their service temporarily disconnected and subsequently reconnected at no charge for routine plumbing system maintenance. For requests to temporarily disconnect and subsequently reconnect service in any situation other than those listed above, the charges listed below will apply.

The purpose of this charge is to recover the cost to temporarily disconnect and subsequently reconnect water service at the request of a customer. In situations where charges apply, the charge may be waived

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if the customer provides documentation that a master cutoff valve has been installed within thirty (30) days of the date of the temporary service disconnection.

\$45 per event, during OWASA's normal business hours
\$80 per event, outside OWASA's normal business hours

CHARGE FOR MANUALLY READING WATER METERS

To measure and bill for customers' water use, OWASA utilizes meters that record hourly water use readings and transmits them to OWASA's administrative office electronically. The system (Agua Vista) provides customers with valuable information about their water use: information that can be used to detect and limit the impact (cost and property damage) of leaks in the customer's plumbing system.

At the time the metering system was installed, a few customers objected to the installation of an electronic meter at their locations. In response, OWASA's Board of Directors adopted a policy that allowed then-existing customers the option of continuing to be served by a non-electronic meter. Doing so requires that an OWASA staff member travel to the customer's location once per month to read the meter. For manually read meters, the following conditions apply:

- Customers choosing a manual read option shall not be eligible for leak notifications or emergency water loss adjustments.
- A monthly fee of \$45 will be charged to cover the cost of reading the meter manually.

CHARGE FOR CUSTOMER SITE VISIT

With the Agua Vista automated metering system, most water use questions and trouble-shooting investigations can be conducted remotely by an OWASA customer service representative. Upon request and at OWASA's discretion, an OWASA representative may travel to a customer's location. This fee is designed to recover the labor and equipment costs associated with the site visit.

\$45 per site visit

LATE PAYMENT FEE

This fee is designed to recover a portion of the cost of delinquent payment collection efforts that arise prior to service termination and are not recovered by charges for reconnection of delinquent accounts, and to encourage customers to make timely payments, thereby reducing the overall cost of a delinquent account to the customer base. The late payment fee applies when a customer's account is delinquent as defined above.

Late Payment Fee: For past due balances of \$10.00 or more, \$2.40 plus 0.42% a month (5% APR) of the outstanding balance.

SECURITY DEPOSITS

OWASA requires security deposits from customers to ensure payment of the final bill. To offset administrative costs in handling these monies, no interest is paid on security deposits.

Security deposits shall be required on all accounts other than those of (1) residential customers, whether

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detached or attached units, who have a satisfactory credit history as determined by a credit check, and (2) local, state and federal governments or agencies thereof. Security deposits shall be required for accounts other than those in (1) and (2) above and shall be \$50 or \$100 depending on credit worthiness for residential customers. All security deposits must be paid at the time application for service is made and in advance of service initiation.

Any residential customer whose service has been disconnected for non-payment of billing charges twice within a six-month period and for whom OWASA does not have a security deposit will be required to pay a \$50 or \$100 deposit depending on credit worthiness prior to reconnection of service.

Non-residential security deposits are required based on credit worthiness and will be computed as one or two times the average monthly bill of the previous customer at the same location over the past calendar year. If there is no previous customer at the service location, the security deposit will be determined by OWASA based on the best information available, such as OWASA’s experience with similar types, sizes, etc. of businesses.

Repeated disconnections will require additional security deposits until the customer has accumulated a security deposit balance, which will cover an average of three months’ billing charges.

Security deposits may be refunded upon written request after the customer has established a satisfactory payment history for twelve (12) consecutive months. Otherwise, security deposits will be applied to the final bill when a customer's account is terminated with any remaining balance refunded to the customer.

BULK WASTEWATER CHARGES

Normal Domestic Septage

The purpose of these charges is to recover the costs associated with the service rendered by OWASA to those customers who discharge normal domestic septic tank wastes into the wastewater treatment facilities of OWASA. Applicable to those customers who have an account established at OWASA’s Customer Service Office, charges for handling normal domestic septage will be billed to the customer on a monthly basis. The monthly bill will include two components: (1) an administrative charge for special services required to receive this type waste and rendering the monthly bill; and (2) a charge for the treatment of the septage as determined by OWASA. This charge is calculated as follows:

Administrative Charge	\$30 per trip, plus
Volume Charge and High Strength Surcharge	\$149.94 per thousand gallons

Other High Strength Waste

Other wastes may be discharged to OWASA’s septage facilities only with prior approval by OWASA and upon OWASA’s direct inspection of the actual discharge. The costs associated with these services will be as follows:

- NH₃-N = Ammonia Nitrogen
- CBOD = Carbonaceous Biochemical Oxygen Demand
- TSS = Total Suspended Solids
- P = Phosphorus

Administrative Charge of \$30 per trip, plus Volume and High Strength Surcharge calculated as follows:

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A + B + C + D + E = Calculated Dollars per Thousand Gallons, where:	
A =	pounds of NH ₃ -N per thousand gallons in waste x \$3.26 per pound
B =	pounds of CBOD per thousand gallons in waste x \$0.46 per pound
C =	pounds of TSS per thousand gallons in waste x \$0.56 per pound
D =	\$6.94 per 1,000 gallons Sewer Commodity Charge
E =	pounds of P per thousand gallons in waste x \$13.13 per pound
Waste concentrations shall be determined by OWASA	

TANK SALES OR BULK WATER SALES

The purpose of this charge is to recover the labor and administrative costs associated with the supply of bulk quantities of water to tank trucks or trailers from a metering point on the premises of OWASA. Applicable to all tank or bulk water sales, the following charges apply for each loading.

Administrative Charge	\$25 per trip, plus
Commodity Charge	\$6.45 per thousand gallons or portion thereof

Bulk sales are subject to administrative regulations and controls for protection of the wastewater system and efficient operation. Water tank trucks or trailers are only authorized to withdraw water from locations approved by OWASA and for which adequate usage monitoring measures are provided. Charges for bulk sales are not subject to seasonal adjustments.

DIRECT SALES OF SUPPLIES

Applicable to the direct sale of supplies from inventory to municipalities or contractors, the supplies will be billed at the most recent cost plus a handling charge of 10%.

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BOAT RENTAL AND LAKE USE FEES

Fees are applicable to all persons using row boats and canoes on University Lake and Cane Creek Reservoir during scheduled hours of operation as established by OWASA. Boat rental and lake user charges are:

OWASA Customers and Orange County Residents	
Charge for each flat-bottomed boat or canoe rental	\$4.50 for one-half day plus the applicable lake use fee for each person
Trolling motor rental	\$15.00 for one-half day
Kayak rental	\$15.00 for one-half day plus the applicable lake use fee for each person
Private Boat Launching Fee	\$3.50 per boat plus the applicable lake use fee for each person
Lake Use Fee, Under 12 Years Old	\$2.00 per person
Lake Use Fee, 12-64 Years	\$4.50 per person
Lake Use Fee, 65 Years and over	No charge

Individual Season Pass	
Boat or canoe rental	\$82.00 per person. Each additional person pays appropriate lake use fee.
Lake Use Pass – Adult	\$46.00
Boat with trolling motor rental	\$163.00 per person. Each additional person pays appropriate lake use fee.

Group Season Pass	
Boat or canoe rental	\$163.00 (maximum of 3 people per pass.) Each additional person pays appropriate lake use fee.
Boat with trolling motor rental	\$245.00 (maximum of 3 people per pass.) Each additional person pays appropriate lake use fee.

For visitors who are not OWASA Customers or Orange County Residents	
Charge for each flat-bottomed boat or canoe rental	\$8.00 for one-half day plus the applicable lake use fee for each person
Trolling motor rental	\$22.00 for one-half day
Kayak rental	\$20.00 for one-half day plus the applicable lake use fee for each person
Private Boat Launching Fee	\$7.00 per boat plus the applicable lake use fee for each person
Lake Use Fee, Under 12 years old	\$2.50 per person
Lake Use Fee, 12-64 Years	\$5.50 per person
Lake Use Fee, 65 Years and over	\$2.50 per person
UNC Men’s Crew Club and Women’s Rowing Team	By agreement between UNC-Chapel Hill and OWASA

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FIELD TEST OF 5/8" METER OR 3/4" COMBINATION FIRE AND DOMESTIC SERVICE METER

Upon a customer's written request, OWASA will conduct a special field test of the customer's 5/8" water meter or 3/4" combination fire and domestic service meter. There will be no charge for testing meters (1) which have not been tested during the past five years, or (2) which are found to be over-registering. Over-registering meters will be replaced by OWASA at no charge to the customer.

If, however, the meter has been tested within the past five years and the results of the meter test indicate proper or under-registering, the customer will be charged:

Meter test \$100

SHOP TESTING OF METER

Upon a customer's written request, OWASA will conduct a special shop test of water meters that are larger than 3/4 inches. There will be no charge for testing meters (1) which have not been tested during the past five years, or (2) which are found to be over-registering. Over-registering meters will be replaced by OWASA at no charge to the customer.

If, however, the meter has been tested within the past five years and the results of the meter test indicate proper or under-registering, the customer will be charged:

Shop meter test \$220

FIELD TEST OF LARGE METERS

Upon a customer's written request, OWASA will conduct a special field test of water meters that are larger than 5/8 inches. There will be no charge for testing meters (1) which have not been tested during the past five years, or (2) which are found to be over-registering. Over-registering meters will be replaced by OWASA at no charge to the customer.

If, however, the meter has been tested within the past five years and the results of the meter test indicate proper or under-registering, the customer will be charged a meter test fee based on the actual time and equipment required to complete the field test.

Minimum charge \$190

REINSPECTION FEE

OWASA will initially inspect grease traps, cross connections and water and sewer taps at no cost to the customer. Should a subsequent reinspection be required for any of these fixtures, a fee will apply to each reinspection.

Tap Reinspection Fee - \$150

PLAN REVIEW AND CONSTRUCTION OBSERVATION FEES

The purpose of this charge is to recover the operating cost for providing review of construction plans

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for the extension of water, sewer and non-UNC reclaimed water facilities. The charge also recovers the operating cost for providing field observation, water sampling, laboratory testing, video inspection, pressure testing, etc. associated with the installation of these facilities. The plan review and construction observation fees are applicable to any project which includes extensions of the public water, sewer or non-UNC reclaimed water systems; new services; backflow prevention; or a grease interceptor (or grease trap), regardless of the party which may be undertaking the improvements. The plan review and construction observation fees are applied separately to water, sewer and non-UNC reclaimed water main extensions with a minimum of \$100 each, as shown in the table below.

Service	Plan Review	Construction Observation
Water	\$3.63/lf, minimum \$100	\$3.69/lf, minimum \$100
Sewer	\$3.63/lf, minimum \$100	\$3.69/lf, minimum \$100
Reclaimed Water	\$3.63/lf, minimum \$100	\$3.69/lf, minimum \$100

Fees for Plan Review are due when the sealed plans are submitted for review. Fees for Construction Observation are collected upon final plan approval. Additional fees for projects which increase in scope (e.g. the number of feet of mains is lengthened after initial fee payment) shall be collected prior to receiving a permission to proceed from OWASA. No refunds will be granted for projects which decrease in scope after fee payment.

CHARGES FOR MISCELLANEOUS SERVICES

Charges for miscellaneous services provided by OWASA shall be on a time and materials basis and include out-of-pocket expenses, cost of materials and services supplied by third parties, and overhead. Typical applications would be for repair of damages to water and sewer lines by outside parties, relocation of mains, services and meters, special services for billing information, expenses related to spill containment responses, etc.

TRANSFER OF CHARGES

Any unpaid balance from past due charges for water and/or sewer services of terminated accounts or Charges for Miscellaneous Services will be transferred to any available active account(s) through which the customer is receiving services. The payment status of the active account through which the customer is receiving service will be determined by the payment status of transferred accounts.

OWASA may temporarily withhold service from a customer or refuse service to a customer when such a customer (including but not limited to individuals, corporations, or partnerships), owes OWASA any past due balance.

Accounts or portions of accounts, including charges for material or damaged property that are disputed and delinquent fees and delinquent assessment charges, may be submitted to the courts by the Executive Director, upon approval by General Counsel, for collection if such amounts do not exceed \$1,500. For amounts exceeding \$1,500, approval of the Board of Directors shall also be required prior to filing an action for collection.

OWASA Board of Directors – 12 Month Board Meeting Schedule (May 22, 2020)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
May 2020	Notification of Purchase of Fermenter Mixing Equipment Resolution Accepting a Low-Interest Loan Offer from the State, and Authorizing ED to Execute and Administer all Related Loan Offer and Acceptance Documents Update COVID-19 Approve Employee Health and Dental Insurance Renewals (C) FY21 Draft Budget and Rates Adjustment Information and Authorize Staff to Publish Proposed Rates (C) Onboarding Program for OWASA's New ED BOD Eligible for Nominations to Election as Board Officers (C) (Virtual Meeting) 5/14/2020	Virtual Public Hearings – FY 21 Budget and Rates (C) Update COVID-19 Update on Website Relaunch (Virtual Meeting) 5/28/2020	<i>Possible Board Action to Appoint New ED</i>
June 2020	Approve FY 21 Budget and Rates (tentative) (C) Update COVID-19 Election of Officers (C) Amendment to Western Intake Partnership MOA (Virtual Meeting) 6/11/2020	Approve FY 21 Budget and Rates (if needed) (C) Update COVID-19 6/25/2020	<i>Possible Board Action to Appoint New ED</i>
July 2020	D&I Update Potential conservation easement on private land COVID-19 update 7/9/2020	COVID-19 update 7/23/2020	<i>Possible welcome of new Board member</i>
August 2020	Discuss LRWSP Supply & Demand Management Alternatives 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 and D&I Update (C) Annual Report on Disposal of Surplus Personal Property (C) Forest Management Update (Tentative) Discuss Work Plan for New ED (Tentative) Discuss Process to Update the Strategic Plan 9/10/2020	Annual Report and Financial Audit (C) Annual Update of the Energy Management Plan (C) Approve General Counsel Engagement (C) 9/24/2020	
October 2020	Strategic Trends Report (C) 10/8/2020	Q1 Financial Report (C) Reliability and Resiliency Improvements Update 10/22/2020	
November 2020	TBD 11/12/2020	<i>Holiday – no meeting</i>	<i>Possible welcome of new Board member(s)</i>
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) D&I 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	

OWASA Board of Directors – 12 Month Board Meeting Schedule (May 22, 2020)

Month	Board Meetings		Committee Meetings & Other Board Items
	Work Session	Business Meeting	
February 2021	Department Managers FY 22 Budget Presentations CS – Prepare for GC Interim Review 2/11/2021 (C)	CS – GC Interim Review 2/25/2021 (C)	
March 2021	FY 22 Draft Budget and Rates 3/11/2021 (C)	Set date for Public Hearings – FY 22 Budget & Rates 3/25/2021 (C)	
April 2021	Review Employee Health and Dental Insurance Renewals FY 22 Draft Budget and Rate Adjustment 4/8/2021 (C)	Q3 Financial Report 4/22/2021 (C)	

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.

New schedule for new ED Reviews – TBD.

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 (May 22, 2020)

Abbreviations Used in Draft Schedule:

(C)	Recurring agenda item (generally these are “required” items)	HR	Human Resources
AV/AMI	Agua Vista/Advanced Metering Infrastructure	JLP	Jordan Lake Partnership
BOCC	Board of County Commissioners	KPI	Key Performance Indicator
BOD	Board of Directors	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
		WWTP	Wastewater Treatment Plant

Orange Water and Sewer Authority
Virtual Meeting of the Board of Directors
April 9, 2020

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a virtual work session on Thursday, April 9, 2020, at 6:00 p.m. utilizing Microsoft Teams software.

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

OWASA staff present: Mary Darr, Monica Dodson, Jesse DuClau, Audrey Eisenstein, Robert Epting, Esq. (Epting and Hackney), Vishnu Gangadharan, Robert Herring, Blake Hodge, Ed Kerwin, Ken Loflin, Andrea Orbich, Dan Przybyl, Ruth Rouse, Kelly Satterfield, Todd Taylor, Mary Tiger, Stephen Winters and Richard Wyatt.

Others present: Meg Holton (UNC Water Resources Manager) and Ellen Tucker (Gallagher).

Motions

1. Jody Eimers made a motion that the OWASA Board approve an additional 40 hours of leave be allowed employees for use in dealing with their or their or their family's needs related to the COVID-19 pandemic; that such leave may be taken in hourly or greater increments, upon such notice requirements as pertain to annual leave; and this additional leave provision shall continue until the Executive Director ends the benefit or no later than December 31, 2020, unless extended by further action of the Board. The motion was second by Ruchir Vora and unanimously approved. The motion was second by Ruchir Vora and unanimously approved.

* * * * *

Announcements

Ray DuBose announced that due to COVID-19 public health concerns and in compliance with local governments "stay at home" orders, the OWASA Board of Directors was holding this work session virtually utilizing Microsoft Teams software. Mr. DuBose noted Board Members and staff were participating in the meeting remotely.

Mr. Dubose said members of the public are able to view or listen to the meeting but did not have an opportunity to speak during this meeting. The public was invited to provide comments via written materials in advance of the meeting; no comments were received.

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

Mr. DuBose said he attended a session of the Orange County Climate Council and heard reports and an update on the League for Communities training, and on the activities of the Communications Committee.

Andrea Orbich, on behalf of Robert Morgan (Chair of the Human Resources (HR) Committee), reported that the HR Committee met virtually on April 2, 2020 at 6:00 p.m. to review the logistics for the virtual April 24 and 25, 2020 Executive Director interviews. Following the open meeting, the Committee went into a closed session to review and discuss interview questions.

Item One: Quarterly Report on Board and Committee Meetings

The Board received this as an information item.

Item Two: OWASA's COVID-19 Preparations and Response: a) Overview of OWASA's Preparations for and Response to COVID-19 to Ensure High Quality and Reliable Service for the Community; b) Implementation of the Families First Coronavirus Response Act and other response measures

Ed Kerwin, Executive Director, provided an update on OWASA's preparations and response to COVID-19. Mr. Kerwin said staff continues to take proactive measures to ensure the Carrboro and Chapel Hill communities have high-quality and reliable water, wastewater, and reclaimed water services during this event. Mr. Kerwin said staff has moved to working remotely or on-call hours and OWASA's administrative office is closed to the public, the lakes recreation season has been postponed, and measures are in place to limit in-person interaction.

Todd Taylor, General Manager of Operations, provided an update on plant operations, biosolids management, water main breaks, sanitary sewer overflow, water quality flushing and locating our infrastructure for third party construction projects with the minimum amount of staffing to adhere to social distancing requirements utilizing personal protective equipment (PPE). Mr. Taylor noted that additional cleaning procedures have been implemented to sanitize the work area as well as tracking cleaning supplies including PPE throughout the organization. Mr. Taylor said critical supplies for the plants and for operations are being monitored to be sure adequate supplies are maintained throughout the event. Mr. Taylor noted that staff is conducting regular check-ins with all employees to maintain open lines of communications and to monitor their health.

Mary Darr, Director of Engineering and Planning, said most of her staff is working remotely except for construction inspectors who continue to work with contractors on scheduled work in the service area. Capital Improvements staff are working with operating departments to continue, delay or reschedule various capital projects. Other engineering staff are providing support throughout the organization during this event.

Stephen Winters, Director of Finance and Customer Service, said his staff is working remotely. OWASA suspended disconnects for nonpayment on March 12, 2020. Customers can make payments by phone, text, U.S. mail or use the drop box at OWASA. Most customer service activities are being handled remotely. However, because certain functions can only be performed

in OWASA's office, members of the customer service staff work in two-person teams rotating one-week shifts in the office. Finance staff are working remotely and are maintaining normal internal control procedures.

Mary Tiger, Sustainability Manager, said OWASA's communications are boosted through the new website which rolled out in March 2020. Some of the features include an alert banner, chat features, and boil water information. Ms. Tiger said the website and social media have been instrumental in communicating critical messaging to customers. She said that staff continues to stay in close communications with local and regional partners to coordinate communications.

Dan Przybyl, Director of Information Technology, noted his department started preparations to work remotely six years ago by implementing Microsoft Office 365. His staff has been very busy assisting employees develop at home technical solutions, setup remote Board meetings and procuring computer supplies.

Stephanie Glasgow, Director of Human Resources (HR) and Safety, said her staff is working on: the Safety and Return to Work Protocol; continuing the day to day HR operations; implemented a temporary cell phone stipend to provide information to all employees related to employee assistance program; and healthcare and 457 plan updates. Ms. Glasgow said she continues to stay in communication with local entities and with the assistance of other staff established an internal online OWASA Trading Post designed to connect employees for various reasons.

Ruchir Vora suggested providing employees information on ergonomics at home/remotely worksites and changes in fresh air intake for OWASA's heating, ventilation, and air conditioning units; staff will follow up.

Ms. Glasgow summarized the federal Families First Coronavirus Response Act – Emergency Paid Sick Leave and Emergency Family and Medical Expansion Act – which is effective until December 31, 2020. In addition to the benefits in the Families First Coronavirus Response Act, Ms. Glasgow explained an option for a temporary benefit of up to 40 hours of COVID-19 annual leave to provide employees an opportunity to address personal and/or family situations related to COVID-19, this benefit would end by December 31, 2020.

Ray DuBose said he is in favor of temporary benefit of 40 hours of COVID-19 annual leave.

Jody Eimers said she supports the temporary benefit and asked what the financial implications are if all or most employees used this benefit.

Mr. Kerwin said the financial impacts are relatively low and can be managed by staff.

Bruce Boehm said he supports the temporary benefit.

Jody Eimers made a motion that the OWASA Board approve an additional 40 hours of leave be allowed employees for use in dealing with their or their or their family's needs related to the COVID-19 pandemic; that such leave may be taken in hourly or greater increments, upon such notice requirements as pertain to annual leave; and this additional leave provision shall continue

until the Executive Director ends the benefit or no later than December 31, 2020, unless extended by further action of the Board. The motion was second by Ruchir Vora and unanimously approved. Please see Motion 1.

Mr. Kerwin expressed appreciation to the Board for approving the supplemental leave for COVID-19 pandemic.

Mr. Kerwin informed and requested feedback from the Board regarding other local entities/ organizations that are providing their employees supplemental pay (staff is not recommending supplemental pay at this time). However, given the uncertainty of the duration and economic impact to OWASA and the community, staff will continue to monitor and provide updates as received. Mr. Kerwin said staff's focus is on keeping employees safe and earning a paycheck.

Item Three: Review Employee Health and Dental Insurance

The Board received an employee health and dental insurance update from Stephanie Glasgow, Director of Human Resources and Safety, and Ellen Tucker, Area Vice President with Gallagher. OWASA is currently anticipating a decrease in medical insurance and small increase in dental insurance renewals. The Board is scheduled to approve health and dental insurance renewals at the May 14, 2020 meeting.

Item Four: Review Draft Fiscal Year 2021 Budget and Rate Adjustment Information Considering COVID-19

Stephen Winters, Director of Finance and Customer Service, provided an update on the draft Fiscal Year (FY) 2021 Budget. Due to the impact of the COVID-19 pandemic, staff has revised the draft budget to include no rate increase. The Board will continue budget discussions and hold public hearings in May before approving a final budget in June.

John Morris supports no rate increase in for FY 2021.

Ray DuBose supports no rate increase for FY 2021.

Item Five: Review Board Work Schedule

The Board agreed to begin the April 23, 2020 virtual meeting at 6:00 p.m. instead of 7:00 p.m. and added two items to the agenda: verbal update on forest management and Resolution Accepting a Low-Interest Loan Offer from the State of North Carolina and Authorizing Executive Director to Execute and Administer all Related Loan Offer and Acceptance Documents.

Item Six: Summary of Work Session Items

Ed Kerwin noted the following items for staff follow-up:

- Provide an update to Board and staff on ergonomics at home.

- Guidance regarding air handling systems once buildings are occupied.

The Board meeting was adjourned at 8:22 p.m.

Respectfully submitted by:

Andrea Orbich
Executive Assistant/Clerk to the Board

Draft

Orange Water and Sewer Authority
Virtual Meeting of the Board of Directors
April 23, 2020

The Board of Directors of the Orange Water and Sewer Authority (OWASA) held a virtual meeting on Thursday, April 23, 2020, at 6:00 p.m. utilizing Microsoft Teams software.

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

OWASA staff present: Mary Darr, Monica Dodson, Jesse DuClau, Robert Epting, Esq. (Epting and Hackney), Patrick Farl, Vishnu Gangadharan, Blake Hodge, Ed Kerwin, Ken Loflin, Andrea Orbich, Dan Przybyl, Ruth Rouse, Kelly Satterfield, Todd Taylor, Mary Tiger, Stephen Winters and Richard Wyatt.

Others present: Meg Holton (UNC Water Resources Manager).

Motions

1. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Accepting a Low-Interest Loan Offer from the State of North Carolina, and Authorizing Executive Director to Execute and Administer all Related Loan Offer and Acceptance Documents. Motion by Robert Morgan, second by Yinka Ayankoya and unanimously approved.
2. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Setting the Date of May 28, 2020 for a Virtual Public Hearing on OWASA's Fiscal Year 2021 Budget. Motion by Robert Morgan, second by Yinka Ayankoya and unanimously approved.
3. BE IT RESOLVED THAT the Board of Directors of the Orange Water and Sewer Authority adopts the Resolution Setting the Date of May 28, 2020 for a Virtual Public Hearing on Proposed Revisions to OWASA's Schedule of Rates, Fees and Charges. Motion by Robert Morgan, second by Yinka Ayankoya and unanimously approved.
4. Robert Morgan made a motion to approve the Minutes of the March 10, 2020 Closed Session of the Board of Directors, second by Yinka Ayankoya and unanimously approved.
5. Robert Morgan made a motion to approve the Minutes of the March 12, 2020 Work Session of the Board of Directors; second by Yinka Ayankoya and unanimously approved. Please see Motion 5.

* * * * *

Announcements

Ray DuBose announced that due to COVID-19 public health concerns and in compliance with local governments “stay at home” orders, the OWASA Board of Directors was holding this meeting virtually utilizing Microsoft Teams software. Mr. DuBose stated that Board Members and staff were participating in the meeting remotely.

Mr. Dubose said members of the public are able to view or listen to the meeting but did not have an opportunity to speak during this meeting. The public was invited by an announcement on the published Agenda to provide comments via written materials in advance of the meeting; no comments were received.

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 tonight to disclose the same at this time; none were disclosed.

Mr. DuBose said on April 22, 2020, the Chapel Hill Town Council deferred to a future meeting the agenda item, Extend Advisory Board Member Terms Ending in June 2020 and Defer Spring Appointments to the Fall. The Council is seeking additional information and Town staff will provide notification when the item is on a future agenda.

Mr. DuBose requested Board’s approval to add an agenda item to the May 14, 2020 meeting, Report of Board Members Eligible for Nominations to Election as Board Officers; the Board agreed without objection.

Robert Morgan, Chair of the Human Resources Committee, said the OWASA Board will conduct virtual interviews on April 24 and 25, 2020 for OWASA’s new Executive Director. Mr. Morgan noted Board Members received information on each candidate and a scorecard which is a tool for comparison of candidates.

Mr. DuBose provided a brief overview of the Executive Director remote interview process and stated each interview will last for one hour.

Petitions and Requests

Ray DuBose said no petitions or requests were received from the public. Mr. DuBose asked for petitions and requests from the Board and staff; none were received.

Item One: 12 Month Board Meeting Schedule

The Board received this as an information item.

Item Two: Resolution Accepting a Low-Interest Loan Offer from the State of North Carolina, and Authorizing Executive Director to Execute and Administer all Related Loan Offer and Acceptance Documents

Robert Morgan made a motion to approve the resolution; second by Yinka Ayankoya and unanimously approved. Please see Motion 1.

Item Three: Resolution Setting the Date of May 28, 2020 for a Virtual Public Hearing on OWASA’s Fiscal Year 2021 Budget

Robert Morgan made a motion to approve the resolution; second by Yinka Ayankoya and unanimously approved. Please see Motion 2.

Item Four: Resolution Setting the Date of May 28, 2020 for a Virtual Public Hearing on Proposed Revisions to OWASA’s Schedule of Rates, Fees and Charges

Robert Morgan made a motion to approve the resolution; second by Yinka Ayankoya and unanimously approved. Please see Motion 3.

Item Five: Minutes

Robert Morgan made a motion to approve the Minutes of the March 10, 2020 Closed Session of the Board of Directors; second by Yinka Ayankoya and unanimously approved. Please see Motion 4.

Item Six: Minutes

Robert Morgan made a motion to approve the Minutes of the March 12, 2020 Work Session of the Board of Directors; second by Yinka Ayankoya and unanimously approved. Please see Motion 5.

Item Seven: Verbal Update on OWASA’s COVID-19 Preparations and Response and Discussion by the Board

Ed Kerwin, Executive Director, updated the Board on OWASA’s preparations and response to COVID-19. Mr. Kerwin said staff continues to take proactive measures to ensure the Carrboro and Chapel Hill communities are provided high-quality and reliable water, wastewater, and reclaimed water services during this event. Mr. Kerwin said staff is working with local governments to plan and coordinate our safe transition back to normal operations when State restrictions are lifted or modified.

The Board expressed appreciation to staff for providing essential services and routine updates to the Board.

Item Eight: Verbal Update on OWASA’s Forest Management Program Activities

Ed Kerwin, Executive Director, provided an update on OWASA’s Forest Management Program. Activities include updates to the final draft forest stewardship plan for Meadow Crest North Property which was prepared by OWASA’s consultant and reviewed by partner agencies.

Mr. Kerwin said because the State is under the “stay at home” order, staff will delay sharing the plan with neighbors. Work will continue on the draft plan for Meadow Crest South property by the consultant. Jody Eimers asked how many total acres in the sites; staff promised to provide that information in supplemental materials.

Ruchir Vora ask if the draft plans had invasive species management; staff affirmed the plans do.

John Morris expressed appreciation to staff on the value of the forest management program to sustain water quality.

Item Nine: Financial Report for the Nine-Month Period Ended March 31, 2020

Stephen Winters, Director of Finance and Customer Service, provided a review of the financial report and fiscal position for the nine-month period ended March 31, 2020. Mr. Winters reported operating revenue and operating expense were under budget by about \$1.2 and \$1 million, respectively. All financial performance measurement goals were met.

Bruce Boehm requested information regarding the failure rate of AMI meters, and staff agreed to provide a response.

Ray DuBose requested that the water demand information in the presentation be made available to the Board. Staff agreed to provide.

Item Ten: Executive Director’s Summary of Key Staff Action Items from the Meeting

Ed Kerwin noted the following items for staff follow-up:

- Provide follow up information on acreage and invasive species management for Meadow Crest North;
- Additional information regarding the failure rate of AMI meters;
- Agenda items for Board’s May 14, 2020 Virtual Work Session:
 - o Fiscal Year 2021 Draft Budget and Rate Adjustment and Authorize Staff to Public Proposed Rates
 - o Approve Employee Health and Dental Insurance Renewals
 - o Report of Board Members Eligible for Nominations to Election as Board Officers
 - o OWASA Update on COVID-19
- Agenda items for the Board’s May 28, 2020 Virtual Public Hearing and Meeting:
 - o Virtual Public Hearings on draft Budget & Rates for Fiscal Year 2021
 - o Update on OWASA’s Website Relaunch
 - o OWASA Update on COVID-19

The Board meeting was adjourned at 6:45 p.m.

Respectfully submitted by:

Andrea Orbich

Executive Assistant/Clerk to the Board

Attachments

Draft

Agenda Item

Verbal Update on OWASA's COVID-19 Preparations and Response and Discussion by the Board

Purpose

To provide the Board of Directors and public an update on OWASA's response to COVID-19 to ensure we provide the Carrboro and Chapel Hill communities with high-quality and reliable water, wastewater, and reclaimed water services during the pandemic.

Staff will provide a verbal update on activities since May 14, 2020.

Action Needed

Discussion and questions by the Board of Directors.

May 28, 2020

Agenda Item

- Update on Website Relaunch

Purpose

- Demonstrate and discuss OWASA's new website

Background

- In March 2020, OWASA launched a new website that reflects our refreshed brand: inviting, visually appealing, accessible, and modern.
- The back-end platform for the website allows for “plug-ins” that allow for increased functionality and engagement.
- During the COVID-19 crisis, we have engaged many new website features.

Action

- Review and discuss new website

May 28, 2020




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.

Memorandum

To: Board of Directors

Through: Ed Kerwin 

From: Mary Tiger, Sustainability Manager
Blake Hodge, Communications Specialist

Date: May 22, 2020

Subject: Update on Website Relaunch

Purpose

Demonstrate and discuss OWASA's new website

Background

In March 2020, OWASA launched a new website to reflect OWASA's refreshed brand. The design of the new website is more inviting, visually appealing, accessible, and modern. The back-end platform for the website allows for "plug-ins" that allow for increased functionality and engagement.

The new website was the result of a year's worth of effort that involved:

- A formal Request for Qualifications (RFQ) process that identified a local web development company, RiiThink, as our strategic partner
- An OWASA Team workshop to inform architecture and content of the website
- Content rewrite

The cost of the relaunch was \$43,500.

Features of the New Website

One advantage to the new website platform is the flexibility allowed under the new design. This allows OWASA to bring a more visually appealing design while being nimble with the latest information for customers. Some highlights of the new design are:

- Increased use of pictures
- Design elements that help customers understand the scope of OWASA's work
- Easier to navigate
- Alert Bar allows for immediate highlighting of important notice (Example - Disconnects during pandemic)

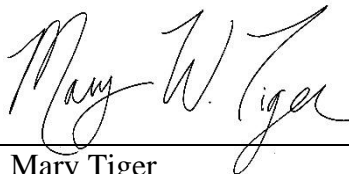
- Increase Search Engine Optimization efforts to help customers find relevant information
- Highly visible articles (Example - articles updating status of COVID-19 operations)
- Added Chat function to allow for another avenue for customers to interact with OWASA
- Accessibility was increased with new platform, allowing for keyboard navigation, verbal reading of web pages, and language translation
- Adaptable in real-time as staff is able to focus efforts to provide updates where customers can easily find the information – examples: Recreation, Boil Water Advisories

The new website is built on a Wordpress platform that allows for continued adaptability to keep the website current with information and technology that helps communicate with customers and stakeholders.

Next Steps

We welcome the Board's feedback and questions on the new website.

Moving forward, we will continue to invest in the website as the primary means to tell our story and relay critical information. The Communications Team will work with OWASA employees on an ongoing basis to update the content on the OWASA website. We have budgeted funding in FY21 to expand on the foundation laid in the initial launch to incorporate more dynamic features into the site, such a real-time mapping feature.



Mary Tiger
Sustainability Manager



Blake Hodge
Communications Specialist