



## 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.

April 15, 2021

Mayor Pam Hemminger  
Town of Chapel Hill  
405 Martin Luther King Jr.  
Blvd Chapel Hill, NC 27514

Mayor Lydia Lavelle  
Town of Carrboro  
301 West Main Street  
Carrboro, NC 27510

Chair Renee Price  
Orange County Board of  
Commissioners  
Post Office Box 8181  
Hillsborough, NC 27278

Dear Mayor Hemminger, Mayor Lavelle, and Chair Price:

We are pleased to submit this report on our services, projects, and initiatives since January 2021. This report includes information on the following items:

1. Moratorium on Service Disconnections Extended
2. Fiscal Year 2022 Budget
3. COVID-19 Response
4. Long-Range Water Supply Plan
5. Guidance on Reopening Facilities
6. Lake Recreation
7. OWASA Begins the Development of a New Strategic Plan
8. New Director of Engineering and Planning
9. Energy Management/Solar PV
10. Upcoming Board Appointments
11. Key Infrastructure Investments
12. 2020 Wastewater Report Card Published

### **Moratorium on Service Disconnections Extended:**

Orange County extended its local State of Emergency related to the ongoing COVID-19 pandemic through June 30, 2021. Using the local State of Emergency as guidance, OWASA has deferred resuming standard bill collection practices for residential customers for another three months. OWASA has committed to giving a 30-day notice to customers with past-due balances before resuming standard collection practices.

Under standard collection practices, customers who miss two consecutive payments of their monthly bill risk service disconnection. OWASA will offer payment plans of up to 18 months to customers who are past due once we resume standard collection practices.

OWASA has been tracking and communicating with customers who are past due on their accounts and encouraging them to seek assistance from various resources to pay down any balances, including OWASA's Care to Share bill-assistance program. These various funding resources have also been updated on OWASA's website throughout the pandemic, including the Orange County Housing Helpline when funding has been available.



We are grateful to our partners across the county for the continued work on providing available assistance to customers.

**Fiscal Year 2022 Budget:**

OWASA is preparing the Fiscal Year 2022 (FY 2022) Budget recommendation for the Board of Directors' consideration.

As more of the population is vaccinated against COVID-19 and UNC and local schools are planning to hold in-person classes in the fall, we are now anticipating that water demand for FY 2022 is likely to return to pre-pandemic levels.

The OWASA Board of Directors approved a budget for Fiscal Year 2021 that did not include a rate increase as the financial uncertainty of the COVID-19 pandemic was beginning to impact our community. In order to achieve a budget with no rate increase, items including employee raises and some capital projects were deferred to subsequent budget years.

Current estimates project the need for a 5% rate increase to continue investments in our critical infrastructure to increase reliability and resiliency of our water distribution and wastewater collection systems. A 5% rate increase would raise the average monthly bill for a residential customer using 4,000 gallons per month by \$3.79 to \$79.46. The Board of Directors will not decide on a budget and rate increase until its meeting on June 10, 2021.

Public hearings on the recommended budget and rates will be held on May 27, 2021. The OWASA Board of Directors will approve a budget in June 2021. Any rate and fee adjustments would go into effect in October 2021.

**COVID-19 Response:**

OWASA still has in place many of the actions initially put into effect at the onset of the pandemic to help mitigate the spread of the virus while also continuing to provide our essential service to the community. These include the continuation of the temporary moratorium on service disconnections for non-payment and that OWASA employees who are able have continued to work remotely.

As more of OWASA's staff has received the COVID-19 vaccine, we are looking ahead to steps to safely bring other staff members back into the office. We anticipate more staff beginning to work in the office at least part-time beginning in mid-May. We do not anticipate opening any OWASA facilities to the public at that time as we ensure proper safety measures remain in place.

OWASA did open the 2021 Lake Recreation season in late March to a limited number of visitors with safety guidelines in place. Additional lake recreation information is provided in a separate bulleted item.

OWASA's on-site essential workers are continuing to follow COVID-19 safety guidelines, including wearing of masks, maintaining distance, and washing hands frequently.

The OWASA Board of Directors will continue meeting remotely while the county's State of Emergency remains in place.

### **Long-Range Water Supply Plan:**

OWASA is in the process of updating the community's Long-Range Water Supply Plan.

We completed our initial round of soliciting community feedback earlier this year. These community engagement efforts included interviews with local media, a webinar for interested members of the public, and presentations to elected Boards of each local governing jurisdiction (Carrboro, Chapel Hill, and Orange County).

The community feedback was brought to the OWASA Board of Directors on March 11, 2021. The Board asked staff to move forward with developing guiding principles to use in evaluating final alternatives. The Board thanked the individuals who provided comments as well as each of the local elected Boards for the feedback provided to this point.

The work to date on the Long-Range Water Supply Plan indicates that OWASA has enough water for the next few decades. However, we are vulnerable during extended or back-to-back droughts.

OWASA will solicit additional community feedback after the Board of Directors selects a draft preferred alternative.

### **Guidance on Reopening Facilities:**

OWASA has continued working with customers – specifically larger facilities and institutions – throughout the pandemic to ensure that property managers are taking appropriate steps to ensure water quality before reopening their facilities.

Treated drinking water being allowed to sit in pipes for extended periods of time is more susceptible to allowing microorganisms to grow. After initially publishing information about steps to take in reopening facilities in April 2020, additional messaging has been shared with larger facilities over the course of the pandemic.

Specifically, OWASA staff has been working with Chapel Hill – Carrboro City Schools officials on building-management plans for water quality in school facilities as students returned to the classroom after months of remote learning. Currently, CHCCS is requesting that students bring water, as well as distributing water bottles, until they are assured by water quality tests that the water is safe to consume.

### **Lake Recreation:**

OWASA opened Cane Creek Reservoir and University Lake for the 2021 recreation season on Saturday, March 27, 2021.

Health and safety measures implemented last year to help protect visitors and OWASA staff remain in place as of now for the 2021 season. There has been a high demand over the opening

weeks of the recreation season, and we will continue monitoring these conditions to provide the opportunity for recreation while also following appropriate safety measures.

If any changes are made during the 2021 season to our recreation guidelines, they will be updated on the [Recreation page of the OWASA website](#).

### **OWASA Begins the Development of a New Strategic Plan:**

OWASA is beginning the process of developing a new strategic plan. An updated strategic plan is needed to ensure that we are anticipating and preparing for the future that we want and setting a course for aligning scarce resources with our strategic goals and objectives.

The horizon for the strategic plan will be five to six years. The strategic planning process will involve and engage the Board, staff, the community, and other stakeholders. We will actively seek feedback to include and consider diverse perspectives. OWASA's current Strategic Plan was adopted in 2014 and has been periodically reviewed and updated since then.

### **New Director of Engineering and Planning:**

Orange Water and Sewer Authority is excited to announce that Vishnu Gangadharan has been selected as the next Director of Engineering and Planning following a nationwide search.

Gangadharan has most recently served as OWASA's Engineering Manager - Capital Projects in the Engineering and Planning Department and has worked for OWASA in various capacities over the last 15 years. He is succeeding Mary Darr in the role after Darr was named OWASA's General Manager of Operations in November 2020.

In this role, Gangadharan is responsible for overseeing OWASA's engineering and planning programs, including working with third-party developers in the community as well as OWASA's resiliency projects.

Gangadharan's first day as Director of Engineering and Planning was March 10, 2021.

### **Energy Management/Solar PV:**

OWASA is excited to announce that additional solar photovoltaic (PV) systems will soon be in-service at OWASA facilities.

A solar PV system is now operating on OWASA-owned land on Berry Andrews Road to help offset energy needs for equipment on the site; within weeks, two rooftop systems on buildings at OWASA's main campus on Jones Ferry Road will be connected. These systems will increase OWASA's use of renewable energy and work toward our overall goals of reduction in our purchased electricity.

Collectively, these solar PV systems will generate almost 428,000 kWh of clean energy every year (equivalent to the energy use of over 40 homes). Through a lease agreement with private partners and rebates from Duke Energy, we are able to install these systems for no additional

cost to OWASA customers in Year 1. In future years, we project to spend less on lease payments than we save on our energy bill.

OWASA was also honored to be a recipient of funding from the Orange County Climate Action Grant Program for an additional solar PV system at Cane Creek Reservoir to lessen the purchased electricity needed to power infrastructure that pumps raw water from the reservoir to the Jones Ferry Road Water Treatment Plant.

### **Key Infrastructure Investments:**

OWASA has made progress on several critical infrastructure projects since January 2021.

An OWASA contractor began work in late March to replace the water line on Bolinwood Drive at the bridge over Bolin Creek. The water line in this area was damaged in previous flooding during Hurricane Florence. OWASA has worked with FEMA to move forward with this work and coordinated our efforts with the Town of Chapel Hill staff as the work is taking place at a crossing for the Bolin Creek Trail.

Projects totaling a roughly \$6 million investment to improve drinking water distribution and treatment facilities at the Jones Ferry Road Water Treatment Plant (WTP) are ongoing. To date, the work has focused on improvements within the WTP. As work progresses, water line improvements will take place directly in front of the WTP to build in additional redundancy and resiliency to support the community's water infrastructure and maintain a high level of service for our customers.

### **Upcoming Board Appointments:**

OWASA will have openings on its Board of Directors this year to be appointed by each local jurisdiction - Carrboro, Chapel Hill, and Orange County. In addition to vacancies associated with terms coming to an end, this summer OWASA will have two vacancies as members appointed by the Town of Chapel Hill have stepped down from the Board.

Recruitment for Board applications is ongoing. We are committed to promoting Board membership in our community engagement efforts and appreciate your assistance in attracting a diverse applicant pool. We have posted information to the OWASA website to provide more information on what is involved with Board membership and participation and shared calls on social media for prospective members to submit an application with the appointing jurisdictions.

OWASA embraces diversity and inclusion in everything we do, and we would like to encourage all interested candidates to apply for Board Member appointments. Our Board addresses a wide range of issues. The only true qualification needed is a genuine commitment to serve the community.

Thank you for your continued support in appointing members to OWASA's Board of Directors. If we can assist you, please let us know.

**2020 Wastewater Report Card Published:**

Orange Water and Sewer Authority treats roughly 7.5 million gallons of the community's wastewater every day; that translates to roughly 3 billion gallons per year. OWASA's annual wastewater report card shows that for the 2020 calendar year we met or surpassed all State and Federal wastewater regulations.

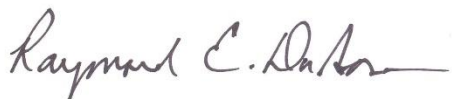
The community's infrastructure consists of roughly 350 miles of pipes bringing wastewater to the Mason Farm Wastewater Treatment Plant, where OWASA treats the wastewater before it is discharged into Morgan Creek and eventually makes its way to Jordan Lake or is used as reclaimed water. The majority of the reclaimed water is pumped back to UNC's campus for non-drinking purposes.

Maintaining the community's wastewater infrastructure is a major priority for OWASA. Roughly half of every dollar OWASA receives through rates and fees is put back into the system. These investments help maintain the system's reliability and resiliency, while also improving how efficiently we can operate.

You can view the [2020 wastewater report card on our website](#).

We would be happy to provide you more detailed information on the items above or other topics of interest as desired. Please feel free to contact our Executive Director, Todd Taylor ([ttaylor@owasa.org](mailto:ttaylor@owasa.org) or 919-537-4216), or me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Raymond E. DuBose".

Raymond E. DuBose, P.E., Chair  
OWASA Board of Directors

cc: Mr. David Andrews, Carrboro Town Manager  
Ms. Bonnie Hammersley, Orange County Manager  
Mr. Maurice Jones, Chapel Hill Town Manager  
OWASA Board of Directors  
Todd Taylor, OWASA Executive Director