



ORANGE WATER AND SEWER AUTHORITY

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

August 22, 2017

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

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

Chair Mark Dorosin
Orange County Board of
Commissioners
P.O. Box 8181
Hillsborough, NC 27278

Dear Mayor Hemminger, Mayor Lavelle and Chair Dorosin:

We are pleased to submit this report on our services, projects and initiatives in the last three months.

Advanced Metering Infrastructure (AMI)

On May 25th, we awarded a contract to Mueller Systems for installing an AMI system. AMI allows remote meter reading via radio transmissions, more frequent meter readings and faster detection of water leaks. The capital cost of the system is about \$5.4 million, and it will take about two years to complete.

We are beginning the next phase of our work to inform and engage our customers as we move forward with the project and consider proposed policy changes related to AMI.

Later this year, we will begin using a new name, *Agua La Vista*, for AMI. The name “Agua la Vista” is an adaptation of the Spanish translation of “water in sight.”

Resolving Taste and Odor in Our Drinking Water in Spring and Early Summer

In May, OWASA customers and staff noticed earthy or musty taste and odor in our drinking water. We identified and monitored the compound causing taste and odor (one produced by algae in our lakes), adjusted our treatment process and released water from hydrants across our service area to resolve the taste and odor.

We distributed several news releases to keep customers informed in May and June and published a [new webpage on taste and odor](#). In July and early August, accountholders received a [Blue Thumb newsletter](#) about the cause of the taste and odor and our follow-up actions.

Sewers for the Historic Rogers Road Area

The Orange County Commissioners awarded the construction contract on June 6th to Moffat Pipe, Inc. Sewer installation is expected to begin this fall and be complete in the summer of 2018.

New Board Members and Reappointment

Ray DuBose and John Morris took the oath of office on July 5th and are completing an orientation which includes touring our facilities and reservoirs.

We welcome John and Ray and congratulate Ruchir Vora on his reappointment, and we look forward to our work together with the benefit of their expertise and insights.

Fluoridating Drinking Water

As previously reported, we decided on March 9th to continue our policy of fluoridating drinking water to help prevent tooth decay as recommended by the Orange County Health Department, US Centers for Disease Control, American Dental Association and others. We continue to monitor scientific developments, best practices and recommendations regarding fluoridation.

On June 12th, we provided to you an informative [one-page summary](#) developed with the Orange County Health Department regarding topics such as fluoridation in the US, organizations which support fluoridation, the national guideline for fluoridation and our annual fluoridation cost.

We expect to complete improvements in the fluoride feed system at our Jones Ferry Road Water Treatment Plant in September as follow-up to the water service interruption for about 26 hours on February 3rd and 4th related to a fluoride overfeed which was contained within the plant.

When the improvements are complete, we will inform you and our customers of the date when we will resume fluoridation.

Diversity and Inclusion Program

On June 8th, we received a progress report on the [initial implementation plan for the Employee Diversity and Inclusion Program](#). Our consultant, Visions LLC of Rocky Mount, NC, will work with OWASA employees, assess our organizational culture and develop enhancement strategies.

Financial Management

On June 8th, we adopted the budget for the fiscal year from July 2017 through June 2018, rates effective in October 2017, and a 5-year capital improvements program. This is the sixth consecutive year with no increase in our monthly rates for water, sewer and reclaimed water service.

Based on preliminary (unaudited) data for the fiscal year from July 2016 through June 2017, we continue to meet our financial performance objectives. The table below shows budget and actual revenues and expenditures for the fiscal years indicated.

	FY 2017 Budget	FY 2017 Actual (unaudited)	FY 2018 Budget	FY 2017 Actual compared to FY 2017 Budget	FY 2017 Actual compared to FY 2018 Budget
Total revenue	\$36,853,951	\$37,988,910	\$37,346,390	3.1%	-1.7%
Operating expenses	(21,007,583)	(21,009,593)	(21,920,477)	0.0%	4.3%
Debt service	(6,932,059)	(6,944,764)	(6,949,537)	0.2%	0.1%
Capital equipment expenditures	(1,727,000)	(1,724,456)	(1,231,100)	-0.1%	-28.6%
Capital Improvement Program expenditures	(13,148,000)	(9,692,697)	(15,085,000)	-26.3%	55.6%
Net decrease in fund balance	(\$5,960,691)	(\$1,382,600)	(\$7,839,724)	76.8%	-467.0%

Incorrect Electronic Bill Notices to Some Customers in June

On June 14th, a mistake by a third-party service provider caused errors in electronic bill reminders sent to about 1,600 OWASA customers. The errors only impacted information in the e-mail reminders. Account balances in OWASA's on-line information and our paper bills were not affected.

We apologized to the customers who received the incorrect information and we followed up with the service provider to prevent recurrence of the mistake.

40th Anniversary Celebrations

We are planning open houses on Saturdays this fall (October 21st at the Cane Creek Reservoir and November 4th at 400 Jones Ferry Road). Upcoming publicity will have information about activities in these family-friendly events.

[Long-Range Water Supply Plan Update](#)

The next step in updating the Long-Range Water Supply Plan will be to develop projections of demand through 2065. These projections will be based on 2045 growth projections which the local governments are developing as part of regional transportation planning.

[Infrastructure Investments](#)

Capital investments, including debt payments for capital projects, account for about half of our costs and therefore half of our bills to customers.

Current projects

- Water line replacement on Hillsborough Street
- Sewer replacement near Emory Drive and Brigham Road
- Renovating sewers and manholes at various places
- Renovating a sewer on Prestwick Road near Hamilton Road
- Renovating sewer pump stations near Cleland Drive, Eastowne Drive, Eubanks Road and Barbee Chapel Road
- Replacing a water line and repairing a stream bank at Lake Ellen

Upcoming Projects

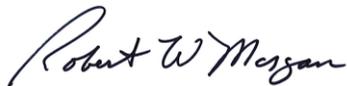
- Replacing water and sewer lines on Dobbins Drive
- Replacing sewers on Bolinwood Drive
- Replacing a water line on Brandywine Road

Completed in the Last Three Months

- Renovating two of the four biosolids treatment tanks at the Mason Farm Wastewater Treatment Plant
- Constructing a facility at the Cane Creek Reservoir to store and pump sodium permanganate to improve water quality

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 Ed Kerwin, Executive Director (ekerwin@owasa.org or 919-537-4211), or me.

Sincerely,



Robert Morgan, Chair
OWASA Board of Directors

Attachments

c: Mr. David Andrews, Carrboro Town Manager
Ms. Bonnie Hammersley, Orange County Manager
Mr. Roger L. Stancil, Chapel Hill Town Manager
OWASA Board of Directors
Ed Kerwin, OWASA Executive Director

**MONTHLY SUMMARY OF CALLS AND E-MAILS TO OWASA
FROM NEIGHBORS REPORTING ODOR
IN THE MASON FARM WASTEWATER TREATMENT PLANT AREA
January-2002 to December-2016 History and 2017 present**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Events
January	11	3	9	0	8	3	8	1	3	3	4	0	3	0	0	0
February	7	5	2	0	8	0	4	1	0	3	3	0	4	0	0	1
March	9	0	7	1	10	4	1	1	0	2	8	0	0	1	0	0
April	9	2	4	0	9	3	1	1	2	1	1	0	0	0	0	0
May	6	0	2	5	8	3	2	5	4	0	1	3	0	0	0	0
June	4	1	1	1	5	1	8	8	1	2	2	0	0	0	0	0
July	1	0	2	0	0	2	6	3	2	4	0	0	2	0	0	0
August	1	0	4	3	11	2	9	0	1	1	2	0	2	2	0	
September	2	5	2	2	9	3	1	1	5	1	1	0	3	0	0	
October	2	6	1	1	8	8	2	0	3	3	2	2	3	0	0	
November	0	0	1	7	2	6	7	1	1	4	0	1	0	0	0	
December	3	3	2	5	8	10	2	1	1	6	3	5	0	0	0	
TOTALS	55	25	37	25	86	45	51	23	23	30	27	11	17	3	0	1

An “odor event” is defined as: One or more odor reports received during a 24-hour period from WWTP neighbor(s). Each odor event shall be considered to be “verified” unless OWASA determines conclusively that an alternative source other than the WWTP created the odor.

**LOG OF CALLS AND E-MAILS TO OWASA
FROM NEIGHBORS REPORTING ODOR IN THE MASON FARM
WASTEWATER TREATMENT PLANT (WWTP) AREA**

January 2017 – December 2017

Date call received	Time call received	Location
January 2017	1/27/17 @ 8:00pm	1002 Highland Woods Determined to be a collection system odor event – NOT WWTP odor
February 2017	2/12/17 @ 6:04am	1016 Highland Woods
March 2017	No Reported Odors	N/A
April 2017	No Reported Odors	N/A
May 2017	No Reported Odors	N/A
June 2017	No Reported Odors	N/A
July 2017	No Reported Odors	N/A
August 2017		
September 2017		
October 2017		
November 2017		
December 2017		

**SUMMARY OF ON-SITE HYDROGEN SULFIDE (H₂S)
ODOR MONITORING**

Month and year	Headworks Monitor			UNC Monitor			Digester Monitor			Switchgear Monitor		
	Average H ₂ S Reading (ppm)	Minimum H ₂ S Reading (ppm)	Maximum H ₂ S Reading (ppm)	Average H ₂ S Reading (ppm)	Minimum H ₂ S Reading (ppm)	Maximum H ₂ S Reading (ppm)	Average H ₂ S Reading (ppm)	Minimum H ₂ S Reading (ppm)	Maximum H ₂ S Reading (ppm)	Average H ₂ S Reading (ppm)	Minimum H ₂ S Reading (ppm)	Maximum H ₂ S Reading (ppm)
April 2017	0.0007	0.0000	0.0420 ¹	0.0000	0.0000	0.0000 ²	0.0000	0.0000	0.0000 ³	0.0008	0.0000	0.0117 ⁴
May 2017	0.0004	0.0000	0.0176 ⁵	0.0000	0.0000	0.0000 ⁶	0.0000	0.0000	0.0000 ⁷	0.0009	0.0000	0.0107 ⁸
June 2017	0.0012	0.0000	0.0928 ⁹	0.0000	0.0000	0.0000 ¹⁰	0.0000	0.0000	0.0000 ¹¹	0.0009	0.0000	0.0176 ¹²

Monitor Locations:

Headworks Monitor (#1) – Monitor located at Headworks Facility.

Digester Monitor (#2) – Monitor located between Digester #1 and Digester #4.

UNC Monitor (#3) – Monitor located at Primary Sludge PS.

Switchgear Monitor (#4) – Monitor located at Switchgear Building.

¹ Maximum reading occurred on April 23rd 2017

² Maximum reading zero all of April 2016

³ Maximum reading zero all of April 2016

⁴ Maximum reading occurred on April 21st 2017

⁵ Maximum reading occurred on May 21st 2017

⁶ Maximum reading zero all of May

⁷ Maximum reading zero all of May

⁸ Maximum reading occurred on May 30th 2017

⁹ Maximum reading occurred on June 8th 2017

¹⁰ Maximum reading zero all of June

¹¹ Maximum reading zero all of June

¹² Maximum reading occurred on June 1st 2017

E-MAILS FROM OWASA TO NEIGHBORS OF THE MASON FARM WASTEWATER
TREATMENT PLANT REGARDING OFF-SITE ODOR ELIMINATION MATTERS

April 29 - August 16, 2017

Date	Topic
May 23, 2017	Quarterly report to the Town of Chapel Hill

DISTRIBUTION LIST FOR OWASA E-MAILS ABOUT OFF-SITE ODOR ELIMINATION

August 16, 2017

Highland Woods

Paul Neebe
Mary Turner
Malcolm Forbes
Natalia Lebedeva
Gary Richman
Gail Wood
Robert and Melissa Porter
Robin Casey
Joseph Clancy
Ann Schwab
Seth Kingsbury
Amanda Kingsbury
Freeman and Angela Kirby
Reed Johnson
Kay Johnson
Rex Bartles
Lisa Bartles
Ann Alexander
Nortin Hadler
Carol Hadler
Frank P. Rexford
Scott Brees
Kendall Brees
Rainer Blaesius
Elisabeth Schweins
Susannah Shearer
Fred Hall
Lawanda Rainey-Hall
Katie Jamieson
Richard Harrill
Angel Smith
Jordon Sharome
Cameron Williams
Marian Rice
Janet McLamb
Michael Henning
Benjamin Duan-Porter
Matthew Mauck
Adam Kimplead
Cindy Underwood

Finley Forest

	Dan Puckett
	David J. Polewka
	Kathryn Conard
	Michael Sharpe
	Julie Maness
Laurel Hill	Bob Wendell
	Carol David
	Pat Evans
	Ewan Rodewald and Sharon Hodge
	Marcella Grendler
	Kay Goldstein
	Ann Wilson
	Louis Fogleman
St. Thomas More Church and School	St. Thomas More Church staff
Morgan Creek area	Carlos Lima
	Ellen Johnson
	Aldersgate United Methodist Church
	Betsy Malpass
	Hanson Malpass
	Jeannie Cox
	Laura King Moore
	Jeanne Langley
	AW Carr
	Marilyn and Don Hartman
	Robert Huls
Ronald McDonald House	Shelly Day
Family House	Greg Kirkpatrick, Executive Director
	Janice Ross, Operations Manager
	Matt Hapgood
Reserve	Steve McPhail
	James F. Howard
	Steven and Susan Frye
	Doug Longman
	Barbara and Edward Paradise
	Jeanne and David Jarrett
	Nadine O'Malley
	Mark Witcher
	Ralph Abrahams
	Kathy Abrahams
Bayberry Drive area	William Ware
UNC	Johnny Randall, NC Botanical Garden
	Jennifer Peterson, NC Botanical Garden
	Phil Barner, Energy Services Director
	Margaret Holton, Water, Sewer & Stormwater Coordinator
	Mary Beth Koza, Director, Environment, Health and Safety
	Ross Fowler, Finley Golf Course

	Michael Wilkinson, golf pro
	Andrew Sapp, Men's Golf Coach
	UNC Tennis Center
	UNC parking
	Mike McFarland, University Communications
	Scott Ragland, News Services
	Linda Convissor, Director of Local Relations
	UNC Farm (Faculty Staff Recreation Association)
	Frank Maynard, Athletics/ Finley Golf Course
	Robert Costa, Athletics/ Finley Golf Course
	Mark Steffer, Athletics/ Finley Golf Course
	Jeff McCracken, Public Safety
	Kate Luck
UNC Healthcare	Mel Hurston
	Karen McCall
	Keith Morris
Town of Chapel Hill	Roger Stancil, Town Manager
	Florentine A. Miller, Deputy Town Manager
	Ralph Karpinos, Town Attorney
	Lance Norris, Public Works Director
	Chris Roberts, Town Engineer
	Richard Terrell, Public Works Operations Superintendent
	Catherine Lazorko, Public Information Officer
	Jeanne Brown
	Phil Mason, Planner
	Sabrina Oliver, Town Clerk
	Amy Harvey, Public Affairs and Communications
	Chris Blue, Police Chief
	Jeff Clark, Patrol Captain
	Bryan Walker, Captain/Police Information
	Josh Mecimore, Police Information Officer
	Allison Weakley
	Kiel Harms
	Ran Northam
	Ross Tompkins
City Schools	Bill Mullin
	Todd LoFrese, Assistant Superintendent for Support Services
	Jeff Nash, Community Relations
	Crystal Jones
	Chris Liles
	Darlene Ryan
Other Utilities	Indira Everett, Duke Energy
	Brenda Duke, Duke Energy
	Steve Small, Duke Energy
	Billy Miller, PSNC
	Time Warner Cable

Orange County

Other

Orange 911 Center Supervisor on duty
Connie Pixley, Environmental Health Supervisor
Bill Ferrell, Meadowmont Community Association
Chamber of Commerce
Michael Hughes
Post Office