



ORANGE WATER AND SEWER AUTHORITY

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

April 18, 2016

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 Earl McKee
Orange County Board of
Commissioners
PO Box 8181
Hillsborough, NC 27707

Dear Mayor Hemminger, Mayor Lavelle and Chair McKee:

We are pleased to submit this report on our services and initiatives from January through March 2016.

Budgeting and Financial Management

On March 24th, staff advised us that no increase in monthly rates is needed in the budget year from July 2016 through June 2017. If this recommendation is approved, Fiscal Year 2017 would be the fifth consecutive year without an increase in monthly rates. We will hold public hearings on the proposed budget, capital program and rates on May 26th, 2016 in the Council Chamber at the Chapel Hill Town Hall.

We continue to meet our financial performance objectives including affordability; our bond rating is AA+.

Rates for Multi-Family Master-Metered Customers

The Board has identified multi-family master-metered (MFMM) properties as a class separate from our general service customers (e.g., commercial, institutional, UNC). MFMM properties are those with multiple residential units served by one OWASA meter; they include many (but not all) apartment complexes, condominiums and townhouses, triplexes, etc.

These customers are currently charged under our seasonal rate structure which has a higher water rate in the warmer, dryer months and a lower rate in the cooler, wetter months. The Board will likely renew discussions later in calendar year 2016 to determine if we have opportunities to better meet our overall rate setting objectives for MFMM customers. Customers and stakeholders will have the chance to understand and comment on any proposed change.

Advanced Meter Infrastructure (AMI)

As indicated in our April 16, 2016 letter to you, we authorized staff to proceed with procurement and implementation planning processes. This decision followed community engagement starting in mid-February in which more than 70 people commented or asked questions. Most comments were supportive. We expect to receive proposals in the fall, and construction of the system could take 18 months to two years after contracts are awarded.

AMI is a meter reading system with fixed antennae for remotely reading water meters. With AMI, it would not be necessary to drive or walk thru the community to collect readings, with resulting savings in labor, energy and related greenhouse gas emissions. AMI would enable us to eliminate eight positions through normal turnover, and no employees would be laid off. AMI would enable faster detection of leaks, customers could monitor their daily water use on line and AMI would not require a rate increase.

Sewer System Design for the Historic Rogers Road Area

Design and the process of getting construction permits remain on schedule for completion in September 2016.

The detailed design plans were 60% complete as of late March. The design now indicates the location and depth of the sewers and potential locations for connecting private service lines to the public sewer.

The currently estimated cost of design and construction is about \$5.8 million, excluding costs for easement acquisition, sewer connection fees, the private sewer connection pipe and related plumbing work. Our consulting engineer may revise this estimate once design is complete.

Safety of Our Drinking Water

In light of national news about lead contamination of drinking water, we informed our customers through a [newsletter article in February](#) about:

- what OWASA does to control corrosion and the release of lead in drinking water,
- removal of all known lead pipes from the OWASA system in the 1990s,
- the potential for release of lead from internal plumbing,
- the results of our testing for lead, and
- free testing of our drinking water on request.

We continue to meet Federal and State standards for water quality including those for lead.

Energy Management

We continue to seek opportunities to partner with the community on energy management projects. On February 1, staff from OWASA; the University of North Carolina; the Towns of Chapel Hill, Carrboro, and Hillsborough; Chapel Hill-Carrboro City Schools; and Orange

County met to discuss potential biogas-to-energy partnership opportunities and interests. We will keep interested parties apprised of opportunities to collaborate.

Additionally, an inter-local energy working group comprised of staff from the aforementioned agencies continues to meet to explore collaborative opportunities regarding other clean energy options.

Jordan Lake Allocation Request

OWASA applied in November 2014 to retain its allocation from Jordan Lake of about 5 million gallons per day. The NC Division of Water Resources' staff recommends approval of OWASA's request. Two public meetings were held in March on the allocation requests, and the public comment period is open through May 18.

The timing of the Environmental Management Commission's decisions will depend on the type and number of comments from citizens.

Capital Projects

Capital investments, including payment of bond debt for capital projects, account for about half of the costs in our monthly bills.

Current

- Purefoy Road water line replacement (east of South Columbia Street)
- Sewer replacement near Emory and Brigham Drives
- Renovating two of the four solids treatment tanks ("digesters") at our Mason Farm Wastewater Treatment Plant

Upcoming

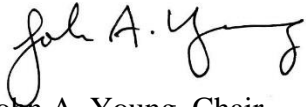
- Replacing water lines on parts of East Rosemary, Henderson and Hillsborough Streets
- Pump station rehabilitation in the Piney Mountain neighborhood
- Water line replacement on Valentine Road
- Water line replacement on Weiner Street

Completed in the third quarter

- Evergreen/Ridge Lane water line replacement (Gimghoul neighborhood)
- Plum Lane water line replacement
- Water line replacement on Halifax Road

We would be happy to give you more detail on any of our initiatives or to arrange a tour of facilities. Please let Ed Kerwin, Executive Director (ekerwin@owasa.org or 919-537-2411) or me know.

Sincerely,

A handwritten signature in black ink that reads "John A. Young". The signature is written in a cursive style with a long horizontal stroke at the end.

John A. Young, Chair
OWASA Board of Directors

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

Attachments: Items related to odor elimination program at the Mason Farm Wastewater
Treatment Plant

**MONTHLY SUMMARY OF CALLS AND E-MAILS TO OWASA
FROM NEIGHBORS REPORTING ODOR
IN THE MASON FARM WASTEWATER TREATMENT PLANT AREA**

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

January-2002 to December-2015 History and 2016 present

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 2016 – December 2016

Date call received	Time call received	Location
January 2016	No Reported Odors	N/A
February 2016	No Reported Odors	N/A
March 2016	No Reported Odors	N/A
April 2016		
May 2016		
June 2016		
July 2016		
August 2016		
September 2016		
October 2016		
November 2016		
December 2016		

E-MAIL DISTRIBUTION LIST
FOR NOTICES ABOUT ODOR-RELATED ITEMS AT THE MASON FARM
WASTEWATER TREATMENT PLANT

April 7, 2017

Highland Woods	Paul Neebe
	Mary Turner
	Malcolm Forbes
	Natalia Lebedeva
	Gary Richman
	Gail Wood
	Melissa Porter
	Robin Casey
	Amanda Kingsbury
	Seth Kingsbury
	Joseph Clancy
	Ann Schwab
	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
	Frank Phoenix
	Angel Smith
	Jordon Sharome
Finley Forest	Adam Kimplead
	Cindy Underwood
	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
	Anne Fogleman
	Louis Fogleman
	Aldersgate United Methodist Church
St. Thomas More Church and School	St. Thomas More Church staff
Morgan Creek area	Carlos Lima
	Ellen Johnson
	Betsy Malpass
	Hanson Malpass
	Jeannie Cox
	Laura King Moore
	Jeanne Langley
	A.W. Carr
	Marilyn and Don Hartman
	Robert Huls
Ronald McDonald House Family House	Shelly Day
	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 & David Jarrett
	Nadine O'Malley
	Mark Witcher
	Ralph Abrahams
	Kathy Abrahams
Bayberry Drive area UNC	William Ware
	Jim Ward, NC Botanical Garden
	Jim Ward--home
	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
	Willie Scroggs, Athletic Department
	Michael Wilkinson, golf pro
	Andrew Sapp, Men's Golf Coach
	Ms. Jan Mann, Women'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
 Jim Gregory, Media Relations
 UNC Healthcare
 Mel Hurston
 Karen McCall
 Town of Chapel Hill
 Roger Stancil, Town Manager
 Florentine A. Miller, Deputy Town Manager
 Bruce Heflin
 Ralph Karpinos, Town Attorney
 Lance Norris, Public Works Director
 Richard Terrell, Public Works Operations Supt.
 Catherine Lazorko, Public Information Officer
 Ran Northam, Public Affairs
 David Bonk, Planner
 Phil Mason, Planner
 Sabrina Oliver, Town Clerk
 Amy Harvey, Public Affairs and Communications
 Larry Tucker, Engineering
 Chris Blue, Police Chief
 Jeff Clark, Patrol Captain
 Bryan Walker, Captain/Police Information
 Josh Mecimore, Police Information Officer
 Dave Milkereit
 Jeanne Brown
 City Schools
 Tom Forcella, Superintendent
 Bill Mullin
 Todd LoFrese, Asst. Supt. for Support Services
 Jeff Nash, Community Relations
 Other Utilities
 Indira Everett, Duke Energy
 Brenda Duke, Duke Energy
 Steve Small, Duke Energy
 Billy Miller, PSNC
 Time Warner Cable
 Orange County
 Orange 911 Center Supervisor on duty
 Connie Pixley, Environmental Health Supervisor
 Other
 Michael Hughes
 Aaron Nelson, Chamber of Commerce
 Bill Ferrell, Meadowmont Community Association

E-mails from OWASA to neighbors of the Mason Farm Wastewater Treatment Plant (WWTP) regarding odor elimination matters

January 20–April 21, 2016

Date	Topic
February 2, 2016	Quarterly report to the Town of Chapel Hill

**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)
January 2016	0.0003	0.0000	0.0044 ¹	0.0012	0.0010	0.0015 ²	0.0000	0.0000	0.0000 ³	0.0008	0.0005	0.0010 ⁴
February 2016	0.0000	0.0000	0.0000 ⁵	0.0000	0.0000	0.0000 ⁶	0.0001	0.0000	0.0000 ⁷	0.0007	0.0005	0.0010 ⁸
March 2016	0.0000	0.0000	0.0000 ⁹	0.0000	0.0000	0.0000 ¹⁰	0.0000	0.0000	0.0000 ¹¹	0.0008	0.0000	0.0098 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 January 10th 2016

² Maximum reading occurred on January 8th 2016

³ Maximum reading zero all of January 2016

⁴ Maximum reading occurred on January 8th 2016

⁵ Maximum reading zero all of February 2016

⁶ Maximum reading zero all of February 2016

⁷ Maximum reading zero all of February 2016

⁸ Maximum reading occurred on February 24th 2016

⁹ Maximum reading zero all of March 2016

¹⁰ Maximum reading zero all of March 2016

¹¹ Maximum reading zero all of March 2016

¹² Maximum reading occurred on March 16th 2016