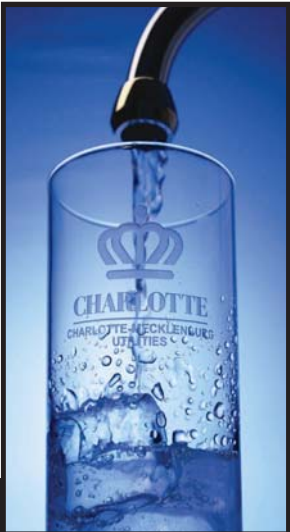


Business Plan FY2010



Clean Water for a Healthy Community



CHARLOTTE.
CHARLOTTE-MECKLENBURG
UTILITIES



CHARLOTTE
CHARLOTTE-MECKLENBURG
UTILITIES

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UTILITIES VISION

We will be the recognized leader
in our region, state and nation
in contributing to the health,
safety, and economic well-being
of our customers;

in protecting and conserving
our natural resources
and environment;

and in providing for the
growth and development
of our employees.

UTILITIES MISSION

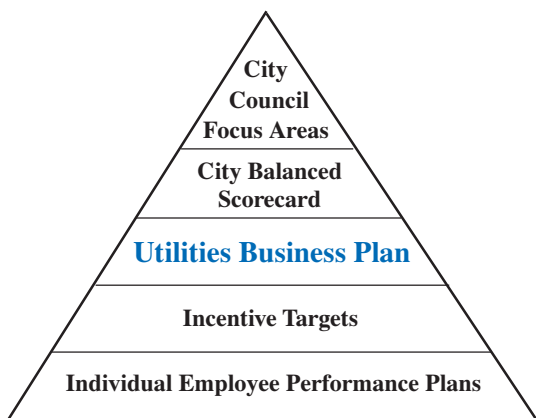
We are committed to **customer satisfaction** and confidence by providing responsive services, reasonable rates, system capacity, and effective communication.

We provide **safe and sufficient drinking water** by protecting, treating and distributing drinking water.

We **protect the environment** by collecting and treating wastewater, reusing residuals beneficially, and regulating system discharges.

We accomplish our mission through **well-trained employees** dedicated to customer service.

From Your Job to City Hall



Each year, City Council adopts focus areas (there are five). Using those areas, the City develops and maintains a scorecard – a sort of checklist – including general *perspectives* and specific *objectives*.

Our **Utilities Business Plan** contains priority areas and objectives that support the City scorecard (see page 5). Some of our most important objectives serve as our **Incentive Targets** for the year:

1. Complete 90% of annual *Performance Review & Development* (PRD) reviews within 30 days, and 95% within 60 days.
2. Reduce the total number of motor vehicle accidents per million miles driven by 10% from the 3-year average, and reduce OSHA recordable injuries and/or illnesses by 10% from the 3-year average.
3. Receive at least 1,400 returned customer feedback cards, with a rating of ‘good’ or higher on at least 92%.
4. Thirty-five percent (35%) of employees participate in a presentation on the Employee Assistance Program, and 35% of employees participate in a quarterly health presentation on various wellness topics.

The work you do every day makes the accomplishment of City goals and incentives possible.

UTILITIES BUSINESS PLAN – PART OF THE CITY'S BALANCED SCORECARD

City Scorecard
Perspectives/Objectives

Utilities
Mission Link

SERVE THE CUSTOMER	
Safeguard The Environment	Protect the Environment
RUN THE BUSINESS	
Enhance Customer Service Optimize Business Processes Develop Collaborative Solutions	Customer Satisfaction
MANAGE RESOURCES	
Invest in Infrastructure Deliver Competitive Services Maintain AAA Rating	Safe & Sufficient Drinking Water
DEVELOP EMPLOYEES	
Achieve Positive Employee Climate Promote Learning and Growth	Well-Trained Employees

MISSION

We are committed to
CUSTOMER SATISFACTION
and confidence by providing
responsive services,
reasonable rates, system
capacity, and effective
communication ...

CUSTOMER SATISFACTION

<i>Measure</i>	<i>Last Year's Results</i>	<i>This Year's Target</i>	
Transition identified Billing Center functions to 311	New measure	January 1, 2010	
(\$)	Maintain a rating of good or higher on responses of customer service cards	95.7% good or higher rating on 1,540 cards returned	At least 92% with at least 1,400 cards returned
Initiate Work & Asset Management implementation for Field Operations and Engineering & Property Management	WAM solution provider selected, work scope adjusted	Second Quarter of FY10	
Incorporate asset management principles in Utilities business practices	New measure	Define/develop the four components by June 30, 2010	
Complete billing cycle optimization	New measure	Complete by June, 30, 2010	
Implement revenue stabilization goals: <ul style="list-style-type: none"> • Fund balance • Capital funding mix • Debt coverage ratio 	Rate methodology & stabilization studies completed	Establish model to work toward goals: <ul style="list-style-type: none"> • Increase fund balance to 50% • Establish Capital funding mix of PayGO 40% / Debt 60% • Maintain Revenue Bond Debt Coverage Ratio of 1.75 	
Develop drought surcharge proposal	New measure	Present draft proposal to City Council by October 1, 2010	
Increase revenue recovered on inactive accounts with usage	New measure	Reduce number of inactive accounts with usage by 25%	
Implement findings from the operational efficiency assessment (industry benchmarks, rate comparisons)	New measure	Complete by June 2010	

MISSION

...We provide
**SAFE AND SUFFICIENT
DRINKING WATER**

by protecting, treating and
distributing
drinking water ...

SAFE AND SUFFICIENT DRINKING WATER

<i>Measure</i>	<i>Last Year's Results</i>	<i>This Year's Target</i>
Meet or exceed Safe Drinking Water Act Requirements	100% compliance	100% compliance
Maintain the schedule established for critical action items in Water Master Plan	Master Plan completed February 2009	<ul style="list-style-type: none"> • Complete Preliminary Design for the Franklin Plant to Huntersville water system improvements by June 30, 2010 • Complete the site study and site acquisition for a new elevated tank by June 30, 2010
Leak repair time	<ul style="list-style-type: none"> • Average response time 6.7 days • 97.7% of all leaks repaired within 4 weeks 	Maintain average repair time of 10 days
Continue a leadership role in regional water resources planning	Utilities leadership on Catawba-Wataree Water Management Group (CWWMG) helped advance its 5-year plan & conservation programs	<ul style="list-style-type: none"> • Assist CWWMG, implement Annual Plan • Assist in the Yadkin-Pee Dee Basin Modeling Effort

MISSION

...We **PROTECT THE ENVIRONMENT**

by collecting and treating
wastewater,
reusing residuals
beneficially and regulating
system
discharges...

PROTECT THE ENVIRONMENT

<i>Measure</i>	<i>Last Year's Results</i>	<i>This Year's Target</i>
Comply with National Pollution Discharge Elimination System permit requirements for all five wastewater plants	99.9% compliance	100% compliance
Reduce sanitary sewer overflows (SSOs)	8.89 per 100 miles of pipe	Below 8 per 100 miles of pipe <u>and</u> fewer than 300
Incorporate green infrastructure approaches and performance into business practices and infrastructure investments	Achieved gold LEED certification for the Environmental Services Facility	<ul style="list-style-type: none"> • Complete Biodiesel Feasibility Study • Implement internal environmental certification program at two Utilities locations • Secure partner for reuse project at McDowell Creek WWTP
Identify energy saving projects in collaboration with other City Departments	New measure	Develop options and plan for use of methane gas from the Irwin WWTP by June 2010
Maintain the schedule established for critical action items in the Wastewater Treatment Capacity Study	Projects adjusted but generally remain on track	<ul style="list-style-type: none"> • Complete design of the Irwin Creek WWTP upgrade by March 31, 2010 • Complete design of the Sugar Creek WWTP Expansion by June 30, 2010

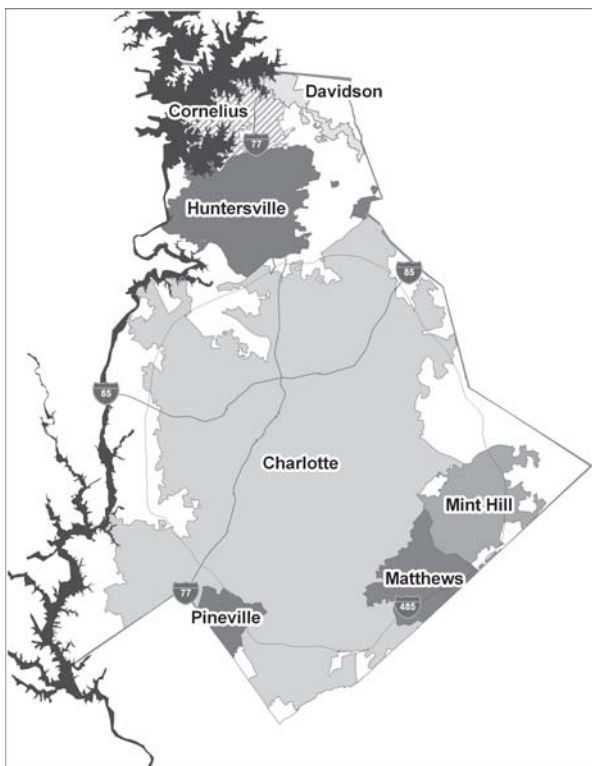
MISSION

...We accomplish our
mission through
WELL-TRAINED EMPLOYEES
dedicated to customer
service.

WELL TRAINED EMPLOYEES

<i>Measure</i>	<i>Last Year's Results</i>	<i>This Year's Target</i>
Add more field computing devices	16 deployed	12 deployed by June 30, 2010
(\$) Reduce risk management exposure	New measure	<ul style="list-style-type: none"> • Reduce total number of motor vehicle accidents per million miles driven by 10% from 3-year average • Reduce OSHA recordable injuries and/or illnesses by 10% from 3-year average
Offer computer training classes, job aids and other resources	New measure	10% employee participation
(\$) Conduct annual Performance Review & Development (PRD) evaluations in a timely manner	92% within 30 days 95% within 60 days	<ul style="list-style-type: none"> • 90% within 30 days • 95% within 60 days
(\$) Offer Employee Assistance Program presentation, <u>and</u> provide quarterly health presentations on various wellness topics	<i>Wellness targets achieved</i> <ul style="list-style-type: none"> •20% participation in Exercise 101 sessions •52% participation in approved physical events or activities 	35% of employees participate in a presentation on the Employee Assistance Program, <u>and</u> 35% of employees participate in a health presentation

CHARLOTTE-MECKLENBURG UTILITIES



**Providing Water and Wastewater
Services to all of Mecklenburg County**

Charlotte-Mecklenburg Utilities

Facts and Figures as of June 30, 2009

USE UNTIL 6/30/10

Operating Budget FY10	\$ 251,427,753
(includes debt service)	
Water CIP FY10	\$ 111,066,000
Wastewater CIP FY10	\$ 275,470,000
Funded FY10 Positions	720.5
Authorized Positions	816.5
Estimated Population Served in Mecklenburg County	774,331

WATER OPERATIONS

Water Treatment Capacity (three plants)	242 mgd
(mgd = million gallons per day)	
Number of Treatment Plants	3
Franklin	181 mgd capacity
Vest	36 mgd capacity
Lee S. Dukes	25 mgd capacity
Average Daily Pumped	98.934 mgd
Highest Daily Pumped FY09	145.611 mgd
All-Time Highest Pumped	169.229 mgd
(record set August 30, 2007)	
Active Water Service Connections	242,631
Water Mains	4,025 miles

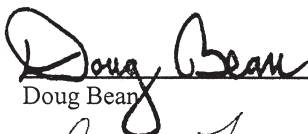
WASTEWATER OPERATIONS

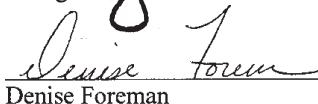
Wastewater Treatment Capacity	123 mgd
Number of Treatment Plants	5
Sugar Creek	20 mgd capacity
Irwin Creek	15 mgd capacity
McAlpine Creek	64 mgd capacity
Mallard Creek	12 mgd capacity
McDowell Creek	12 mgd capacity
Average Daily Treatment	81.302 mgd
Active Wastewater Service Connections	223,855
Wastewater Mains	4,028 miles
Lift Stations	74

UTILITIES KEY BUSINESS UNIT							
SERVICES COMPETITION AND CONTRACTING PLAN – FY2010-FY2014							
Service Description	Activity	Number of Employees Potentially Impacted	FY2010	FY2011	FY2012	FY2013	FY2014
Lee S. Dukes Water Treatment Plant	Benchmark/Business Analysis	8.0	\$1,730,000				\$1,900,000
Laboratory Services	Benchmark	35.0	\$951,000				
Engineering Survey	Benchmark	10.0	\$896,000				
Catawba River Pump Station	Business Analysis	6.0		\$1,977,000			
Water Locates	Compete	10.0		\$698,000			
Engineering Drafting Services	Benchmark	7.0		\$373,000			
Franklin Water Treatment Plant	Benchmark	25.0			\$4,306,000		
Wastewater Lift Stations	Compete	13.0			\$1,960,000		
Meter Reading	Business Analysis	5.0			\$352,000		
McDowell Wastewater Treatment Plant	Compete	11.0			\$2,100,000		
Sugar, Mallard, Irwin, McAlpine WWTP	Optimization	87.0				\$21,300,000	
Vest Water Treatment Plant	Compete	7.0				\$1,410,000	
Residuals Management	Contract Out	0.0					\$4,700,000

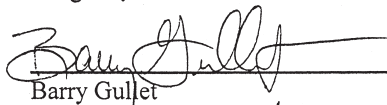
LEADERSHIP COMMITMENT

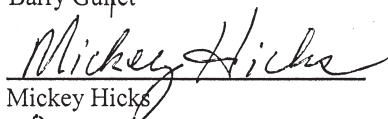
The development and implementation of the Charlotte-Mecklenburg Utilities Balanced Scorecard is critical to the continued success of our business. Utilities Management is committed to working with all of our coworkers to ensure this plan achieves our mission and moves us ever closer to our vision.

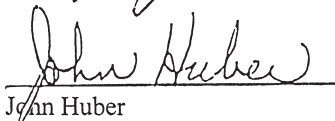

Doug Bean

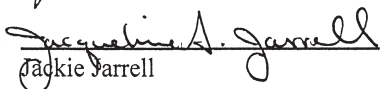

Denise Foreman

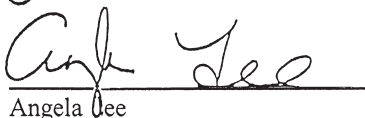

Doug Groce

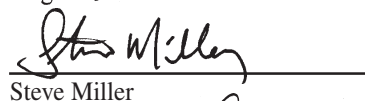

Barry Gullet

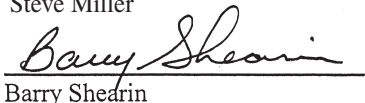

Mickey Hicks


Jean Huber

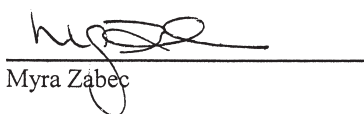

Jackie Jarrell


Angela Lee


Steve Miller


Barry Shearin


Bab Westall


Myra Zabec

NOTES

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NOTES

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