



Utilities Advisory Committee

ANNUAL REPORT FOR FY2011

Introduction & Purpose

The seven-member Charlotte-Mecklenburg Utilities Advisory Committee operates under a City/County agreement that requires three members appointed by the Mecklenburg County Board of Commissioners, three appointed by Charlotte City Council and one by the Mayor of Charlotte. With the exception of a towns representative, the members of the committee must be actively involved in one of the following categories: real estate developer, neighborhood leader, water and/or sewer contractor, civil engineer specializing in water/sewer construction, and a financial expert. This composition of member representation and skill sets was suggested by a 13-member citizen committee that reviewed Utilities policies from April to November 1990. At that time, the citizen committee recommended the five-member *Community Facilities Committee* be transitioned to a seven-member *Utilities Advisory Committee* with these characteristics and qualifications. The change took effect in June 1991.

Current Members

Members are appointed to 3-year terms, and may be appointed for up to two full terms (plus filling an unexpired term).

Member Name	Appointed By	Representative Role	Term Expires
David A. Jarrett, Chair	City	Towns	6/30/12
George Beckwith, Vice Chair	City	Financial	6/30/12
Ron Charbonneau	County	Neighborhood Leader	6/30/13
James Merrifield	County	Developer	6/30/12
Erica Carter	County	Engineer	6/30/11
James Duke	Charlotte Mayor	Neighborhood Leader	6/30/13
Marco Varela	City	Water-Sewer Contractor	6/30/14

Duties & Responsibilities

- ❖ Review and make recommendations to Charlotte City Council regarding:
 - Annual water & sewer capital improvement programs
 - Proposed changes in water and sewer rate and fee methodologies; and
 - Proposed changes in the policy for water and sewer extensions.
- ❖ Review and make recommendations to Charlotte City Council through the City Manager regarding:
 - Requests for one or more specific extensions of the water and sewer system that have not been approved within a reasonable time by the Director; and
 - Proposed changes to the specifications for installing water and sewer facilities that have not been approved by the Director.
- ❖ Sit with City Council in public hearings on any matter required.
- ❖ Present an annual report on the operations of Charlotte-Mecklenburg Utilities and on the activities of the Advisory Committee to City Council and the Mecklenburg County Board of Commissioners.
- ❖ Review and report on any matter related to water and sewer service as requested by the Director, City Council or the Mecklenburg County Board of Commissioners.

The Utilities Advisory Committee typically meets the third Thursday afternoon each month at 4222 Westmont Drive in Charlotte. The group's annual meeting schedule is posted at www.cmutilities.com.

Utilities System Activities for FY11

Our community's water and sewer system includes two drinking water intakes from impounded lakes on the Catawba River (Lake Norman and Mountain Island Lake), three water treatment plants, five wastewater treatment plants, 74 sewage lift stations and a combined total of 8,111 miles of water distribution and wastewater collection pipe. A staff of 715 clean water professionals operates the system and provides customer service to roughly 250,000 water account holders (776,000 customers). During the fiscal year ending June 30, 2011, Utilities safely treated and delivered more than 39 billion gallons of drinking water to customers throughout the county. Staff also collected, treated and discharged more than 30 billion gallons of wastewater effluent back into our local waterways.

Utilities Advisory Committee Activities during FY11

The Utilities Advisory Committee met 13 times during FY11. Its activities are listed below.

Late Summer/Fall 2010

- Discussed and supported the launch of a **Water & Sewer Rate Study** conducted by Utilities staff and Red Oak Consulting. The process included 10 public input/feedback sessions and four community Stakeholders Advisory Committee meetings that began in September 2010. George Beckwith was appointed as Utilities Advisory Committee representative on the rate study Stakeholders Advisory Committee.
- Discussed ongoing customer service improvements and supported staff's October 2010 presentation to City Council on the **Utilities Customer Service Evaluation**. Findings from this project included 40 specific recommendations to enhance service under three general categories: pre-billing, post-billing and other.
- Received a staff update on the Utilities Competition Plan presented to the City's Privatization & Competition Advisory Committee (PCAC). Utilities Advisory Committee supported staff's recommended transition from a Competition Plan to a Continuous Improvement Plan.
- Received frequent utility revenue updates, and staff overviews of water and wastewater improvement projects in the Utilities FY11-15 Capital Improvements Program.

Winter 2010-2011

- Continued active discussion and involvement in the rate study, including participation in presentations to the City Council's Restructuring Government Committee and the full City Council including a **joint Advisory/Council public hearing on the rate methodology recommendation** on 2/14/11. New methodology approved by City Council on 2/28/11.
- Received updates on continuing customer service improvements including the creation of an Escalation Team (E-Team) to handle complex utility billing inquiries at CharMeck 311 and customer service fairs held in the River Run and Giverny neighborhoods in November & December 2010.
- Received continuing revenue updates and a presentation by Utilities Field Operations, the team that maintains water and sewer lines throughout the countywide service area.
- Reviewed the Utilities proposed FY12-16 Capital Improvements Plan.

Spring 2011

- Reviewed and supported **FY2012 budget/rate recommendation** to City Manager and Charlotte City Council. Budget approved 6/13/11, which restores funding for 37 positions, including the hiring of additional crews to improve leak repair time and enhance preventative maintenance.
 - Received updates on implementation of the new Utilities water and sewer rate structure. Most changes to occur during the first phase effective 7/1/11; a second phase including a change in the residential sewer usage charge methodology and new financial incentives to install Smart Irrigation technology, will occur during phase 2 (7/1/12).
 - Received information about the Utilities 2010 Water Quality Report mailed countywide in early June 2011, and continued customer service improvements including the upgrading of meter reading equipment and new meter equipment pilot project under way in Hidden Valley and River Run neighborhoods.
 - Received updates on the upcoming debt refinancing scheduled for 8/3/11. Conference calls scheduled with the three bond rating agencies in June. Anticipated cash savings on the refinancing expected to exceed \$22 million over 15 years.
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