

**CHARLOTTE-MECKLENBURG UTILITIES
ADVISORY COMMITTEE
MINUTES OF MEETING
April 21, 2011**

The Charlotte-Mecklenburg Utilities Advisory Committee met Thursday, April 21, 2011, 3:30 pm at 4222 Westmont Drive, Charlotte, North Carolina.

Members Present: George Beckwith, Jim Merrifield, Marco Varela, Ron Charbonneau

Members Absent: David Jarrett, Erica Carter

Staff:	Barry Gullet	Director
	Mickey Hicks	Business Manager
	Steve Miller	Customer Service Division Manager
	Regina Cousar	Continuous Improvement Officer
	Karen Whichard	Public Information Officer

Minutes

A motion was made by Marco Varela, and seconded by Jim Merrifield, to approve the March 2011 minutes.

Introduction

Barry Gullet introduced Karen Whichard, Utilities Public Information Officer. Karen was previously the Communications Manager for the City of Kannapolis and is well-versed in municipal issues.

Rates

Utilities did not present to City Council on April 13th due to a full agenda. The City Manager, along with the Budget Director, will be presenting the City budget to Council on May 9th, where Barry Gullet will have an opportunity to present Utilities information. Barry is structuring the rate presentation around the Customer Guide to Rates brochure that will be available to the public. Barry Gullet and Kim Eagle will be meeting with several City Council members prior to the May 9th presentation. City Council will have an opportunity to make adjustments to the City budget about a week later. A public hearing will be held in late May and Council will vote on the adoption of the budget on June 13th. Utilities currently does not have the proposed rates, but expects to have the numbers finalized soon.

Budget Update

Water and sewer revenues are above projections through March, 857,000 and 613,000 respectively. Utilities is not expecting to meet revenue projections for April. Commercial consumption has been declining over the past few months. The assumptions used for the projections include a one percent increase in Tiers 1 & 2 usage due to annexation and a one percent decrease in Tier 4 usage due to the weather. Capacity and connection fees have been steadily declining over the past four years; Utilities does not anticipate meeting either target. Utilities Water Treatment Division is expecting to be approximately \$2 million over budget due to rising chemical costs. Utilities will be closing on the refinancing of debt, originally issued in 2001, in July or August 2011. The net present savings over 15 years will be approximately \$12,880,000.

Adjourn 4:30 pm
Karen L. Baldwin