

**CHARLOTTE-MECKLENBURG UTILITIES  
ADVISORY COMMITTEE  
MINUTES OF MEETING  
January 19, 2012**

The Charlotte-Mecklenburg Utilities Advisory Committee met Thursday, January 19, 2012, 3:30 pm at 4222 Westmont Drive, Charlotte, North Carolina.

Members Present: George Beckwith, Jim Duke, Frank McMahan, Jim Merrifield

Members Absent: Marco Varela, Ron Charbonneau

Staff Present:	Barry Gullet	Director
	Barry Shearin	Chief Engineer
	Regina Cousar	Continuous Improvement Officer
	Steve Miller	Customer Service Division Manager
	Mickey Hicks	Business Manager
	David Czerr	CIP

**Safety Minute**

Distractions are the main cause of four out of five accidents. Distractions include, but are not limited to, inattention to surroundings, overconfidence, poor housekeeping and ignoring safety procedures.

**Minutes**

A motion was made by Jim Merrifield, and seconded by Jim Duke, to approve the November 2011 minutes.

**CIP**

The Utilities CIP is currently in draft form. The CIP process typically begins in October and is finalized during the April/May timeframe, with City Council approval of the City's CIP in June. There are over 200 capital projects, 95 of which will occur over the next five years. The estimated cost for the FY 13-17 CIP is \$618 million. Projects roll off of the CIP when additional funding is no longer needed. Presentations/meetings are held for a variety of groups to gather input, including Mecklenburg County small towns, general public, CMUD Advisory Committee, other City departments and divisions within CMUD.

The CIP is the biggest driver of Utilities rates. Three years ago, CMUD projected a bond sale would be needed in the fall of 2011. Currently, Utilities is evaluating the possibility of moving the bond sale out to July 2013, which could decrease the needed rate increase by two to three percent.

**Budget Update**

Utilities is currently working on the operating budget proposal. The first half of FY12 produced water and sewer revenues slightly higher than projected. The availability fee is being collected as predicted. Connection and capacity fees were budgeted at \$8.5M, with \$5.6M collected to date. By the end of the fiscal year, Utilities will see approximately \$2M in savings from expenditures. Utilities currently holds a AAA bond rating with all three rating agencies. The Utilities operating budget is due to Finance February 1<sup>st</sup>, with presentation to City Council in April.

**Vacancy – Process to Fill**

There are specific steps to be followed to fill the Small Towns Representative on the CMUD Advisory Committee as laid out in the 1991 agreement. Barry Gullet has sent a detailed email to all surrounding town managers with information regarding the filling process. Barry has asked for a nomination by March 1<sup>st</sup>. To date, no nominations have been received.

**Miscellaneous**

The Environmental Impact Statement (EIS) for Long Creek was submitted Tuesday and is in review by the State. The Environmental Assessment (EA) for Goose Creek was submitted to the State within the last month. CMUD is working to set up a meeting with the Catawba Riverkeeper and Sierra Club Chair to talk about Goose Creek.

George Beckwith presented verbal resolution of appreciation of service of David Jarrett as past chair and member.

Adjourned at 5:08 pm

Karen L. Baldwin