

**CHARLOTTE-MECKLENBURG UTILITIES
ADVISORY COMMITTEE
MINUTES OF MEETING
May 17, 2012**

The Charlotte-Mecklenburg Utilities Advisory Committee met Thursday, May 17, 2012, 3:30 pm at 4222 Westmont Drive, Charlotte, North Carolina.

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

Members Absent: Marco Varela, Ron Charbonneau

Staff Present:	Barry Gullet	Director
	Barry Shearin	Chief Engineer
	Regina Cousar	Continuous Improvement Officer
	Mickey Hicks	Business Manager
	Vic Simpson	Communications Manager
	Karen Whichard	Public Information Officer

Safety Minute

The importance of location, testing and replacement of smoke alarms was discussed.

Introduction

Barry Gullet introduced Advisory's newest member, Ralph Messera. Mr. Messera is currently the Public Works Director for the Town of Matthews and has a number of years of experience in the water industry.

Minutes

A motion was made by Jim Merrifield, and seconded by Jim Duke, to approve the March 2012 minutes.

Budget Update

Barry Gullet reviewed the presentation used with City Council last month. Utilities is anticipating going live with its customer web portal in June 2012, which may cause an increase in 311 calls for a short period of time. The final contract needed to close out the EPA Administrative Order is on the Council agenda to be approved at their next business meeting. Utilities was able to reorganize project schedules which extended the time before a bond sale is needed, currently projected to take place in July 2013; the deferral led to a reduced rate increase for FY2013. Current and future projects are maintenance-driven rather than growth-driven. In the FY2012 budget presentation, Utilities asked that two items from the methodology be deferred – the Smart Controller program and winter use average sewer billing. The Smart Controller program is scheduled to go live on July 1, 2012. Mr. Duke requested a fact sheet be made for residents in the north regarding the Smart Controller program. Utilities will ask that the winter use average implementation be deferred until FY2014. Current consumption numbers are less today than they were in FY2007. Of the customer base, 75% use eight CCF or less on a monthly basis. There was an increase in consumption in tiers one and two and a decrease in consumption in tiers three and four in FY2012 versus FY2011. Currently, revenue and expenses are on target with the budget. Utilities will have some salary savings this year due to vacancies.

City Council contains four new members this year. All new members were taken on a CMUD tour and orientation with Barry Gullet and/or Kim Eagle to give them some background on our operation. Council had a budget meeting yesterday and the question was asked if Utilities' budget can be voted on separate from the general budget; the answer was yes. The budget public hearing is scheduled for May 29th, followed by straw votes on May 30th at 12:00 pm. Council will have the opportunity to adopt the FY13 budget on June 11th.

Sanitary sewer overflows had been about 10 overflows per 100 miles of pipe per year in the past, but are currently at about seven per 100 miles of pipe per year. The Charlotte area is in Stage Zero of the drought index. The stream flows are low, but lake levels are at the target level.

Advisory Annual Report

Vic Simpson reviewed the formatting and type of content from past Advisory Annual reports and asked if anyone would like to see any changes or had suggestions. Suggestions were made to use the annual report to send messages for the future and list opportunities available. The annual report is distributed to the City Clerk, City Manager, County Clerk and County Manager, as well as subcommittees throughout. The report is also posted on the Utilities website for the public.

Miscellaneous

City Manager Awards

The City Manager Awards were presented recently. CMUD received two of four awards presented – Joseph Lockler, McDowell Creek Plant Supervisor, received the Outstanding Work award and the 40 Point Plan Team, consisting of members from across the City, received the Embracing Change award.

Long Creek Update

Utilities staff recently traveled to Raleigh to discuss the Environmental Impact Statement (EIS) for the Long Creek project. CMUD has entered into an MOA with Belmont and is still working on one with Mount Holly. NC DENR staff wants all parties to have an MOA in place before the project moves forward. If an MOA is not entered into by Mount Holly, the prerequisite steps of the project will have to start all over. Barry Gullet will be meeting with Mount Holly's Manager in the near future to discuss this further.

Long Term Planning

Utilities uses three means of long term planning: master plans, a five year strategic operating plan (SOP), and the capital improvement plan (CIP). There is a Citywide 10 year financial plan, which Doug Carter and Steve Waters help to develop and maintain. A long term planning presentation and discussion will be scheduled for Advisory in the future.

Adjourned at 5:03 pm
Karen L. Baldwin