

**CHARLOTTE-MECKLENBURG UTILITIES
ADVISORY COMMITTEE
MINUTES OF MEETING
October 17, 2013**

The Charlotte-Mecklenburg Utilities Advisory Committee met Thursday, October 17, 2013, 2:30 pm at 4222 Westmont Drive, Charlotte, North Carolina.

Members Present: Jim Duke, Eric Sieckmann (via phone), Pride Patton, Jim Merrifield, Frank McMahan, Ralph Messera

Members Absent: Ron Charbonneau

Staff Present:	Barry Gullet	Director
	Chad Howell	Business Manager
	Jackie Jarrell	Environmental Management Division Manager
	Steve Miller	Customer Service Division Manager
	Karen Whichard	Community Relations Manager
	Vic Simpson	Internal Communications Manager
	Cam Coley	Public Information Specialist

Guest(s): Bob Davies, Kim McMillan, Craig Harmon

Safety Minute

Right-of-way when driving

Minutes

A motion was made by Ralph Messera, and seconded by Frank McMahan, to approve the September 2013 minutes. Motion was approved.

Branding Discussion (Presentation by Bob Davies)

- Candescence is the firm who was hired to conduct the CMUD branding study.
- The brand triangulation process was used which involves validity, motivation and differentiation with company, competition and constituencies.
- Stakeholder interviews were held with the CMUD Director, Deputy Director, etc. The stakeholder interviews indicated that customer expectations are increasing, communication is important, and customers expect CMUD to function as a private company with a premium service level.
- CMUD needs to monitor and respond quickly to situations and have a proactive communications plan for customers where there is a balance between information and responsiveness.
- CMUD needs to conduct a portfolio analysis to reduce and streamline brand iconography.
- CMUD has latitude to be more informative on issues; consumers are not afraid of receiving the information.

- 80% of residential customers would like to know more about water; CMUD has the opportunity to provide more information and reinforce the essential nature of water.
- CMUD website visitation is relatively low; 50% of residential customers and 60% of commercial customers never visit the website. More information for the customer should be put on the website.
- Candescence is recommending a name change for CMUD to help with brand awareness.
- Only about 20% of focus group participants were able to correctly name CMUD.
- Six approved brand narratives were chosen by the CMUD Leadership Team to move forward to the focus groups for feedback.
- Costs associated with changing CMUD's name haven't been analyzed at this phase.
- The need to be more communicative is driving this communications plan/study. CMUD needs customers to understand the mission and vision of the department in order to gain support for future investments that are needed.
- CMUD was benchmarked against three similar utilities, as well as Duke Energy based on locality.
- The CMUD Advisory Committee had varying opinions on the information provided during the presentation. Most members agreed CMUD should take advantage of additional opportunities to communicate more with customers.

Financial Update

- Revenues are under projections currently and are being monitored closely. Connection and capacity fees have increased, which reflects an increase in new building is occurring in the Charlotte region.
- Revenue lags water pumping by a couple of months, so CMUD expects to gain some revenues due to the fall irrigation season and the recent drier weather.

Biosolids Update

- The Committee was reminded about an earlier discussion about a project to develop a biosolids master plan. That project is nearly complete and the consultants have published a draft report for review.
- Draft recommendations of the master plan include diversification of disposal options and separating the disposal of water plant residuals (which can be handled as Class A material) from the wastewater plant residuals, which are Class B.
- One option is to divert wastewater biosolids from Irwin Creek to the McAlpine Wastewater Treatment Plant for treatment rather than constructing new and additional treatment processes at Irwin. However, this would require capital investment in equipment at McAlpine.
- Options to diversify include a combination of a different type of sludge digestion and drying which produces a pellet form of biosolids instead of the current "cake" form. The consultants recommend an incremental approach, beginning with development of the thermal hydrolysis process at McAlpine.
- A biosolids land application permit renewal in South Carolina recently took place. The permit was issued but was contested by two residents. The S.C. Department of Environment and Health Commission (DHEC) decided not to hear the challenges, so two challengers have taken the issue

to the court system. One challenger is claiming health impacts on himself and his family; the other is making similar allegations.

- CMUD's biosolids contractor (Synagro) is contractually responsible for acquiring the permits and they have engaged legal counsel.
- The City of Greenville, S.C. discovered that their biosolids were contaminated with PCB. PCB was banned approximately 30 years ago. The toxic level for PCB's in biosolids is defined as 50 parts per million; PCB was detected in the Greenville material at more than one hundred parts per million levels. South Carolina DHEC stopped land application in the state until the source of the PCB is found. Out of an abundance of caution, CMUD staff is taking samples at our facilities to determine if perhaps a septic hauler or other source has introduced PCB's into our plants. CMUD's historical routine screenings for PCB have not detected this pollutant, but lab results for a few biosolids samples tested recently indicated PCB's could be present at around three parts per million. Because of the detection, CMUD has stopped land applying in North Carolina (as well as S.C. per DHEC direction) until the results are confirmed or the potential sources are determined.

Miscellaneous

- The Committee has previously received a report on a project to use digester gas to produce heat and electrical power at the McAlpine Creek Wastewater Plant (CHP project). The economic feasibility of that project was related to receiving a 0% interest loan from NC DENR. DENR staff recently notified CMUD that our application was not approved. Staff is re-evaluating costs of the project for feasibility without the loan as well as options for re-applying.
- The Committee has previously received a report about the possibility of CMUD providing management oversight and at a later date, contract operation of wastewater plants in Union County. Charlotte City Council approved an MOU with Union County and authorized the City Manager or his designee to negotiate an interim agreement for the management oversight role. The interim agreement has been negotiated with Union County staff and is scheduled for the Union County Board of Commissioners to consider for approval on November 4th.

Adjourned at 4:15 pm

Karen L. Baldwin