CHARLOTTE

Charlotte City Council

Restructuring Government Committee

Meeting Summary for March 25, 2010

COMMITTEE AGENDA TOPICS

I. Subject: **Improving Citizen Stakeholder Process**
Action: Motion to forward the Citizen Stakeholder Process, as amended, to Council (passed unanimously)

II. Subject: **Water/Sewer Rate Structure**
Action: None

COMMITTEE INFORMATION

Present: Warren Cooksey, Patsy Kinsey, Patrick Cannon
Absent: James Mitchell, Warren Turner
Time: 12:10 p.m. to 1:55 p.m.

ATTACHMENTS

1. Agenda
2. Recommendation to Improve the Citizen Stakeholder Process handout
3. Water/Sewer Rates Revised Presentation

DISCUSSION HIGHLIGHTS

Chairman Cooksey called the meeting to order and asked everyone in the room to introduce themselves. He stated that the first item on the agenda is Improving Citizen Stakeholder Process. He said that they hope to bring this item to a close at this meeting. He then turned it over to Assistant City Manager Eric Campbell.

I. Improving Citizen Stakeholder Process

Mr. Campbell said this has been reviewed and discussed in previous Committee meetings. He stated that they met with the City Manager's Leadership Team, based on conversations from the last meeting and had them review the recommendations. He then turned it over to Willie Ratchford.

Mr. Ratchford said they shared the 10 recommendations with the Leadership Team last week. He received some feedback from them, but they were pretty much satisfied with what was presented. Mr. Ratchford began reading through the "Recommendations to Improve the Citizen Stakeholder Process" handout (copy attached). He described the 3 different models that should be used: Sounding Board, Public Involvement or Stakeholder Recommendations. He stated that once a model is approved to use, then staff must share, in writing, various different items regarding the process and expectations (see page 1 of handout) with each stakeholder appointed. Mr. Ratchford continued reading each individual recommendation.

Cannon: Regarding the last recommendation, is there anyone currently assigned to take minutes for each stakeholder meeting?

Ratchford: There is no one with that specific assignment from the City. My sense is that each stakeholder group could assign someone to do those.

Cannon: To our knowledge, are we currently doing that?

Ratchford: I don't know that all groups are, but some of them do.

Cannon: Is this recommendation to ensure they start?

Ratchford: Yes. The reason for that is because of all the controversy around the stakeholder process. There seems to be times when there is a misunderstanding about what was said in a meeting and if minutes are available you can always go back to that.

Cannon: You think 7 days is the time frame appropriate to get those done?

Ratchford: I would say 7 to 10 days after the meeting.

Cannon: One of the things I've learned over the years is that we have not been able to advance the agenda of the City as best as we possibly could, as it relates to some of these stakeholder groups. We've been trying to get the Tree Ordinance pieced together since 2005. What's happening is staff will have a perspective and stakeholders will have a perspective, and when they come together, it can become a long process. Has the idea of an independent facilitator been a part of some of these stakeholder groups, to help create that happy medium?

Ratchford: We had some discussion around the possibility of identifying independent facilitators for each group. Not all stakeholder groups will have problems. So the recommendation (#3)

that was decided on was if a group got to a place and they couldn't move forward, then we would consider bringing in a facilitator. CRC would play that role.

Cannon: When staff goes in to present what it is they might want to debate, it probably helps the stakeholders to understand what they are going to be debating. Shaping that from City staff is important.

Ratchford: Most of these recommendations are built around trying to improve the communications between City staff and stakeholders. These recommendations say the staff needs to have all these conversations up front, as far as what is expected of the stakeholders, what they can or cannot do and even how long the process should take.

Cannon: Just so I'm clear, we will be looking at having independent facilitators as needed?

Ratchford: Yes.

Cooksey: The critical part here is the beginning of the process when you are establishing if the group is to come to a consensus or if it will do a majority vote on an issue. One of the perceptions I have about the Tree Ordinance is for a number of years there has been a desire for consensus on an issue that I don't think there can be consensus on. One thing we as a Council may have to be comfortable with is recognizing that we may not be presented a single alternative to vote on, but we may be given a majority recommendation or a minority recommendation and we would still debate over which is the appropriate course of action.

Kinsey: This is a touchy subject, but I have heard recently of a situation where the list of stakeholders was fluid and some who were not originally appointed to the stakeholder group, participated very actively and at some point they became what people thought was a stakeholder. There seems to be a need for some kind of control on who the stakeholders are and who has the right to vote. Is there anything in the document that points to this? It looks like bullet two on page 1 kind of addresses it.

Ratchford: We need to stress that point to the staff, once they appoint the stakeholders, that's it, no other person has any voting rights. Bullet two gets to your point.

Cannon: There needs to be a clear understanding between stakeholder and advisory.

Ratchford: That's handled in the three different models.

Cooksey: The one thing that concerns me is on the Sounding Board side. I'm not seeing the distinction between the Sounding Board process and an actual Public Hearing or a public comment section that we already have in place sometimes by law, policy or ordinances. Model 1 states that the public comment may happen late in the process and I was envisioning it would happen earlier in the process. Is there a way we can change the wording of model 1 and still recommend this to Council? Maybe it could say "opportunities are provided for public comment on a proposed action to staff at a public meeting." That would be the sole wording of a

Sounding Board and there would be no confusion. (Committee members Cannon and Kinsey agreed with that wording change.)

Ratchford: That makes a lot of sense and we can change it.

Kinsey: Model 2 – An example I'm thinking of is for Independence Blvd. and I don't know if they call them stakeholders or not, but it's a large group of people that have come together over many years, and I don't think they vote. I guess that would fall under Public Involvement, is that correct?

Ratchford: Yes.

Kinsey: We just have to make sure staff doesn't call it a stakeholder group.

Cooksey: Back to Model 1, change it to singular - "an opportunity is provided for public comment on a proposed action to staff at a public meeting." The Sounding Board concept is a onetime event, Public Involvement is not and you may have several iterations of meetings and because it's an education dialogue and input, without a recommendation you don't have to keep track of the participants at the same degree.

Ratchford: Agree and we can change that.

Cooksey: Also, on the second page under developing a standard set of discussion guidelines and ground rules for all stakeholder groups, we should add "which may include:" to the end. We don't want them to have to keep coming back if someone has a good idea to add to the discussion guidelines.

Council member Kinsey made a motion and was seconded by Council member Cannon to recommend the Citizen Stakeholder Process, as amended, to Council. (Motion passed unanimously) Chairman Cooksey thanked staff for their work.

I. <u>Water and Sewer Rate Structure</u>

Chairman Cooksey said the next item on the agenda is the Water and Sewer Rate Structure. He said that this Committee has been charged with looking at the policies in a more in depth look than we have in the past. The goal for the Committee is to hear the report from Mr. Gullet and the Committee does not need to make a specific, hard and fast policy recommendation to Council. Utilities will present some rate models at the April 14 Budget Retreat for Council consideration. Chairman Cooksey said that if there are ideas that the Committee would like to make to Mr. Gullet to present some rate models in different scenarios to Council, then do so at the end of the meeting.

Mr. Gullet said that at the last meeting they spent a lot of time working through the various parts of setting their budget and rates. The budget and rate setting process is a work in progress. What is being presented is where we are today, but there is still a lot of work to be done. He said they

are not making recommendations or proposals today. Mr. Gullet began reviewing the "Water/Sewer Rates" presentation (copy attached). He reminded the Committee of the various parts of setting their rates. The first step in the process is to determine service levels and the revenue requirements to satisfy those service levels. The second step is to forecast and project what the water/sewer sales is going to be for the upcoming year. The third part is to apply the policies and guidelines that exist for setting rates to that information and out of that comes the rates and fees that get adopted and implemented.

["Value of AAA" slide]

Mr. Gullet said there was a question from the last meeting about the importance of keeping the AAA bond rating. He said that he had prepared to address it, but understood that the Council had a discussion on it yesterday at a Budget Retreat meeting. The main point is it saves money in terms of the financing costs and it enables you to have access to the bond market, in cases where a lesser bond rating might not. Chairman Cooksey asked for a reminder of how Charlotte Utilities' rating stands out from other triple rated utilities. Mr. Gullet said the difference is many of the AAA bond rated utilities are stable utilities who are not in a high growth mode and have very low debt. That's not Charlotte's case. We have been in a very high growth mode and we have a lot of debt. The strength of our AAA bond rating is based on the overall City's economy and the management of the Utility.

["Foundation for Financial Goals" slide]

Mr. Gullet said the goals are to improve our revenue stability by building the higher level reserves, reducing our dependence on debt financing, moving from growth-based to stable Utility and reducing the debt load. The transition from the growth-based to stable Utility has proven to be painful. He said the reason is because in the past when we would build a Capital Improvement Project (CIP) we got new customers right away and there was no delay. That introduces new revenue and cash flow. What we've seen recently is we are still building some of those growth projects, but the customers aren't coming as quickly, so the revenue is somewhat delayed from our investment. What we'll see in the future is more of our projects will be non-revenue generated projects to replace old infrastructure and to maintain infrastructure that we have. The other thing we have to watch out for is protecting future opportunities. The projections are that if we keep doing things the way we've been doing them and our growth and water consumption continues the way it has, then this whole basin will have used all of the available water capacity sometime around the year 2048. To change that, we have to change the way we use water and we have to change people's behavior.

['Important Decisions for FY2011" slide]

Mr. Gullet stated that this in an important year, times are hard and tough decisions will have to be made. One of the things the bond rating agencies look at is our commitment to a long term plan. We have a long term plan and sticking to that plan is one of the important decisions to be made. We will also have to prioritize our service levels, which we have had some hits on because of budget cuts made in recent years. Another decision to be made is how we provide for

future growth.

[“Basis of Rates & Fees” slide]

Mr. Gullet said there are several things that govern how we set rates. One is the Charlotte City Code, which established a rate setting methodology and that methodology has been developed over time since the 1970s. There are also North Carolina Statutes that apply. Although we are not regulated by the North Carolina Public Utilities Commission, we are an enterprise in local government and there are requirements we have to meet. There are also contractual obligations between the City, the County, and the Towns. Lastly, we have bond covenants and conditions. When we sell bonds, we are making legal obligations to the bond holders that we’ll do certain things and those certain things impact how we set our rates.

[“Elements of Rate Structure” slide]

Mr. Gullet stated that this slide is in response to a question asked at the last meeting. The context of the question was that we talk a lot about the water and sewer rate, but there are a lot of other fees that are associated with Utilities and the question was what are those other fees and are they something that can be changed? (see slide to see definitions of each of the other fees)

[“Capacity and Connection Fees” slide]

Mr. Gullet said the cost to connect to our system depends on the size of connection needed. This slide lays out the current capacity and connection fees. You have to pay two (2) fees, a connection fee for water and a fee for sewer. Those fees are established by what it cost to do the work, buy the materials and put the cap in. Most of that work is contracted out and done by low-bid. The second fee you would have to pay is the capacity fee. This is a buy-in fee to recover a little bit of the cost that the Utility has made in providing the extra plant and pipe capacity that is out there that allows you to connect to our system.

Kinsey: Do you have to keep the water connection and water capacity separate? Could you blend those together? The water capacity thing is a bit confusing to me.

Gullet: It’s really better to keep them separate because sometimes people have an existing service. If you have an existing service and you need to replace it for some reason, there is no additional capacity fee associated with that. Also, they are calculated differently and can change in different proportions.

Kinsey: What would be an example of this?

Gullet: A redevelopment. If someone buys an old house in Dilworth and tears it down and wants to build a new house, they may want to put a new service in a different location.

Cooksey: So, how do the capacity fee numbers come to be?

Gullet: They are scientific. We take the book value (depreciated value) of our system from the City's general ledger and divide it by the capacity of our system and that gives us a cost per gallon number. We then look at the typical residential customer and see what the typical gallon usage is that they use. That sets the capacity fee for that residential customer. For larger meter sizes, we proportionally escalate that fee based on the relative meter capacities to determine the capacity fees of larger services.

Cooksey: Is that formula included in the City Code?

Gullet: Yes it is.

["Revenue Sources" slide]

Mr. Gullet described the different charges and said that a lot of them are associated with industry and are fees they are required to pay by federal regulation. A lot of the treatment plants were initially built with federal money and those dollars had strings attached. Some of those strings required regulatory requirements on how we set rates. Some of those strings dictated how we have to charge industry for service.

Cannon: What do the acronyms stand for?

Gullet: BOD is Biochemical Oxygen Demand. It's a measure of how strong the wastewater is. If an industry has a higher strength wastewater, they have to pay a surcharge because it costs more to treat that wastewater in the treatment plant. IWC is Industrial Waste Charge. Generally speaking, it's a charge that is assessed to certain types of industries in commercial operations because they aren't strong enough waste concentrations to merit individual measuring and monitoring, but as a category they contribute a higher percentage of waste loading to the treatment plant.

Jarrell - We are required by the federal government to have this program. The fee covers the cost for the industry that we have to monitor; to be sure they aren't sending something to us that we can't treat. It basically pays for the operation of the pretreatment program.

Cannon: How many of those programs are we currently monitoring?

Jarrell: There are several thousand that we monitor.

["Total Revenue Requirement" slide]

Mr. Gullet stated that at the last meeting he showed this same graph, but it didn't have the projected FY2011 revenue requirement. You can see there is a big increase in the debt service. There is also an increase in the operating cost.

[“Operating Cost” slide]

This slide breaks down the operating costs over the last several years. These are actual costs, not budgeted costs. In 2010 our actual cost dropped $1M. Mr. Gullet stated that they are proposing an increase of $4M for year 2011. That increase is described in the next slide.

[“FY2011 Operating Cost Increases” slide]

Mr. Gullet said the rate increase from Duke Energy has increased. The chemical costs per gallon and per pound have gone up. The City’s cost allocation is going up $1M in 2011. Property insurance has gone up because our plants have expanded and they had to be reevaluated. The retirement system contribution is going up also. Mr. Gullet stated they also plan to propose improvements in their customer service level. All of those items account for the $4M increase from 2010 to 2011.

Kinsey: Is the retirement increase part of the City’s retirement system?

Gullet: Yes.

[“Operating Cost Control Measures” slide]

Mr. Gullet read through what they are doing to control the operating costs. He stated they decreased the operating costs by $1M from FY09 to FY10. They eliminated funding for 97 positions in FY10. They have been in a hiring freeze since 2008. He stated they have extensive energy management programs. Energy is a huge part of their budget and they manage it very tightly and are always looking for improvements. He said they have identified $293,000 in real dollars for ISO Certifications. He also said they have been a leader in the City in the Competition Program and have saved a lot of money.

[“Service Level Issues” slides]

Mr. Gullet said the next few slides will discuss what they are proposing to do about the service issues within the confines of the $4M increase. The first one, and the most serious one, is the customer service level, which is and has been, underfunded for quite some time. There are a number of over hires and temporary positions and those are unfunded and the Utility is paying for those by holding positions vacant in other places. He stated that CMU would like to complete the automation process for meter check reads. He said we also need to resolve the process and policy issues. They would like to fund10 positions and use them in customer service. They would also like to fund the 22 temporary positions that they are forced to use right now, until they can get the metering issues resolved. All of the items proposed will cost $837,000, but will improve the customer service.

Cannon: How soon do you want to fund those 22 positions?

Gullet: We are paying for them now out of savings from other stuff. Our water leaks are

suffering because of this. This isn't necessarily adding more bodies, this is budgeting the amount to cover it so we can help cover the water leaks division, which is really feeling the pain.

Mr. Gullet went on to say that at the last meeting they talked about the deferred maintenance at the plants. The proposal is to keep doing what they are doing. They are prioritizing the most critical things that have to be done to keep the plants going, but the outcome is there is an increase risk of performance issues at the plant. That will probably be a higher cost in the future because we aren't maintaining the plants at the level they could be.

Cooksey: What kind of risk does that give us for wastewater spills, in regards to fines?

Gullet: This is at the plant level. At the plant level, that's a manageable risk. The risk is not meeting the treatment plant permit requirements. As we prioritize the maintenance we have a strong sense of that. We think it's a manageable risk.

Mr. Gullet continued and said that our water leak response rate right now is way too long. He said they are looking at 10 to 12 weeks, or more, to get water leaks repaired. They are proposing to restore 2 repair crews. They are crews that they have had and have the equipment for. Filling those 2 crews would add repairing at least 30 leaks a month to help with the backlog. These crews do water and sewer work. These are budgeted positions that have been held vacant.

["Capital Revenue Requirement" slide]

Mr. Gullet described the bar graph and said this shows the debt service. In 2011 there is a $7M increase in the debt service cost. That's already committed to and the bonds have been sold. The other part showing is the PAYGO amount, which is $28M. That gets us to the 1.8 debt ratio coverage that we have to have to maintain the AAA bond rating.

["Capital Financing Impacts" slides]

Mr. Gullet said we've laid out three different scenarios. These are not recommendations or proposals; it's just to show some possibilities. In other words, if you made some changes to the Capital Program, then what would the impacts look like and how would they show up in rates. The first scenario is pretty much the CIP as it's laid out. It addresses our growth and maintenance issues and covers what we need. Even with this, it pushes a couple of projects out a few years. The second scenario is a Moderate CIP. It includes some growth, but not everything we need. The third scenario is No Growth CIP. It doesn't provide any additional water capacity or sewer treatment capacity. The only thing that would be left in the CIP is things that we are legally required to do and the things that we have to do to keep the plants running.

Cooksey: So, no one hooks onto the system in that scenario?

Gullet: We have a limited amount of capacity today. Under this scenario, if we use it up, then it's gone. We are down to the point where we need to be making capacity expansions on our wastewater side or we will be facing moratoriums.

Cooksey: And that's no new connections in any of the 7 municipalities in the County, right?

Gullet: That's correct. Also, under these scenarios this slide shows when a bond would be required and the required amount to finance.

["CIP Options – Debt Service Comparison" slide]

Mr. Gullet described the bar graph and stated that even in the year 2014 you can see there is not a huge impact on the debt service. That is because we are so heavy in debt already that relatively speaking, it's just not that large.

["Proposed CIP Cash Flow" slides]

Mr. Gullet said these next slides show real numbers. This is where we are today and every month we are paying contractors and so forth, so the cash balance is going down. He stated that they put a few of the big projects on the graph to show you how it straddles some of the bond issues. The following graph shows the debt service that results from the bonds.

["Moderate CIP Cash Flow" slide]

Mr. Gullet stated that this is the middle ground CIP scenario. You can see in this graph how the cash flow finishes. We finish projects that are underway and we are not starting as many projects all together and so cash flow changes dramatically.

["No Growth CIP" slide]

Mr. Gullet said we would finish the big projects that we have, largely, using bond revenue that we already have and around 2013 we would need another infusion. The debt service would top out around $155M.

["Revenue at Exiting Rates" slide]

Mr. Gullet said after looking at the revenue requirements and service level and then water/sewer sales forecast, we then develop the rates and fees. He said that if we took our current rates and the projections for what we are going to sell in 2011, then we would generate $261M. Our revenue requirement is $275M. That would cause us to have a $13M shortfall.

["Zero Rate Increase Issues" slide]

Mr. Gullet asked how we address the short balance without a rate increase. He said that if they reduced operating costs by strictly cutting staff, then that would be a 300 person reduction out of 700 persons. He stated that they couldn't keep the lights on and the doors open at the treatment plants with that staffing level. He also stated that general "across the board" cuts are unworkable. So much of Utilities' costs are fixed costs, like power for pumping and chemicals

for treating water. There is no way to cut $13M "across the board" without creating a huge risk to the environment and public health. He went on to say you can't make up the difference with capital cost either because there is no affect for 2 years.

["Rate Option Comparison" slides]

Mr. Gullet said these next slides lay out some possible scenarios, while trying to be consistent to the current policy and current rate methodology to get to the $13M shortfall. He described that there is a fixed charge of $1.80 for water and sewer. That fee is for maintaining the accounts and is prescribed by the City Code. The City Code says that this fee should recover the cost associated with billing the customer and servicing the account, but not for providing the water and sewer units. Today, the $1.80 doesn't recover the cost. He stated that another piece to understand is they bill it on a daily basis. So, it's billed at $.06 a day.

Mr. Gullet discussed the different tiers and said they are based on two things: the cost of service and a conservation incentive. The Commercial customers (non-residential) do not pay tiers; they pay a uniform rate of $2.04 per ccf. The wastewater rates have a fixed charge of $1.80 and a volume charge of $4.00. Mr. Gullet read through the 3 different options shown on the slide.

Kinsey: Can you explain the volume charge under wastewater?

Gullet: That's the sewer rate of how much you use.

Mr. Gullet continued to the next slides and showed how the different scenarios would impact different residential customers, commercial customers and irrigation customers using different amounts of water and sewer. He pointed out that most of the Utility's customers in the residential section fall at 8 ccf or less. He also said that when looking at the commercial section of the slide, make note that a fast food restaurant uses about 50 ccf, a commercial car wash uses about 100 ccf, a small motel would come in at about 500 ccf and a large high school would use about 1,000 ccf.

["FY10 Comparison to Other Cities" slides]

Mr. Gullet said these next slides compare us to other cities for FY10 rates. He stated that many of these other cities are going to have rate increases in 2011 in the amounts of 5-10%. The slides show that Chapel Hill, Birmingham, and Atlanta are consistently at the top. Chapel Hill is at the top because they provide a very high level of service to their customers and also because the University of North Carolina is their largest customer so, they have a smaller residential base. That drives their rate structure different than others. Birmingham and Atlanta are a mess and they got there by not maintaining their systems or investing in their systems.

["Task Force Report" slide]

Mr. Gullet said the Cornelius Task Force finished their report and the Mayor disbanded the Task Force because they are done. He said the report was presented to the Utilities Advisory

Committee last week and the Committee and staff will bring a report back to Council.

Chairman Cooksey asked the Committee for any questions or comments.

Kinsey: Back to the "Rate Option Comparison" slide, under option 1 of no water increase, what does that do budget wise compared to the budget need?

Gullet: Each of the options shown on the slide generate the same amount of revenue, which is $275M.

Cooksey: We also have to keep in mind that under the no water increase options, there is still a sewer increase.

Kinsey: So, if there was absolutely no rate increase, what would it generate?

Gullet: It would generate $261M. There is one more thing to point out and that is that the $261M covers our operating costs and debt service. It doesn't cover our contribution to Fund Balance and the PAYGO amount. We have to have that to sustain the debt ratio coverage.

Kinsey: You mentioned looking at the long range plan and seeing how we can manage that. Is that part of this presentation or is that separate?

Gullet: If you remember in the first presentation we did, we told you that as the CIP is laid out, that it requires about a 7.25% revenue increase, not rate, each year. We looked at the impact of paying back the CIP and under the moderate scenario that 7.25% would drop to about 5%. Under the no growth scenario, it would drop to about 4%. So, it still doesn't get you to zero, but it certainly moves things down a little bit. How that translates to a rate is extremely dependent on water sales.

Kinsey: I think people don't realize that there is a debt for projects that are way out.

Gullet: You are right and that's what I'm trying to convey with this.

Cannon: The cost of 2 pennies can be very expensive. That said, I understand the woes that all are having to experience, but yet we have to make tough decisions regarding how we budget. What's been presented is that you've shown us what the $13M potential shortfall could do to your operation and the capital side of things. The alternative is we are suggesting passing it on to the customer to make up for the shortfall.

Gullet: The shortfall only comes after making significant cuts already.

Cannon: There has to be a concerted effort to assuring the consumer that we are meeting them half way. They need to know we've tightened as best as we can. I ask that you consider looking one more time at everything and trying to tighten it up just a little bit more. The last thing is, is there an escape clause in the agreement with the surrounding towns if they decided they don't

want to utilize our services anymore?

Gullet: It's been a while since I've read those in detail, but from what I remember they agreed to get out of the water and wastewater business. There was a transfer of assets that was made from them to the City and I don't believe that the agreement addressed how they could get back into the business.

Cannon: I ask that because we continue to get a lot of phone calls and emails from a couple of towns and it seems they are very sore about a lot right now. I don't know what their thoughts are, but maybe they could hook up to their own wells or septic tanks. I'd love to get more information about that.

Gullet: Okay, we'll be glad to do that.

Cooksey: Back to slide 13 – it says 56% from sewer and 37% from water. How does that track with expenses for sewer versus water? Do they match up pretty well or does the sewer treatment cost us more?

Gullet: These are matched up fairly well.

Cooksey: That's another element of our rate structure policy. We are trying to make sure that the $4.00 for sewer side matches up with the tier structure on the water side, right?

Gullet: Yes. We have a little bit of flexibility, which comes from how we apply the PAYGO piece. That's why we can work with the range of options that we laid out for the rates.

Cooksey: Several of the items from the Cornelius Task Force Report leapt out at me. When you go to the Council on April 14, the options you laid out here for consideration are good ones for Council to consider and they follow our current rate policy. One thing the Task Force report said was to eliminate the 4th tier and go back to a 3-tier system. How difficult would it be to present that option?

Gullet: I believe what they implied was that the threshold for the tier should be lowered. We used to have 3-tiers and when we went from a 3-tier to a 4-tier system, we didn't technically add a fourth tier, we divided the first tier. We can run the scenario and see where we would be. I assume you would want it separated at the third tier level, rather than the fourth tier?

Cooksey: In the report, there was a chart that showed prior to the creation of a 4-tier system, the first tier was 1 – 11 ccf, the second tier was 12 – 22 ccf, and the third tier was 23 + ccf. I interpret their eliminating the fourth tier request as going back to the structure in their chart. If we had that as an additional column for comparison sake, that would be helpful. It would also show us the impact on our customer base, which the report says a driver of the complaints came from adding that fourth tier. On the Moderate CIP slide you gave us sample projects and I think it would be good to see them all to pick and choose from. Another thing that came out of the report was a recommendation for a fixed $0.25 per month, per bill charge to help fund water

audits. How does that square with our fee guidelines in the code? It would be good to get some clarity on how a spike gets billed. Another item is the report references non utility critical projects paid for out of the Utility Fund that the Task Force suggests should have been paid through some other source. I don't know what they are talking about, so I'd like to see more detail on that. Also, in the Code, would it be possible to at a line item for a fixed charge of a percentage of a debt service? The inclination is it's probably not allowed, but I'd like to see if we can do some type of infrastructure debt service charge for all customers. Lastly, on the graph that shows by-tier consumption percentages and by-tier revenue percentages, what leaps out at me is 8% of tier 4 consumers are providing 21% of our revenue. What would a rate structure look like by adding a guideline that the revenue percentage of a tier could not exceed twice its consumption percentage? What would that do to the other tiers as a policy guideline? Those are all things I think we need to see when you come back to Council at the Budge Retreat.

Gullet: We have noted everything you all have said and we will get that in our presentation for April 14.

Cooksey: We can get together and talk about how to put it all together before the April 14 meeting. Thank you to all the Utilities folks that are here and thank you for your hard work on this.

Chairman Cooksey said that in your packets the Committee received the Charlotte Mecklenburg Public Access Corporation Report and the Privatization/Competition Advisory Board Report. There is no action to be taken on them, they are just for information, unless you have anything you want to discuss about them. Council member Kinsey said she is still reviewing them.

Chairman Cooksey adjourned the meeting at 1:55 p.m.

Restructuring Government Committee
Thursday, March 25, 2010
12:00 – 2:00 p.m.
Charlotte-Mecklenburg Government Center
Room 280

Committee Members: Warren Cooksey, Chair
Patrick Cannon, Vice Chair
Patsy Kinsey
James Mitchell
Warren Turner

Staff Resource: Eric D. Campbell

AGENDA

I. Improving Citizen Stakeholder Process
Staff Resource: Willie Ratchford
At its last meeting, the Committee requested comments from the City Manager's Leadership Team on the proposed recommendations for the citizen stakeholder process. Staff will review the Leadership Team's comments, as well as, address additional Committee questions. The Committee may take action on the recommendations presented.

II. Water and Sewer Rate Structure
Staff Resource: Barry Gullet
The Committee will continue its discussion of the water and sewer rate structure that was started on March 11. The Committee is asked to provide its review and recommendations to the full Council by the April 14 Budget Retreat. No decisions or recommendations are requested at this meeting.

Attachments: Charlotte Mecklenburg Public Access Corporation Report – Information Only
Privatization/Competition Advisory Board Report – Information Only

Next Meeting: Thursday, April 22 at Noon in Room 280

Distribution: Mayor & City Council, Mac McCarley, Mickey Hicks, Curt Walton, City Manager, Bob Hagemann, Kim Eagle, Leadership Team, Barry Gullet

Recommendations to Improve the Citizen Stakeholder Process

Implement three models for the City's stakeholders' groups:

- **Model One:** Sounding Board – Opportunities are provided for public comment on a proposed action at a **public hearing**, usually late in the process (e.g. zoning issues, street abandonments, **Streetcar Project**, ability to speak to business agenda items - pigmy goats)

- **Model Two:** Public Involvement – Opportunities are provided for education, dialogue and input from the public regarding a proposed action (e.g. a specific project in a neighborhood, street closures, traffic pattern changes, etc.)

- **Model Three:** Stakeholder Recommendation – Individuals appointed to the stakeholder group develop a policy or action recommendation which is then forwarded to decision makers (usually City Council) for final approval and implementation (e.g. Streetcar Advisory Committee, Rental Property Ordinance, Mobile Food Vendors)

Once a stakeholder process group is approved, share the process with each participant, in writing, including:

- The type process to be used – Sounding Board, Public involvement, Stakeholder Recommendation
- How and by whom were participants appointed to the process
- Participant expectations
- The method by which decisions will be made (Roberts's Rules of Order or Consensus)
- How citizen input/feedback will be handled
- How long the process will be expected to last
- How and when information will be shared
- Who will determine the agenda for the process
- Basics terms and definitions that will be used during the process
- What the final outcome of the process is expected to be

For each stakeholder group process put in place, encourage an outside facilitator or moderator to guide the process in the event of an impasse – The staff of the Community Relations Committee (CRC) will be available to facilitate if needed*;* and to train city staff in group facilitation.

Develop a standard set of standard discussion guidelines and ground rules for all stakeholder groups:

- Participate
- Try it On
- Share the air time
- Listen for Understanding – Active Listening
- OK to Disagree – Not OK to Attack, Blame or Shame
- Speak for Yourself
- Use Both/And Thinking – Not Either/Or VISIONS, Inc.

When feasible, consider a balanced representation of citizens, staff and industry representatives when appointments to stakeholder groups are made, including citizens who may have some knowledge of the issue to be addressed.

Inform stakeholders up front whether they will have the latitude to think outside the box and offer alternative solutions to the initiative/policy/action being addressed by the group.

All stakeholder groups meet on a regular basis until their work is done.

All handouts for a stakeholder group meeting are sent to participants prior to the meeting and that the information is posted on line.

All stakeholder meetings dates be established at least two weeks in advance and/or that the dates be posted on line; and that stakeholder meetings be held at a time that is mindful of stakeholders' work schedules and other commitments.

Minutes are taken at each stakeholder meeting and be shared with all stakeholders 7-10 days after the meeting; and/or posted on line. Moreover, maintain the minutes as dictated by the City's record retention policy – three years.

CHARLOTTE
CHARLOTTE-MECKLENBURG UTILITIES

Water/Sewer Rates

Restructuring Government Committee

March 25, 2010

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CITY OF CHARLOTTE

Rate Setting Components

- Revenue Requirements & Service Level
- Water/Sewer Sales Forecast
- Policies , Guidelines
- Rates & Fees

2

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CITY OF CHARLOTTE

Policy & Guidelines

Financial Goals

- Increase fund balance to 50% of annual operating budget
- Revenue bond debt coverage ratio > 1.80
- Fund CIP with 40% PAYGO / 60% debt
- Finance CIP on cash flow basis

Rate Setting Objectives

- AAA Bond Rating
- Low rates for essential usage
- Strong conservation incentives

Rate Structure

- Fixed component
- Residential tier structure
- Capacity & connection fees

3

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CITY OF CHARLOTTE

Factors Influencing Ratings

- Water and sewer ratings based on following:
  - System Size, Local Economy, Customer Base
    - Economic strength can insulate from risks
  - Management and Strategic Planning
    - Management skills will maintain the system's long-term viability
  - Operations and Rates
    - Demonstrates managements expertise and ability to navigate the political environment while meeting the needs of the system
  - Debt Levels and Structure
    - Determines debt will not unduly stress system revenues or system customers
  - Legal Provisions
    - Pledge of revenues, reserves, rate covenants to protect bond holder

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CITY OF CHARLOTTE

Value of AAA

Rating	Probablity of Default
AAA	0.362
AA+	0.536
AA	0.872
AA-	1.130
A+	1.458
A	1.782
A-	2.479
BBB+	3.842
BBB	5.876
BBB-	10.637
BB+	13.179
BB	18.258
BB-	24.197
B+	30.565
B	38.145
B-	48.559
CCC+	65.517
CCC	75.853
CCC-	88.268

- Recognized Benefits:
  - Lower cost of borrowing
  - Full and maximum access to credit markets
  - Flexibility in the structure of underlying financing
  - Ability to borrow at both fixed and variable rates
  - Ability to obtain credit enhancements as needed
  - Standing given to excellent municipal credits

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CITY OF CHARLOTTE

Foundation for Financial Goals

- Improve revenue stability
  - Reduces impact of short-term revenue shortfalls
- Reduce dependence on debt financing
  - Increases ability to respond to changing economy
  - Reduces impact of debt coverage requirements
- Transition from growth-based to stable utility
  - Past: CIP projects = new customers (quickly)
  - Present: CIP projects = slower customer growth
  - Future: CIP projects = maintain service to existing customers
- Protect future opportunities
  - Extend water supply beyond 2048
  - Ensure future wastewater treatment options

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CITY OF CHARLOTTE

Important Decisions for FY2011

- Is Charlotte committed to financial goals?
  - Influence on AAA financial status
  - Stable rate future, lower cost of financing improvements
- What are service level priorities?
  - Meter reading and billing
  - Responsiveness to water leaks
  - Reducing sewer spills
  - Maintaining $2.5 billion dollar investment in treatment and piping systems
- Do we provide for future growth?
  - Protect the environment
  - Capacity to attract new industry
  - Support expansion of existing industrial & commercial
  - Support residential growth

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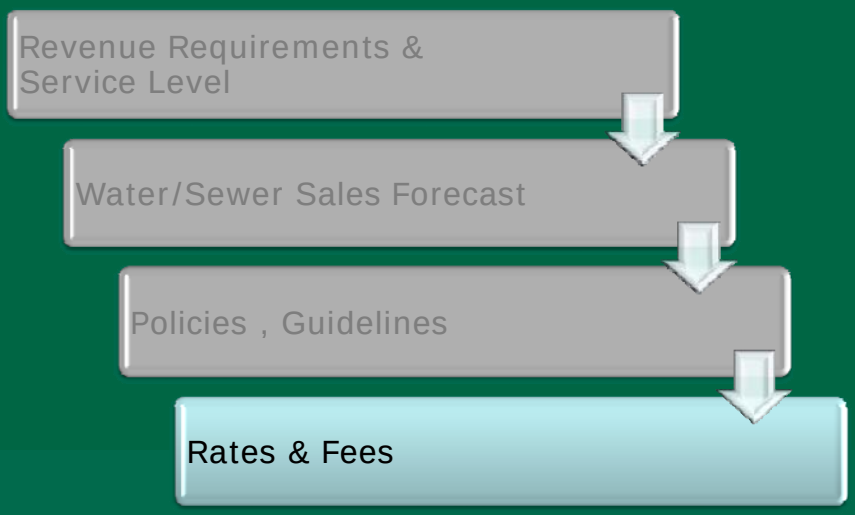
CITY OF CHARLOTTE

Rate Setting Components



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CITY OF CHARLOTTE

Basis of Rates & Fees

- Charlotte City Code prescribes rate setting methodology
- NC Statutes apply relative to enterprise funds
  - Prevent use of Utility funds for non-Utility purposes
- Contractual obligations
  - Based on agreements with County, Towns
  - Rates and fees apply county-wide
  - Regional agreements w/ neighboring counties
- Bond covenants and conditions
  - Legal obligations per bond covenants
  - Credit rating based in part on financial and rate decisions

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CITY OF CHARLOTTE

Elements of Rate Structure

- Fixed fee relates to providing basic servicing of customer accounts (per City Code)
- Variable rate tiers apply to usage by residential customers
  - Based on cost to provide service
  - Additional conservation incentive in tier 3 and tier 4
- Non-residential rate is a uniform rate that applies to usage by commercial customers
- Irrigation rate applies to usage through irrigation meters
  - Usage is billed beginning with tier 3 rate, progresses to tier 4
  - No sewer charges
- Bulk Water rate applies to York County, Concord
  - All usage is billed at tier 3 rates
- Sewer Rate is applied to volume of water usage
  - Residential charges are capped at 24 ccf / month

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CITY OF CHARLOTTE

Other Fees & Charges

- Capacity Fee is one-time charge for new customers
  - Based on cost to "buy-in" to system
- Connection Fee is one-time charge for installing new service
  - Recovers actual cost to install connection
- Industrial waste fees/charges are related to extra costs to treat high-strength sewage
- Delinquency fee ($45) is assessed for late payment
- Reconnection fee ($32) is to restore previously existing service
- Other minor fees and charges

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CITY OF CHARLOTTE

Capacity and Connection Fees

Service	Water Connection	Water Capacity	Sewer Connection	Sewer Capacity	Total
¾" Residential	$1,740	$425	$2,369	$1,633	$6,167
1½" Commercial	$6,385	$2,125	$2,369	$8,165	$19,044
4" Large Commercial	$13,063	$10,625	$2,369	$40,825	$66,882
¾" Irrigation Meter (split SVC)	$705	$425	N/A	N/A	$1,130

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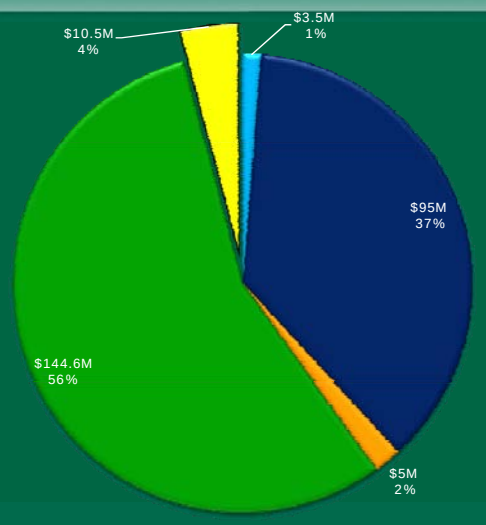
CITY OF CHARLOTTE

FY10 Budgeted Revenue



Total
$258.6M

Water Capacity Water Sewer Capacity Sewer Other

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CITY OF CHARLOTTE

Revenue Sources

• Stormwater Services	$0.4M
• Rents	$0.4
• Private Hydrants	$0.7
• BOD Surcharge	$0.7
• Commercial Hi Strength Volume Surcharge	$0.8
• Delinquent Late Charge Variable	$0.8
• Interest on Investments	$1.5
• IWC Surcharge	$1.6
• Other Misc Income	$1.8
• Reconnection Fees	$1.8
Total	$10.5M

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CITY OF CHARLOTTE

FY2011 Rates & Fee Determination

Revenue Requirements and Service Levels

Water/Sewer Sales Forecast

Rates & Fees

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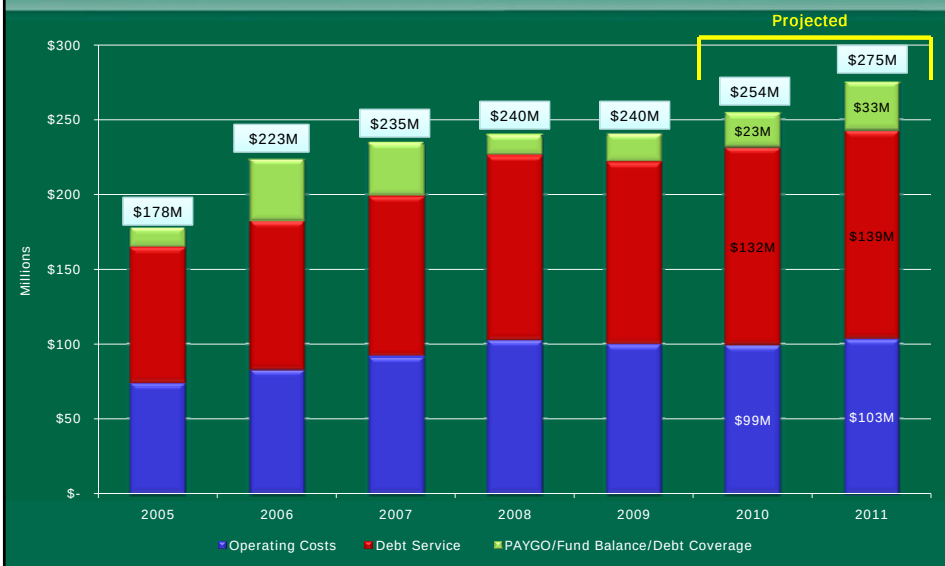
CITY OF CHARLOTTE

Total Revenue Requirement



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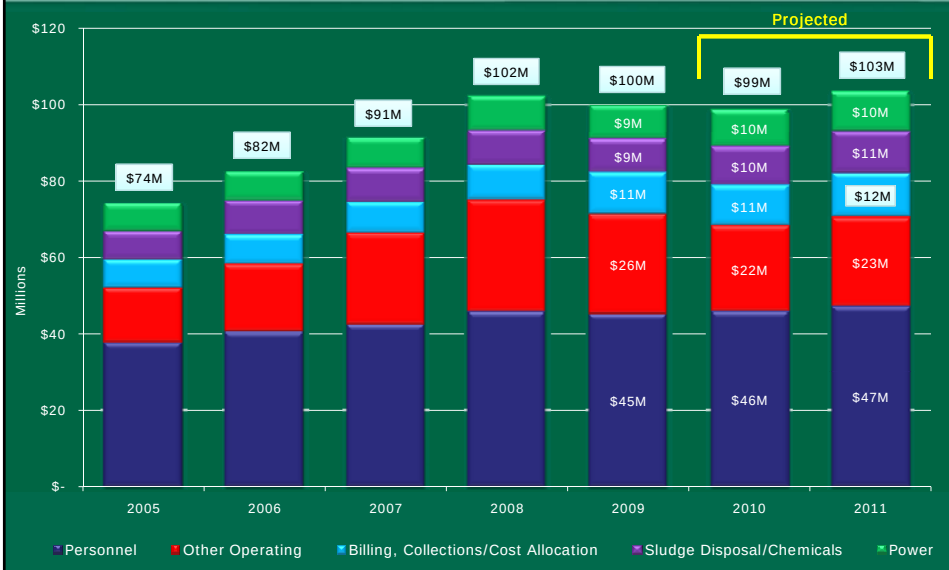
CITY OF CHARLOTTE

Operating Cost



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CITY OF CHARLOTTE

FY2011 Operating Cost Increases

• Electric power rates	$ 614,000
• Chemical cost increases	$ 660,000
• Cost allocation	$1,000,000
• Property insurance	$ 659,000
• Retirement system	$ 544,000
• Customer Svc. improvements	$ 837,000
Total	$4,314,000

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CITY OF CHARLOTTE

Operating Cost Control Measures

- Decreased operating cost $1M FY09 to FY10
- Funding for 97 positions eliminated in FY10
- Hiring freeze since 2008
- Energy management at all locations
- ISO Certification savings = $293,000/year
- Competition plan

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CITY OF CHARLOTTE

Service Level Issues

Customer Service Division is underfunded

- Un-budgeted temporary & over-hired staff result in budget overruns each year since 2004
- Cost overruns must be covered from other divisions reducing service levels provided by the "donor" divisions
- Process and policy issues inhibit efficient provision of customer service

- Proposal
  - Complete automation process for meter check reads
  - Resolve process and policy issues
  - Fund 10 unfunded positions
  - Fund 22 temporary positions until metering issues resolved
  - Continued use of Itron employees through FY2011
- Expected Outcome
  - Improve customer service
- Increase from FY2010 budget - $ 837,000

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CITY OF CHARLOTTE

Service Level Issues

Deferred maintenance at plants

- Proposal
  - No additional resources budgeted
  - Prioritize preventive maintenance to perform most critical tasks on equipment with highest consequences of failure
- Expected outcome
  - Increased risk of reduced treatment plant performance
  - Higher future costs to repair or replace equipment with shortened service life due to deferred maintenance
- Increase from FY2010 budget - $0

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CITY OF CHARLOTTE

Service Level Issues

Water Leak Response

- Proposal
  - Fill 8 funded vacant positions to restore 2 repair crews
  - These positions are currently vacant to cover Customer Service Division cost overruns
- Expected outcome
  - Increase capacity to repair water leaks by approx. 30 leaks/month
- Increase from FY2010 budget - $0

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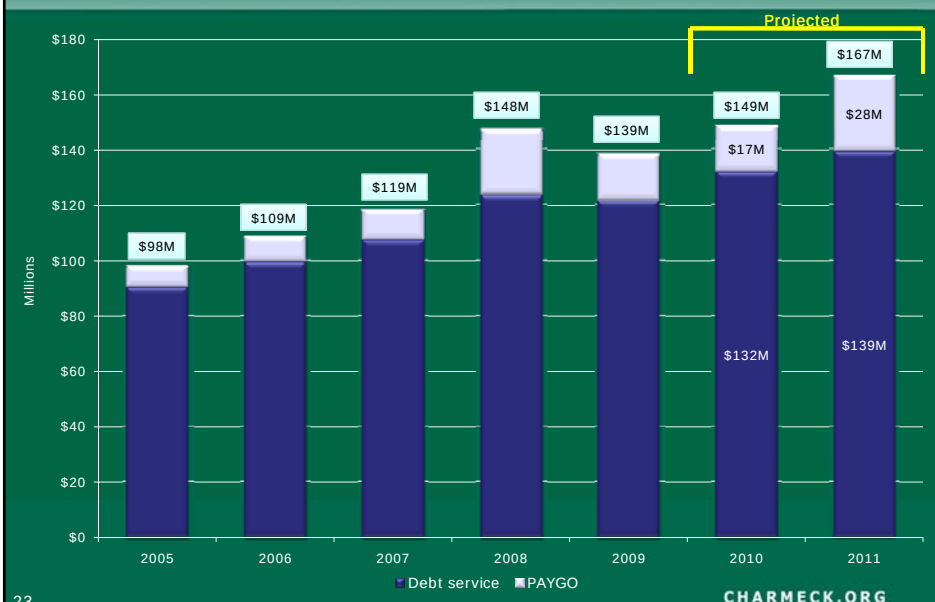
CITY OF CHARLOTTE

Capital Revenue Requirement



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CITY OF CHARLOTTE

Capital Financing Impacts

- Net Debt Service Increase from 2010 $7M
  - Previously committed when bonds were sold
- $150M of unspent bond funds are uncommitted & available for planned projects
- Proposed CIP
  - Sugar Creek WWTP Expansion delayed until 2013
  - Field Operation Center delayed until 2013
- Moderate CIP
  - Does not include
    - 2011 & 2013 Annexation
    - Long Creek WWTP
    - Independence Widening
    - Steele Creek Lift Station Replacement
- No Growth CIP
  - Results in moratorium on new connections
  - Meet regulatory requirements
  - Basic maintenance

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CITY OF CHARLOTTE

Capital Financing Impacts

	Bond Issue Required	Financing Required
Proposed CIP	July 2011	$305M
Moderate CIP	November 2011	$150M
No Growth CIP	January 2013	$40M

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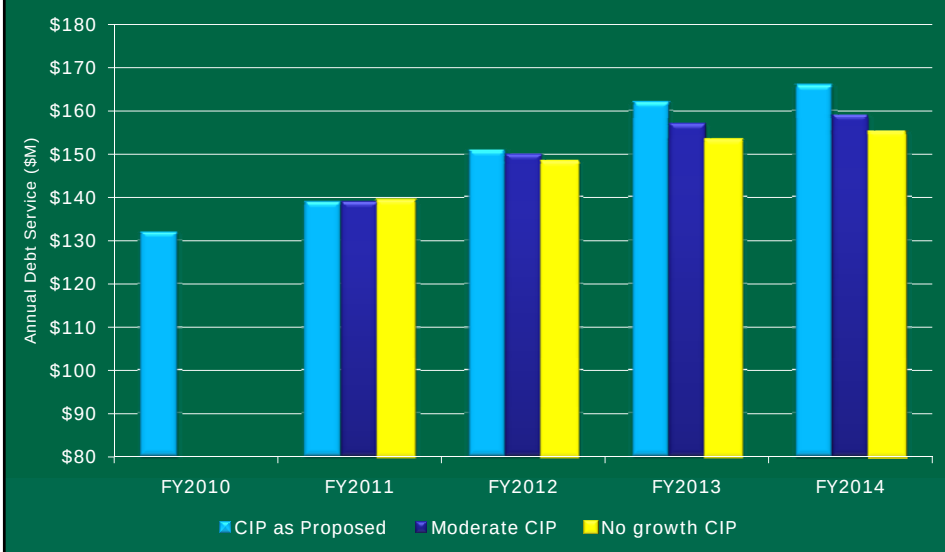
CITY OF CHARLOTTE

CIP Options
Debt Service Comparison



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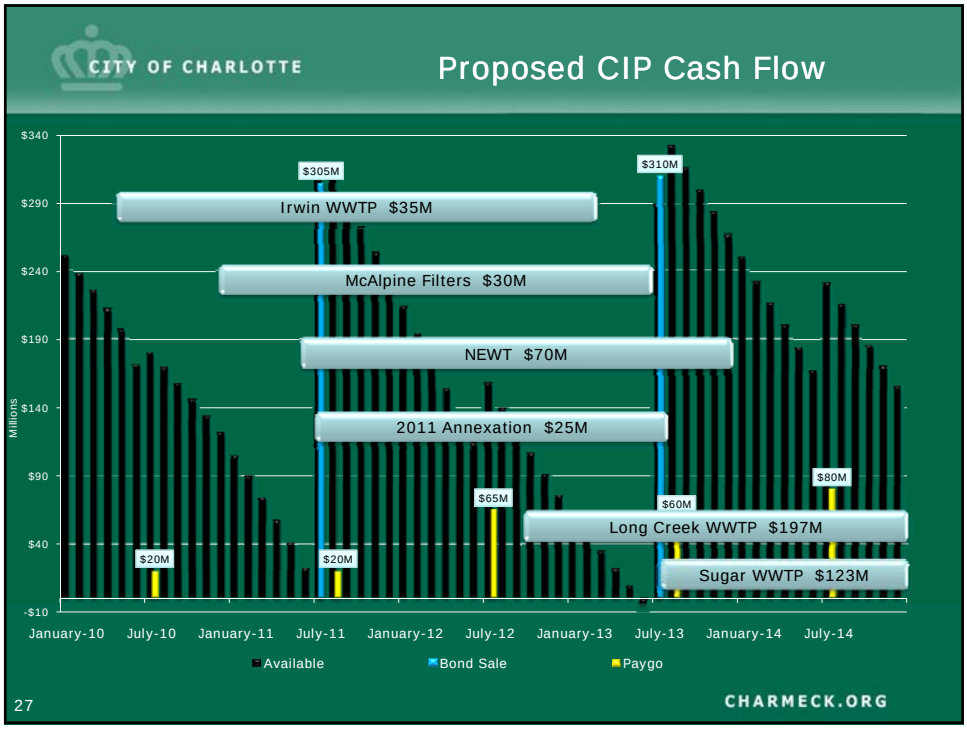
CITY OF CHARLOTTE
Proposed CIP Cash Flow
$340
$290
$240
$190
$140
$90
$40
-$10
Millions
$305M
$310M
Irwin WWTP $35M
McAlpine Filters $30M
NEWT $70M
2011 Annexation $25M
Long Creek WWTP $197M
Sugar WWTP $123M
$20M
$20M
$65M
$60M
$80M
January-10
July-10
January-11
July-11
January-12
July-12
January-13
July-13
January-14
July-14
Available
Bond Sale
Paygo
27
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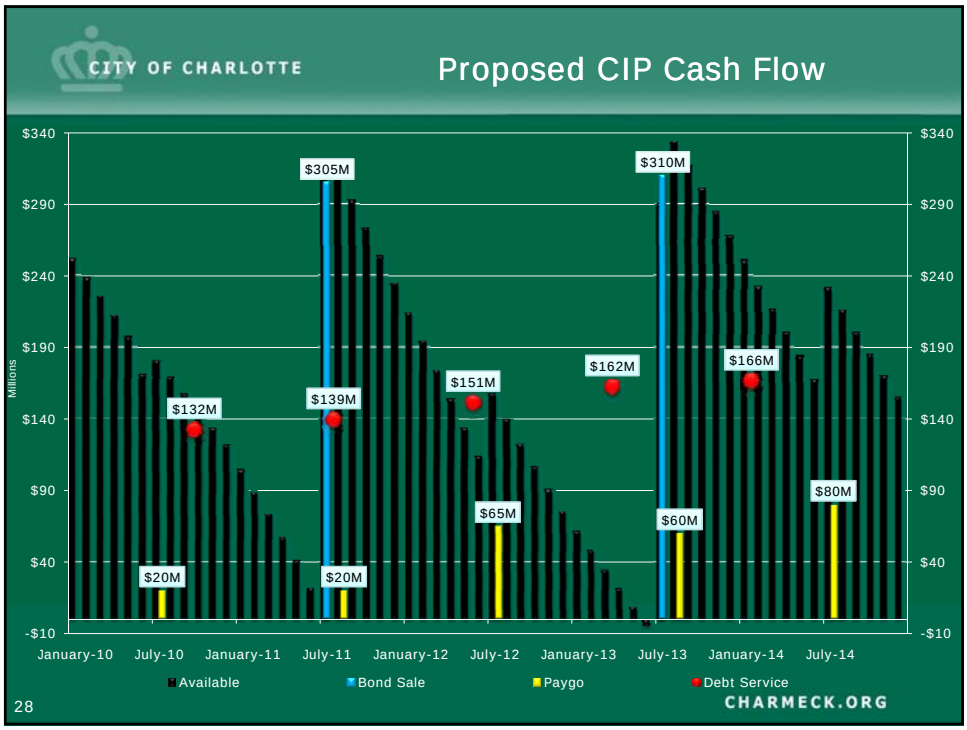
CITY OF CHARLOTTE
Proposed CIP Cash Flow
$340
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$240
$190
$140
$90
$40
-$10
Millions
$305M
$310M
$132M
$139M
$151M
$162M
$166M
$20M
$20M
$65M
$60M
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January-10
July-10
January-11
July-11
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July-14
Available
Bond Sale
Paygo
Debt Service
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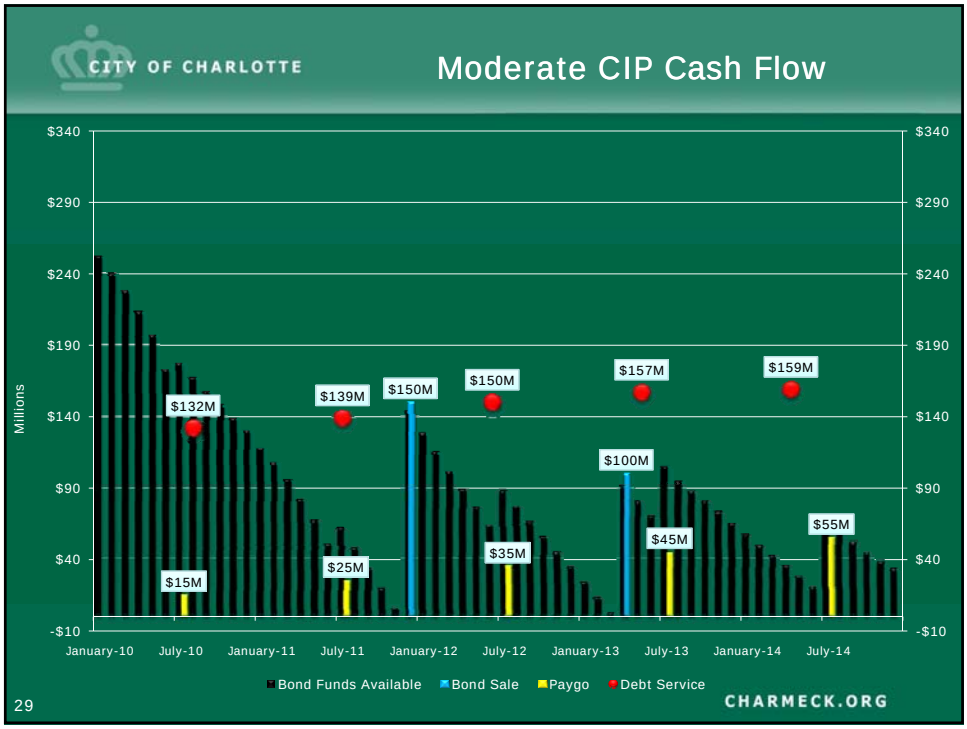
CITY OF CHARLOTTE
Moderate CIP Cash Flow
$340
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$240
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Millions
$132M
$139M
$150M
$150M
$157M
$159M
$100M
$45M
$55M
$35M
$25M
$15M
January-10
July-10
January-11
July-11
January-12
July-12
January-13
July-13
January-14
July-14
Bond Funds Available
Bond Sale
Paygo
Debt Service
29
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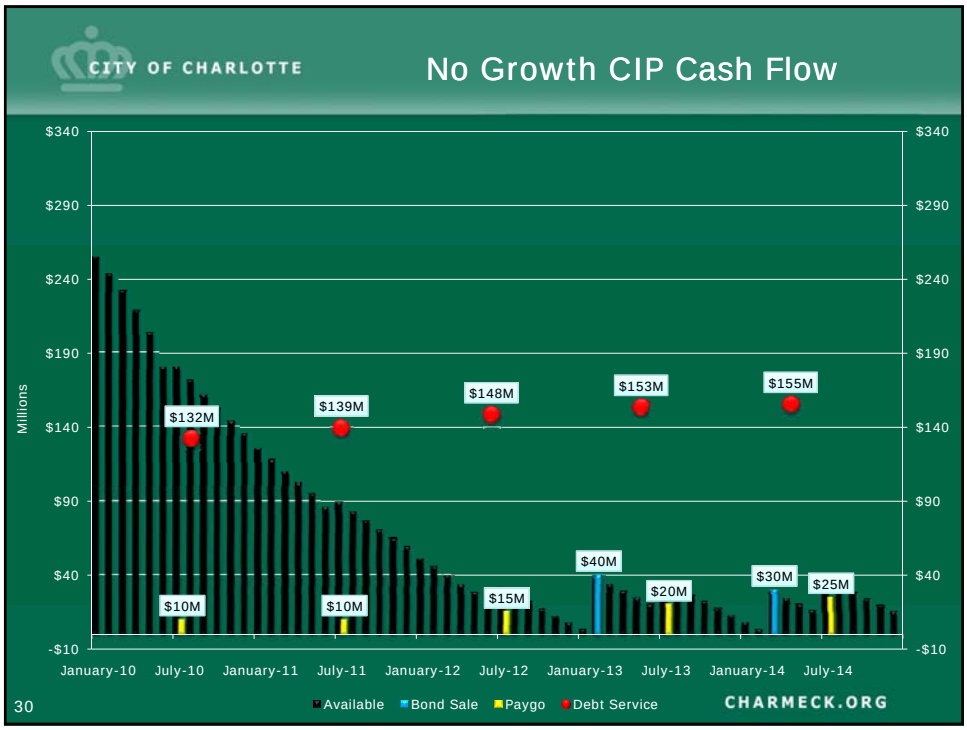
CITY OF CHARLOTTE
No Growth CIP Cash Flow
$340
$290
$240
$190
$140
$90
$40
-$10
Millions
$132M
$139M
$148M
$153M
$155M
$40M
$30M
$25M
$20M
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January-10
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January-11
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July-12
January-13
July-13
January-14
July-14
Available
Bond Sale
Paygo
Debt Service
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CITY OF CHARLOTTE

FY2011 Rates & Fee Determination

Revenue Requirements and Service Levels

Water/Sewer Sales Forecast

Rates & Fees

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CITY OF CHARLOTTE

Projected FY 2011 Consumption

- Continued impact from climate and economy with overall water consumption growth of 1.9%

Water Consumption	Actual FY 07	Actual FY 08	Actual FY 09	Projected Actual FY 10	FY 2011 Projected
Residential					
Tier 1: 0-4 ccf	14,600,609	14,845,703	14,601,081	14,153,884	14,396,000
Tier 2: 4-8 ccf	7,288,877	7,100,005	6,799,192	6,691,252	7,009,000
Tier 3: 8-16 ccf	4,304,862	3,918,922	3,292,968	3,715,776	3,851,000
Tier 4: 16+ ccf	2,899,517	2,785,393	1,559,032	2,514,726	2,402,000
	29,093,865	28,650,023	26,252,273	27,075,638	27,658,000
Irrigation					
Tier 1: 0-16 ccf	598,698	476,687	473,343	574,677	612,000
Tier 2: 16+ ccf	2,636,581	1,992,622	1,189,667	2,352,840	1,875,000
	3,235,279	2,469,309	1,663,010	2,927,518	2,487,000
Non-Residential					
Uniform: All usage	12,320,986	11,538,600	11,188,279	10,725,293	11,391,000
Bulk Water	540,590	446,734	589,330	570,670	549,000
Total Water Consumption	**45,190,720**	**43,104,666**	**39,692,892**	**41,299,118**	**42,085,000**
Projected	**46,119,199**	**44,805,566**	**41,320,059**	**40,357,319**	
Sewer Flows					
Sewer Flow - All Classes	**35,558,214**	**34,784,929**	**34,157,920**	**34,114,457**	**34,417,000**

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FY2011 Rates & Fee Determination

Revenue Requirements and Service Levels

Water/Sewer Sales Forecast

Rates & Fees

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CITY OF CHARLOTTE

Revenue at Existing Rates

	Rate	Billable Units	Revenue
Water Revenue			
Fixed Charge	$1.80	243,737 accounts	$ 5,264,729
Residential			
Tier 1: 0-4 ccf	$1.45	14,396,000 ccf	20,874,200
Tier 2: 4-8 ccf	$1.64	7,009,000 ccf	11,494,760
Tier 3: 8-16 ccf	$2.69	4,463,000 ccf	12,005,470
Tier 4: 16+ ccf	$5.32	4,277,000 ccf	22,753,640
Non-Residential	$2.04	11,391,000 ccf	23,237,640
Bulk Water	$2.69	549,000 ccf	1,476,810
Subtotal: Water Revenue			$97,107,249
Sewer Revenue			
Fixed Charge	$1.80	219,294 accounts	4,736,756
All Sewer Flows	$4.00	34,417,000 ccf	137,668,000
Subtotal: Sewer Revenues			$142,404,756
Other Revenues			
Water Offsets			$8,841,296
Wastewater Offsets			$12,827,830
			$21,669,126
Total System Revenues			**$261,181,131**

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Zero Rate Increase Issues

- Revenue requirement shortfall would be $13M
- Limited possibilities for addressing shortfall:

Potential Option	Outcome
Reduce Operating Cost	• If achieved by staff reduction would eliminate approx. 300 employees & is completely unworkable • General "across the board" cuts would result in unacceptable response to leaks & spills (including emergency level), endanger plant operation & would result in significant risk to public health & the environment
Reduce Capital Costs	• Debt service will not change for 2 years

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CITY OF CHARLOTTE

Rate Option Comparison

	Current FY 10	Option 1 *No Water Increase*	Option 2 *Across the Board*	Option 3 *Increase Tier 1 & 2*
Projected Water Rates				
Fixed Charge	$1.80	$2.40	$2.40	$2.40
Volume Charges				
Tier 1: 0-4 ccf	1.45	1.45	1.52	1.50
Tier 2: 4-8 ccf	1.64	1.64	1.72	1.75
Tier 3: 8-16 ccf	2.69	2.69	2.82	2.69
Tier 4: 16+ ccf	5.32	5.32	5.56	5.32
Non-Residential	2.04	2.04	2.14	2.10
Projected Wastewater Rates				
Fixed Charge	1.80	2.40	2.40	2.40
Volume Charge	4.00	4.31	4.18	4.24

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CITY OF CHARLOTTE

Rate Option Comparison

	Current FY 10	Option 1 *No Water Increase*	Option 2 *Across the Board*	Option 3 *Increase Tier 1 & 2*
Residential Customer Impacts				
4 ccf/month Customer Bill	$25.40	$27.84	$27.60	$27.76
$ Change		2.44	2.20	2.36
% Change		9.6%	8.7%	9.3%
8 ccf/month Customer Bill	47.96	51.64	51.20	51.72
$ Change		3.68	3.24	3.76
% Change		7.7%	6.8%	7.8%
16 ccf/month Customer Bill	101.48	107.64	107.20	107.16
$ Change		6.16	5.72	5.68
% Change		6.1%	5.6%	5.6%
32 ccf/month Customer Bill	218.60	227.24	229.60	226.20
$ Change		8.64	11.00	7.60
% Change		4.0%	5.0%	3.5%

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CITY OF CHARLOTTE

Rate Option Comparison

	Current FY 10	Option 1 *No Water Increase*	Option 2 *Across the Board*	Option 3 *Increase Tier 1 & 2*
Commercial Customer Impacts				
100 ccf/month Customer Bill	$607.60	$639.80	$636.80	$638.80
$ Change		32.20	29.20	31.20
% Change		5.3%	4.8%	5.1%
500 ccf/month Customer Bill	3,023.60	3,179.80	3,164.80	3,174.80
$ Change		156.20	141.20	151.20
% Change		5.2%	4.7%	5.0%

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CITY OF CHARLOTTE

Rate Option Comparison

	Current FY 10	Option 1 *No Water Increase*	Option 2 *Across the Board*	Option 3 *Increase Tier 1 & 2*
Irrigation Customer Impacts				
30 ccf/month Customer Bill	$119.32	$119.92	$125.36	$119.92
$ Change		0.60	6.04	0.60
% Change		0.5%	5.1%	0.5%
50 ccf/month Customer Bill	225.72	226.32	236.56	226.32
$ Change		0.60	10.84	0.60
% Change		0.3%	4.8%	0.3%

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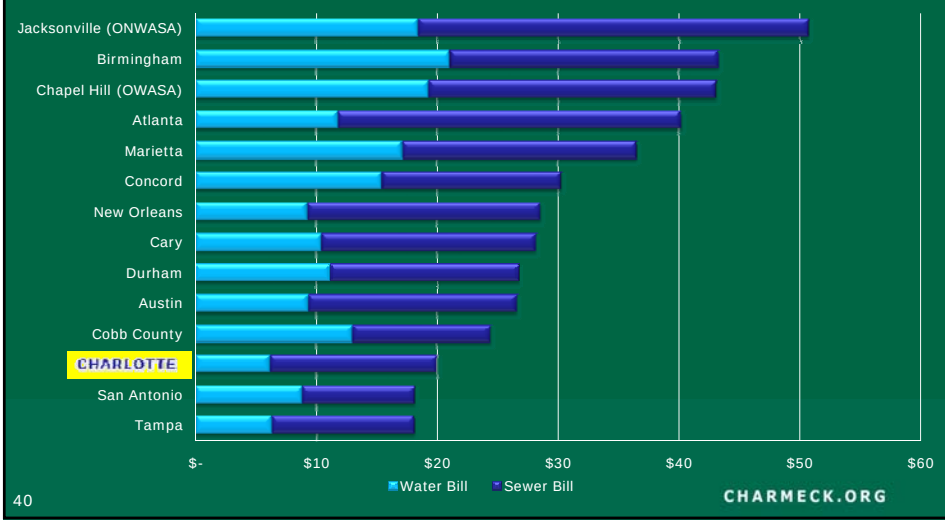
CITY OF CHARLOTTE

FY10 Comparison to Other Cities

3 ccf Customer Bill Comparison
Approx. 27% of residential bills at or below 3 ccf



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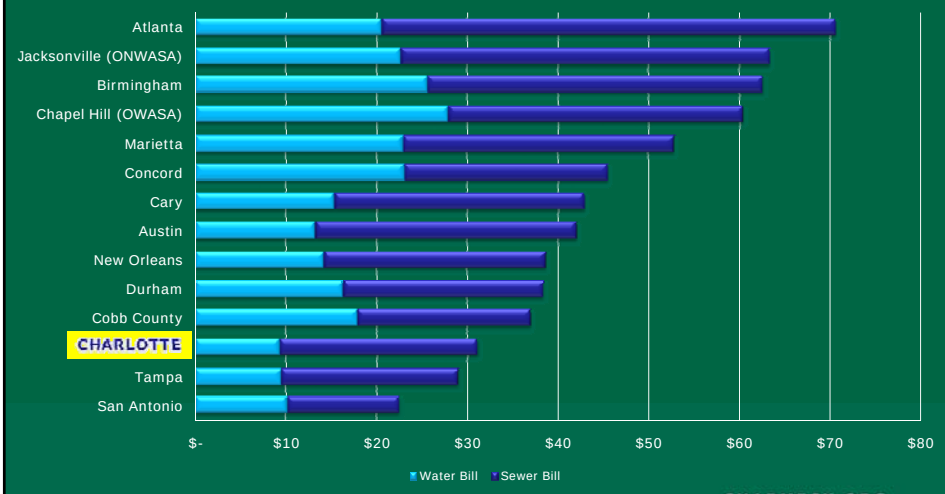
CITY OF CHARLOTTE

FY10 Comparison to Other Cities

5 ccf Customer Bill Comparison
Approx. 49% of residential bills at or below 5 ccf



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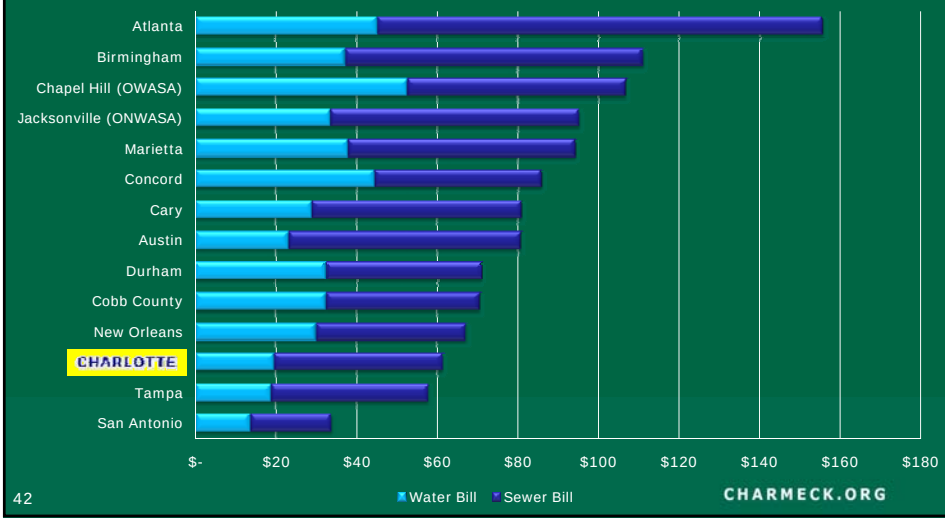
CITY OF CHARLOTTE

FY10 Comparison to Other Cities

10 ccf Customer Bill Comparison
Approx. 84% of residential bills at or below 10 ccf



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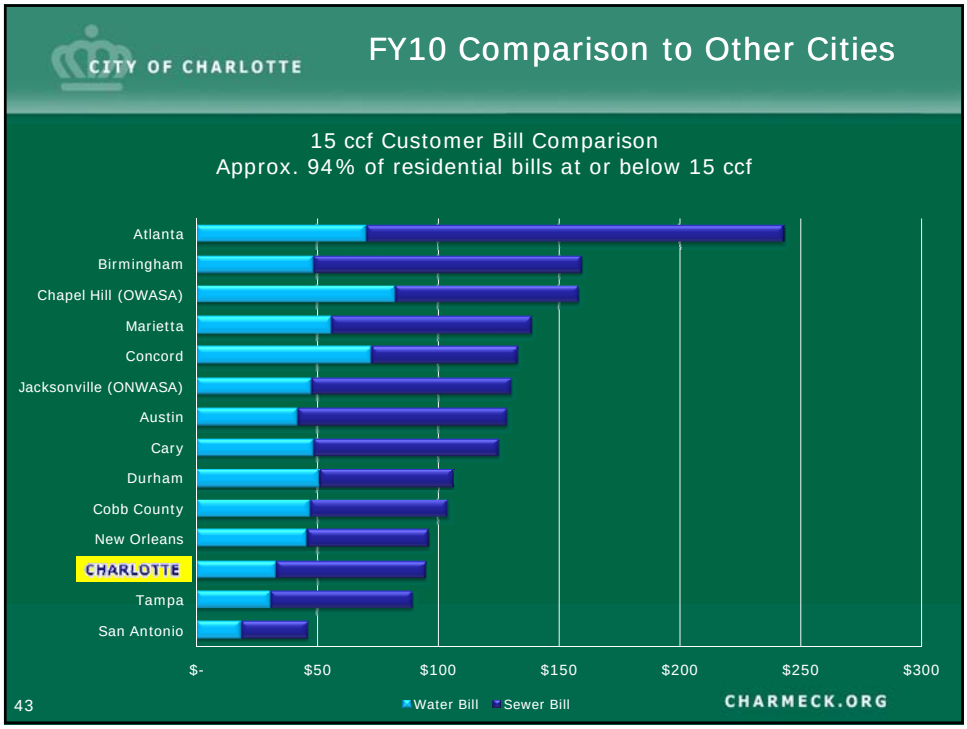
CITY OF CHARLOTTE
FY10 Comparison to Other Cities
15 ccf Customer Bill Comparison
Approx. 94% of residential bills at or below 15 ccf
Atlanta
Birmingham
Chapel Hill (OWASA)
Marietta
Concord
Jacksonville (ONWASA)
Austin
Cary
Durham
Cobb County
New Orleans
CHARLOTTE
Tampa
San Antonio
$-
$50
$100
$150
$200
$250
$300
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Water Bill
Sewer Bill
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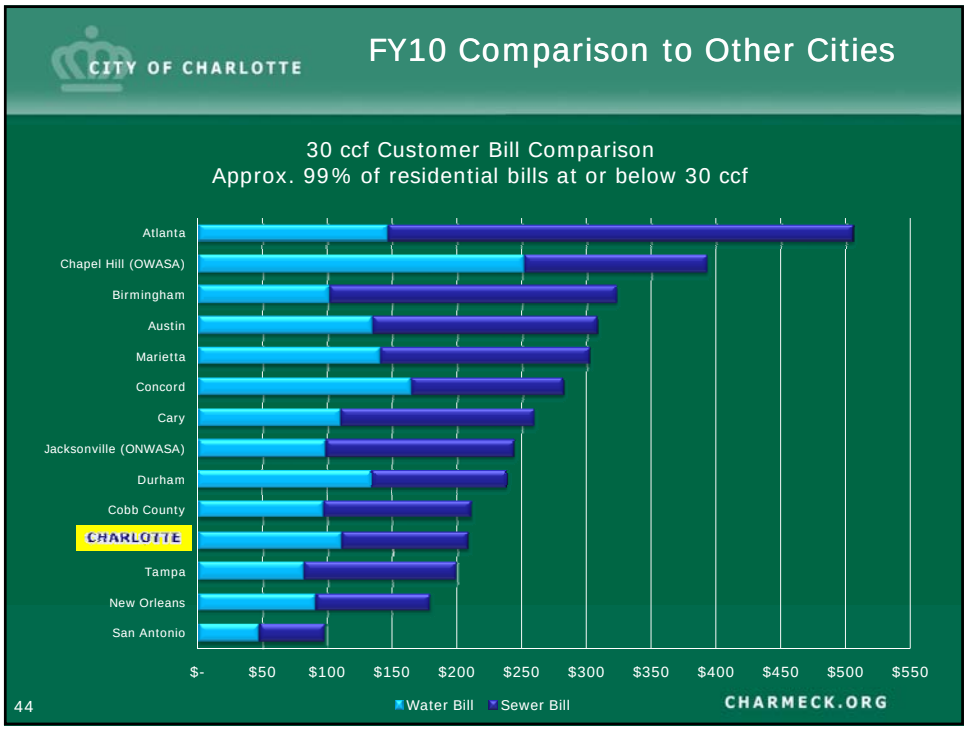
CITY OF CHARLOTTE
FY10 Comparison to Other Cities
30 ccf Customer Bill Comparison
Approx. 99% of residential bills at or below 30 ccf
Atlanta
Chapel Hill (OWASA)
Birmingham
Austin
Marietta
Concord
Cary
Jacksonville (ONWASA)
Durham
Cobb County
CHARLOTTE
Tampa
New Orleans
San Antonio
$-
$50
$100
$150
$200
$250
$300
$350
$400
$450
$500
$550
44
Water Bill
Sewer Bill
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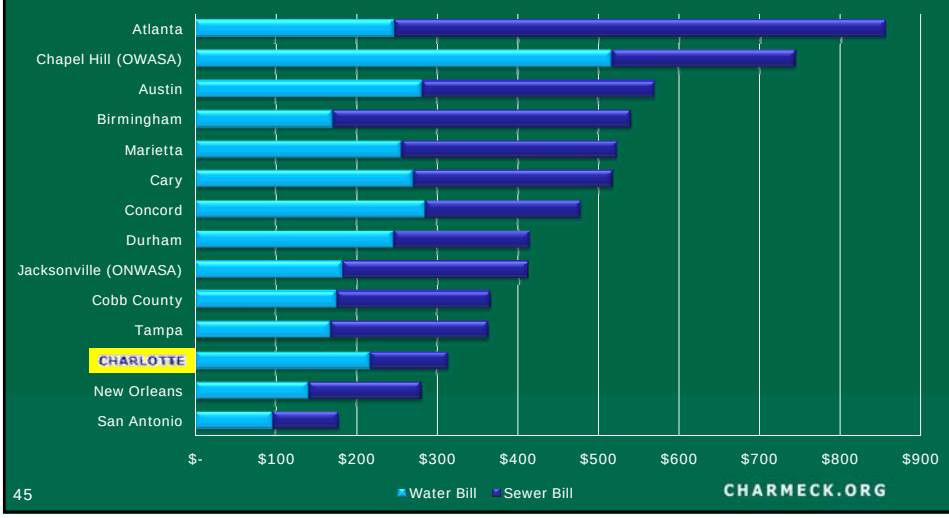
CITY OF CHARLOTTE

FY10 Comparison to Other Cities

50 ccf Customer Bill Comparison
Approx. 99.7% of residential bills at or below 50 ccf



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CITY OF CHARLOTTE

Task Force Report

- Cornelius Water Task Report is complete
- Task Force members dismissed
- Utilities Advisory Committee evaluating recommendations

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CITY OF CHARLOTTE

Next Steps

- Presentation at April 14 Budget Retreat

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