

**CHARLOTTE WATER
ADVISORY COMMITTEE
MINUTES OF MEETING
January 19, 2019**

Charlotte Water Advisory Committee met Thursday, January 19, 2019, 2:30 pm at Charlotte Water.

Members Present: Barbara Bleiweis, Leslie Jones, Dorian Carter, Barry Webb, Frank McMahan
(called in)

Members Absent: William Royal

Staff Present:	Angela Lee	Director
	Ron Hargrove	Deputy Director
	Carl Wilson	Chief Engineer
	Chad Howell	Chief Financial Officer
	Abby Dolan	Procurement Manager
	Steve Miller	Customer Service Manager

Safety Minute: Prevent Carbon Monoxide Poisoning.

Approval of Minutes

A motion was made by Leslie Jones, and seconded by Barbara Bleiweis to approve the November 2018 Minutes. The motion was approved

Budget Status and Rate Model Presentation – Chad Howell

Chad Howell presented a review of the Budget Status followed by a review of the Charlotte Water Rate Model. The presentation was handed out to attendees. Total Operating Revenues: \$413.5MM Budget. \$310,285 = Running total relative to weighted budget under. Consumption will be flat in 2020.

Operating Expenses: Charlotte Water will more than likely finish the year with savings. Rate model review is looking to have consistency over time. Any savings that we make over the year stays with Charlotte Water and is used for future expenses.

Connection Fees or Non-Rate Revenues = System development fees, or, one-time charges for new service. Other charges for service and high-strength surcharges, miscellaneous fees, customer service, and land development. Charlotte Water uses an increasing four-tier structure that relates to CCF structure.

Chad continued with additional discussion around the rate methodology, historical monthly billing charges, historical monthly availability fees, usage rates, and concluded his presentation with an overview of the rate model and cost allocation diagrams for both water and sewer.

There was some discussion around our largest commercial users.

PID Update – Angela Lee

Director Lee noted that the PID is Marcus Jones effort to discuss capital projects across the city to collaborate and leverage funds across the city.

Main Drivers for Charlotte Water: Regulatory requirements, capacity for growth, rehabilitation and replacement, commitment to public projects and utility operations, Angela gave the example of Charlotte Water's AVL initiative.

Collaborations for Charlotte Water: Towns of Mecklenburg County, City, County Departments, and Charlotte Water divisions. Currently we have more allocated for capacity. CIP five year is \$1.66B. Majority of CIP is related to sewer projects. Angela Lee also discussed Long Creek Regional Coordination of cost sharing relating to capacity, plant construction, as well as a discussion around the River District, and Mint Hill. Charlotte Water will put in the back-bone infrastructure for developers to come in. We anticipate putting in first lines Q3 2019.

Dorian Carter asks: Has Charlotte Water acquired all the right of way? Per Director Lee, it is in process and we are waiting on the City to determine alignment.

Angela Lee continued to discuss alternate delivery, and her four-word mantra is: "Pipe In The Ground"; "We want to set the foundation for the next 30 years for the CBD; the heart of a water distribution system are the valves and we've identified several issues that need to be strategically replaced before the RNC 2020."

Angela's objective is for us to work with CDOT and storm water and start on the path of addressing the infrastructure and methodically fix.

All departments need to be done with work by December of 2019.

Work with Water Vendor Fair – Abby Dolan

Goal: Increase MWSBE utilization. 130 people attended and 90 Prime vendors. The event feedback was a huge success. Dorian commented on the success of the event, "great job".

Catawba-Wateree Annual Summit – Ron Hargrove

Ron reviewed CWWMG briefly which included some historical information as well as a look ahead. Ron invited the Advisory Committee to the Catawba-Wateree Annual Summit. Leslie Jones and Barbara Bleiweis plan to attend the event.

Meeting locations

It was decided to go to the remaining 10 different locations. Angela to send out a follow-up.

Open Discussion

Regarding the Lawsuit on TV

Per Director Lee, we are not allowed to comment.

Meeting Adjourned – 3:54 pm