

**CHARLOTTE WATER
ADVISORY COMMITTEE
MINUTES OF MEETING
August 17, 2017**

Charlotte Water Advisory Committee met Thursday, August 17, 2017, 2:30 pm at 4222 Westmont Drive, Charlotte, NC.

Members Present: Barbara Bleiweis, Jim Duke, Leslie Jones, William Royal, Frank McMahan, Barry Webb, Dorian Carter

Staff Present:	Barry Gullet	Director
	Carl Wilson	Chief Engineer
	Melissa Hershberger	Business Manager
	Steve Miller	Customer Service Manager
	Shawn Coffman	Deputy Director
	Ron Hargrove	Deputy Director
	Karen Weatherly	Assistant City Attorney

Safety Minute

Definition of Unsafe Working Conditions

Approval of Minutes

A motion was made by Leslie Jones, and seconded by Frank McMahan, to approve the July 2017 minutes. Motion was approved.

Budget Update

The budget kickoff for FY19 will be starting in September. For July 2017, expenses were less than the weighted average, and revenues were above the weighted average. There is still work being done to adjust the weighted average. Since this only reflects one month of the fiscal year, the data may not reflect true budget status at this point. The department currently has a healthy fund balance.

House Bill 436

The North Carolina General Assembly recently passed House Bill 436, which addresses water and sewer impact fees in the state. The bill is very complicated due to the narrowness of the definitions that were used. The attorneys at the UNC School of Government have been working to interpret the bill. The bill defines how water organizations can develop and assess system development fees.

A significant issue within the bill is when fees are required to be collected. UNC School of Government attorneys are advising that there are no options about when to collect fees. The bill requires system development fees to be scaled according to service units. Charlotte Water is assessing whether our current methods of computing and collecting capacity fees (which are System Development Fees according to HB436) needs to be revised to comply with the new requirements.

Fitch Surveillance Audit

The Fitch Group recently affirmed Charlotte Water's Bond Rating at AAA with a Stable Outlook. This reinforces the City's ongoing commitment to providing high quality water and wastewater services at affordable rates.

When reviewing Charlotte Water's finances and operations, several items were cited by Fitch as critical factors contributing to the stability of the utility, including efforts the utility makes to:

- Maintain affordable rates,
- Follow long-term financial and regional water supply plans,
- Implement ongoing capital investments to accommodate new growth and rehabilitation of existing infrastructure, and
- Support the city's role as a regional economic center for trade, transportation, health care, financial services and other industries.

Review of Environment Committee Presentation

The City Manager is planning for Council to discuss rates and fees charged by the City for various services at their January retreat. To prepare Council for that discussion, a number of departments including Charlotte Water are making a series of presentations to Council's Environment Committee. Charlotte Water's first presentation to the Committee stressed the differences between drinking water, storm water, and waste water. The presentation also went over the department's long term financial plan, rate setting philosophy and methodology, and current rate structure.

The presentation also went over House Bill 436 and how the department must be in compliance with it. For the Committee's October meeting, the department plans to have a debt consultant and a bond advisor present to give them a better idea of how Charlotte Water compares to other water organizations across the country.

Cornelius Water Availability for Fire Protection

Certain roads in Cornelius, which used to be fully functioning roads, now dead end into Lake Norman due to the construction of this man-made lake. This essentially creates peninsulas. Since the roads now end at the lake and do not create opportunities for the water system to be reinforced by looped interconnections, fire flow availability may be impacted. The Town of Cornelius has asked Charlotte Water to study this issue and that work has been completed. The conclusion is that fire flow is provided, but in the case of extremely large homes, the Town may want to make other arrangements to enhance firefighting. This information is being presented to the Town.

Matthews Water Outage

Charlotte Water crews were dispatched to a leak in Matthews where water was bubbling up through the pavement. After determining that the leak was at the intersection of a 16 inch water line and a 24 inch water line, they closed the valves and opened a fire hydrant to relieve pressure. Unfortunately, this caused low to no water pressure in 8 surrounding neighborhoods. Because this happened at approximately 10 pm, 311 was closed when customers called in to report the issue and had a difficult time being funneled over to the one person dispatching in Field Ops. The difficulty of getting through received a fair amount of news coverage and was presented as a larger issue than having low pressure or no water. The department relies on 311 as our call center and is not staffed or equipped to receive a large volume of calls after hours.

The water pressure issue was resolved in a matter of hours; however, the leak, which was caused by a leaking gasket in the 16 inch water line, will be fixed within the next few days.

Hot Topics

1. A road in the Mallard Creek area recently washed out. Charlotte Water did not cause this issue, but are helping to stabilize the road repair.
2. The Catawba Wateree Water Management Group will be having their annual summit Tuesday, October 10th at the Stowe Botanical Garden. The target audience for this conference will be policy makers, and various speakers will talk about economic and water issues.
3. Barry Gullet, Charlotte Water's current director, will be retiring at the end of the calendar year.
4. Hydrant issues occurred in Cornelius in the Smithville area. Charlotte Water addressed the issue.
5. Research is being done on the Smart Irrigation program to ensure that customers know when to get their backflow inspection completely and properly sent in to the department.

Meeting Adjourned – 3:37 pm

KCJ