

**CHARLOTTE WATER
ADVISORY COMMITTEE
MINUTES OF MEETING
June 19, 2018**

Charlotte Water Advisory Committee met Thursday, June 19, 2018, 2:30 pm at 12131 Park Road, Charlotte, NC.

Members Present: Barbara Bleiweis, Leslie Jones, Dorian Carter, Barry Webb

Members Absent: Frank McMahan, William Royal

Staff Present:	Angela Lee	Director
	Ron Hargrove	Deputy Director
	Carl Wilson	Chief Engineer
	Keri Cantrell	Chief Engineer
	Chad Howell	Chief Financial Officer
	Thomas Powers	Senior Assistant City Attorney
	Abby Dolan	Engineering Contracts Manager
	Frederica Love	Administrative Officer II

Safety Minute

Outdoor Protection

Approval of Minutes

A motion was made by Leslie Jones, and seconded by Barry Webb, to approve the May 2018 minutes. Motion was approved.

Budget Status

For FY18, revenues are ahead of the weighted projections and there is a healthy fund balance. For expenses, a \$96 million transfer to PAYGO and another \$8 million transfer to debt service have not occurred yet. Expenses tend to spike upwards in June due to the budget year coming to a close.

For FY19, Council adopted the department's proposed budget with no changes on June 11th. The department received a 3% rate increase that allows the department to operate, pay debt, and begin funding a robust five year capital program.

Major Capital Projects for FY19

Major challenges for the department include exponential community growth, aging infrastructure, customer expectations, and demographic changes. In order to serve these needs, \$747 million is allocated to serve capacity growth, with most of the money being spent on wastewater treatment. The biggest upcoming project is the Long Creek WWTP at \$300 million, which will remove three existing wastewater treatment plants and one lift station, and increase wastewater treatment flows. Current projects require a design/build, which means that the department must issue an RFP and a designer and construction firm must work together on the contract. Current pipeline projects include the N. Tryon and Park Avenue

sanitary sewer improvements, and creek tributary line improvements. Future projects include the McAlpine WWTP RPI, the Mallard Creek CMAR, and a new building for Zone 4 field operations.

Minority Contracting

Based on a US Supreme Court decision in 1989, the City of Charlotte is required to complete contractor disparity studies, which are performed every 5 years. The consultant who completes the study looks at two major components based on race and gender: statistical analysis and qualitative analysis where community members are asked how the market is actually performing.

Goals vs. No-goals

No-goals refers to how the community responds to bids, whereas Goals means that manipulation to the bidding process based on minority and gender roles has occurred. Whenever the City tries to manipulate the market, the participation is strong, and vice versa. If a particular racial or gender group is below 50% participation, then the City sets a goal for them to receive contract bids. If a particular group is over 100%, then they are being over utilized.

The racial and gender goals break down as such:

<u>Racial or Gender Group</u>	<u>Goals</u>	<u>No-Goals</u>
Asian	197%	47%
Black	80%	28%
Hispanic	97%	29%
Native American	27%	24%
White Women	113%	65%

The City has a sunset provision that prevents illegal quotas. When a group gets to 80% contracting consistently, then the City is no longer allowed to provide goals for that group. City Council sees the reports and sets the goals as they want to have more local businesses compete for contracts and provide better value for taxpayers. Companies do have to be certified and registered with the state and the City in order to be considered for contracts.

Future Meeting Locations

The plan is to alternate meetings every other month from ESF to another CLT Water location. A map and schedule of meeting locations for the rest of the year was distributed to the Committee.

Open Discussion

1. The July 19th meeting is cancelled.
2. River District Update – Charlotte Water has engaged with the City’s reimbursement program. The developer has yet to acquire all easements to complete the loop that will extend water services. The department owns property in that area near Dixie River Road and may be swapping that parcel for one slightly north of it.

Meeting Adjourned – 3:35 pm

KCJ