

**CHARLOTTE WATER  
ADVISORY COMMITTEE  
MINUTES OF MEETING  
May 18, 2017**

Charlotte Water Advisory Committee met Thursday, May 18, 2017, 2:30 pm at 4222 Westmont Drive, Charlotte, NC.

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

Staff Present:	Barry Gullet	Director
	Ron Hargrove	Deputy Director
	Carl Wilson	Chief Engineer
	Chad Howell	Business Manager
	Steve Miller	Customer Service Manager
	Jennifer Frost	Communications Manager
	David Czerr	Deputy Director
	Karen Weatherly	Assistant City Attorney

**Safety Minute**

PASS Method

**Approval of Minutes**

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

**Budget Update for FY17 and FY18**

Revenues are still ahead of the weighted budget projections. The department will end the year with more revenues than planned based on the increasing growth taking place in the community that reflect a large transfer to PAYGO (Pay-As-You-Go financing) and debt servicing. The department is on track to meet financial criteria expected to maintain AAA bond rating.

On May 10th, City Council discussed the FY18 budget. The budget that had been previously presented by Charlotte Water required no substantial changes. Council will conduct “straw votes” on proposed adjustments for the overall budget to the City Manager, and will vote to adopt the FY18 budget on June 12th.

**Discussion of Potential Rate Study**

The Business team will be evaluating proposals to select a rate consultant. Charlotte Water uses a qualifications based selection system when existing contracts are nearing expiration. The current consultant’s contract has been in effect for several years and expires soon. A full rate methodology study will not be required, however, the study will work to address affordability issues and identify how much of the cost burden for new development is actually paid for by developers. The consultant’s work will also help Charlotte Water apply the current rate methodology each year to determine rates and fees. This work could support potential Extension Policy updates.

## **Water and Sewer Extension Policy Discussion**

A proposed draft of potential changes to the Extension Policy was presented. The edits emphasize that the department provides capacity on a first come, first serve basis and that it cannot be held by anyone. Presently, there is not a time frame on how long the developer has to acquire and actually start building on the property.

Recently, the department began implementing fees for plan review and inspections to be consistent with the rest of the City for cost recovery.

The draft policy states that the department does not provide services for which the developer is responsible. The draft also recognizes that changes in land use beyond original plans will affect the ability of existing infrastructure to support the change. As drafted, Charlotte Water would pay for upgrades to provide capacity but only when the funds are available to do so and when benefits are realized by more than one entity or customer. The costs of increasing capacity may be the developer's responsibility or the department's, depending on certain variables. The edits also allow the department to address small problems without amending the Community Investment Plan (CIP). The goal is to have contracts already encumbered before capacity problems present themselves, which are typically hard to predict far in advance. The department will not allow connections if there is not enough capacity available.

The draft would establish as public policy that water services should be provided by a public or private utility with a sustainable business plan. The private system should be able to provide the same level of quality and service that the department does. The new version of the policy clarifies that the department will not support bulk servicing through master meters or other utilities that fail to meet the same level of quality and/or service.

The draft will be presented to various groups within Charlotte Water to generate as much feedback as possible before a final version is created.

## **Hot Topics**

1. Pride Patton and Frank McMahan's term are expiring on June 30th. Applications to fill Mr. Patton's Contractor position are due May 21st through the City Clerk's Office. Applications to fill Mr. McMahan's Civil Engineer position are ongoing through the County Clerk's Office.
2. Sixty-six positions have been requested in the FY18 budget. The department will be going through a reorganization soon.
3. The Communications Team has acquired a water wagon that can hold 500 gallons of chilled water in the tank. The wagon can be used for branding, community outreach, and during emergencies.
4. The Water Quality Report will be coming out soon. There are two versions: one with EPA requirements and another more simplified version. The simplified version will be mailed to customers. The report will also be presented to the City Council Environment Committee on June 5th.
5. 2018 Water Week will be in conjunction with Discovery Place.
6. Wilson's World, a WCCB TV segment, was live at Vest WTP for a plant tour.

**Meeting Adjourned – 4:03 pm**

**KCJ**