

**CHARLOTTE-MECKLENBURG UTILITIES  
ADVISORY COMMITTEE  
MINUTES OF MEETING  
January 20, 2011**

The Charlotte-Mecklenburg Utilities Advisory Committee met Thursday, January 20, 2011, 3:30 pm at 5100 Brookshire Boulevard, Charlotte, North Carolina.

Members Present: George Beckwith, Jim Merrifield, Ron Charbonneau, Marco Varela

Members Absent: Erica Carter, David Jarrett

Guests: John Mastracchio

Staff:	Barry Gullet	Director
	Kim Eagle	Deputy Director
	Mickey Hicks	Business Manager
	Steve Miller	Customer Service Division Manager
	Vic Simpson	Communications Manager
	Regina Cousar	Continuous Improvement Officer

**Minutes**

A motion was made by Jim Merrifield, and seconded by Ron Charbonneau, to approve the December 2010 minutes.

**February Advisory Meeting**

Next month's Advisory meeting will be held at CMU's Environmental Services Facility (ESF) located at 4222 Westmont Drive, Charlotte, NC 28217.

**Rate Methodology Study Update**

Mickey Hicks introduced John Mastracchio with Red Oak Consulting to the group. The Rate Methodology Study is coming to a close. There have been a couple of presentations to the Restructuring Government Committee (RGC) so far with another scheduled for January 27<sup>th</sup> at noon in Room 280 at the Charlotte-Mecklenburg Government Center. The RGC will then make a recommendation to City Council. Barry Gullet will present the information to the City Council on either February 7<sup>th</sup> or 14<sup>th</sup>. The next step will include a joint public hearing with Advisory and City Council on either February 14<sup>th</sup> or 28<sup>th</sup>. Utilities would like to get final approval from City Council on a rate methodology at the February 28<sup>th</sup> meeting in order to keep the rate methodology and FY2012 rates separate issues. Barry met with Warren Cooksey yesterday and he is in support of Utilities' recommendations. Utilities would like for City Council to adopt a concise rate methodology document and then be able to work on implementation guidelines for staff. John Mastracchio went through presentation with Advisory members to get feedback; suggestions included making availability fee more flexible with a target percentage rather than a cap. Initially, the sewer cap will be reduced from 24 to 16 for single family residential accounts with the intention of moving towards a winterized consumption average. Other recommendations in the rate study include providing incentives for customers who install smart irrigation controls and/or install a separate irrigation meter and making no change to the capacity fee. The methodology of miscellaneous fees will not be changing and were not included in the study. CMU Advisory members agreed with what was presented.

**Miscellaneous**

Ron Charbonneau indicated that the City did provide liability insurance for committee members.

Currently, there are 500+ water main breaks on the list to be repaired; private crews are being brought in to help reduce this backlog.

Utilities' last bond sale was in 2009; Utilities will be delaying large projects due to almost all funds being committed at this point. Utilities may present a two year rate package to City Council for FY2012 and FY2013, which will include the lowest CIP submittal since 2004.

The Charlotte region is currently in Stage I drought. Lake levels are helping to keep the region out of Stage II; Stage II drought includes mandatory restrictions on water use. Duke looks at triggers on the last Friday of each month to see which stage the drought is in. Long term predictions indicate the region will be dry.

Adjourn 5:00 pm  
Karen L. Baldwin