

**CHARLOTTE-MECKLENBURG UTILITIES
ADVISORY COMMITTEE
MINUTES OF MEETING
May 25, 2011**

The Charlotte-Mecklenburg Utilities Advisory Committee met Wednesday, May 25, 2011, 3:30 pm at 12701 Lancaster Highway, Pineville, North Carolina.

Members Present: David Jarrett, George Beckwith, Marco Varela, Jim Duke, Ron Charbonneau, Jim Merrifield (via phone)

Members Absent: Erica Carter

Guest: Frank J. McMahan, P.E.

Staff:	Barry Gullet	Director
	Kim Eagle	Deputy Director
	Mickey Hicks	Business Manager
	Steve Miller	Customer Service Division Manager
	Karen Whichard	Public Information Officer

Minutes

A motion was made by George Beckwith, and seconded by Marco Varela, to approve the April 2011 minutes.

FY12 Budget Update

Barry Gullet presented Utilities' proposed FY12 budget to City Council on May 9th, which was well received. Barry Gullet and Kim Eagle met individually with the majority of Council members on the Budget Committee prior to the presentation to discuss Utilities' *Customer Guide to Understanding Your Bill*, a booklet designed to show customers what the needs are and how the money is spent. Following the presentation, City Council also had a budget adjustment session and public hearing; the Utilities portion of the budget was not contested. City Council will hold straw votes on June 1st and vote to approve the City budget on June 13th. After the City budget adoption, new copies of the booklet will be printed with modifications and distributed to customers.

Water Quality Report

The annual Utilities Water Quality Report will be mailed out to customers at the end of next week. CMU water quality is excellent.

Debt Refinancing

Utilities' debt refinancing will proceed this summer. On May 26th, the Official Statement (OS) will be reviewed by Barry Gullet, Mickey Hicks, and other City personnel. On June 20th, the OS document will be reviewed a second time. Conference calls with the three rating agencies, Standard & Poor's, Moody's and Fitch, will take place on June 23rd and 27th to discuss Utilities' new leadership, 10-year debt model and other financials and Customer Service 40-point plan. The refinance closing is scheduled for August 3rd. The net present value savings is currently \$15 million.

Meter Equipment Pilot Follow-up

City Council approved two contracts for the equipment meter pilot, one with Itron and one with Badger. The Itron 100W (data logger) has been installed at approximately 40 homes in River Run and will be completed today in the Hidden Valley neighborhood consisting of approximately 700 homes. River Run will be finished the second week of June. Collecting hourly data with a drive by may not be practical, so Utilities will begin with daily data collection. The Badger Orion equipment will be taken out of service at the completion of the pilot due to it using a different software and data collector. Data from both pilots will be merged into current system. The Itron equipment also has an extra port to hook up acoustic device for water leak detection.

Customer Service Rerouting

The rerouting project is still active and has not yet finished. Utilities currently has 20 billing cycles and is working on balancing the number of accounts in each cycle. This project is labor and communication intensive.

Long Creek Project Update

This particular project has been studied since the 1970s and looks like it is a feasible project. Mount Holly, Belmont, CMU and Clariant all have roles in the project. Currently, Utilities is working with Reventure to secure the purchase of land for the project and Mount Holly to finish the Memorandum of Agreement. The Environmental Impact Statement will be furnished to the State in the July/August 2011 timeframe.

A tour of the McAlpine Creek Wastewater Treatment Plant commenced after meeting adjourned.

Adjourned Meeting 4:35 pm
Karen L. Baldwin