CHARLOTTE WATER
ADVISORY COMMITTEE (CWAC)
MINUTES OF MEETING
January 18, 2024

Held at 4100 W Tyvola Rd, Charlotte, on Thursday, January 18, 2024, at 2:30 p.m.

Members Present: William Cornett (Chair), Barbara Bleiweis, Gordon Miller, Grayson Rountree, Dan Melvin (Virtually)

Members Absent: N/A

Staff Present:		
	Angela Charles	Director
	Ronald Hargrove	Deputy Director
	Jackie Jarrell	Deputy Director
	Shawn Coffman	Deputy Director
	David Czerr	Deputy Director
	Thomas Powers	Assistant City Attorney Sr
	Karen Weatherly	Assistant City Attorney Sr
	Melissa Westfall	Utilities Business Manager
	Keri Cantrell	Chief Utilities Engineer
	Carl Wilson	Chief Utilities Engineer
	Carolyn Ross	Administrative Services Manager
	Marion Sanders	Utilities Manager
	Colin Stifler	Administrative Officer Manager

Approval of Minutes

A motion was made by William Cornett and seconded by Barbara Bleiweis to approve the October minutes. Motion was approved.

Operation and Capital Update

Ron Hargrove began the operational and capital update with a brief overview. He highlighted that the total water supply demand for the calendar year was [116.2 million gallons per day], slightly lower than the previous year. The peak day demand was also lower at [145.6 million gallons], which occurred in August of the prior year. The average demand for the last five years was [112.8 million gallons], and the region received [47 inches of rainfall] during the year, which was slightly above average. However, most of the rainfall occurred during significant rain events, and there were no prolonged soakers like in the past. The region had gone into a drought stage but moved back to stage zero this month, except for the mountains.

Regarding the distribution system, the lake response success was 82%, meeting the goal. The average leakage period was 33 days, and the backlog was significantly reduced from over 200 to a more manageable

level. The service still had some main breaks, an average of 9.7 for 2023 and 0.7 for the year to date in January.

There are six plants for wastewater treatment, and the capacity has increased to 124.2 million gallons. The Mallard plant expansion was completed, and the plant's capacity increased from 12 million to 13.1 million gallons per day. The average daily flow for calendar year 2023 was 86.6 million gallons, and the high flow peak was during Hurricane Florence.

The collection system update showed that the system was at 122 in FY23, which is excellent and near the best-in-class goal of two per 100 miles. So far, the system is under that with 127 for the fiscal year to date through December. The smart covers presentation demonstrated that they prevented 60 SSOs in FY23 and 39 this year from July, which is a significant benefit.

The SSO types year to date again showed that grease, roots, and debris were the three major causes, and cleaning was how to combat those other than the flow-free program. The cleaning program was 8.4% of the system this fiscal year, with a 10% goal through the collection system permit.

Budget Update

Ron Hargrove presented the latest budget update for the period ending December. He noted that the company has allocated a budget of $552.9 million for the year. Currently, the company is ahead of revenue by $6.5 million, and operating expenses are under budget by about $600,000, as part of the company's effort to manage its debts and tighten the budget.

FY25 Budget

Angela Charles provided an overview of the draft FY25 Budget and a video presentation. She indicated that some recommendations would be proposed, resulting in rate increases.

Out of the proposed budget of $621 million, 39% has been allocated to the operating budget, while the remaining 61% has been earmarked for the capital program. A request for a two-year approval for Charlotte Water Services will also be made.

Angela Charles received and noted feedback and recommendations from members.

Inter-Basin Transfer

Ron Hargrove gave an overview of the Inter-Basin Transfer (IBT) initiative, which was being considered by Charlotte Waters. He explained that this would be a modification request as Charlotte Waters already has an IBT certification, allowing them to consume some water from the Catawba River basin without returning it to the Chicago basin. This amount of water consumed is known as an Inter-basin transfer. Some key points that were highlighted during his presentation included:

- The Charlotte service area in Mecklenburg County covers about one-third of the county in the Yadkin River basin. The treated wastewater remains in the Yadkin basin, and all of them are

considered IBT. However, if the water is treated at a different plant, it is discharged or consumed elsewhere.

- The IBT is measured on a peak day, the one day per year when the most water goes and does not return. They currently have a limit of 33 million gallons a day. However, historical trends showed they will need more than 33 million gallons sometime around 2030. This could be soon in the next few years or around 2030, but the need is coming.

- Obtaining a modification request is quite significant and requires them to plan out 30 years. They are looking at their growth projections and have neighbors interested in buying water from Charlotte Water. They are starting to talk with potential partners about their water interest and how that factor into this 30-year plan. There may be some partners that join the plan.

- The pre-net Operating Income (NOI) activities have been completed, including engagement with external stakeholders, and a council-manager memo about this process will be issued tomorrow, followed by a notice of intent to the EQ in early February.

- A public scoping meeting will gather stakeholders' thoughts, opinions, and questions that must be addressed throughout the Environment Impact Statement (EIS) preparation process. Stakeholders' feedback on the alternatives that have been considered to date will be discussed during the scoping meeting, and additional suggestions will be welcomed.

- After the scoping meeting, a draft will be prepared and submitted to the EQ for review. The DEQ will then submit a final draft for public comment, which will be addressed before receiving the DEQ record of the decision. The EMC process will follow, which involves a major public hearing.

- Various solutions were examined to tackle the issue of the wastewater flow, including implementing the Clark Creek pump station project that is already in effect, which involves pumping the flow back to the top of the basin. Other alternatives were also considered, such as increasing the reuse capacity and exploring the possibility of tapping into new water sources on the Yadkin side. However, all of these options, except for an IBT increase, would cost over $600 million.

- The possibility of partnering with Union County's IBT was considered. However, they are prohibited from selling water due to certain EMC conditions. Therefore, until the conditions are removed from IBT certifications, the only option is to consider increasing Charlotte Water's IBT.

Ron Hargove invited members to participate in the scoping meeting and EMC public hearing and provide feedback on the alternatives that have been considered and any other suggestions. He also noted that a website would be developed to keep everyone informed of the process and milestone dates.

January 9th Storm Event

Regarding the January 9th Storm Event, Marion Sanders and Joseph Lockler shared their insights. Marion Sanders gave an overview of the preparation process and the team's response activities. He reported that the team was well prepared regarding equipment and staff for the storm. Meanwhile, Joseph Lockler,

Division Manager at EMD, presented a detailed report on their response to the storm event. He provided updates on the observations made at the wastewater treatment plants during the event. The key highlights included:

- The Environmental Management Division (EMD) is responsible for the city's wastewater plants, biosolids and residuals program, and Charlotte Water's R&D program. They are also now embarking on a new initiative, resource recovery.

- The city's wastewater treatment plants have permits, treatment capacities, and budgets. The permitted capacity on paper of all the wastewater treatment plants was 124.2 million gallons daily, and the city averaged about 86.6 million gallons daily.

- During a rain event, the plants have more water coming in than they could treat through the plant, resulting in water being placed into storage. Currently, the city has 167 million gallons of storage.

- It costs around $100,000 a day to run all the city's wastewater treatment plants, and the city spends about $35.1 million annually on power, chemicals, maintenance, and repair.

- The recent rain event was historic, and the second-largest amount of wastewater was collected, treated, or stored for later treatment since Charlotte Water's inception. On this day, the plant treated 143 million gallons of wastewater.

- Three of five significant plants were flooded during the rain event, and the staff's safety was a priority. A flow management plan was implemented to divert the flow from one plant to another, and strategic decisions were made about storing and treating the wastewater.

- Charlotte Water's permit compliance was not compromised during the rain event, and they had a good track record with their NPDES permit compliance. They had perfect compliance with all the plants except Sugar Creek for the calendar year 2023.

- The Irwin Creek plant has a high-hazard dam, and a dam inspection was conducted when seepage was observed, but no significant issues with the dam, and spare parts and equipment were ordered to repair the damaged equipment at McAlpine.

- Spending on chemicals increases by 30 to 50 percent during heavy rainfall, with bleach and PH inoculation adjustment chemicals used at McAlpine Creek and Sugar Creek plants.

- The weather conditions at the wastewater treatment plants do not significantly impact power consumption. Most power demand comes from aeration in the basins, which offsets the cost associated with the increase in pumping.

- Maintenance and repair bills were received for three bar screens and a low lift pump at McAlpine, with an additional repair bill still pending for a filter pump.

- The grit system at Irwin Creek experienced significant challenges due to high volumes of water entering the plant, which stopped up both of the basins. Recovery efforts are ongoing, but all the EQ basins were successfully emptied on Sunday.

- The Irwin Creek plant had exceeded its permitted flow for the month. Specifically, the plant is currently discharging 18 million gallons per day, compared to a permitted limit of 15 million gallons per day. They will need to bypass or divert the flow to another plant to bring the flow below the monthly average and avoid any permit violations.

Meeting Adjourned

The meeting adjourned at 4 pm.

LAL