

**MINUTES OF THE REGULAR MEETING
OF THE
CATAWBA-WATEREE WATER MANAGEMENT GROUP**

A regular meeting of the Catawba-Wateree Water Management Group (“WMG”) was held on Tuesday, October 14, 2008, at 10:00 AM, at the Lee Dukes Water Treatment Plant in Huntersville, NC.

Present at the Meeting – The WMG Member Representative and/or Alternate of the following WMG members were present:

Member	Member Representative	Alternate
City of Belmont, NC.....		
City of Camden, SC.....	Tom Couch	
Catawba River Water Treatment Plant.....		
City of Charlotte, NC.....	Barry Gullet.....	Maeneen Klein
Chester Metropolitan District.....		Fred Castles
Duke Energy Carolinas, LLC.....	Jeff Lineberger	
City of Gastonia, NC.....	Flip Bombardier.....	Matt Bernhardt
Town of Granite Falls, NC.....		Kim Prestwood
City of Hickory, NC.....		Chuck Hansen
City of Lenoir, NC.....	Mack Edmisten	
Lincoln County, NC.....	Steve Gilbert	
Lugoff-Elgin Water Authority.....	Mike Hancock	
City of Morganton, NC.....	Don Danford	
City of Mount Holly, NC.....		James Friday
City of Rock Hill, SC.....		
Town of Valdese, NC.....		

Meeting guests included: Melinda Chapman (USGS), Ken Kearns (Kearns & West, Inc.), Bob Henderson (Centralina COG), Chris Peterson (City of Hickory), and Eric Rudisill (USGS).

Call to Order – Barry Gullet (Chair) called the meeting to order at 10:10 AM.

Roll Call – Gullet called the roll and confirmed that a quorum was present. Jeff Lineberger also noted that due to an unexpected death, Mike Bailes (Catawba River Water Treatment Plant) could not attend the meeting, nor could his alternate Eric Robertson. The WMG will note that, although Mike has recently retired, he has contracted back with the Catawba River Water Treatment Plant and will continue as its member representative and as the WMG’s At-Large Director in South Carolina.

August 12, 2008 Meeting Minutes – Mike Hancock moved and Flip Bombardier seconded that the meeting minutes be approved. The motion carried.

Financial Report – Lineberger (Secretary/Treasurer) provided a summary of the income and expenses to date and noted that, on October 13, WMG had \$70,969.99 in its bank account of which \$12,737.00 was committed to be paid out in 2008 for projects underway. He noted that the Legal and Accounting Support Payments had been

\$15,504.24 which was approximately twice the WMG's anticipated 2008 budget, but these expenditures had been needed and valuable. Lineberger further noted the \$1,651 expenditure for insurance and noted that that payment was scheduled for each August. Following up on an action item, he reported that the WMG legal counsel had confirmed that \$1 million for umbrella insurance was believed to be adequate for the Group considering its current activities. He noted that he had been in contact with Wachovia about the WMG account, and he reminded the Group that, in addition to the \$100,000 FDIC guarantee, the bank had also taken the steps required under NC and SC law for holding public monies to assure protection beyond the FDIC amounts.

Lineberger also asked if the Group wants to continue receiving the total account transaction listing or if it is more appealing to simply see the summary sheet. After some discussion, the Group agreed that the summary page along with a listing of the account transactions that have occurred since the Group's last meeting would be most useful.

Chair Report

Insurance – Gullet referenced Lineberger's summary of the insurance coverage that is now in place.

Election Process for 2009 Officers – Gullet noted that the election of WMG officers and directors would be held at the WMG's December 9, 2008 annual meeting. He invited Ken Kearns to describe last year's nomination process in which the WMG Convening Committee served as a nominating "committee of the whole." Kearns suggested that the members in attendance today serve as this year's nominating "committee of the whole" and suggested that the committee may want to consider not changing the present officers and directors since the Group was still in the process of establishing its working protocols. After a brief discussion, the Group nominated the 2008 officers and directors for 2009. Additional nominations from the floor will be accepted at the December 9 meeting.

Gullet added that he will recommend that regular board meetings be held likely in months when the WMG is not meeting.

Dues Reminder – Gullet reminded the Group that 2009 dues will be payable on or prior to January 31, 2009. Lineberger reminded the Group that the Bylaws require the Secretary/Treasurer to provide dues notifications on or about November 1 of each year. Lineberger said he would draft the notification and e-mail it to Group members for comment prior to sending it out. The Group recommended that the notification should be simple.

Strategic Plan Input from Non-Members – Gullet noted that the Bylaws encourage soliciting project ideas from non-members and noted that Kearns had prepared a draft letter and some suggested addressees for the Group's review. After review, the Group made several editorial suggestions and added several addressees. Kearns will redraft the letter and work with Gullet to send it to the addressees. Comments and ideas will be requested on or before November 14, 2008 so they can be considered for the 2009 Plan revisions.

Committee Reports

Demand-Side Norms, Trends and Opportunities – Lineberger noted that the Committee had met and concluded that projects in the category would remain essentially the same but should be implemented one year sooner than shown on the 2008 Plan. The exception was that the Water Supply Study Update would remain in 2012-2013. Lineberger noted that Duke was considering undertaking a project to test smart meters for landscape irrigation supplied by direct lake withdrawals from the reservoirs. He hoped that, if Duke initiates the project, the WMG will contribute and be a part of it. Maeneen Klein reported that CMU had plans for a similar project with large irrigators, but their project was on hold during the uncertain economy.

Supply-Side Opportunities – Gullet reported that the Committee had met by phone and made some adjustments and clarifications to the existing projects and their estimated costs. He continued by noting the group of activities reported under “Beyond LIP-3 Contingency Evaluation” should remain in this Committee because the studies and calculations could be done simultaneously with studies and calculations already planned by this Committee. The Committee also recommended adding a study to evaluate the potential improvements to flow and drought management from a hypothetical future reservoir on the South Fork Catawba (i.e., how large would a reservoir have to be to make a significant difference).

System-Wide Drought Preparation and Management – Chuck Hansen, substituting for Kevin Greer, reported that the Committee had met by phone and made some adjustments and clarifications to the existing projects and their estimated costs. Gullet noted that the Group needed a logo, and Greer, Chris Peterson, and Maeneen Klein would pursue generating recommendations.

Projects

USGS Ground-Water Network Project – Melinda Chapman (USGS) provided a presentation update on this four-year project noting that planned activities were on schedule. She reviewed the project plans for the next three years with the Group.

GIS Mapping Project – Bob Henderson (Centralina COG) reported that their original project manager, Tricia Byrd, had left Centralina, and he was in the process of determining the status of collecting maps from the individual water jurisdictions. He agreed to report back quickly to Flip Bombardier, the WMG’s project manager.


Five-Year Plan Review and New Projects – After a brief discussion, the Group concluded that a draft Five-Year Plan should be distributed to the Group by November 25 for final review and comment. This would be two weeks prior to the December 9 meeting.

Other Business

Added December 9 Agenda Item – Lineberger noted that Duke will provide a brief presentation on the proposed permanent cooling water modifications at the Allen Steam Station as a follow-up to an earlier presentation on the temporary modifications.

Bridgewater Modifications – Lineberger updated the Group on the dam stability modifications underway at Bridgewater (Lake James). He noted that the concrete spillway for the Catawba Dam would be modified, and Duke will construct a temporary concrete batch plant near the site to support this work. He noted that Duke will also install a temporary water intake in Lake James to supply the batch plant with water and to provide water for soil moisture control. When the spillway construction is complete (~2012), the batch plant and the intake will be removed. Noting that the intake was far smaller than 1 MGD (expectation is 10,000 to 65,000 gpd), he will not present the planned intake formally to the WMG. He noted that this intake will not require FERC approval.

Adjournment – There being no further business, Gullet adjourned the meeting at 12:55 PM.



Jeff Lineberger
Secretary/Treasurer