

**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, August 12, 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 .....		Jo Ellen Trueblood
Catawba River Water Treatment Plant.....	Mike Bailes	
City of Charlotte, NC .....		Maeneen Klein
Chester Metropolitan District.....	Mike Medlin	
Duke Energy Carolinas, LLC.....	Jeff Lineberger.....	Ed Bruce
City of Gastonia, NC .....		Ed Cross
Town of Granite Falls, NC.....		Kim Prestwood
City of Hickory, NC.....	Kevin Greer	
City of Lenoir, NC.....	Mack Edmisten	
Lincoln County, NC .....	Steve Gilbert	
Lugoff-Elgin Water Authority .....		
City of Morganton, NC.....	Don Danford	
City of Mount Holly, NC.....		James Friday
City of Rock Hill, SC.....		
Town of Valdese, NC .....	Jeff Morse	

Meeting guests included: Ken Kearns (Kearns & West, Inc.), Kirsten Lackstrom (University of South Carolina), Mark Oakley (Duke Energy), and Bill Yetman (City of Rock Hill).

Call to Order – Jeff Lineberger (Secretary/Treasurer), acting Chair, called the meeting to order at 10:10 AM.

Roll Call – Ed Bruce called the roll and confirmed that a quorum was present.

June 10, 2008 Meeting Minutes and July 14, 2008 Special Meeting Minutes – Mack Edmisten moved and Ed Cross seconded that both meeting minutes be approved. The motion carried.

Duke Energy’s Response to FERC Additional Information Request – Mark Oakley presented the results of Duke Energy’s response to a Federal Energy Regulatory Commission Additional Information Request (AIR) for “an analysis of the performance of the CHEOPS™ model in this unplanned, extreme event [the 2007 drought].” Oakley described the adjustments to the model required to match the pre-license conditions in 2007 and to determine the Project inflows. He showed several CHEOPS™ outputs which compared very well with the actual 2007 results.

Financial Report – Jeff Lineberger provided a summary of the income and expenses to date and noted that the WMG had paid several invoices to Centralina COG for their work on two WMG contracts in addition to invoices from the WMG’s attorney and accountant. Lineberger also distributed and reviewed the list of WMG action items.

Update on Incorporation and Tax Status – Lineberger reported that he had received word from the attorney that the IRS has exempted the WMG from filing an annual Form 990 (i.e., tax return), although the exemption was not received prior the WMG’s filing this Form in 2007. Lineberger noted that he has not yet received the official exemption notification from the IRS, which is expected soon.

Directors & Officers Insurance – Lineberger distributed an e-mail and spreadsheet (attached) prepared by Barry Gullet summarizing several insurance proposals prepared at Gullet’s request. After members had reviewed the summary, Lineberger opened the floor for discussion which led to Jeff Morse’s moving and Don Danford’s seconding the following motion. After discussion, the motion carried.

VOTED that the Secretary/Treasurer or Chair of the Catawba-Wateree Water Management Group be, and hereby are, authorized to purchase insurance listed in the quote prepared by the Hartford/Wachovia Insurance Service:

Coverage	Premium Quote
Umbrella Liability (\$1,000,000) – Wachovia	\$646.00
Commercial Liability – Wachovia	\$250.00
Directors and Officers Liability - Hartford	\$711.00
<b>Total Annual Premium</b>	<b>\$1,607.00</b>

and to confer with the WMG attorney for her assessment on the possible need to increase the umbrella liability coverage up to \$3,000,000.

Discussion of Annual Project Plan Review Process – Ken Kearns reminded the members that they had earlier decided to review the Five-Year Projects Strategic Plan at the WMG’s October 14 meeting and prepare a revised Five-Year Plan for approval at the December 9 meeting. Kearns recommended that each of the three project-related committees (Demand-Side Norms, Trends, and Opportunities; Supply-Side Opportunities; and System-Wide Drought Preparation and Management) meet prior to the October 14 meeting to consider whether projects should be added, deleted, modified, or scheduled differently. He also suggested that the committees generally review and comment on how the WMG is managing projects since this is the WMG’s first year. He added that, after the committee meetings, the committee chairs should meet to develop a draft Five-Year Plan revision for review at the October 14 meeting.

Grant Funding & Potential WMG Projects – Kirsten Lackstrom presented an overview of potential WMG grant opportunities from NOAA’s Climate Program Office’s Sectorial Applications Research Program (SARP). Ken Kearns described a potential grant concept for metering certain categories of water use (e.g., swimming pools) to gain a better understanding of their potential during droughts. These ideas were referred to the project committees.

## **Committee Reports**

System-Wide Drought Preparation and Management – Kevin Greer (committee chairman) reported that the committee had met to consider taking over the Web site ([www.SaveYourWater.org](http://www.SaveYourWater.org)) developed by CMU and also considering adding a members-only section to the site.

## **Projects**

USGS Ground-Water Network Project – Ed Bruce summarized Tricia Byrd's (Centralina Council of Governments) status report. Real-time equipment has been installed and is working at the Glen Alpine well, and USGS will be drilling the shallow well there soon. An old well site owned by the Cassatt Water Company has been selected for the new Lake Wateree-area groundwater well. Drilling there should begin soon.

GIS Mapping Project – Ed Cross summarized Tricia Byrd's status report. The mapping project is behind schedule, but should be back on schedule by the end of August.

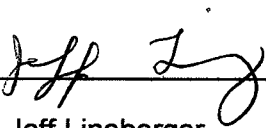
## **Other Business**

Lineberger reminded the group that director and officer elections would be held at the WMG's December 9 meeting, and the Group should consider a nominating process in its October 14 meeting.

Lineberger noted that Mike Bailes will retire from the Catawba River Water Treatment Plant on September 2 leaving a vacancy in the WMG's South Carolina At-Large Director position. He suggested that the WMG Board convene to recommend a replacement process.

Lineberger thanked Bailes for his dedicated commitment to the WMG, his help in getting the WMG organized and for his contributions and collaborative spirit throughout the lengthy relicensing process. Lineberger noted that Bailes will be missed by the WMG.

Adjournment – At 12:40 PM, on a motion from James Friday, seconded by Mike Bailes, the Group voted to adjourn.

  
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Jeff Lineberger  
Secretary/Treasurer