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Charlotte City Council

Governmental Affairs Committee

Meeting Summary for November 1, 2010

COMMITTEE AGENDA TOPICS

I. **Subject:** **Continued Discussion/Consideration/Recommendation on Preliminary 2011 Federal Legislative Agenda**

Action: The Committee recommended briefing City Council on the Federal Legislative Agenda at the December 6 Workshop and scheduling adoption at the December 13 Business Meeting. [The State agenda will remain on the adopted schedule.]

II. **Subject:** **Continued Discussion/Consideration/Recommendation on Preliminary 2011 State Legislative Agenda**

Action: None.

III. **Subject:** **Review November 8 Council Presentation**

Action: None.

IV. **Subject:** **Hot Topics**

Action: None.

V. **Subject:** **Next Meeting**

Action: Monday, December 6, 2010 at 4:00 p.m. in Room 280

COMMITTEE INFORMATION

Present: Nancy Carter, Warren Turner, Patrick Cannon and Andy Dulin

Time: 3:30 p.m. to 5:00 p.m.

ATTACHMENTS

1. Agenda Package

DISCUSSION HIGHLIGHTS

Committee Discussion:

Council member Carter welcomed everyone to the meeting and asked those in attendance to introduce themselves. Ron Kimble advised the Committee this meeting was another opportunity for them to review the legislative agendas prior to the full Council briefing on November 8. If the Committee is not comfortable making a recommendation, this can come back to Governmental Affairs after the Council meeting. The approved calendar does call for a November 22 vote by the full Council.

I. Continued Discussion/Consideration/Recommendation on Preliminary 2011 Federal Legislative Agenda

Dana Fenton introduced representatives from Holland & Knight participating via conference call: Rich Gold – team leader; Jeff Boothe – transit; and Shawna Whatley – long time team member.

Mr. Fenton then listed the items detailed in the 2011 Federal Legislative Position Statements [copy attached] broken down by ***Federal Policy Issues*** and ***Congressionally Directed Spending***.

Dulin: I'd like to toss something up. We won't know until tomorrow if earmarks will be "in" or "dead" if the House changes. I don't mind going in March; I think we are good at going door-to-door; and I don't mind getting us together again if it goes hard right. We can have the discussion, but it might change. I don't mind asking, but we might need to tweak things after tomorrow.

Gold: Would you like some background on what we think we'll see tomorrow?

Carter: Yes, that would be good, but Mayor Pro Tem Cannon has a question first.

Cannon: I think Mr. Dulin is on to something whether we land hard or soft right and one person can make a difference. I am not too hard pressed to go to Mayor and City Council; I am more concerned to take this to the full body to vote for later in the month if we agree there will be more discussion needed. I don't want to rush.

Dulin: It might be as simple as saying to them the Committee talked about this and we're going to push forward at the Federal level but please know the Committee will continue to work with Dana Fenton and Holland & Knight to track things. We might turn the volume down and just let Mayor and Council know we need to be fluid on earmarks.

Carter: We will also be receiving additional information from NLC the first week in December. There may be issues we need to adjust or clarify or enhance but we can give preliminary advice and consent and continue the process to inform.

Gold: We are hearing the conversation in and out, so I hope we answer the right questions. To give a little background, we think we are looking at a takeover of Republicans in the House, but not the Senate, which is a rare occurrence. Not since the 30s have we seen the House-only flip. There is a small chance the Democrats will retain the House and a small chance the Republicans pick up the Senate, but they can only capture a few seats.

The way earmarks are currently handled in the House by the Republican leadership could be continued with their moratorium for another six to nine months while they look to reform the application process. Currently, they refer to this as member directed spending – earmarks – as not a ban, but a moratorium. There has been spending with the Corps of Engineers, so the members have interest just not for a Woodstock museum or bridge to nowhere.

There is no indication the Senate will change anything. They could enter 2011 with the same moratorium as the House or it could be business as usual. We will focus more on the Senate because of the capability to talk. There are some discretionary funds available for transit. We will describe your agenda against the priorities for funding and see what projects provide opportunities for us to pursue and there are discretionary funds and other opportunities.

Carter: Good feedback. Is there anything else?

Dulin: Ms. Flowers, Ms. Pereira, are you actively in and out of Washington?

Flowers: We were last in DC the end of July; we'll be in Raleigh on Thursday. But, we are still actively pursuing and talking with DC on the phone. We have calls scheduled this week.

Dulin: Just making sure you are on it.

[Turner arrives]

Carter: I would let our folks on the phone know that there has been a slight merging of spirits with the MTC. I know unity is important and they are becoming more cordial.

Flowers: We'll see for sure on November 17.

Carter: I am hopeful and we are making some efforts. I have been working to get Jill Swain on the TIS Steering Committee, which gives us another spokesperson that is educated nationally and locally.

Fenton: Rich Gold and Jeff Boothe have been working on this quite a bit and through telephone meetings have done a lot of work with us.

Carter: Thanks for everything. I'm sure our success will be continued.

Separately, Mr. Shearin, I would like to see the information on different types of chlorine sometime.

Fenton: What I am hearing you say is that we need to be nimble and if we see things heading down a certain path, we need to adjust accordingly.

Cannon: Jack needs to be nimble, but not quick. Mr. Kimble, this will go to the full body, when?

Kimble: It is scheduled for discussion on November 8 and then for decision on November 22. That is the schedule you adopted. We don't want to get much past that.

Fenton: The Delegation breakfast is scheduled for December 13.

Kimble: You will want to have the State finalized before then. You had asked us originally to include the Federal with the State.

Cannon: NLC starts November 30 and we are there with you through December 4.

Fenton: Your next Governmental Affairs Committee meeting is December 6.

Kimble: You can still make the Delegation breakfast by approving the agenda at the December 6 Workshop.

Fenton: The breakfast is at 7:45 a.m.

Carter: Could we do some tweaking at the Workshop if anything has arisen out of our discussions?

Kimble: Yes, if you decide that as a Council.

Carter: So, we could still vote at the Business meeting on November 22 and do some tweaking on December 6?

Kimble: Or, you could just take action on the State agenda on November 22 and hold the Federal agenda until December 6.

Fenton: We could just brief you on the State agenda and wait until after NLC for the Federal.

Cannon: That might be a better alternative and gives us a better opportunity to know what position we will be in. We will have more information after NLC to have better discussions. I think we should be briefed on the State agenda on November 8, action on November 22 and the briefing on the Federal agenda on December 6.

Carter: Will we make any contact with the Feds?

Fenton: The week of January 20, 2011 is the US Conference of Mayors meeting in DC. The Mayor will start contacting folks then. We can find a date in early January to look at the Federal agenda.

Carter: I think public discussion is important and that limits our capacity to have public discussion before voting.

Kimble: You can be briefed on the Federal agenda December 6 and schedule the vote for December 13.

Cannon: I would be fine with that. Will you present the State as proposed?

Carter: Yes. So, we would be presented the Federal agenda at the workshop on December 6 with action scheduled for December 13. Is everyone in agreement?

Motion passes unanimously (Carter, Turner, Cannon, Dulin – for)

Fenton: We will update the legislative calendar accordingly.

Carter: Thanks to Holland & Knight for being with us today.

II. Continued Discussion/Consideration/Recommendation on Preliminary 2011 State Legislative Agenda

Mr. Fenton suggested going through each of the 2011 State Legislative Agenda Position Statements [copy attached] for questions.

Legislative Advocacy/City Initiative

Design Build

Carter: I have concerns about this recommendation related to small businesses that we don't close the door on their participation. Will small businesses still have an opportunity participate?

Fenton: Yes. With design building, groups come together to act as one. It is fairly common. The Monroe Bypass is a good example.

Carter: So, small businesses would not be excluded?

Kimble: Correct. The Hall of Fame achieved good success using small businesses. I think it was around 16%.

Carter: That would be a priority for me.

Amendment of "Quick Take" Provision

Carter: I know there is some anxiety with the process related to infill sidewalks and we do not have a permanent procedure in place with respect to trees. For instance, Murrayhill, Park Road, Eastway/Sheffield. I know we do the best job we can.

Dulin: Will this add or detract from the complexities?

Kimble: That's a good question. Bob Hagemann, Jeb Blackwell and Jeff Reid are here to expand, but quick take happens on the back end of the process. This gets to how long we keep a project languishing.

Hagemann: There is nothing about this process that affects the design or interaction with the neighbors on the front end. Those phases are identical. Quick take means once we get approval we can have a faster start and can work quicker. Charlotte is used to things taking a long time.

Cannon: What would opponents say?

Hagemann: If there is a group of people opposed, they will still come forward to Council; this doesn't prevent that from happening. In 99.9% of the cases, valuation is the issue – just compensation. And, they can go to court and go through the process of a trial. The City has the authority to determine if they are going to condemn. With quick take, the property owners would have to contest right away. Normally, they could take up to six months. This rarely comes up.

Cannon: So, it's a timing issue?

Hagemann: Yes.

Dulin: It will languish anyway. Princeton and Murrayhill are going on four years.

Turner: So, you are explaining that the protest process shortens the timeframe and could put folks at a disadvantage. I have a concern with anything that puts citizens at a disadvantage. So, that is a concern but you are saying this doesn't shorten the process on the front side, so citizens do have a chance to respond.

Hagemann: This is after Council has decided you are going forward. Quick take requirements are after condemnation, citizens will be aware, but if they are going to contest, they need to act quickly.

Withdrawal of Offers of Right-of-Way Dedication

No questions.

Nuisance Abatement Revisions

No questions.

Email Subscription

Carter: So, this makes available email?

Fenton: Yes, but they would be provided a paper listing.

Carter: Scanning that is easy.

Fenton: With a data file (what is currently provided) you can put email addresses in right away. With a paper file you would have to look at it and then write them down.

Carter: Would we limit the copy?

Kimble: We would be asking for the greatest amount of protection which was just received by Wake County.

Carter: But, you can take the copy and translate the addresses.

Kimble: But, it takes effort.

Carter: I'm just concerned that is not sufficient.

Fenton: This will likely be a statewide measure that gets everyone's buy in. Everyone agrees there should be protection, but Wake County really received a legislative compromise and to push for more would be difficult.

Energy

No questions [this currently is still just a placeholder].

Legislative Advocacy/Preservation of Authority

Retention of State's Minimum 50% of Non Federal Match on Transit Projects (MTC)

No questions.

State Participation in Non Federal Transit Projects

Turner: So, what you are telling us is two to four years from now we could be competing with our neighbors to get support for transit programs. It could get contentious with Raleigh if there is no more funding. There is an economic engine attached to transportation and I can see us fighting for every cent. Especially if there is no resource and no formula change. That concerns me. Currently, and in the past, we have had everyone excited that Charlotte is getting it going. Now we are going to be fighting for the same dollars.

Fenton: I don't think it will be contentious, I think it will be collaborative because we are all in the same boat. We need an aggressive plan here and we all need to be collaborators to drive the State to a solution that helps everyone. We are not going to be turning dirt tomorrow; there are still years of work. But, yes, we will be competitors if everything stays the same. We need to part of the conversation to help the State.

Cannon: Especially if the train runs North to South.

Carter: I think it is appropriate to point out the shrinking fund and watch any deals dealing with funding. This is a key issue and we need to link transportation with use. It is crucial and as we are on the cusp of State government elections, we could see an immediate impact.

Cannon: These are different legs of projects even though they are funded out of the same pot of money. We are talking about extending the legs of commuter rail up and down. Two or three weeks ago there was an article about extending the legs, so it eventually starts here or there, but comes together.

Fenton: The triangle area will have to hold a referendum to pay for the local share. The State provisions for funding don't provide one chunk; it is over a four or five year period. So, that also creates challenges. There can also be some smaller municipalities that want to expand their bus service.

Carter: There were some interesting discussions with Mooresville regarding

transit and funding at the NCLM meeting that could be beneficial.

Dulin: The numbers Carolyn Flowers has provided are staggering regarding the 86X from Concord not being worth the money and cutting service. It was interesting the numbers went from 76,000 in '08-'09 to 83,000 last year down to 54,000. Does that relate back to gas prices?

Flowers: Gas and the effect of the economy on employment.

State Maintenance Assistance Program (MTC)

Cannon: How much money are we out?

Flowers: Greater than $800,000/year.

Cannon: Since 2007?

Kimble: November 2007.

Cannon: Any way to recoup?

Flowers: There is no repayment because ridership to rail is not part of the formula. Rail has been successful, but they have not shifted from bus to rail, so that affects our ability to be reimbursed. If we see more shifts, there will be further erosion.

Fenton: That program is currently just for buses.

Flowers: The State provides funding to operators of buses only. Rail, light rail, in the State is not recognized for ridership as a mode for the potential for redistribution, and since that happens Charlotte loses. So, we are not owed with the current methodology because it doesn't count rail operating assistance.

Turner: The loss of revenue is based on the transfer of ridership to light rail because there is no funding. How much is that contributing to cutbacks?

Flowers: We didn't cut a significant percentage of hours overall in the system. There was about a three percent change, but we can confirm the impact.

Turner: This is a tough one because being successful means losing revenue and as we start moving forward with the North Corridor we need to start preparing. The North Corridor now is up to North Tryon and UNCC, so I would think that would be another significant loss of ridership. We have 9.5 miles of rail now, which is currently the biggest leg.

Flowers: It is a combination of no recognition for growth and loss of ridership. We are not getting recognition.

Carter: This is a tremendous shift in the definition by putting "transit" into transportation.

Flowers: Actually taking "bus" out.

Carter: So, enlarging the definition.

Flowers: Recommending "modes" of transit.

Business Privilege License Tax

Turner: Who are our allies on this?

Fenton: As for our folks, Senator Clodfelter has been working on this.

Carter: Our closest competition with $5 million was Raleigh; it drops off significantly after that.

Dulin: Is Clodfelter an ally or foe? I thought he was for appealing this.

Fenton: He is looking for replacement revenue.

Annexation

No questions. But, there is an expectation that the "red shirts" will be out again. As a reminder, City Attorney, Mac McCarley, chairs the NCLM Committee on Annexation.

Legislative Opportunities

Development of a Criminal Justice System Strategy for Funding and Efficiencies Tailored to Local Needs

No questions.

North Carolina Mobility Fund

Carter: Is this something the Chamber supports?
Kimble: Yes.

New Long Term Revenue Sources for Transit

Kimble: I don't want to speak for the Chamber, but I think they are torn between the issue of roads and transit. I think they would be in favor if roads were addressed. The question is how much tax is too much.

Legislative Watch List

State Budget

Dulin: A three and a half billion dollar budget shortfall could grow if they don't stop the bleeding in Raleigh. And, we'll know a little more about that Wednesday morning, but it will be impossible not to spread that around. I hope Ruffin Hall and Curt Walton are already working on the possibilities.

Kimble: We don't know what they will target, but we can quickly assemble a quick strike team.

Dulin: We need to know in the budget season and get it right this year. I know we are still better off than the County and Schools.

Carter: Because of proactive efforts by City government, our impressive staff is always ahead.

Cannon: I am concerned. We may be better able to be done, but given the heartache already, what can we expect to see?

Kimble: There is a timing difference. The long session starts in January, but they are already saying they might not be out until September and you all have to adopt your budget in June. It's the not knowing.

Cannon: Just give us your best as always but make it a soft landing because the gravitational pull could be great.

Dulin: If the Republicans are back in, they will make cuts which will trickle down to us. But, the Democrats have said no taxes. So, whoever ends up in power it will be a heck of a first three months. It will trickle down to us. But, our City is run well.

Metropolitan Planning Organization Realignment

No questions.

Underground Utilities Damage Prevention

Carter: Mr. Shearin, can you give us an on the spot recommendation?

Shearin: There is a lot in the air; so there is nothing to react to at this point. This is something that will affect all utilities, but we don't know enough of the details at this point. We'll keep our finger on this one.

Water

Carter: Can you keep us advised of the costs?

Dulin: Is it time for us to be updated on the South Carolina lawsuit?

Kimble: It is moving slowly.

Hagemann: We can, but nothing really has changed.

Broadband/911 Issues

No questions.

Privatization of Local Alcoholic Beverage Control System

Carter: Our issues have been heard by the Governor and Bud Berro will be available to teleconference with us.

Dulin: As you know, I am way on the other side. I think privatizing ABC sales is something we should do. We should get this into the private sector. We need to get government out of business. I know the majority will do whatever, but the minority will be vocal.

Carter: I respect the minority voice and recognize there is diversity of opinion. I think it is incumbent on you to call with your different interest.

Dulin: I think we are getting out ahead of this right now.

Kimble: This was written with your feedback from the last meeting. We want to make sure certain issues are handled with police protection and revenue protection. We tried to take into account all sides in preparing this paper.

Cannon: Just to be mindful we are not creating more harm. And, as a P.S. in these tough economic times we should not be giving up revenue.

Dulin: How much is the revenue?

Fenton: $1.8 million/year.

Dulin: That's nothing. The $1.8 million gets replaced with equal or greater value

because we are creating more businesses and tax base and hiring more folks.

Fenton: We want to look at the total impact and bottom line. It is not easy to do.

III. Review November 8 Council Presentation

In the interest of time, this item was not reviewed. Mr. Fenton noted that everything related to the Federal agenda would be removed from this presentation, so it just the State legislative agenda.

IV. Hot Topics

Mayor Pro Tem Cannon congratulated Council member Carter for being reappointed at the NLCM meeting and expressed his appreciation for all she does.

V. Next Meeting

Monday, December 6, 2010 at 4:00 p.m. in Room 280

Meeting Adjourned.

Governmental Affairs Committee

Monday, November 1, 2010 at 3:30 p.m.
Charlotte-Mecklenburg Government Center
Room 280

Committee Members: Nancy Carter, Chair
Warren Turner, Vice Chair
Patrick Cannon
Andy Dulin

Staff Resource: Ron Kimble

AGENDA

I. Continued Discussion/Consideration/Recommendation on Preliminary 2011 Federal Legislative Agenda – Attachment

II. Continued Discussion/Consideration/Recommendation on Preliminary 2011 State Legislative Agenda – Attachment

III. Review November 8 Council Presentation – Attachment

IV. Hot Topics

V. <u>Next Meeting:</u>

December 6, 2010 at 4:00 p.m. in Room 280 (unless special called meeting between November 9 and 21 is necessary)

Distribution:

Mayor/City Council	Curt Walton, City Manager	Leadership Team
Mac McCarley	Stephanie Kelly	Bob Hagemann
Greg Gaskins	Kim Eagle	Keith Richardson

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2011 Federal Legislative Position Statements

Federal Policy Issues

- Federal Surface Transportation Program
- Drinking Water System Security
- Mandatory Collective Bargaining for Public Safety Officers

Congressionally Directed Spending

- Blue Line Extension
- Gang of One
- Briar Creek Relief Sewer

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2011 Federal Legislative Agenda

Project / Policy Request Title:	Federal Surface Transportation Program
Position:	Support six-year extension of Federal Surface Transportation Program
Requesting KBU:	Charlotte Area Transit System Charlotte Department of Transportation
Responsible Staff Person(s):	Carolyn Flowers, Charlotte Area Transit System, 704.336.3855 Danny Pleasant, Transportation, 704.336.3879 Jerry Orr, Aviation, 704.359.4000

Background and History: The Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) was enacted in 2005 and expired on September 30, 2009. Since expiration Congress has continued SAFETEA-LU on a series of short-term extensions that continue current policies and practices. Policy initiatives such as a national infrastructure bank, greater funding for transit and movement to a vehicle mileage tax and other measures necessary to maintain the nation's economic competitiveness must wait. The longer the wait for reauthorization the more likely it is that the US Congress will have to backfill the Highway Trust Fund with general funds due to the low balances remaining in the Trust Fund.

Current Need/Problem (including potential allies or detractors): The City of Charlotte is a major transportation logistics center in the Southeastern United States. The Charlotte Douglas International Airport is the 8th busiest airport in the nation and is the site of a proposed intermodal facility to be built by Norfolk Southern railroad. The City is served by two interstate highways, major freight railways and AMTRAK, and is roughly the midpoint of the Washington, D.C. to Atlanta High Speed Rail Corridor. The Charlotte Department of Transportation maintains 2,400 centerline miles of roadway, 680 signalized intersections, and 2,200 linear miles of sidewalks. The Charlotte Area Transit System (CATS) moves over 80,000 people daily through its bus and rail operations. Preliminary engineering for the Blue Line Extension is currently underway and the project will be entering into a Full Funding Grant Agreement with the Federal Transit Administration ensuring the flow of federal funds for construction of this line. While preliminary engineering of the Red Line Commuter Rail project to North Mecklenburg County is also underway, which is not a federal project; changes to the New Starts program criteria are being sought in order for the project to become federal eligible.

Therefore the City supports:

- Creation of National Infrastructure Bank to prioritize projects of national importance;
- Inclusion of MTC selected projects as High Priority projects in reauthorization legislation (see below);

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- Substantial new funding for the New Starts / Small Starts program so that the federal share of construction of transit projects may increase to a level closer to 80% and to address demand for transit projects;

- Revision of New Starts / Small Starts criteria to emphasize land use, economic development and environmental measures, limiting project comparison to only the 'No-Build' alternative and eliminate the 'Baseline' alternative and streamline the process by eliminating alternatives analysis and raising funding caps;

- Federal support for operations and maintenance of bus and rail systems;

- Temporary increase in the federal gasoline tax until such time as a new source of revenue can be implemented, such as a vehicle mileage tax, in order to keep the Highway Trust Fund solvent.

The National League of Cities, American Public Transportation Association, American Association of State Highway and Transportation Officials support reauthorization.

Impact if Not Addressed/Adopted: The longer it takes to reauthorize the federal surface transportation program momentum that has been building up in support of projects will dissipate and project costs will rise. Thus, the time is ripe to enact reauthorization legislation.

* * *

MTC Selected Projects for Inclusion in Reauthorization Legislation:

LYNX Blue Line Extension
LYNX Red Line
South Corridor Capacity enhancements
LYNX Southeast Corridor (BRT/LRT)
West Corridor
Street Car
Five-Year Bus Procurements
Davidson Street Garage Developments – Phase II
Charlotte Transportation Center Improvements – Phase II

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2011 Federal Legislative Agenda

Project / Policy Request Title:	Drinking Water System Security
Position:	Oppose amendments to Section 1433 of the Safe Drinking Water Act of 2002 that place final decisions on which materials or processes a drinking water utility may utilize with State drinking water primary agencies
Requesting KBU:	Charlotte-Mecklenburg Utilities
Responsible Staff Person(s):	Barry Gullet, 704.391.5073

Background and History: Section 1433 of the Safe Drinking Water Act of 2002 requires each drinking water utility to complete vulnerability assessments detailing potential risks to the utility and coordinate response plans with federally mandated local emergency planning committees that outline the plans and procedures of how the utility would respond to a terrorist attack on the facility. Charlotte-Mecklenburg Utilities is in compliance with this section as are all large water utilities in the nation.

Current Need/Problem (including potential allies or detractors): Legislation introduced in the US Senate, the Secure Water Facilities Act (S. 3598) would amend Section 1433 of the Safe Drinking Water Act of 2002 to designate the State drinking water primary agency as the final arbiter on the materials or processes used in treating drinking water. The legislation purports that by placing such responsibility under a State drinking water primary agency, the risk of terrorist attacks will be decreased. The intent of these amendments appears to target the use of chlorine gas in public water supplies as a disinfectant for use in ensuring water is suitable for human consumption. While other forms of chlorine gas may reduce the consequences of a terrorist attack on a facility, these forms may also react differently with local source waters and may not be as effective as chlorine gas in disinfection which could threaten public health. Local water systems are best positioned to weigh these competing factors and choose the best disinfectant for their own utility.

The American Water Works Association stands in opposition to the proposed amendments.

Impact if Not Addressed/Adopted: If the amendments to Section 1433 are enacted, then the City will have to utilize resources to advocate for or against legislation in the North Carolina General Assembly and/or administrative regulations being promulgated by State agencies.

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2011 Federal Legislative Agenda

Project / Policy Request Title:	Mandatory Collective Bargaining for Public Safety Officers
Position:	Oppose mandatory collective bargaining
Requesting KBU:	Continuation of 2010 Federal Legislative Agenda position
Responsible Staff Person(s):	Dana Fenton, 704.336.2009

Background and History: Legislation has been introduced in both the US House of Representatives and Senate to mandate local governments bargain collectively with public safety unions, including police officers, firefighters and emergency medical technicians, all of which are known as the Public Safety Employer-Employee Cooperation Act of 2009.

Current Need/Problem (including potential allies or detractors): H.R. 413 (Kildee – MI), empowers the Federal Labor Relations Authority (FLRA), the federal agency that oversees labor relations for federal employees, to have jurisdiction over labor relations for the state and municipal police, firefighters and EMTs. The FLRA would oversee workplace elections, enforce rights and adjudicate disputes.

H.R. 413 would:

- Grant public safety officers the right to form and join a labor union
- Require that public safety employers recognize the employee's labor union
- Provide for bargaining over hours, wages, and the terms and conditions of employment, excluding pensions (and health insurance in the Senate version)
- Provide for an impasse resolution process, and
- Require that state courts enforce the rights established by H.R. 413

S. 1611 (Gregg – NH) would create a federally protected right to collective bargaining for police, fire fighters and EMTs employed by states or municipalities with 25 or more full-time employees and populations over 5,000. A bill identical to S. 1611 was introduced by the Senate Majority Leader, S. 3194 (Reid – NV) in order to have a vehicle ready to have attached to other legislation making its way through the House and Senate.

Public sector collective bargaining is prohibited in 15 states, including North Carolina, thus overriding legislation. The House version of the collective bargaining legislation specifically outlines that states would have to amend their laws to comply with the federal legislation within two years of the bill's effective date.

Subcommittee hearings on H.R. 413 were held on March 10, 2010. While no action has been taken on S. 1611, the Senate Majority Leader has made several attempts to attach S. 3194 to both policy and appropriations bills.

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The North Carolina League of Municipalities, North Carolina Association of County Commissioners, the National League of Cities, and the National Association of Counties all have positions opposing mandatory collective bargaining legislation. The U.S. Chamber of Commerce holds positions generally consistent with this position.

The American Federation of State, County and Municipal Employees Union, International Association of Fire Fighters and the Fraternal Order of Police support the mandatory collective bargaining legislation.

Impact if Not Addressed/Adopted: The Public Safety Employer-Employee Cooperation Act of 2009 would federalize what has historically been a state and local responsibility. States and localities are in the best position to make decisions about whether the collective bargaining process will benefit their constituents. Currently, 35 states and the District of Columbia allow some form of collective bargaining, and fifteen states have chosen not to mandate it. Clearly, these differences reflect the will of the citizens of those states and deserve the federal government's respect.

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2011 Federal Legislative Agenda

Project / Policy Request Title: Blue Line Extension

Position: Request federal appropriation of $10-$20 million

Requesting KBU: Charlotte Area Transit System

Responsible Staff Person(s): Carolyn Flowers, 704.336.3855

Background and History: The Charlotte Area Transit System (CATS) continues to implement the Metropolitan Transit Commissions 2030 Transit Corridor System Plan to develop primary transportation corridors, linking our area's key centers of economic activity. The plan supports development of pedestrian-friendly urban neighborhoods with a mixture of land uses, offers people a choice in meeting their mobility needs, increases transit's share of the local travel market, reduces Charlotte's dependence on overloaded and gridlocked roads, eases future air and noise pollution and enhances the overall quality of life in the Charlotte-Mecklenburg area.

Current Need/Problem (including potential allies or detractors): The Blue Line Extension light rail project extends 11 miles from Center City Charlotte through North Davidson Street and University City areas to I-485 northeast of the UNC-Charlotte campus. As reported in September 2009, the project is currently in preliminary engineering and has a placeholder cost estimate of $1.18 billion. The dual track system will be considered an extension of the LYNX Blue Line with 13 stations. CATS anticipates completing 65% preliminary engineering and receiving approval from the Federal Transit Administration (FTA) to enter into final design during FFY 2012. The requested funding of $10-$20 million would be used for final design.

Impact if Not Addressed/Adopted: If the requested funding is not provided and other discretionary grant dollars do not materialize, then the project may be delayed for an indeterminate period of time

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2011 Federal Legislative Agenda

Project / Policy Request Title: Gang of One

Position: Request federal appropriation of $1 million

Requesting KBU: Charlotte-Mecklenburg Police Department

Responsible Staff Person(s): Rodney Monroe, 704.336.2360
K. Frances Cook, 704.336.7331

Background and History: Charlotte continues to be challenged by increases in gang activity. There are over 1,655 documented gang members and 199 gang affiliates in approximately 151 different street gangs in Charlotte-Mecklenburg. Since 2003, the number of gangs has grown from 30 to 151 (403% increase), the number of gang members and associates has grown from 606 to 1,854 (206% increase), and the number of gang related incidents has grown from 499 to 1,340 (169% increase).

Current Need/Problem (including potential allies or detractors): Gang of One, established in 2004, is the resource-based gang prevention and intervention initiative of the Charlotte-Mecklenburg Police Department in partnership with local agencies and citizens and local, state, and federal law enforcement. Its mission is to prevent youth from joining a gang, support youth being pressured to join a gang, and assist youth in getting out of a gang. Gang of One adopted the best practice OJJDP Comprehensive Gang Model in 2006.

Gang of One key partners include Charlotte-Mecklenburg Schools, NC Department of Juvenile Justice Delinquency and Prevention, Gang Prevention Coalition, NC Department of Crime Control and Public Safety, Office of Juvenile Justice and Delinquency Prevention, and Project Safe Neighborhoods.

Impact if Not Addressed/Adopted: The City of Charlotte and Charlotte-Mecklenburg Police Department (CMPD) require additional funding in support of new Gang of One initiatives, the Gang Reentry and Intervention Team and Community Impact Projects, and continuation programs, Truancy/Safe Neighborhoods, DIG, RISE, and Truancy Court.

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2011 Federal Legislative Agenda

Project / Policy Request Title: Briar Creek Relief Sewer (Phase 3)

Position: Request federal appropriation of $4 million

Requesting KBU: Charlotte-Mecklenburg Utilities

Responsible Staff Person(s): Barry Gullet, 704.391.5073
Barry Shearin, 704.391.5137

Background and History: The Briar Creek Relief Sewer project consists of 10 miles of new, large diameter sewer lines. The project will provide for additional capacity within the Briar Creek basin, all of which is in the inner portion of Charlotte, primarily to address wet weather flows and to provide for additional growth capacity. The project will ultimately have three phases spread over about 8-10 years, with the total construction cost estimated at $95 million.

Phase 1 of the project consisted of the first four miles of the sewer line at an estimated cost of $42.6 million dollars. Construction began on this phase in mid 2007 and was completed in mid-2010. Phase 2 commenced in 2008 with design and easement mapping and acquisition and is expected to start construction in early 2011 with a cost of $28 million. Phase 3 is projected to begin construction in 2012 and cost $19 million. The project received a $14 million authorization in the Water Resources Development Act of 2007, which is the basis for this appropriations request.

Current Need/Problem (including potential allies or detractors): The Charlotte, North Carolina metropolitan area is among the top 10 fastest growing metropolitan areas in the nation, and has seen an almost 50% growth in population since 1980 according to the U.S. Census Bureau. The 2004 Census estimates there are 801,137 people living in Mecklenburg County with 614,330 of those living in Charlotte. The county's population is projected to reach 1 million people in 2010; roughly 78% of that population will be in Charlotte.

The Briar Creek Relief Sewer project is critical to continued in-fill development within the Charlotte urban district. Based on current modeling and flow measurements in the existing Briar Creek sewer system, insufficient capacity exists to support continued growth and to be able to handle wet weather flows in a manner that meets the Clean Water Act and is acceptable to US EPA.

Impact if Not Addressed/Adopted: Without the project the City will likely be subject to enforcement actions by EPA for sewer overflows during large storm events and moratoriums on wastewater connections in the future. The City may not be able to fulfill its goal of having more high density in-fill development, perpetuating urban sprawl into currently undeveloped areas.

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2011 State Legislative Agenda Position Statements

Recommended Items

- Design-Build Authorization
- Amendment of "Quick Take" Provision
- Withdrawal of Offers of Right-Of-Way Dedication
- Nuisance Abatement Revisions
- Email Subscription
- Energy
- Retention of State's Minimum 50% of Non Federal Match on Transit Projects (MTC)
- State Participation in Non Federal Transit Projects (MTC)
- State Maintenance Assistance Program (MTC)
- Business Privilege License Tax
- Annexation
- Development of a Criminal Justice System Strategy for Funding and Efficiencies Tailored to Local Needs
- North Carolina Mobility Fund
- New Long Term Revenue Sources for Transit (MTC)

Additional Items to Monitor

- State Budget
- MPO Realignment
- Underground Utilities Damage Prevention
- Water Issues
- Broadband / 911 Issues
- ABC Privatization

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2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Infrastructure
Title of Item:	Design-Build Authorization
Position:	Gain express authorization to engage in design-build construction projects including combinations calling for financing, operating and maintaining of infrastructure
Statewide or Local Bill:	Local
Responsible Staff Person(s):	Tim Richards, E&PM, 704.336.4555 Bren Yett, E&PM, 704.336.3633 Mark Cole, CDOT, 704.432.5244 John Muth, CATS, 704.336.3373 Jerry Orr, Aviation, 704.359.4000

Background and History: Local governments are not expressly authorized to use design-build as a construction project delivery option with the exception of Charlotte-Mecklenburg Utilities. Several state departments however have used design-build including the Department of Transportation and Department of Education.

Reported benefits of the design-build approach include early collaboration between the designer and the contractor on the design and preparation of construction plans and specifications which allows for faster project completion. They also include increased efficiency and cooperation in evaluation and analysis of actual site conditions to determine need for any design modifications, ability to obtain a fixed or guaranteed price, shifting the risk/exposure of construction problems and cost overruns to the contractor, and reduction in contractor claims and assessment of liquidated damages.

Current Need/Problem: The absence of express authority to use design-build and other design-build combinations involving financing, operating and maintaining of infrastructure inhibits the City of Charlotte's ability to complete unique construction projects such as federally funded projects under compressed timelines, special transportation projects to address proposed development and high-profile structures that must be completed by a specific date for a particular need or event. Also for project stream restoration projects, which must operate successfully for five years, it allows the City to acquire warranties on these projects because it permits the City the authority to contract with one entity. Currently, when a failure occurs, the City must undertake a process to determine if the failure is the result of flawed design or poor construction. In the case of Design-Build-Operate-Maintain, the risks of project construction and operations can be transferred from the City to the contractor.

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Impact if Not Addressed/Adopted: Design-build and other design-build combinations involving financing, operating and maintaining of infrastructure allow the City to complete projects with compressed timelines, fixed costs or specified completion dates, as well as enhances efficiencies in the City's stream restoration program. Design-Build-Finance-Maintain-Operate has been a key component in the delivery of large transportation projects around the country and could be utilized for the Blue Line Light Rail Extension Project connecting Center City Charlotte, University City, and UNC-Charlotte main campus.

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2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Infrastructure
Title of Item:	Amendment of "Quick Take" Provision
Position:	Add public sidewalks to the City Charter's list of purposes for which the "quick take" process of eminent domain may be used to acquire property
Statewide or Local Bill:	Local
Responsible Staff Person(s):	Jeff Reid, E&PM (Real Estate), 704.336.4191 Catherine Williamson, City Attorney's Office, 704.432.4761

Background and History: The City of Charlotte's general authority for condemnation is under Chapter 40A of the General Statutes. However, pursuant to the City Charter, the City also possesses the same "quick take" authority used by NCDOT (Article 9 of Chapter 136) to acquire property for streets, water and sewer, airports, storm drainage, and public transportation. A major difference between the two sources of authority is that under Chapter 136, title vests on the day the condemnation case is filed in court. Under Chapter 40A, title does not vest until up to six months after legal proceedings begin.

Current Need/Problem: Currently, the city does not have the express authority to use quick take condemnation for public sidewalks, and so has proceeded under Chapter 40A when acquiring property for sidewalks. The City has now increased its sidewalk program and the longer process required under Chapter 40A has become an obstacle to the efficient scheduling and construction of these projects. The City seeks authority to use "quick take" for such projects.

Impact if Not Addressed/Adopted: Without the amendment, the timeframe associated with condemning property for public sidewalks will remain lengthy, resulting in delayed right of way acquisition and increased public costs, while offering minimal benefit to the property owner other than a delay of any ultimate conclusion of the action.

CHARLOTTE.

2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Infrastructure
Title of Item:	Withdrawal of Offers of Right-Of-Way Dedication
Position:	Require presentation to the affected municipality prior to recording a notice of withdrawal at the Register of Deeds
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Matt Magnasco, CDOT, 704.336.3368 Bob Hagemann, City Attorney, 704.336.2651

Background and History: Dedication is a process often used to establish public rights of way. Dedication is a two step process consisting of: (1) an "offer" from the owner of the property; and (2) "acceptance" of the offer by the municipality. Current law permits qualified property owners to withdraw an offer of dedication if it has not been accepted within fifteen years. Withdrawals may be filed in the Register of Deeds without notice to or approval by the municipality.

Current Need/Problem: The Transportation Action Plan (TAP) calls for increased street connectivity. In November 2009, City Council adopted additional policy guidance on connectivity, via the Five Connectivity Policy Statements. Statement #2 reads, *PRESERVE – Strive to preserve existing opportunities for connectivity: In the due diligence of evaluating disposal of City property and abandoning rights-of-way, opportunities to preserve connectivity will be identified and recommended to the City Council*

Prior to withdrawing an offer of dedication, the amendment would require property owners to request a certification from the affected municipality stating that the offer had not been accepted. Upon receiving such a request, the municipality would, within 90 days, have to either: 1) issue the certification and allow the withdrawal to proceed, 2) accept the offer in which case the municipality would be responsible for maintaining the right of way; or 3) state that the offer had already been accepted thereby precluding the withdrawal.

Impact if Not Addressed/Adopted: If adopted the amendment would allow Charlotte and other municipalities to preserve rights-of-way necessary for future road projects and improved street connectivity.

CHARLOTTE.

2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Community Safety
Title of Item:	Nuisance Abatement Revisions
Position:	Permit government entity to seek order of abatement of properties where criminal activity regularly occurs.
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Chief Rodney Monroe, CMPD, 704.336.2337 Mark Newbold, CMPD, 704.336.4977

Background and History: The existing language in the public nuisance statute (G.S. 19-1) as recently interpreted by the North Carolina Court of Appeals in *City of Salisbury v. Campbell* requires that a City prove that the owner or tenant used the property for the sole purpose of illegally possessing or selling illegal drugs, alcohol or maintaining a property solely for prostitution. This judicial requirement provides the property owner with a ready made defense in that the owner can admit that the activity occurred on their property, but it allows the owner to offer evidence that the property has another "legitimate" use such as a dance hall or restaurant thereby defeating the nuisance action.

Current Need/Problem: In order to be effective, the definition of a public nuisance needs to contain specific language that includes properties where the criminal activity occurs regularly albeit while the property is in part being used in a "legitimate" fashion. The Charlotte-Mecklenburg Police Department and other state law enforcement agencies have struggled to find effective tools to reduce crime on properties on which repeated acts of illegal drug activity, prostitution and illegal alcohol sales have occurred. Many of these properties are the source of collateral illegal activity which involves shootings and other criminal behavior such as organized gang activity.

Impact if Not Addressed/Adopted: Amendment of the statue will provide state law enforcement agencies a more nimble and effective tool to reduce crime on properties with chronic illegal activity.

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2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Citizen Engagement
Title of Item:	Email Subscription
Position:	Authorize email addresses of subscribers to be open to public inspection only
Statewide or Local Bill:	Local
Responsible Staff Person(s):	Keith Richardson, Corporate Communications, 704.336.5865 Mujeeb Shah-Khan, City Attorney's Office, 704.336.5803

Background and History: The City of Charlotte uses its e-mail subscriber lists to communicate information ranging from updates on new ordinances to critical public emergency instructions. At this time upon a public records request, the City of Charlotte must provide copies of its subscriber lists to a requestor. The City is requesting authority similar to that provided to Yadkin County, Wake County and certain local governments in Wake County under Session Law 2010-83 to allow e-mail addresses of subscribers to be open to public inspection, but copies not provided to requestors.

Current Need/Problem: The requirement under the current statute reduces the City's ability to collect email addresses due to the general public's expectation of privacy and concern that this information can readily be provided to a third party upon request. The City has fielded requests for these lists from telemarketers, graduate students and candidates for public office. When the information is provided to a third party, the City notifies subscribers as a courtesy, and as a result numerous subscribers will request the removal of their information.

Impact if Not Addressed/Adopted: Permitting only public inspection of these lists allows the City to improve the effectiveness of these lists as communication resources and reduces the privacy concerns of citizens.

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2011 State Legislative Agenda

Legislative Advocacy/City Initiative

Category:	Infrastructure
Title of Item:	Energy
Position:	Support Energy related legislation which is appropriate for the City of Charlotte to champion before a statewide audience
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Ron Kimble, City Manager's Office, 704.336.4169

Background and History: The City of Charlotte is an emerging center of energy related research and innovation in the United States. The UNC Charlotte's Energy Production and Infrastructure Center (EPIC) will address the severe shortage of trained engineers capable of servicing and replacing an aging fossil fuel and nuclear infrastructure as well as developing future infrastructures for wind, solar, and biofuel. Private sector companies such as Charlotte-based Duke Energy and numerous other private entities are addressing the demand for alternative energy resources.

Current Need/Problem (including potential allies or detractors): The price volatility of fossil fuels, general environmental concerns and the policy direction of the US Congress provide an opportunity for the City and its private partners to advance research and development of alternative energy resources. Funding has been made available by the current administration for research into alternative energy resources. The American Recovery and Reinvestment Act of 2009 allocated funding to cities such as Charlotte for energy efficiency and conservation block grants. The City is using these resources for projects that achieve reduction of fossil fuel emissions created as a result of activities within the community; reducing total energy use, or improving energy efficiency in the transportation, construction and other sectors. The State of North Carolina has provided funding for UNC Charlotte's Energy Production and Infrastructure Center. Numerous private entities are allocating scarce resources for development of alternative energy resources.

Impact if Not Addressed/Adopted: The City of Charlotte has an opportunity to champion legislation to enhance and solidify its emergence as an energy center in the United States. Any legislation championed would be appropriate for the City to support.

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2011 State Legislative Agenda

Legislative Advocacy/Preservation of Authority

Category:	Infrastructure
Title of Item:	Retention of State's Minimum 50% of Non Federal Match on Transit Projects (MTC Agenda)
Position:	Preserve the State's minimum 50% share of local transit projects
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Carolyn Flowers, CATS, 704.336.3855 Dee Pereira, CATS, 704.336.2166

Background and History: Under G.S. 136-44.20(b) the North Carolina Department of Transportation (NCDOT), upon approval of the North Carolina Board of Transportation is authorized to provide the matching share of federal public transportation assistance programs. NCDOT has traditionally provided 50% of the local share of projects that receive federal funds.

Current Need/Problem (including potential allies or detractors): In recent years, the City of Charlotte has been the recipient of the largest number of matching funds for transit capital projects awarded by NCDOT, and the only recipient of New Starts program matching funds. The State has recently opened up opportunities for an increased number of requests from transit agencies in North Carolina to compete for matching funds from NCDOT for transit projects. However, the State has not identified a new source of revenue to satisfy such requests as the current annual apportionment from the General Assembly for New Starts programs is inadequate for the growing program. Furthermore, the State previously appropriated $23 million annually for New Starts program matching funds.

Impact if Not Addressed/Adopted: These actions have the potential for impacting the current distribution/share of NCDOT's limited funding from the General Assembly. Any change in NCDOT's matching funds program and annual appropriation of funds could have a detrimental impact on funding and build out schedules of Charlotte's transit projects.

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2011 State Legislative Agenda

Legislative Advocacy/Preservation of Authority

Category:	Infrastructure
Title of Item:	State Participation in Non Federal Transit Projects (MTC Agenda)
Position:	Maximize State's Share of Non Federal Transit Projects
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Carolyn Flowers, CATS, 704.336.3855 Dee Pereira, CATS, 704.336.2166

Background and History: The North Carolina Department of Transportation (NCDOT) is authorized to participate in funding of fixed guideway projects not programmed with Federal funds. The North Corridor Commuter Rail Project (Red Line) is such a project and is a key component of the Metropolitan Transit Commission's (MTC) 2030 Transit Corridor System Plan.

Current Need/Problem (including potential allies or detractors): NCDOT currently plans to utilize its New Starts annual appropriation to provide its share for such projects. Projects will compete for funds from the same "pot" as fixed guideway projects that are eligible for Federal funding, i.e. Charlotte's Northeast Corridor Blue Line Extension in Charlotte Area Transit System's 2030 Transit Corridor System Plan.

Two major transit agencies in the State are currently completing Major Investment Studies for fixed guideway rail projects and will be applying for funding from the State's New Starts Program. This will potentially exhaust the resources currently available for both federally funded and non-federally funded fixed guideway projects. In order to meet future demands for New Starts funding, the State should consider a source of revenue for eligible projects; develop criteria and State share for participation; and appropriate funds.

Impact if Not Addressed/Adopted: If the issues stated above are not addressed, there will be insufficient matching funds for non-federal fixed guideway projects, which will also impact federally funded projects. This situation potentially impacts the advancement of the 2030 Transit Corridor System Plan.

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2011 State Legislative Agenda

Legislative Advocacy/Preservation of Authority

Category:	Infrastructure
Title of Item:	State Maintenance Assistance Program (MTC Agenda)
Position:	Revise State Maintenance Assistance Program formula to include all modes of transportation (including rail), and provide additional appropriations
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Carolyn Flowers, CATS, 704.336.3855 Dee Pereira, CATS, 704.336.2166

Background and History: In 1994, the General Assembly established the State Maintenance Assistance Program (SMAP) to assist urban, regional and small urban areas in funding the non-federal share of net operating costs associated with existing and new public transportation services operated by fixed route and regional transit systems. In 1996, the NC Board of Transportation approved a formula for allocation of State Maintenance Assistance to Urban, Small Urban and Regional Transit Systems.

Current Need/Problem (including potential allies or detractors): Currently, CATS does not receive any SMAP funding for rail transportation which accounts for approximately 19% of ridership and 5% of revenue service hours. The State has not reimbursed CATS for rail operating and maintenance expenses since the Blue Line was opened in 2007 due to NCDOT staff interpretation of the program.

The second issue to be addressed is that annual appropriations for SMAP have not increased in proportion to the growth of transit agencies in the State. In FY2010, the appropriation was 2% lower than prior year. If the State's goal is to assist transit system with meeting the growing mobility needs of the community, the General Assembly must consider increasing the annual appropriations for SMAP.

Impact if Not Addressed/Adopted: SMAP funding has accounted for almost 12% of CATS annual operating revenue and was expected to grow with the implementing and performance factors of rail transportation. As CATS continues to increase service to the community, if SMAP funding is not fairly distributed and does not keep pace with the growth, CATS will have to fund a larger portion of service costs with sales tax revenue, which will have long-term impacts on the build out of the 2030 Transit Corridor System Plan.

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2011 State Legislative Agenda

Legislative Advocacy/Preservation of Authority

Category:	Fiscal
Title of Item:	Business Privilege License Tax
Position:	Preserve business privilege license tax
Statewide or Local Bill:	Potential Statewide Bill in Joint Legislative Committee
Responsible Staff Person(s):	Greg C. Gaskins, Finance, 704.336-5885

Background and History: Charlotte has had a Business Privilege License Tax since 1863, and it is levied on firms for the privilege of doing business within the City. This tax also gives the City the ability to track the number of businesses within its boundaries, which is an important tool in providing municipal services such as fire, police and roads to these firms and the customers they serve. It is one of two taxes the City can impose, but it is the only tax it can impose on non-property owners when they enter Charlotte to do business. This tax provided nearly $17 million to the City last year. This revenue source is a viable alternative to the property tax because it spreads the tax burden more equitably.

Current Need/Problem (including potential allies or detractors): The Joint Senate and House Finance Committee is examining revenue reform. They are going to consider the BPLT in their review. The tax can be reformed without eliminating it. Some cities do not have the upper amount capped, and some businesses claim it is hard for them to pay it because they do business in more than one location. Charlotte caps all taxes under its control at $10,000 and would treat all categories the same if allowed by the State.

Impact if Not Addressed/Adopted: If this tax was to be eliminated, it would be equivalent to a property tax increase of 2 ½ cents to replace it.

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2011 State Legislative Agenda

Legislative Advocacy/Preservation of Authority

Category:	Community Safety Citizen Engagement Fiscal Infrastructure
Title of Item:	Annexation
Position:	Retain annexation authority
Statewide or Local Bill:	Various Statewide bills intended to amend Article 4A Chapter 160A of the General Statutes to weaken annexation authority
Responsible Staff Person(s):	Ron Kimble, City Manager's Office, 704.336.4169 Mac McCarley, City Attorney's Office, 704.336.4112 Jonathan Wells, Planning, 704.336.4090

Background and History: The modern era of annexation legislation in North Carolina was enacted in 1959, allowing cities and towns across the state to expand their municipal boundaries and extend their services as the communities grew and expanded. In 1959 Charlotte consisted of 35 square miles, while today it encompasses 300 square miles. In this fashion, urbanized areas receive necessary services while cities can make sound urban growth possible, and residents and property owners in the urban area share both the benefits and responsibilities of urban life. Moreover, annexation has enabled Charlotte and other NC cities to avoid problems cities elsewhere have experienced and found impossible to resolve. Examples include small urban areas surrounded by vast suburban areas that do not participate financially in meeting the urban community's service needs, and where services are offered in an inefficient and inconsistent manner.

Current annexation statutes have rigorous and exacting requirements that must be met by municipalities in order to complete annexation. Charlotte takes these requirements very seriously and has for many years dedicated the resources necessary to meet or exceed its responsibilities under these statutes.

Current Need/Problem (including potential allies or detractors): There are reportedly a limited number of instances across the state where municipalities may not have fulfilled their responsibilities under the annexation statutes. This in turn has created interest in "reforming" annexation, although virtually all the legislative proposals made to date would significantly reduce or eliminate the ability to annex. The original 1959 annexation legislation has been modified a number of times since its enactment, and today it serves as a model across the nation of how annexation should be undertaken.

Charlotte staff has worked with the NC League of Municipalities and with the annexation legislative commission to craft potential statutory changes and proposals that will maintain or

enhance accountability and transparency in the annexation process while sustaining municipalities' ability to annex.

Impact if Not Addressed/Adopted: If annexation legislation is amended to make it more difficult or impossible to annex, urban areas like Charlotte will be in the tenuous position of providing municipal services and other urban benefits to residents and property owners of unincorporated areas without the ability to tax those recipients for those services. Furthermore, services such as fire protection, street maintenance and trash collection could be delivered in an inefficient and inconsistent manner within Spheres of Influence and particularly in unincorporated areas. Finally, the lack of viable annexation authority could decrease the ability to broadly and equitably distribute the cost of these urban services.

CHARLOTTE.

2011 State Legislative Agenda

Legislative Opportunities

Category:	Community Safety
Title of Item:	Development of a Criminal Justice System Strategy for Funding and Efficiencies Tailored to Local Needs
Position:	Support additional funding for criminal justice system. Receive allocations based on proportion of state crime problem. Seek increased discretion on how funds are used locally.
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Chief Rodney Monroe, CMPD, 704.336.3879

Background and History: State funding for the criminal justice system is administered by the Administrative Office of the Courts. Its funding formula does not account for the unique needs of the state's urban areas. Consequently, funding has never kept pace with the population or the proportion of statewide crime in urban areas. As crime increased in Charlotte-Mecklenburg, both the City of Charlotte and Mecklenburg County began supplementing state funding to add personnel and equipment to the District Attorney's Office and Mecklenburg County Courts. The City currently funds two assistant district attorneys and three legal assistants for the District Attorney's Property Crimes Unit and five office assistants. In the past, the Charlotte-Mecklenburg Police Department has used some of its grant funding for additional assistant district attorney positions. The City believes that the State should take responsibility for adequate funding for the criminal justice system.

Current Need/Problem (including potential allies or detractors): The citizens of Charlotte have made it clear that they believe the criminal justice system, as currently funded, does not serve their interests. The District Attorney lacks the resources to prosecute the volume of cases that come into the system, and as a result, far too many cases are either dismissed or plea bargained to lesser charges. The courts move cases slowly, and there is not adequate jail/prison space for those offenders who do get active time. Probation/Parole Office has inadequate resources to handle the volume of offenders under its supervision. Many offenders reoffend with no consequences.

The information systems used by the district attorney and courts are inadequate and make very limited used of modern technology. For example, the case management system developed by the state is inadequate for the needs of a jurisdiction with the volume of cases handled by a major urban area. The case management system in Charlotte consists of file folders and paper clips. The information systems of the various components of the criminal justice system do not interface, making information sharing more difficult. The community is united in its desire for a more effective and efficient criminal justice system.

The situation in Charlotte is replicated throughout the state of North Carolina. For this reason, the North Carolina Metropolitan Mayor's Coalition included a similar statement of support for additional Criminal Justice System resources in their adopted 2011 Advocacy Agenda.

Impact if Not Addressed/Adopted: If the local criminal justice system does not receive funding commensurate with its share of population and crime, it will fall further behind in handling its case volume and bringing offenders to justice. It will make it much more difficult to take chronic offenders off the streets and to sustain the crime reductions that police and the community have fought to achieve.

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2011 State Legislative Agenda

Legislative Opportunities

Category:	Infrastructure
Title of Item:	North Carolina Mobility Fund
Position:	Support Additional Funding
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Carolyn Flowers, 704.336.3855 Danny Pleasant 704.336.3879

Background and History: The 2010 North Carolina General Assembly created the North Carolina Mobility Fund to provide funding for transportation projects of statewide and regional significance that relieve congestion and enhance mobility across all modes of transportation. Funding for these projects is provided outside of the strictures of the Equity Formula. The first project to be funded is Phase II of the Yadkin River Bridge project, the widening and improvement of I-85 north of the bridge. An annual transfer from the Highway Trust Fund in the amount of $39 million in FY 2011 rising to $58 million by FY 2014 is the only source of revenue for the Fund.

Current Need/Problem (including potential allies or detractors): According to the March 2010 report entitled "The Future of North Carolina's Transportation System", published by TRIP, a nonprofit organization that researches, evaluates and distributes economic and technical data on highway transportation issues, there is a $65 billion shortfall in funding required by 2030 to adequately plan, design, build and maintain the State's transportation system. The Mecklenburg Union MPO (MUMPO) 2035 Long Range Transportation Plan (LRTP) assumes that funding will be available for only 31% of the roadway projects nominated for the LRTP, leaving an unfunded gap of $6.3 Billion. The Mobility Fund is viewed as the appropriate vehicle to meet the unfunded demands facing North Carolina.

The North Carolina Metropolitan Mayor's Coalition included a statement of support for additional Mobility Fund resources in their 2011 Advocacy Agenda.

Impact if Not Addressed/Adopted: If not addressed, the purchasing power of existing transportation revenues will continue to erode and the gap in funds needed for state and local transportation projects will continue to grow.

CHARLOTTE.

2011 State Legislative Agenda

Legislative Opportunities

Category:	Infrastructure
Title of Item:	New Long Term Revenue Sources for Transit
Position:	Explore alternative sources of revenue to supplement the local one-half percent sales & use tax for transit
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Carolyn Flowers, CATS, 704.336.3855 Dee Pereira, CATS, 704.336.2166

Background and History: Mecklenburg County voters approved the one-half percent local sales and use tax for transit in November 1998. The sales and use tax is a key component of the Metropolitan Transit Commission's 2030 Transit Corridor System Plan to construct transit in five designated corridors. The 2030 Transit Corridor System Plan cost was based on estimates following the completion of conceptual engineering and environmental analyses in all the corridors. The economic recession has resulted in a projected shortfall in local sales tax revenues of about $400 million over the next 10 years. This reduced local revenue along with other factors like updated project definition and costs have made the 2030 Plan unachievable under the 2006 schedule and funding.

Current Need/Problem (including potential allies or detractors): Two of the five corridors in the 2030 Transit Corridor System Plan, the Blue Line Extension (BLE) and the North Corridor Commuter Rail Red Line (Red Line) projects have advanced to various stages of preliminary engineering. The federal government has earmarked nearly $40 million in federal New Starts funding for the BLE which is matched by State New Starts program funds and the one-half percent sales and use tax. The one-half percent sales and use tax is now unable to sustain the advancement of the 2030 Transit Corridor System Plan. The Charlotte-Mecklenburg region needs additional sources of income in order to advance the 2030 Transit Corridor System Plan on a reasonable and foreseeable schedule.

Impact if Not Addressed/Adopted: If the decline of sales tax revenues is left unaddressed, then the Metropolitan Transit Commission will have to update the implementation schedule updated in 2006 by extending out the current schedules for build out of the BLE and the Red Line at escalated project costs. Other corridor projects in the 2030 System Plan will also be delayed. Without authority to levy additional sources of revenue, the BLE and Red Line projects cannot be completed sooner, inhibiting the ability to build on the success of the LYNX Blue Line. Also without the additional revenue, a new implementation schedule cannot be developed for projects in the remaining transit corridors.

CHARLOTTE.

2011 State Legislative Agenda

Legislative Watch List

Category:	Finance
Title of Item:	State Budget
Position:	Monitor State Budget for Revenue Diversions and Unfunded Service Responsibilities
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Ruffin Hall, Budget, 704.336.3403 Greg Gaskins, Finance, 704.336.5885

Background and History: The Governor and General Assembly will be addressing an estimated $3.6 billion General Fund revenue shortfall for FY 2012. The Governor is considering numerous ways to address the looming shortfall including across the board reductions of State agency budgets, privatizing the Alcoholic Beverage Control system, reorganizing state agencies and eliminating non-core functions and responsibilities. The General Assembly convenes January 26, 2011.

Current Need/Problem (including potential allies or detractors): Local governments throughout the State of North Carolina will be examining budgetary proposals for their potential impact upon local government revenues and services. The State has withheld during recessionary times "State Collected Local Revenues", most recently withholding $18.2 million in utility franchise taxes and other reimbursements in FY 2002. State Collected Local Revenues represent approximately 25% of the City's General Fund revenues. There have also been attempts to transfer service responsibilities to the City without the requisite revenues to administer such services. 2009 HB 881 and SB 1001 would have transferred state-maintained secondary roads to municipalities and changed Powell Bill language about state fund distribution from "shall distribute" to "may distribute." Fortunately, both of the bills were significantly amended prior to passage by deleting the offending sections.

Impact if Not Addressed/Adopted: The withholding of state collected local revenues and transfer of service responsibilities without the requisite revenue would hamper the City's ability to provide adequate services for the residents of Charlotte.

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2011 State Legislative Agenda

Legislative Watch List

Category:	Infrastructure
Title of Item:	Metropolitan Planning Organization Realignment
Position:	Monitor potential legislation affecting boundaries of the Mecklenburg Union Metropolitan Planning Organization
Statewide or Local Bill:	Statewide / Local
Responsible Staff Person(s):	Bob Cook, 704.336.8643

Background and History: The current boundaries of the Mecklenburg Union Metropolitan Planning Organization were established by memorandum of understanding in September 2003, which was the result of a process following the 2000 Decennial Census. North Carolina G.S. 136-200.2 requires such a review of boundaries after every decennial census in order maintain compliance with federal law.

Current Need/Problem (including potential allies or detractors): The 2010 census was recently completed and preliminary results will soon be released. This will initiate the process to reexamine metropolitan planning organization boundaries. The Centralina Council of Governments (CCOG) is examining alternative organizational / decision making structures that would potentially better position the greater Charlotte Bi-State Region to plan, develop and implement an effective regional multi-modal transportation system in light of the census and competing visions for how the federally mandated Metropolitan Planning Organization should be structured. The final report from CCOG should be released in late October 2010.

Impact if Not Addressed/Adopted: The General Assembly does not have a formal role in determining metropolitan planning boundaries as that rests with the Secretary of Transportation. Legislation may be introduced, however that benefits metropolitan planning organizations meeting select criteria.

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2011 State Legislative Agenda

Legislative Watch List

Category:	Infrastructure
Title of Item:	Underground Utilities Damage Prevention
Position:	Monitor potential legislation to ensure cost burdens and responsibilities are not inequitably shifted to local governments
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Phil Reiger, Transportation, 704.336.4896 Angela Lee, Utilities, 704.336.5911

Background and History: The Underground Damage Prevention Act (G.S. 87-100) was enacted by the North Carolina General Assembly in 1985. The Act sets forth the roles and responsibilities of property owners, utility owners and excavators with respect to preventing the damage of underground utilities. The Act requires excavators to notify utility owners having underground utilities of their intent to excavate.

Current Need/Problem (including potential allies or detractors): Industry groups are examining the Act with a view toward recommending changes to the Act to reflect similar laws around the nation and industry best practices. North Carolina's law is generally considered weak compared to other states. There also may be inconsistencies with the federal Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006. Similar laws around the country include features not present in North Carolina law including mandatory membership to the One Call Center (NC 811), the imposition of civil penalties and additional local or State enforcement responsibilities.

Impact if Not Addressed/Adopted: Any legislation considered will undoubtedly place an addition burden on local governments and may or may not include the revenues necessary to fulfill such new responsibilities.

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2011 State Legislative Agenda

Legislative Watch List

Category:	Infrastructure
Title of Item:	Water
Position:	Monitor legislation affecting interbasin transfers, water allocations, river basin modeling, settlement of the lawsuit with South Carolina and other related issues
Statewide or Local Bill:	Statewide and Local
Responsible Staff Person(s):	Barry Gullet, CMUD, 704.391.5073 Mike Boyd, 704.391.5110

Background and History: The 2010 General Assembly considered several water related legislative initiatives including river basin modeling (Sub HB 1743) and interbasin transfers (HB 1765). Due to its unique position straddling two river basins, geographic proximity to South Carolina and economic growth, the City of Charlotte is significantly impacted by most legislation in this area.

Current Need/Problem (including potential allies or detractors): The Department of Environment and Natural Resources (DENR) will be developing hydrologic models for each of the 17 major river basins in the State (HB 1743). Under HB 1743, these models will be used for planning purposes, but could eventually be used to regulate water withdrawals within each basin. Much of the work associated with the ongoing, Duke relicensing of its Catawba facilities focused on related issues, including the Comprehensive Relicensing Agreement (to which Charlotte is a party), modeling the Catawba and appropriate levels of water withdrawals and other uses. It is important that this work be recognized and relevant portions incorporated into any such model, regulations and water withdrawal allocations that may be eventually developed by DENR. HB 1765 shifted much of the costs for notice and public hearings related to environmental documents and Environmental Management Commission (EMC) rulings for interbasin transfers (IBT) from the EMC to the applicant (local water systems). The original version of HB 1765 would have allowed DENR to use injunctive relief to enforce IBT permit violations but this was removed because DENR already possesses sufficient authority to enforce IBT statutes and regulations.

Impact if Not Addressed/Adopted: The City of Charlotte has a great stake in these issues due to some very unique features revolving around geography and economic growth.

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2011 State Legislative Agenda

Legislative Watch List

Category:	Public Safety
Title of Item:	Broadband / 911 Issues
Position:	Monitor legislation affecting ability of Charlotte to provide public safety call taking and dispatching and implement broadband systems efficiently and effectively
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Chuck Robinson, Business Support, 704.432.3539 Chuck Adkins, CMPD, 704.353.1060

Background and History: The 2010 General Assembly enacted legislation reforming the 1998 911 statutes (HB 1691). The General Assembly also considered but failed to enact significant restrictions on how local governments could fund the purchase, construction, and maintenance of broadband systems using debt instruments (SB 1209).

Current Need/Problem (including potential allies or detractors): The City of Charlotte receives approximately $4.8 million annually from the State of North Carolina for the operation of its 911 center. HB 1691 expands the use of 911 funds for primary Public Safety Answering Points (PSAPs); authorizes the expenditure of up to 50% of the existing Emergency Telephone Fund balance as of July 1, 2010 for any public safety need; charges the 911 Board to revamp the 911 funding formula; reconstitutes the membership of the 911 Board to include additional public sector representation; requires the development of operating standards for PSAPs; charges the House Select Committee on the Use of 911 Funds to study direct funding of secondary PSAPs by the 911 Board; and clarifies that 911 funds can be shared with and spent by secondary PSAPs for allowable uses.

The City is the recipient of $16.7 million American Recovery and Reinvestment Act of 2009 grant for the development of a public safety broadband system that will enable public safety resources to respond more appropriately to police, fire and emergency medical situations. While the grant should cover the cost of the development of system, it is important that the State not place any restrictions on how local governments can finance the maintenance or enhancement of such systems. SB 1209 as originally introduced would have prevented local governments from issuing certificates of participation for such systems.

Impact if Not Addressed/Adopted: Comprehensive legislation covering these issues have the ability to create significant issues in how basic public safety services are provided.

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2011 State Legislative Agenda

Legislative Watch List

Category:	Public Safety
Title of Item:	Privatization of Local Alcoholic Beverage Control System
Position:	Monitor potential legislation to privatize the local alcoholic beverage control system
Statewide or Local Bill:	Statewide
Responsible Staff Person(s):	Deputy Chief Harold Medlock, Jr., CMPD, 704.432.0379

Background and History: The current local alcoholic beverage control (ABC) system was approved by the General Assembly in 1937. Counties were given the option of voting for whether alcohol and which types could be sold. Mecklenburg County voters approved the establishment of the local system in 1947.

Mecklenburg ABC Board members are appointed by the Board of County Commissioners. The stores are operated under the auspices of a Chief Executive Officer appointed by the Board. A portion of the profits are shared with Mecklenburg County and the City of Charlotte. The City receives approximately $1.8 million per year. Charlotte-Mecklenburg Police (CMPD) contracts with the local Board for 13 officers to conduct ABC investigations under the auspices of the Mecklenburg ABC Board. This contract was entered in response to documented public safety issues.

Current Need/Problem (including potential allies or detractors): The administration is examining whether the various ABC systems should be privatized. At least two other states are examining whether their control systems should similarly be privatized. In any deliberations of this idea, the State should consider:

- Continuing inspection and enforcement authority to CMPD as currently granted by Mecklenburg ABC Board and legislative authority provided in 1997-224;
- Granting local governments sufficient and final authority for approval of all permit applications;
- Granting local governments sufficient and final authority for zoning and subsequent approvals of all ABC locations;
- Continuing current revenue streams to recipients of profits including the City of Charlotte; and
- Ensuring appropriate small business opportunities.

Impact if Not Addressed/Adopted: Privatization of local control systems is a very complex undertaking. The local ABC systems are essentially political subdivisions of the State but provide revenue to other political subdivisions. Local Police Departments routinely contract with ABC Boards to provide ABC enforcement in the pursuit of the public health and safety.

2011 Federal and State Legislative Agendas

- Budget issues will be predominant in both US Congress and NC General Assembly
- Metropolitan Transit Commission (MTC) will be considering Legislative Agenda on November 17
  - Preliminary agendas presented in September
- US Congress convenes January 5
  - Federal funding requests are more focused
- NC General Assembly "Long Session" convenes January 26

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2011 Federal Legislative Agenda

Federal Policy Issues

- Transportation Reauthorization
  - National Infrastructure Bank
  - Inclusion of 2030 Transit Corridor System Plan projects
  - New Starts / Small Starts funding
  - Revision of New Starts / Small Starts criteria
  - Federal funding for operations and maintenance
  - Temporary gas tax adjustment
- Drinking Water System Security
  - Oppose final decision making on materials and processes being placed in State primary drinking water agency
- Collective Bargaining
  - Oppose mandatory collective bargaining

2011 Federal Legislative Agenda

Congressionally Directed Spending

- Blue Line Extension
  - $10 million to $20 million request
  - Final Design
- Gang of One
  - $1 million request
- Briar Creek Relief Sewer
  - $4 million request

2011 State Legislative Agenda

City Initiatives

- Design-Build
- Quick Take for Sidewalks
- Withdrawal of Offers of Right-of-Way Dedication
- Nuisance Abatement
- E-Mail Subscriptions
- Energy

2011 State Legislative Agenda

Preservation of Authority

- Retention of State's 50% Share of Non Federal Match (MTC)
- State participation in Non Federal Transit Projects (MTC)
- State Maintenance Assistance Program (MTC)
  - Rail assistance
  - Increased appropriations
- Business Privilege License Tax
- Annexation

2011 State Legislative Agenda

Legislative Opportunities

- Criminal Justice System
- North Carolina Mobility Fund
- New Long Term Revenue Sources for Transit (MTC)

2011 State Legislative Agenda

Legislative Watch List

- State Budget
  - State Collected Local Revenues
  - Shifting of State Responsibilities to Local Governments
- MPO Realignment
- Underground Utilities Damage Prevention
- Water Issues
- Broadband / 911 Issues
- ABC Privatization

2011 Federal & State Legislative Agendas

Next Steps

• November 17	Metropolitan Transit Commission Workshop
• November 22	Council Consideration of Agendas
• December 1-5	National League of Cities Annual Meeting
• December 13	Delegation Breakfast
• January 5	US Congress Convenes
• January 26	North Carolina General Assembly Convenes