Council-Manager Memo #89
Wednesday, November 24, 2010

CHARLOTTE.

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WEEK IN REVIEW:

Mon (Nov 29)	Tues (Nov 30)	Wed (Dec 1)	Thurs (Dec 2)	Fri (Dec 3)	Sat (Dec 4)
	NLC Congress of Cities Denver, CO				

CALENDAR DETAILS:

Tuesday, November 30 – Saturday, December 4
National League of Cities Congress of Cities Conference, Denver, Colorado

November and December calendars are attached. ***(See 'Nov Dec 112410', left side table of contents)'***

INFORMATION:

Taxi Service Request for Proposals
Staff Resource: Jerry Orr, Aviation, 704-359-4000, tjorr@charlotteairport.com

The City issued a Request for Proposals to Provide Taxi Service at Charlotte Douglas International Airport ("RFP") on September 20, 2010 and received proposals on October 11, 2010. An attorney from St. Louis, Mark Goodman, has joined with local counsel to represent three taxi drivers in a lawsuit against the City. The City recently defeated a motion filed by these plaintiffs to stop the RFP process from going forward. Although the court ruled in favor of the City on the first motion, the three taxi drivers are proceeding with another motion to halt the selection of new taxi service providers. Mr. Goodman has asked the City to abort its RFP process so that his three clients could form their own company and respond to the RFP, in settlement of his clients' lawsuit. Neither the City Attorney's Office nor the Aviation Director recommends halting the RFP process pursuant to Mr. Goodman's demand. Nine companies, including a newly formed one, did submit timely proposals and the selection process is well under way. The Aviation Director plans to bring agreements with the selected companies to Council for final decision in January or February.

Overview of the Deficit Reduction Committee Report
Staff Resource: Dana Fenton, City Manager's Office, 704-336-2009, dfenton@charlottenc.gov

The City's federal lobbyist, Holland & Knight, just released the attached report on the recommendations put forth by the Co-Chairman of the National Commission on Fiscal Responsibility and Reform. One of the Co-Chairman is Erskine Bowles. The Commission was established by President Obama to promote fiscal sustainability. The Commission is to vote on a final report no later than December 1, 2010. If 14 of the 18 members agree to the report, then it will be considered by the US Congress.

(See 'Overview of the Deficit Reduction…', left side table of contents)'

November 17 Metropolitan Transit Commission Workshop Summary
Staff Resource: Carolyn Flowers, CATS, 704-336-3855, cflowers@charlottenc.gov

At its workshop on Wednesday, November 17, 2010, the MTC heard three information items and took action on four items:

FY2011 MTC Legislative Agenda

November's election results could affect approaches to funding requests. The likely continuation of the earmark moratorium may shift funding decisions to federal agencies, via mechanisms such as Notices of Funds Availability. Although funds are tight in the current economy, the Administration remains committed to infrastructure investment. The 2011 Legislative Agenda will build on efforts from 2010 to communicate with members of federal and state congressional delegations and staff to find sources of federal and state funding for transit projects. MTC voted unanimously to adopt the MTC's 2011 State and Federal Legislative Agenda, with the addition of a commitment to maximize funding by pursuing all funding opportunities available.

Proposed Countywide Transit Service Plan (CTSP)

Staff is developing the CTSP, a five-year short range bus service improvement plan for Mecklenburg County and the region, recommending bus service improvements and identifying facility needs for park and rides and transit centers. Staff reviewed improvements made during the current CTSP and discussed the process and schedule for developing the next CTSP, which will come to the MTC for adoption in 2012. Bus service growth will be modest to remain within available funding. The financial capability to cover the current service levels will be important to federal authorities in their decisions to grant funds for additional services.

2030 Plan

MTC members received an overview of the 2030 Corridor System Plan, which was adopted by MTC in 2006, including the current status of each project. Primary work has focused on the Blue Line Extension, the Red Line Commuter Rail project, the Streetcar project, and Charlotte Gateway Station. Currently there are insufficient funds to build out the 2030 Plan according to the implementation schedule delineated in 2006.

Financial Sustainability

Sales tax revenues received in the current economy have fallen far short of the projections in the original 2030 Corridor System Plan adopted in 2006. Jeff Parker, President of Jeffrey A. Parker & Associates (JPA), gave a presentation demonstrating that current resources are inadequate to support the original 2030 Plan; planned growth of the transit system will not be sustainable; expenditures will be higher than revenue around 2025. His firm studied various scenarios to determine how to advance the Blue Line Extension and the Red Line projects within the envelope of the current half cent sales tax projections. The scenarios demonstrated that the current sales tax could minimally fund an Affordable (i.e.; reduced scope) Blue Line Extension with a budget of $800 million under the current financing structure of 50% federal funds, 25% state and 25% local funds. JPA offered public and private funding scenarios for the Red Line Commuter Rail Project. The Red Line is not eligible for federal funds under current regulations, but a public-private partnership for the line's construction may open up the possibility of obtaining federal loans at favorable rates. The most significant risk factor in all the

scenarios is the sales tax growth rate. In the case of the Red Line, the "unfunded" gap was identified as an issue. The MTC and the Red Line Task Force would continue to investigate financing alternatives to further close the remaining funding gap.

CATS CEO Recommendations

Under the CEO's recommendations, Carolyn Flowers discussed:

a. **LYNX Blue Line Extension**:
   In an unanimous vote, MTC members authorized staff to develop an option for delivering an Affordable BLE project.
b. **Financial Consultant Contract Period**:
   MTC members voted unanimously to extend the contract for financial consultant Jeffrey A. Parker & Associates, Inc. to continue work on recommendations made at the workshop. The scope and duration of the contract will be determined by CATS staff.
c. **LYNX Red Line Funding:**
   MTC members also voted unanimously to direct CATS staff to take all steps necessary to fill the Red Line funding gap, including pursuing options for public-private partnerships.
d. **Other Components of the 2030 System Plan**:
   Streetcar – Staff will continue work with Engineering & Property Management on the City's current grant-funded project through charge-backs for services rendered to the City.
   Southeast Corridor – Bus Rapid Transit was the technology chosen for this corridor in 2006, with implementation delayed to allow further technology consideration. The success of the Blue Line has indicated that light rail may be a good choice for this corridor; however, MTC members will defer action until funding levels stabilize. Staff will continue to work with the state to maintain adequate right-of-way to retain flexibility for modal options on the alignment.
   West Corridor – CATS will continue to operate its bus rapid transit mode, the Sprinter service, to the Airport.
   Charlotte Gateway Station – CATS will continue to work with the state to leverage partnerships for construction of this multimodal transportation center.

The next MTC meeting will be December 15, 2010 at 5:30 p.m.

ATTACHMENTS:

November 3 Housing and Neighborhood Development Committee Summary ***(See '110310***

Complete Meeting Package', left side table of contents)'

November 10 Transportation and Planning Committee Summary ***(See '11 8 10 TAP Summary Package', left side table of contents)'***