Council-Manager Memo #21
Friday, March 25, 2011

CHARLOTTE.

WHAT'S INSIDE:

Page

Calendar Details 2

Agenda Notes:
Agenda Item #14 – Four-Year Terms for Mayor and City Council 2
Agenda Item #47 – Water Meter Equipment Purchase and Installation 3

Information:
Fred D. Alexander Boulevard, Section B-2 (Old Mt. Holly Rd. to Freedom Dr.) 3-4
March 25, 2011 State Legislative Update 4
March 23 Metropolitan Transit Commission Meeting Summary 4-6

WEEK IN REVIEW:

Mon (Mar 28)	Tues (Mar 29)	Wed (Mar 30)	Thurs (Mar 31)	Fri (April 1)
3:45 PM Environment Committee, Room 280 5:00 PM Council Business Meeting, Room 267 6:30 PM Citizens' Forum, Meeting Chamber		12:00 PM Budget Committee, Room 280		

CALENDAR DETAILS:

Monday, March 28

3:45 pm Environment Committee, Room 280
AGENDA: Tree canopy goal and investment strategy; Citizens advisory committee on the environment; Focus area communications

5:00 pm Council Business Meeting, Room 267

6:30 pm Citizens' Forum, Meeting Chamber

Wednesday, March 30

12:00 pm Budget Committee, Room 280
AGENDA: Financial partner review; Review of Mayor's Budget Task Force report; Review April 13 Budget Retreat agenda

March and April calendars are ATTACHED (SEE TABLE OF CONTENTS ON LEFT).

AGENDA NOTES:

Agenda Item #14 – Four-Year Terms for Mayor and City Council

Staff Resource: Eric Campbell, City Manager's Office, 704-336-5158, ecampbell@charlottenc.gov

At its March 24 meeting, the Restructuring Government Committee amended its original recommendation to City Council regarding four-year terms for the Mayor and City Council to include:

- The Citizen's Advisory Committee will provide a report to City Council at the June 13, 2011 business meeting.
- Former mayors Harvey Gantt and Richard Vinroot will serve as Co-Chairs of the Citizen's Advisory Committee.
- The President/Chairperson of each organization or their designee will be invited to serve on the advisory committee.
- Finally, a minimum of five organizations must agree to participate before the Citizen's Advisory Committee can begin its works.

The motion on the amendments passed 3-1 (Cannon, Kinsey, Mitchell for, Cooksey against). An amended Request for Council Action for Agenda Item #14 has been **attached** for inclusion in the agenda **(SEE TABLE OF CONTENTS ON LEFT).**

Agenda Item #47 – Water Meter Equipment Purchase and Installation

Staff Resource: Barry Gullet, Utilities 704-391-5098, bgullet@charlottenc.gov

Continuing its series of customer service improvements that included last year's water meter equipment audit, Charlotte-Mecklenburg Utilities will seek approval Monday for a pilot program in two neighborhoods to test-drive the latest, most sophisticated meter transmitter

equipment available on the market. Agenda Item #47 seeks Council approval of up to $1.9 million for purchase and installation of water meter equipment, including the new devices for use in the pilot program described here.

The program would include the installation of the new '100W' meter transmitters, along with registers, in the River Run and Hidden Valley neighborhoods. The cost of the program is $234,470.

The testing of 100W meter transmitters in River Run and Hidden Valley marks a first step toward real-time, continuous meter reading. Because 100Ws capture and store water usage data at a more frequent interval, water customers could eventually have access to far more information about their water usage. River Run and Hidden Valley were chosen for the pilot because of their different water use patterns and because baseline data was established in both neighborhoods during last summer's meter equipment audit.

Currently, about half of residential water meters use a model 60W transmitter, and half use an older model called the '50W.' Under the agreement, Itron, Inc., would also accelerate the ongoing upgrade of 50W transmitters to 60W transmitters at no charge to the utility.

This agreement will replace about half of the remaining 50W transmitters. A second agreement will be forthcoming to replace the other half. Over the last decade transmitter technology has made significant advances, and the utility has worked continuously to keep the system up-to-date.

A full press release is available as an **ATTACHMENT (SEE TABLE OF CONTENTS ON LEFT)**.

INFORMATION:

Fred D. Alexander Boulevard, Section B-2 (Old Mt. Holly Rd. to Freedom Dr.)
Staff Resources: Jeb Blackwell, E&PM, 704-336-3603, jblackwell@charlottenc.gov
Imad Fakhreddin, E&PM, 704-336-7926, ifakhreddin@charlottenc.gov

Construction on Fred D. Alexander Boulevard may be delayed due to the recent notice received from the City's contractor, Scurry Construction, Inc., that it is unable to fund the completion costs and has turned the project over to its surety. This project consists of construction of a 4-lane median divided highway from Old Mt. Holly Road (tie-in to Phase 1) west to Freedom Drive, and is scheduled to be completed by November 16, 2011. Scurry's letter indicated it hoped to complete the project with its surety's assistance, but they were unable to reach agreement on terms. Scurry pulled off the job site in early March.

The City sent Notice of a Contractor Default and Notice of Termination to Scurry Construction, Inc. on March 23, 2011. On that same date, a request was sent to its surety, Travelers Casualty and Surety Company of America, asking that it honor its obligations under the Performance

Bond to ensure completion of the project. Representatives of the surety are investigating the project, and have met with City staff to confirm the status of the remaining work. Staff has been advised that bid packages will be sent out to prospective completion contractors this week, and that meetings have been held with key Scurry subcontractors and suppliers to discuss continued work on the project through assignments of their subcontracts. The surety understands that this Project is time sensitive and staff in the Engineering & Property Management and in the City Attorney's Office will continue to work with the surety to ensure a smooth transition for the completion contractor.

March 25, 2011 State Legislative Update

Staff Resource: Dana Fenton, City Manager's Office, 704-336-2009, dfenton@charlottenc.gov

Attached (SEE TABLE OF CONTENTS ON LEFT) is the March 25 State Legislative Update. Changes from last week's update are denoted in **bold face** type.

The No High Speed Rail bill (HB 422 – Killian, Frye) referenced in the Wednesday, March 23 Council-Manager Memo is scheduled for a hearing in the House Transportation Committee at noon on Tuesday, March 29.

Legislation (SB 350 – Hartsell) has been filed that would mandate the local government retirement system and equivalent retirement systems, including the Charlotte Firefighters Retirement System, to provide an additional benefit in the form of an annual separation allowance to retired firefighters. Such an allowance has been in place for retired police officers for approximately 20 years. The fiscal impact to the City from this unfunded mandate is being determined at this time. The same benefit to retired police officers costs the City approximately $3 million per year. The bill, if enacted, would take effect on July 1, 2011.

March 23 Metropolitan Transit Commission Meeting Summary

Staff Resource: Carolyn Flowers, CATS, 704-336-3855, cflowers@charlottenc.gov

At its meeting on Wednesday, March 23, 2011, the MTC had one public hearing, took action on one item and heard two information items:

Fare Increase Public Hearing for the Pass Discount Program

CATS has two pass sales discount programs, an Employee Transportation Coordinator (ETC) program and a discount program for non-profit organizations. Over 100 local and regional companies participate in the ETC program, which gives variable discounts of up to 25% for monthly passes for participating companies' employees, based on companies' pass sales volumes. The non-profit organization discount of 25% has no volume requirement but 80% of the organization's clients must be at or below poverty level. The organizations may give the discount passes to clients for free, or may charge up to the price they paid. CATS proposes reducing the discount by 5% to a maximum discount level of 20% for both programs. This will result in additional annual revenue of about $577,500.

Nine people spoke at the public meeting. Eight were opposed to the change in the discount level for non-profit organizations, saying it would pose a hardship for the organizations' client populations and the budgets of non-profits.

Transit Rules and Regulations Policy

MTC members unanimously approved the Transit Rules and Regulations Policy, which governs behavior on and around transit vehicles and facilities. The policy was up for action as part of its regular three-year review. Key changes were to incorporate Paid Fare Zones into the policy, update the language to match language in city ordinances, encourage no smoking at facilities through signage and cover the use of digital or other audio devices.

Transit Capital Investment Plan (CIP) FY2012-16

Staff priorities in developing the five-year CIP were to maintain vehicles and facilities in a state of good repair, ensure safety and security, and encourage economic development. The CIP is aligned with anticipated grants, and includes funds for the Blue Line Extension (BLE) and Red Line. The budget includes funds to maintain and replace vehicles as needed to maintain the current fleet size, as well as to maintain transit amenities and equipment. The rail capital program includes funds to overhaul rail vehicles, maintain tracks, and construct a small Maintenance of Way Facility. The CIP includes funds for the BLE, anticipating state and federal full funding grant agreements, which would enable expenditures during the five-year period for the project's final design, right of way and vehicle acquisition, and construction in FY2014-16 in preparation of revenue operations beginning in late 2016 or early 2017.

Independence Boulevard Study (ULI)

Staff from CDOT and Planning presented an overview of the January report of the Urban Land Institute (ULI) – Rose Fellowship Panel's recommendation for the Independence Boulevard Area Plan. Independence Boulevard has functioned as an interstate for the east side of the city, and is an important local and regional connection to nearby counties and the coast. The ULI panel had three main refinements to the current transit plan for Independence Blvd: to run bus rapid transit or express buses on Independence in High Occupancy Toll (HOT) lanes, run streetcars on Central Avenue and Monroe Road, and promote auto-oriented retail on Independence and neighborhood-serving mixed-use development on the streetcar lines. MTC members will consider the panel's recommendations in making future transit decisions on the corridor.

CATS CEO Report

Under the CEO's report, Carolyn Flowers discussed:

a. **Charlotte City Council**:
   Staff will go to the Charlotte City Council for approval to amend the tire contract to cover environmental disposal issues not included in the original contract. Staff will also go to City Council for approval to amend the STV contract to take the project into the next phase, Final Design.
b. **Procurement**:
   Staff have completed the Request for Proposals and selected a contractor for the

Advertising contract. Details for the first external advertisements are being finalized. The first advertisements may be out by the end of March.

c. **Legislative Efforts**:
While in Washington, DC for the American Public Transportation Association's (APTA) convention, staff spoke with Congressional delegates about transportation funding reauthorization and continued support for the BLE as it moves through the New Starts process.

d. **Operating Budget**:
Staff continue to balance fuel purchases between spot purchases and contract purchases to reduce the budgetary impact of volatile fuel prices. Transit ridership rises as fuel prices increase; but rising fuel prices also affect consumer discretionary spending, which could impact transit tax revenues.

e. **Ridership**:
Local ridership for February was up 11.6% over February 2010. Express ridership was down, primarily due to cancellation of the Mooresville and Wachovia express lines.

f. **High Speed Rail**:
The state has been awarded $566 million in federal funds for High Speed Rail and Intercity Passenger Rail. A member of the Mecklenburg delegation proposed House Bill 422 (HB422) to preclude the state's accepting federal funds unless the project has been approved through an act of the General Assembly. This may imperil the federal funds and may affect the Blue Line Extension through the Sugar Creek Grade Separation project as well as the Red Line through the Norfolk Southern/CSX Grade Separation project. Staff will monitor upcoming legislative discussions. MTC members pledged to take action with delegates as well.

g. **National Safe Place Week**:
In honor of National Safe Place Week, Ms. Flowers recognized staff who have worked with Safe Place to provide safe haven for at-risk children.

The next MTC meeting will be April 27, 2011 at 5:30 p.m.