

The City Council of the City of Charlotte, North Carolina convened for a Dinner Briefing on Monday, January 12, 2015 at 5:15 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Dan Clodfelter presiding. Councilmembers present were Al Austin, John Autry, Michael Barnes, Ed Driggs, Claire Fallon, David Howard, Patsy Kinsey, Vi Lyles, LaWana Mayfield, Greg Phipps and Kenny Smith.

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ITEM 1: MAYOR AND COUNCIL CONSENT ITEM QUESTIONS

Mayor Clodfelter said I know of only one item that is being pulled for a vote and that is Item No. 42. What else do we have?

There were no other consent item questions.

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ITEM 2: CIVIL LIBERTIES PROPOSAL

City Manager Ron Carlee said at our last briefing you gave staff guidance to bring a proposal back to you around a resolution or ordinance on the civil rights area. You asked for it not to be an item where you had to vote on the night that it came that there be plenty of opportunity for review. As we continued to work on the item and engage with members of the community there were three issues I would really say that were very important to us, one we didn't want to have any unintended consequences of what might be adopted by the Council. We wanted to fully understand the implications and the expectations and for you to fully understand as we get into any details within our resolution of ordinance. Secondly, we wanted to make sure that what you adopted really could be implemented. This is an issue that the Police Chief has raised throughout this process. The way things get implemented, the way policy gets implemented in terms of the behavior of police on the street rose out of the directives and operating procedures of the police department. What the Chief did at your last Dinner Briefing was outline to you a lot of detail about their different procedures and directives and the issues is what kind of amendments and adjustments need be made in those in order to align with the policy guidance that you give in a resolution or ordinance. Third, and this was something mentioned by members of Council which should be obvious from the first two, this is not intended to just be a feel good activity. We want to do something that really does make a difference and so again the Chief has taken a really strong focus on how do I actually translate this into the way that the Police Department actually operates on the street.

It's been a really collaborative effort between members of the community and Police Chief and Community Relations. We feel really good about where we are but in order to really address those concerns that I just identified we think we need to take a little bit more time and to make sure that what we bring back to you really can be matched up with standard operating procedures and directives so that what you adopt really does get implemented and the Chief has identified several areas that he knows that he want to work on. What we have to bring back to you as a process is first of all to get your feedback and to provide you with an opportunity to make an initial policy statement if you like around a series of policy principles. If you're not comfortable adopting them tonight that's strictly your prerogative but we think they capture the essence of what the community has brought to us and they also capture what we think is in fact the role of the Police Department in terms of protecting the civil rights of people at a very high policy level.

What we would do is then continue to work with the community to drill those policy principles into a more detailed action item that would come back to the Council with the actual directives and SOP's and legal analysis behind all of them so that you know what changes and what doesn't and how it's really going to be carried out. That could not be done in just the January time frame, there's too much detail in terms of the directives and SOP's so we would be looking at doing that basically over the first quarter of this year. We don't won't to stretch this out, I would like to have it wrapped up sooner than later and we're not at a point of any really impasses or road blocks. We just want to make sure that we get it right. The Chief may want to make some comments about the review that is envisioned as a part of the draft motion we prepared for you in

terms of what he'll be doing in the department and then the City Attorney would like to give you a briefing tonight on the research that he's been doing around your ultimate action in terms of resolution and ordinance and some of the finer points about what those different vehicles mean in the context of North Carolina Law. I will tell you that in the context of implementation of action by the Council whether it's a simple motion, a resolution or an ordinance any action taken by this Council as a policy directive I'm obligated to implement as a matter of obligation regardless. The actual effect in terms of what I have to do as City Manager and in terms of implementation through the departments whether it be Police or any other department a simple motion of the Council has the same impact on what I have to do as a resolution and as an ordinance. There are some other implications around ordinance and resolution that the City Attorney would like to review with you.

Councilmember Howard said maybe we're going to get that. That's the part that I wanted to do. At the last meeting we talked about this. It's kind of clear for me that unless it really was actionable I didn't really think we should go down this route so maybe Bob is going to tell me that it seems like resolution has a lot less legal protection for the citizen than an ordinance does. If that's what you're going to get into then I'll just wait.

Mr. Carlee said he is going to walk you through that very specifically.

Councilmember Autry said the action that is on the Agenda tonight is basically the foundation that an ordinance or a resolution could come forward for and be built on.

Mr. Carlee said that's exactly right.

Mr. Autry said so without this foundation work what compels you to act or not to act isn't really going to be there for whatever action we take on in the coming months.

Mr. Carlee said what I'm obligated to act is based on the policy direction of Council and that can be done and is done many different ways. If you were to actually adopt the policy principals it puts a pretty strong policy stake in the ground in terms of the City Council prospective but of course that depends on whether or not you're comfortable and are ready to do that tonight. I would continue to work on developing the ultimate action of the Council unless you told me not to do that because my policy sense is that a majority of the Council would like to take formal action with regard to these civil rights areas and if I have that wrong then you need to tell me that and I will go a different direction.

Mr. Autry said okay so I'm set. I'm looking forward to hearing what Bob has to say.

Mr. Carlee said let me ask the Chief if there is anything he wants to add about his review.

Chief Rodney Monroe said we've been reviewing is all of our policies and procedures and being able to align those policies specifically to the ordinance or resolution. An example would be an actual charge or claim of arbitrary profiling. Our policy doesn't state that now but we're going through a rewrite in order that the citizen can come in and simply state that I feel that I was arbitrarily profiled and its investigated from that perspective not a perspective of courtesy or anything else but specifically because that citizen believed that they were stopped or addressed based on one of the prohibitors within the ordinance itself. Just trying to align our policy to some of the specific areas the same way with consent searches creating our policy that speaks to when we conduct consent searches and how we document consent searches which aren't there yet so in order for the ordinance to be actionable we need to have specific policy and procedures that go to those particular elements to enforce.

Mayor Clodfelter said and what the action that's on the Agenda tonight would do is to direct you and the Manager to write up those very specific guidelines, rules and policies.

Chief Monroe said yes.

Mayor Clodfelter said which do not now exist. Right?

Chief Monroe said yes.

Mayor Clodfelter said and then we would determine in what form they get embodied.

Mr. Autry said we keep using the term ordinance and up there on the screen it says ordinance or resolution and I guess that's where the City Attorney comes in at this point. How's that for a setup?

Mayor Clodfelter said it is where he comes in.

Councilmember Fallon said is it an a, b, c, you can do this, you can't do that, you can stop somebody for a reason not arbitrarily and they can come and speak to you other than just wanting to get it out but something will be done about it. It's going to be definitive. They'll be a list of things that they can stop people for, what they can't do and how it will be handled.

Chief Monroe said all those things are currently codified in laws that states when you can or cannot stop a person, when you can and cannot arrest a person, and when you can and cannot search a person; those elements are within the laws but what we're talking about as it relates to citizens' concerns relating to those areas and how do they go about complaining about those specific rules and regulations.

Ms. Fallon said very often they're there but there not obeyed and I think that's what the problem is that people feel that even though they are written down people go around them.

Chief Monroe said a citizen still has that right to complain and file that complaint if they feel that they have been violated. We just want to make sure that our policies are in line specifically to those concerns of the citizen.

Councilmember Driggs said actually two questions, one would you intend to come back with draft language for an ordinance or would you come back with a report on your findings as a result of your investigating these things?

Mr. Carlee said the intent is to bring an actionable item to the Council.

Mr. Driggs said so we go straight from here to then looking at a suggestion as to what it should look like?

Mr. Carlee said a draft.

Mayor Clodfelter said that's at the Council's direction. We wouldn't just be asked to vote on it the same night it appears on the Agenda. We would have a public hearing and public comment before.

Mr. Driggs said alright so we'll have time to look at it. The other point was Chief, the concern I have here is that officers on duty find themselves in a position of uncertainty as a result of the constraints that are properly put on to prevent them from certain bad behavior. Do you have a sense of how the rules that you already have can be tightened up or in some way achieve this goal and not impair their ability to do their job.

Chief Monroe said yes and that's what we're focusing on. We have volumes of policies and procedures but what we're looking to do in this case is to go in and pull out those specific policies and procedures that relate directly to the ordinance so that they're not buried amongst everything else. You would actually see two things when we come back. One is the actual ordinance or resolution and the second thing would be the policies and procedures as relates to the Police Department that's associated to those elements within the ordinance or resolution.

Mr. Carlee said and Council action would be to the former with the latter being the way that we administratively carry it out.

Chief Monroe said you could have an ordinance and resolution that just says okay you won't arbitrarily profile, you won't conduct unreasonable stops and so forth but if you don't associate that policy and procedure to it then it becomes an unknown factor to many.

Mayor Clodfelter said so you're talking about needing to put into place training programs, training criteria, disciplinary policies, disciplinary practices and procedures. There's a whole host of this stuff that goes into it. I think one of the things I hadn't appreciated until we sat down and started working through the model ordinance was one whole thing we haven't talked about is that addresses the question of surveillance, intelligence, data gathering, who information about people is shared with and for what purposes it is being shared. Those are some very, very tricky things to write up and those are important components of what the community is asking us for. It's not just about the single question of conduct on the street. It's about that, it's about an awful lot of other things too and I think these guys have worked pretty diligently over the last six weeks in several meetings, I've attended a couple with the community and internally, to sort of get a handle on this and get it done right so we can be sure what we've got works for the community.

City Attorney Bob Hagemann said my topic has been teed up pretty good. We have not made any determination at the staff level yet as to whether or not to recommend that you take action through an ordinance, through a resolution or some other policy document but what I wanted to do tonight is for the Council's benefit as well as the citizens is explain some of the aspects of an ordinance so that we know what it is and whether that's the right vehicle at the Council level to pursue this policy and my goals in doing so, the Manager has already eluded to one which is the second up here, we don't want to cause unintended consequences but equally I do not want us to create a false or unrealistic set of expectations in the community. To say that we would like the Council to adopt an ordinance well what exactly does that mean? How is it enforced? Who could enforce it and that's the primary set of issues that I want to discuss and help you to understand.

What is an ordinance? An ordinance is a municipal law. It's the equivalent of a state statute. At the local level municipalities pass laws in the form of an ordinance. Examples, I've listed a few here, a zoning ordinance, a noise ordinance, the Passenger Vehicle for Hire ordinance. Now, interestingly a common feature of all three of those examples and frankly most ordinances is that they are a tool for regulating private activity or private conduct. There are laws adopted by City Council that set a standard of conduct or behavior by the private sector for the most part. All of those ordinances, I've listed as examples: regulate private activity, zoning, how people use their property, the noise ordinance, what are limits to privately created noise at your business or at your residence, Passenger Vehicle for Hire, what are the rules for taxi cab companies when they deliver services in the City. Again, I want to emphasize that all of those examples regulate private activity. In contrast we're talking about something completely different with this civil rights proposal. We're talking about the government's conduct, our own conduct so that then raises the question what expectations are we creating when we have a final product in terms of enforceability.

Here I want to talk to you about how ordinances are enforced under North Carolina Law and how they cannot be enforced. Listed the statute that provides for enforcement remedies from municipal ordinances and I've quoted a portion of that. It says a city, emphasize the word city, shall have the power to impose fines and penalties for violation of its ordinances. That makes sense if you think about private activity. If somebody is exceeding the limits of the noise ordinance we could, the city could through law enforcement officers or Code Officials issue civil penalty citations or some kind of criminal enforcement but it is the City that enforces the City's ordinances specifically state law does not authorize you as a City Council to create what we call a private cause of action. We cannot pass an ordinance under North Carolina Law that gives citizens the right to enforce it directly themselves either by suing seeking enforcement or in the case of what we're talking about here regulations that will regulate law enforcement activity and conduct. We cannot pass an ordinance that allows a citizen to sue for damages if they think we've violated our own ordinance; very important point.

How are ordinances enforced? I talked about who can enforce them and the City can enforce them and only the City. How can they be enforced and I've touched on a couple of them. There are three mechanisms for enforcing ordinances in North Carolina. One, unless the ordinance is specifically decriminalized by state law the violation of a municipal ordinance is a Class 3

Misdemeanor and it's prosecutable by or punished by a fine of up to \$500 and significantly a violator cannot be sentenced to active time unless they've had at least three prior convictions. For a first conviction no active time can be given to a violator of a municipal ordinance. The most that a criminal court can impose are penalties of up to \$500 and even in the worst case where an offender has five or more prior convictions the maximum penalty that can be issued by a criminal court for violation of a municipal ordinance is 20 days in jail. Second, way that municipal ordinances are enforced and it's a common way for the City of Charlotte are through civil penalties. It is a non-criminal fine for violating an ordinance, parking tickets are civil penalties. If you park illegally you're going to get a \$25 or \$50 parking ticket. It is not handled through the criminal court system. It's handled through a civil process. It's a civil fine levied by the City against the violator of the ordinance. Finally, the law does give the City to seek equitable remedy commonly referred to as an injunction which is going into court and this is typically used for ongoing violations, not a single event but somebody who is using their property in violation of a zoning ordinance and refuses to come into compliance the City has the ability to file a lawsuit and ask a court to issue an injunction directing the individual to stop doing that, to comply with the law and then if they do not comply with the law the contempt powers of the court are available to enforce that equitable relief.

I think it's important as we think about the kinds of policies that are being proposed and the actions that are being proposed to think through whether or not any of these remedies might make any sense in enforcing a civil rights ordinance. Again, the ordinance is, the proposal is to restrict or direct the Police Department to not do certain things, arbitrary profiling, misuse of data or other information that's gathered those kinds of things. If you think about how would that be enforced if an officer as an individual does one of those things or a pattern or practice over time is revealed within the Department itself. It may not be a single incident it may be trends within the Department that study an analysis of the data reveals we may not be doing what the Council set out as an expectation, how would we enforce those situations and it just strikes me personally as a little bit odd to think that first of all if it's the Department itself, I don't know how the City prosecutes itself criminally. I don't know how we issue civil penalties against ourselves and I don't know why we would go to court to get a court to order us to stop doing something that we have it within our powers to stop doing anyway. Similarly for an individual officer are these the types of things that we would want to pursue when we have the power we already have right now over all of our employees and that is to take disciplinary action for violating city policy.

Again, my purpose here was to help you understand what an ordinance is, who has the power to enforce it and what the remedies are for the purpose of not creating false expectations in the community about how this initiative might be enforced once you finished your process and the Department has finished its process and we have not determined again I'll repeat at this point whether we will make a recommendation in the form of an ordinance or resolution or another manner but as the Manager pointed out whatever form your policy directive takes he is obligated and the Departments of this City are obligated to implement those policy directives of the Council and I don't know that it will matter in terms of the diligence that the Manager, the Chief and the Department exercise to pursue your policy directive. I don't know that it will matter what we call the action that you take whether we call it an ordinance or a resolution, a motion or some other action of the Council.

Mr. Howard said what I think, just to give you back what I think you just said is that an ordinance would mean we would actually possibly be putting ourselves in a situation where we have to sue ourselves so that doesn't make a lot of sense. What I also heard you say is that we actually have employee policies right now which sometimes may be more powerful than everything else you just mentioned. Where we were looking at making policies so Chief you said earlier that we already have volumes of policies. Is there something we could do even more?

Chief Monroe said I think one of the important things is to -

Mr. Howard said because that's the goal. The goal is to make sure that we don't have officers that profile so I think I'd rather have them fired then just fined and if they're going to be fined make sure it is a way that sends a message we don't want this to happen. That's the goal. I'm not exactly sure how we get at that now. I would love to find out from our friends in the community

that actually recommended this if there is an example where an ordinance was put in place that dealt with all of those things that you just presented to us, you know what that is. If there is such a thing I would be interested in getting it and I guess I'm talking to our friends over there that are kind of bringing this to the forefront.

Mr. Carlee said I think it is important as you might look at any of those is to understand the context of North Carolina Law. Other cities may be able to do things differently; they are able to do things differently than we do here. To your question are there things that we can do differently, I think that's been the value of this review and this is why the Chief has embraced it as much as he has. I certainly didn't have a conscious recognition that we actually don't have a provision against profiling. We have all these other things that relate to profiling but we really don't have numbers on profiling because you know you take the complaint as courtesy or something else but the issue the community is bringing to us is profiling. I mean that's been out there forever and so I think the kind of detailed and through review that the Police Department is taking really does begin to put civil rights in a different perspective, a more conscious perspective and align our policies in ways that really connect to the concerns that people have. I think that's a meaningful and substantive difference and the disciplinary tools that we have at hand. A suspension will have a much greater financial impact than the kind of fine that you can in an ordinance to say nothing of separation when it's a case that so warrants.

Mayor Clodfelter said I think the Chief has got us on exactly the right track. He wants us tonight to give him direction and that is binding under GS §160A-A146, he has to follow a directive from the Council whether it's by form of resolution or otherwise he's got to follow it. He wants us to give him direction to flesh out in detail the internal procedures and policies he's going to apply. He's got to do that too in order to take disciplinary action against the officers because if he doesn't have them clearly laid out in departmental guidelines and SOP's then he's got a problem with the Civil Service Board when the officer says my due process rights were violated, I didn't get treated fairly, you didn't tell me what I did wrong and what I was supposed to do. I think the Chief's got us on task here and got us on target to move ahead because he's got to develop these things that he's asking us for direction to do tonight in order to be able discipline the officers under state law otherwise he can't discipline them. Am I right Chief?

Mr. Monroe said you're one hundred percent correct Mr. Mayor.

Councilmember Austin said this is kind of piggy backing on Councilman Howard. In the other cities that have similar ordinances, I'm sure we're looking at those correct? What kind of remedies have they developed to address civil rights and profiling? I know we're probably going to look at it a little bit more but can you share any of that?

Mr. Carlee said I will bring you all a more full, complete report when we come back. The only that's only been adopted in North Carolina at this point is Asheville which is a resolution and I don't know that it has any remedies. I don't think they went through the detail at the local process that we're going through. You may know some more about that. It doesn't mean that they won't. They were the first ones out on it. I believe that people from the community are looking for us to set a bar for other urban areas in North Carolina.

Mr. Austin said beyond Asheville and maybe going into other states. What are other states doing, what are the cities in other states doing?

Mr. Carlee said there are a number that we've gathered although they come in different flavors and they've come at different points in time so there's a variety. We will give you a full analysis of those when we bring back the action item for you.

Councilmember Barnes said Chief or Mr. Hagemann, during some of the discussion we were having around the Citizens' Review Board and other police related activities in Charlotte it occurred to me that we never really had an open discussion about the chain of disciplinary action within CMPD and so if you could either one or both of you if you could talk Chief about on January 1, 2015, an officer does whatever bad act is alleged to have done whatever bad act what is that chain of discipline and then Mr. City Attorney if you could talk about the protections in place for police officers and the protections in place under The Constitution for citizens'

regarding how we handle whatever disciplinary process is put in place and followed at CMPD. I ask the question because I've heard people, for example, demand that we terminate police officer's for things that I'm not quite sure they could be terminated for and also that we take certain other actions that may not call for within the chain of the disciplinary process so it would help me to hear what their process is and then how it is impacted by North Carolina Law.

Chief Monroe said internally every violation of police policy is investigated by a Board, a Board that's made up of every element within the right structure outside of that officer's chain to hear that particular case. On average we issue several thousand hours of suspensions each year and this could be anywhere from being late to work, missing court, up to an unauthorized search or handling of property. It runs the whole gamut and with each violation it's associated with the policy because every officer that goes through the disciplinary process has the right to appeal my decision to the Civil Service Board for the Civil Service Board to hear it. Very seldom does the Civil Service Board overrule us as it relates to the taking of disciplinary action. At one period of time we had a problem with them giving officer's that we fired back to us but that has slowed down considerably also. We're not seeing those actions overturned and those officers being given back to us.

Mr. Barnes said let me ask you a question within that description that you gave so if I'm a patrol officer I do something someone says is bad does my Lieutenant or Sergeant take a review of what I've done or does it go to one of these Boards?

Chief Monroe said there are certain violations in which each one of these violations would not go to that officer's chain but would go to the Internal Affairs to be investigated independent of that officer's chain. Now if an officer missed court for the first time a lot of those violations are investigated within the officer's chain but these items that we're focusing on in the Civil Rights Ordinance would be investigated by the Internal Affairs Division itself.

Mr. Barnes said so for people who are concerned about Internal Affairs itself and its impartiality etcetera is there some other layer of scrutiny that we have in place to help.

Mr. Monroe said the Citizens' Complaint Review Board.

Mr. Barnes said so the CRB would be that layer of, and I know there's some concerns about that too, so Mr. Hagemann if you could talk about how that all plays out under state law in terms of the powers that the state gives us to act, the powers the state gives the Chief to act against police officers that would help.

Mayor Monroe said Mayor Pro Tem, there are other, when you look at the areas that we are focusing under the Civil Rights Ordinance these are some pretty powerful areas of law and whereby not only do you have the internal; a great number of these could result in criminal as well as federal civil rights violations which carries a different set of independent review by other people, other than the Police Department itself.

Mayor Clodfelter said is it fair Chief that one of the things you are looking at as I understood from some of the discussions that you've had with the community is some of the changes you're going to be looking at are changes in the procedures in Internal Affairs and in the Citizen's Review Process in order to make it a more vigorous, transparent process.

Mr. Monroe said I think when you start looking at within Internal Affairs and when you start especially when it comes down to patterns and practices you have to have the ability to analyze the data on a more readily available basis and those are steps that we have taken in order to bring in an analyst that will start analyzing practices and trends. We've created a separate office that will set up audit reviews of in car video as well as body cameras so all of those tracking mechanisms allow us to identify issues and concerns internally as well as not waiting just for a citizen to come forward and say hey, I believe this has occurred to me. How do we better equip ourselves to detect those things which I think that we could much readily detect those things should we have the tools to look at them more intensely?

Mr. Hagemann said just to fill in the state law, state and federal law framework around all this. The Civil Service Board is not common to all police departments in North Carolina. There are

only a handful of departments that have a Civil Service Board and that is a provision, a mechanism that was given to us by the Legislature. Cities don't have the power to do that unilaterally. In our Charter includes the framework for the Civil Service Board. Fifteen or so years ago the City Council decided to pursue and ultimately created the Citizen's Review Board; that too is a relatively uncommon thing. We may have been the first municipality in North Carolina that created that kind of mechanism. That was created by the City Council but there are elements of it that were blessed by the Legislature particularly since we're dealing with personnel privacy the ability to share personnel information with citizens serving on a Citizens' Review Board. Of course as you all know within the last year the Council made some adjustments to that ordinance including changing the standard, lowering the standard and streamlining the process some. Beyond that and the Chief alluded to this also, citizens who believe that their rights that they possess under the State or Federal Constitutions or under State or Federal Statutes do have the ability to provide, to pursue civil action in the courts and that is not at all uncommon. We have numerous lawsuits that my office is handling at all times where citizens believe that they're legal rights have been violated and they go to the courts to try to vindicate those rights and in the rare circumstance the Department has the ability to in fact arrest its own officers and there's one case pending that I'm sure everybody in the room is familiar with.

Councilmember Mayfield said two questions; with following up Mr. Hagemann on a comment that you just made regarding if there is a lawsuit or if you go to court so when we're looking at resolution versus ordinance if it is in the form of a resolution does that hurt or hinder or neutralize if you're in a court proceeding?

Mr. Hagemann said I don't believe that choice will have any bearing on a citizen's right to go into State or Federal Court under State or Federal Law, be it statutory or constitutional. What you do here will not positively or negatively affect that at all other than hopefully by changing behavior where it needs to be changed such that the number of instances where somebody might have a valid complaint goes down. I think that's the goal.

Mayor Clodfelter said Mr. Hagemann doesn't it help? Whether it's an ordinance or a resolution or whatever it is, if it's the clearly articulated public policy of the City of Charlotte expressed through the action of the City Council that sets the standard of conduct against which the officer may be judged in a lawsuit. That's the standard of conduct that he or she has got to conform to and the court will judge whether or not they ought to be held liable for damages or otherwise by that standard of conduct will it not?

Mr. Hagemann said the distinction I was making, going back to what I said earlier; it would not be a new cause of action under the ordinance or resolutions itself. They still would have to identify the legal claim under State or Federal Law and the right that they claim was in fact violated.

Mayor Clodfelter said I understand they would have to say this is a violation of 42USC1983 but they'd have the official standard of conduct that the City has established to show what the City's expectation was and how it was violated, would they not?

Mr. Hagemann said possibly but again under a 1983 claim it could be that an officer violated civil City policy but still did not act unconstitutionally. I would not say categorically that whatever we do here in every single case would have a bearing on civil liability under State or Federal Law.

Mayor Clodfelter said maybe I overstated; it doesn't hurt but might help.

Mr. Hagemann said right. Again, I'll go back and state what I said before I think the real purpose of this initiative is to reduce the number of instances where a citizen believes that their rights were in fact violated.

Mayor Clodfelter said Councilmember Mayfield does that get where you wanted to go?

Ms. Mayfield said that's part of it. Thank you for the clarification. I mainly wanted to make sure that there was a clear distinction of would it cause any obstacles if someone were to have to go to court. We've already had instances where officers have been taken to court for misconduct but it's also been handled in a way where those officers have been dismissed and then just thinking about how we move forward to make sure there's as much clarity as possible around that which you went into further detail and I appreciate that. The second question is actually for our City Manager thinking, piggy backing on the question that Councilman Howard raised and said if there's anyone in the room that has another example are we working with our community to make sure because they I'm assuming have put a lot more energy into researching with hence starting this conversation to see what best practices are out there knowing that Charlotte is a different beast because thankfully we don't have as many of the challenges that you're seeing across the nation regarding the handling of incidents but I want to make sure that there is definitely clear communication between the City Manager's office, CMPD and our community would get in the right language together.

Mr. Carlee said yes ma'am and Community Relations has been very much a part of that so we actually started with a template that they brought forward in model ordinance and have been working from that and having ongoing discussions each step of the way. Again, we're looking for something at the end to bring for Council that we hope will have very strong consensus across all the stakeholders involved. This is not an us and them kind of effort. This is how do we work together as the local government, the Police Department and the community to accurately reflect what the values are for Charlotte.

Councilmember Phipps said whether or not we choose to enact this civil liberties proposal by ordinance or resolution is this something that would only be enforceable within the City limits of Charlotte or anywhere that CMPD would be operating? I mean if they would operate in any other towns.

Chief Monroe said it would be specific to the Charlotte-Mecklenburg Police; all of our policies and procedures are associated with any of our police officers that work in Mecklenburg County to include the unincorporated areas of Mecklenburg County.

Mayor Clodfelter said it would include all areas that you police whether it's in the City limits or outside.

Mr. Monroe said yes.

Mr. Carlee said and that's the importance of connecting the Council action to the actual policies of the Department because it's through the directive and SOP's that then applies to the entire Police Department wherever there acting as members of the Department.

Mr. Monroe said now it wouldn't apply to Matthews, Pineville, Cornelius or Huntersville. Those agencies are independent within themselves.

Councilmember Smith said I've got a couple questions, I heard some legalese going back and forth and I'm not sure I fully followed you two. How exactly is this handled, profiling handled at the state and federal level? It sounds like that there may be times in which there may be a legal violation that somebody would have the ability to pursue it through the courts but it's not an disciplinary issue and we're trying to help with the disciplinary side. I'm just trying to jive how what may be on the books at the federal and state level and what we're trying to accomplish. My second question is there any concern as we move forward about the possible subjective nature of these charges and the he said, she said. How do we prove it? I think from everything I've heard I think I will support the motion tonight because it sounds like we have to do this just to figure out where we may be and what kind of problem we have to then back into some sort of resolution but as we're going through the process there seems to me that this type of issue is right for a lot of grey area that could end up being problematic.

Chief Monroe said that exists today. I think one of the elements that we're trying to add to this is the readily identification of patterns and practices. You could have a citizen that comes in and said that I was stopped solely because I was African American; you could have an officer that

says nope that's not the reason I stopped him. I stopped him because they changed lanes without signaling. You have a stalemate there. How do you determine that? Now the question becomes is there any other evidence that shows whether or not that person changed lanes inappropriately whether it be via in car camera or based on the next presentation body camera or do you then be able to go back and look to see whether or not there's been any past practices associated with this particular officer as it relates to this particular issue which gives you a little more emphasis of trying to decide.

Mr. Smith said and we can't track that now because without issuing this directive we're not able to, we don't even have an accurate sense of where this may be because we don't have it in the policy so that we code it as something differently.

Chief Monroe said yes.

Mr. Smith said Bob, can you help me clarify the state, federal, how it's handled?

Mr. Hagemann said there are no state or federal laws that apply to us right now that say City of Charlotte or your officers cannot engage in racial profiling. There are constitutional protections from individuals but it sort of gets to what the Chief was mentioning. Is race the motivating factor for a discreet decision and it gets into are there other legitimate reasons for that decision and it just happens to impact somebody of color in this particular example. You heard from Representative Moore and my understanding is he intends to introduce legislation in the Legislature this year but there is nothing on the books at the state or federal level.

Ms. Fallon said Bob, a little contrary to what you said I don't think it's to hold down incidents I think more it's to gain or restore the public's trust, that that basically is what we're talking about, that people can trust the Police Department and us to do what is the right thing. I think that's the object of this whole thing.

Mr. Hagemann said I agree with you.

Councilmember Lyles said listening to the discussion it occurs to me that at one time we had a small Department, maybe the toughest issue that you had was whether or not someone wore the correct uniform at the right time of year but now we're dealing with a lot more complex issues and problems and policies to follow. I think all of us understand business analytics and how it helps any organization perform better. The difference for us is that it's not just a business analytics that help; it helps us be transparent to the people that depend on the Police Department to be the kind of agency that lives up to its mission and obligations to our citizens. I'm going to support. I don't think the ordinance resolution is really the core for me on the decision and discussion tonight. For me the core is the Chief reviewing practices that take us beyond the normal things that of how to run an organization, which you do very well, but then to some of these areas that are less defined how are we going to deal with surveillance, homeland security issues, how do we look at officers and make sure that they have the protections needed to do their jobs and then more importantly what is the framework for the City Council to say so I look at this as whether its ordinance or resolution it's like if I had a personnel handbook I'd start off with what's important to the organization and when I look at the words in the motion for civil liberties I really think it is about being very clear to the public as well as to our workforce about what's important to us whether it comes in an ordinance or resolution, it's the ability to write it down and have it applied to practices that you actually have with policy. I'm going to support moving forward because I see this as really important to building the kind of Police Department that we need in the century that we're dealing with, with some of the issues that we have on the table that are unknown to us right now. I'm going to support it and hope that it comes back in a way that; the most important things is having a well-run Department and that's whatever tool it takes to get to that place that's where I think I would be in my assessment of the action.

Mr. Howard said my concern is a lot of what we've talked about so far could have those unintended consequences of us being sued then defending ourselves. At the very least I want to make sure we cover that one in a way that makes some sense. I think Ms. Mayfield was right when she said that that scenario only makes sense after we've released somebody. I hope we think that through. It occurred to me from the last meeting that the stop and frisk policy is kind of

where this starts and stops a lot. I guess you could also talk about traffic violations when people are stopped. Chief, walk me through exactly what are the consequences if an officer gets to the stop and frisk wrong? Is there something that they could do that would actually send them straight to termination in your eyes? For me that's where we probably should work on this the most because that's where these instances of profiling that and traffic stops happen the most. Could they be strengthened in way? The goal shouldn't be just to catch people it should be to stop it and if we can put policies in place and education in place that actually stop it then maybe we won't have incidents were citizens have to actually come in.

Chief Monroe said I think that collectively, I don't think we need one policy, ordinance, resolution is going to be the cure all for anything. I think even having the ability to say that we're going to move to the next generation and we're going equip every officer and patrol with a body camera now you're creating other tenants that will help play into -

Mr. Howard said termination?

Chief Monroe said not just termination but the ability to do it right and we're all creatures of habit and what we think we may be able to get away with and what we can't get away with and I think as long as we keep ourselves in the position where we can hold ourselves accountable by different measures whether its analytics, whether its body cameras, whether its policy, whether its procedures I think all of those things help lead us to as Ms. Fallon spoke of, being able to build that trust within our community that these things aren't happening. Are they going to prevent them from every happening again? I don't think anyone by itself or even collectively is going to do that but I think we go much further down the road with bringing in the necessary tools. We saw a big decline back in the 90's when we put cameras in the cars. I think that our measuring tool is citizens' complaints, citizens' concerns, our expectation is those are going to go down so I think it's just being able to put the tools in place that help to hold ourselves accountable and the City holding us accountable for what we do.

Mr. Howard said but at the very least this policy, employee policy review is going to look at those places where we interact with citizens and see how we can either strengthen the policy language or strengthen the disciplinary actions that come from violating those at the very least. Is that part of what you're doing?

Mr. Monroe said and the training associated with those things. I think all of them go hand in hand. I'm not here to say that now if I get a search wrong or if I get a contact wrong, or a I get a frisk wrong that I'm going to fire somebody. I think you have to look at each one of those cases independent, weigh the merits of those cases but the important thing is being able to have all the facts associated with those cases so that you can make a decision.

Mayor Clodfelter said thank you Chief, with your reference to body cameras is a good segue way to the next item but in a weak moment I agreed to let Councilmember Mayfield ask you a clarifying question she promises because I had declared we were going to stop talking about this item.

Ms. Mayfield said it's a quick one. Earlier in conversations we had mentioned having an outside evaluator is that still on the table?

Mr. Monroe said when you say outside, we're going to have someone to come in to work with us that's going to guide us in what we need to be focusing on with our information in order so that the person that we hire that's going to be doing those analysis knows what information needs to be looked at, the trends associated, how to find patterns and so forth in order for that to be done.

Ms. Mayfield said and I take that as a yes.

Mayor Clodfelter said it is a yes, one of the key components of the model ordinance that the community brought to us is that an analysis of patterns and practices and that's going to be part of what they're developing that they committed to in the motion.

Mr. Carlee said the key point there because I don't want anyone to be misled it's not a single point in time evaluation. It's setting up a systemic way in which we can do this in an ongoing basis.

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ITEM 3: CHARLOTTE-MECKLENBURG POLICE DEPARTMENT BODY CAMERAS

Major Stephen Willis said that's a good segue way, I'll jump right in and get started. What we want to talk about is body cameras so we started with in car cameras back in 1997 to capture officer and citizen interaction during traffic stops. As time has gone on and we develop new technology that is out there that video limited to what was happening in front of the patrol car and then audio that was associated with that was tied to a very short distance away from the patrol car. Now we're seeing that the new technology that's out there, body worn cameras, it is the newest technology, small, light-weight cameras. I call what we're going to look at tonight a lipstick camera because it looks like a lipstick container that officers can wear on their uniform, they can wear it on a hat, and helmet or they can wear it on their head in some fashion. It goes with the officer away from the car, there not specifically tied to the technology in the car, they can take it with them and then of course it provides a higher level of transparency with a whole new perspective of what we've seen in the past with in car cameras.

Our current body worn camera deployment in August of 2012 we acquired 16 units for our motorcycle unit. That was a traffic unit that had no other form of video collection of the incidents that they were involved in so we were able to use it very effectively for that unit. In September of 2013 we did a 26 person pilot; we selected two officers in each of the 13 patrol divisions. They actually volunteered; we didn't select them they volunteered to participate in the pilot test. We were able to expand beyond traffic stops; it was very well accepted by those officers. It was accepted by the public and we did a high number of publicity incidents surrounding our pilot test and where we wanted to go in the future with body cameras. That takes us to July of 2014 we submitted an RFP. We were able to receive back five vendors with proposals for their particular solution and hardware. We narrowed that down to two particular vendors and their models of equipment. We field tested that with officers for a ten day time period. We utilized the same officers that were familiar with the pilot test from back in September so that they can compare the two different types of equipment and then we also utilized because they were going to be involved in the future use of our body cameras.

After that pilot test it was a unanimous decision by the testing group to choose the Taser Axon Flex as the camera of choice. As you can see there that's a sample picture of it. Really the only difference is there's a cable that goes between the camera and the battery pack. Part of this decision process that the officers had was the ease of use, very easy to wear, very easy to turn on. It was quite durable; it has a significant amount of security as far as officers accessing the video, people accessing the video if the camera were to fall into the wrong hands, the multiple mounting options that are associated with it and then the future automatic activations. We're anticipating at third to fourth quarter of this year we'll be able to implement two automatic activations. The first being blue lights which what that means is as the Chief talked about earlier with traffic stops when the blue lights are turned on the camera will turn on automatically and the nice thing about that now or with body cameras is in comparison to what we do now if there's two people riding in the car only one officer is wearing a mic pack and when they turn the camera on or turn the blue lights on the camera comes on, one microphone comes on and the second officer is not wearing a microphone because the system is not compatible with two microphones. In this instance and I'll talk about deployment as we move along both officers will have cameras. When the blue lights come on both cameras come on so it takes away the officers ability to turn the cameras on or off. It automatically comes on when the blue light comes on.

Chief Rodney Monroe said one other feature in that is it would activate any other camera that's in that general area so in other words we've seen video where one car that pulls up has a camera on the other two; this would've activated those other two cameras automatically.

Major Willis said its simple Bluetooth technology. What will happen is they'll replace the battery pack, it will have a Bluetooth sender in it and it will send a Bluetooth signal out or the car will and the receiving unit will turn on once it gets basically within 30 feet of the car that has

actually turned on the blue lights. The next automatic activation is the Taser; what will happen is that any officer that activates their Taser physically turns the Taser on, not necessarily pulls the trigger but arms the Taser, turns it on so that it has power to do what its intended to do, it will turn on every camera within about 30 feet of the activated Taser. For the officers that are in a high intensity situation you've got one officer that's turning on his Taser and the officers are prepared to deal with the repercussions of the use of the Taser or the lack of effectiveness of the Taser. They are not having to worry about turning cameras on and being able to go hands on and handcuffing people and all those things. It will be much more of an automatic activation for them.

That takes us to what the camera system provides. It a 75 degree field of lens that will give us a whole new perspective from both the officer's perspective as well as the citizen's because we're now away from the car, we're behind the car, we're next to the car, we're on the front porch, and we're in the front yard. It has 30 seconds pre-activation video.

Councilmember Mayfield said I'm a very visual person so that 75 degree field of view can you give me an idea?

Major Willis said it's about like this (hands wide). It's not as peripheral as the human eye but it's very close to it.

Ms. Mayfield said so it's much wider whereas right now, currently the camera that whatever capability we have is pretty much straight forward.

Chief Monroe said this would move in whatever direction, 75 degree direction that that officer is moving in and that person, just human instinct that person is going to move to wherever issues or concerns people or danger may be.

Major Willis said the 30 second pre-activation video buffer, our current in car system has a one minute video buffer, this system operates with a 30 second buffer. Basically what that means is the camera is always caching and buffering video and when I hit the record button it's going to capture the previous 30 seconds of video. There won't be any audio associated with that 30 seconds but it will automatically capture that previous 30 seconds, tag that to the entire recording and you'll be able to see kind of the pre-event before the officer determined the need to turn the camera on. Retina low light it is as close to the human eye as possible. It's not enhanced but if it's a completely dark room and a human being cannot see the camera is not going to see but if there is enough light for the human eye to be able to capture what is going on the camera is sophisticated enough to be able to capture that level of light as well. If we have time I have a couple of examples that will show; that will lead you to understand that.

Security, officers don't have access to delete the video; they don't have access to edit the video. It is all stored on the camera; it's all uploaded electronically without any physical interaction to the recording by the officer. It's automatically and securely uploaded at the end of the officer's shift. They'll come into the office, they'll plug the device into an upload and charging unit and it will automatically begin to upload that video. The retention rules that will be in place will provide storage for us for criminal investigations as well as citizens' complaints and then of course training. Multiple mounting options, this was one of the big choices for the officers in the various types of ways that the officers can wear the camera. One is with a pair of Oakley Sunglasses; it comes with a specific mount for this camera system. The officer would be able to wear clear lenses at night if they chose to wear glasses or they could wear regular sunglass style lenses during the daytime if they chose to wear sunglasses.

Ms. Mayfield said for the officers that wear glasses do we know how that's going to be?

Major Willis said it only attaches to the Oakley Sunglasses but they will be able to purchase through Oakley lenses with their particular prescription if that is the option that they wanted to pursue.

Ms. Mayfield said so if we're using that option have we worked out some kind of discount?

Chief Monroe said there are other options that they could deploy such as the headband or the shoulder mount.

Major Willis said the site of the glasses is not the only option.

Ms. Mayfield said I was just wondering even with the headband if you wear glasses and you're out would that interfere.

Chief Monroe said you could still wear glasses with the head mount or the shoulder mount.

Major Willis said you have the headband mount, you have the collar mount.

Councilmember Driggs said what happens to the cameras that are in the cars now? Are the superseded completely by these cameras and if so do these cameras capture images from inside a car?

Chief Monroe said I think eventually and over time yes. The current camera system that we have in the cars now the parts are coming out of warranty and the parts associated with those cameras will be non-available to us. I think they're non-available to us now and depending on what perspective we're able to gain from these body cameras over time I think the in car cameras will wane themselves out. That's what we're reviewing and researching right now.

Mr. Driggs said you're expecting to get the same images from the body cameras you could get from a car?

Major Willis said you will from a certain perspective the camera in the car is going to capture the officer standing at the car on a traffic stop whereas the body camera is going to capture what the officer is seeing inside the car. Of course you've got the collar mount, you have a ball cap mount if an officer happens to be wearing a ball cap as a part of his duty assignment, a helmet mount which is very good for bike officers, for motor officers, for our enduro officers it gives us a secure mount for them to be able to wear it on that type of helmet, an epaulet mount where they can wear it on their shoulder on the epaulet of the jacket it's a little hard to see, it is right here underneath the epaulet of his collar on his shoulder and those are the various mounting options. They'll come as a complete kit and the officers will be able to choose how they particularly want to wear the camera.

Year one as far as storage is concerned we will use Taser's solution which is called evidence.com. It is a hosted cloud based solution.

Councilmember Howard said I would assume that the cameras would be used on duty. We've had a number of incidents where things happen and the officers off duty. Do you have any policy on that right now?

Chief Monroe said right now our policy is on duty. You can imagine the logistics that are associated with the people working off duty and where do I get the camera from but right now we're focusing strictly on on duty, uniformed patrol officers and Sergeants.

Mr. Howard said the current situation down at the NASCAR Hall of Fame and Restaurant that was off duty right?

Chief Monroe said that was off duty.

Major Willis said the storage solution again is a hosted, cloud based solution, it will store all of our video for year one and part of that is because and I'll explain it a little bit deeper in the year two example. Council has already approved a Digital Evidence Management System. We're in the process now of developing that system for full implementation so by year two that system will be up and running and it will give us the opportunity to offload our video that's at Taser's website and store it here locally to the point that we own it, we control it. We will still hold video on Taser's site because the licensing affords us a certain level of storage that we can keep the video out there that would go away in a 45 day time period. It's just regular video, it's not

associated with any criminal event, it's not associated with any internal investigation and it will go away with its normal retention rules.

Evidence.com and the Digital Evidence Management System are both secure, password permission systems that will create audit logs of everything that happens with the video; who pulls it up to just look at it, who copies it, who transfers it, where, whatever the case may be. All recordings are securely stored on the camera itself until the video is uploaded; once it is uploaded it is stored on the secure servers, either through evidence.com or the Digital Evidence Management System. Again, the recordings cannot be edited or deleted by the officers; they don't have access to them.

Councilmember Smith said hopefully I didn't miss this but I don't think so reading through. Is somebody made aware when a, I understand that officers can't delete it. Is somebody made aware of when it goes into operation?

Major Willis said the officer is aware. North Carolina is a single party state which means that as long as -

Chief Monroe said I think he's asking - are you asking the question will we know that camera has been deployed and turned on?

Major Willis said the officer will know; there's actually audible tone that comes from the camera.

Mr. Smith said no, will somebody other than the officer, I understand the officer can't delete it but is somebody up the Chain of Command or somebody back at headquarters made aware. I understand when it's triggered.

Major Willis said there's no automatic indicator to say that a recording exists. Through process and policy what the officer's will have to do is every day at the end of their shift they have to plug the camera in and every video on that camera is automatically moved without any control by anybody else.

Councilmember Barnes said I may have missed this but did you say whether the officers can turn the cameras off?

Major Willis said they can.

Mr. Barnes said so I pull over David and Kenny and they're giving me a hard time and I decide that I want to have some more discussion with them I can click it off?

Chief Monroe said there are policies on both sides of that. There's policy as it relates to the type of encounter, all traffic stops the camera must be on. Cameras are turned off for a specific reason, that reason has to be articulated on camera before it's turned off and then the third piece to that there are disciplinary requirements as it relates to if that camera is or is not turned on in one of those given situations. Again, not one system is going to correct or focus on everything. You're going to have officers who aren't going to have them on or not going to turn them on for a variety of different reasons whether its I don't want you to see what I'm getting ready to do or that the situation is, in this case, that I take some type of immediate action and I don't think about turning it on. We're going to have to weigh each one of those situations individually.

Councilmember Autry said whenever the video is uploaded I'm sure there's a process in place to confirm the upload of the complete video uncorrupted before it's expunged from the camera itself.

Major Willis said the system is designed to do verifications as it's doing its upload to ensure that the video is uploaded in its entirety to the point that if we need to remove that camera at a last minute need to deploy it out to the field it will stop its upload at that point, hashtag it so that when you plug it back in it will automatically pick up where it left off. The upload devices are

almost a computer. When you plug it in it knows how to process and send the video up and then the system does the verifications that you have the complete video.

Mr. Phipps said will there be any pilot testing of these or are you satisfied that you've done that through your motorcycle unit?

Major Wilson said we did a 26 person pilot with this particular camera in September of last year and then we did a 10 person pilot with this camera this year. We are very comfortable with the use of this camera, the way that it operates, the way that it uploads and the security that's associated with it. Body Worn Camera recordings is moving into our policy section, some of the things we're moving towards in the final developments of our policy as the Chief mentioned in traffic stops, stop and frisk or situations where reasonable suspicion of criminal activity is associated the officers are expected to have their cameras on; arrest situations, uses of force, during consent searches of persons or their property or when requested by a citizen during an interaction with an officer that would be a situation that wouldn't normally require the officer to turn his camera on. They may just feel uncomfortable about the encounter they are having with the officer and they can simply say I want you to record this and the officer will be able to reach down and activate that recording very easily. When operating a vehicle in a manner that requires the activation of its blue lights and siren and this is in place for while we don't have that trigger. Once that trigger comes into play it will automatically turn that camera on or excuse me automatic activation. Body Worn Camera, the specific calls for service that we're looking at; disturbances or disorders, situations involving emotionally or mentally disturbed persons, situations involving weapons or violence and the identification as an in progress call for service.

Ms. Fallon said can that camera be turned on remotely?

Major Willis said no ma'am. It has to be manually turned on by the officer or in one of these automatic activations that we'll be installing later this year.

Councilmember Austin said if a citizen requested a camera be turned on can an officer refuse? He cannot refuse?

Major Willis said he should not refuse by policy but as the Chief mentioned that certainly could occur.

Chief Monroe said because you could have a situation where by you ask me to turn my camera on to take a video of my angry husband taking the television out of the house. We may not see fit to do that

Mr. Driggs said what right does anybody who's captured in the video have to receive a copy of it.

Chief Monroe said we'll go into the actual -

Major Willis said I have a couple of slides coming up that deal with those specific issues.

Ms. Mayfield said on the same lines as the example Chief you just gave a domestic disturbance call, animal is also involved, we've had cases where the family pet either attacked or in protection of the owner if the owner requests for the camera to be turned on since you have that 30 seconds if the officer does not turn it on what if any recourse is there or does it just go back to that he say she say.

Chief Monroe said it would have to be an exceptional situation for the officer not to turn it on whereby it would look to violate some other segment of the policy whether it's a sexual assault case, there are a number of other elements of it because it can't be used for criminal investigations, it can't be used for the taking of witness statements and things of that nature and Steve will go into those areas and why we're settling on those type of policies.

Mr. Howard said following that line of thinking, I don't know I'm sorry to bring this up but the only guy I could think of is the guy that was, the officer that got arrested some years for violating

you mentioned sexual assault so in that situation he pulled up behind a church and turned the light off so what happens when the light goes off? When the light comes on the camera comes on but what happens when the light goes off?

Major Willis said the camera continues to record until the officer physically turns the camera off.

Mr. Howard said but if the light went off you would expect him to turn it off at that point so that's not a violation of policy.

Chief Monroe said no again, the policies go further than just turning the lights on. If he turned the lights on and then he got to the scene of something that's in progress he turns the lights off, he's still required to have that camera on so one doesn't automatically dictate the other that I turned my lights off that the camera goes off those specific incidents dictate when that camera comes on.

Mr. Howard said Mayor, I know we're in the weeds I'm sorry I just wanted to make sure I followed that thought all the way through.

Mr. Phipps said how many actual cameras are we talking about purchasing?

Major Willis said roughly 1,400. That will cover every uniformed officer in patrol.

Chief Monroe said in addition to being able to deploy cameras at training also because that's one of the things that we want to be able to have the ability is to capture training scenarios and the officers will be able to see some of the things they're engaged in versus just a trainer trying to explain it.

Major Willis said the intention of the Body Worn Cameras is to capture the interaction between officers and citizens. The system is not intended to be used to record criminal investigations specifically so as the Chief mentioned if we arrive on the scene, there's no suspect on the scene, we have a victim of a break in let's say for example it was an in progress call, the officers get there all their going to do at that point is potentially collect some evidence and take a statement from the victim. We're not going to utilize the camera to capture that statement. The officer will take a written statement and will continue as we've done in the past. Again, if interviews with victims or witnesses and of course conversations between officers and citizens that are not associated with one of the interactions or automatic activations or anything we talked about to this point so that just because an officer gets out with a citizen on the sidewalk or has a conversation with somebody doesn't mean that we're recording every interaction that we have with every citizen.

As we stated the recordings will cease once an officer's actions change to an investigative role. Once they've arrived they move into that investigative phase the expectation is that we're turning the cameras off so that all we're doing is recording that initial interaction. They have the ability to turn the cameras back on if that role were to change. The expectation and policy again would be that they turn that camera back on and that will give them the opportunity to record those continuous interactions.

Mr. Barnes said Major Willis, that last bullet point the one word I have in mind is why. You may have answered it if you did please refresh me.

Major Willis said part of that reasoning is North Carolina requires us to retain video for extensive periods of time that are related to criminal investigations so if it's associated with a breaking and entering that is a felony and I record a statement from a victim I have to keep that video for 20 plus years. Regardless of the status of that case in the court system and if it's an unsolved crime we have to keep it indefinitely so unfortunately storage relates to cost and the more video that we retain for criminal investigative purposes means that we have to have more storage which is going to cost us more money in the long run.

Mr. Barnes said let me process that for my own good. In a lot of instances certainly lately bad things have happened once the investigative role, the investigative process begins at least in national incidents. Where you have the officer stopping John Doe and saying, an example the

Chief gave recently, John Doe can I talk to you John Doe says no and you see a gun fall out of his pants is that where the investigative piece begins? Where does that begin?

Major Willis said that would completely change that scenario. The expectation would be that camera would come on and you would capture the 30 seconds of cache video of that officer having that initial conversation with can I talk with you.

Chief Monroe said if that incident leads to any of those other things whether its I stopped and we talked, it leads to force, it leads to an argument, it leads to an arrest, it leads to taking that person into custody, that camera stays on in each one of those areas but if I come up how are you doing today, nothing further, hey I'm a victim of a crime the camera goes off. We say investigation we're talking about those things that we use to capture and document other elements of an investigation whether it's pictures, statements, things of that nature we're going to continue to go that route to capture those pieces of the investigation versus the camera.

Major Willis said it's much more beyond that initial investigation that's just the protracted part of the investigation that we don't want to capture. The officer's professional responsibility is something that as the Chief mentioned that we were talking about the Civil Rights Ordinance or Resolution, an opportunity to analyze the data that's associated with our events. Currently developing policies and procedures for random audits of video so that we can randomly audit body camera video. We currently do that with our in car system to where the supervisors randomly audit the video of their officers. We plan to do that with in car cameras currently as I mentioned we'll do it with body worn cameras and we're also looking at our interview room video. We have video in each of our interview rooms throughout the organization so as we're interviewing victims, witnesses and suspects it's an opportunity to go in and review the actions that the officers have in there as well as the actions of those individuals while there in the room outside of the specific interview with the officers. Major Mike Adams has been assigned to oversee the audit development and the processes and polices that are associated with that. As we move forward both looking at our in car system, our body worn system and the interview rooms. The audits will be done to address compliance with policies and procedures as the Chief has mentioned. Courtesy complaints are officers acting in a way that we want them to act when they're interacting with the public. Training, specifically looking at the officer's tactics, are they conducting safe tactics that may put them in a position down the road to be at risk for harm. Then we talk about policy again with public access and release. In North Carolina law video recordings related to a criminal investigation are not considered a public record as well as video recordings related to departmental disciplinary action against an employer are not considered public record.

Councilmember Lyles said one of the reasons that citizens have been so supportive of body cameras is the idea that we would have this record and with North Carolina Law you've stated you can't do it in this investigation so I'd like to have you explain what is our policy going to be for transparency for the public. This is a huge investment for the community and to say well we're going to do all these things, fine and then well you know we have to keep it closed in, how are we going to work through transparency to citizens with these videos?

Major Wilson said that's a good segue way into the next portion. In 1997 when we implemented in car video we have a special exemption in Charlotte. There are some other towns or cities throughout North Carolina that have a special exemption to 160A, the Personnel Law that allows us to have that level of transparency with our citizens that file complaints against officers. Our current in car policy allows us if you allege a complaint against an officer associated with a traffic stop you have an opportunity to come in and sit down with that Supervisor and review that video. We intend to move forward in that same direction with body camera video. The one challenge that we will have is it will take special legislation to have that specific exemption for Charlotte again because the current exemptions specifically states in car video.

Mayor Clodfelter said that's something that we need to consider in the current legislation.

Major Willis said yes.

Mayor Clodfelter said so is that on your Committee Agenda Mr. Driggs?

Mr. Driggs said not yet.

Mayor Clodfelter said we need to get that on Committee Agenda. There a couple of other items that people are talking about for supplemental legislative agenda. We need to go ahead and put that on the list.

Ms. Lyles said I actually understood this and I knew this was an exemption so if I have the complaint and I come in and review the recording but the perception for my opinion has been that the entire community feels like this would be an opportunity that you can use this both in a way to address some of these issues in a larger way say you have a press conference and the community says I want to see the video. That's the question I have. I think a lot is being placed on this idea that the video is going to help us increase public trust but the release of the information doesn't seem to me to help that at all.

Chief Monroe said I think it helps from the perspective of the; and a citizens' complaint is very individualized and I think it helps us to have that citizen be able to see it and have the ability to review it in its entirety. When you start talking about making all of these videos available to the public I think you're - when you start talking about privacy issues you're getting very close to what other people may or may not want made public. We still have the ability to make the decision as we have whether I released video footage of an armed robbery in progress to help me, if it's in the interest of public safety I can make that decision.

Mr. Phipps said these 1,400 cameras is it our intention to get these all in bulk at once or would it be a phased in acquisition?

Major Wilson said essentially all at once. I've got a couple of slides that will outline for us the implementation of our plan as to how we want it and how that will kind of unfold. That takes us to March of 2015, two Divisions per month is our plan to start and the first month is March. Our training plan is to do a shift at a time. My intention is that when I train a shift at a time I don't want disparity between officers that are working the shift. I don't want three officers with cameras and four officers without cameras. I want to train all of the first shift at one time today, tomorrow they all start working with cameras and I do it with second shift and I do it with third shift so that we go through the entire Division a shift at a time and get them all trained. We'll do two Divisions hopefully in March if the moon aligns with the stars we'll get everything accomplished in March, start the training and then by April we'll be able to work into doing three Divisions per month which with all the special events and the needs associated with manpower that will put us down to about the end of September to do a full roll out of all the cameras to all the officers in all 13 divisions.

Chief Monroe said there's a considerable amount of upgrades that will have to be done in each one of the divisions in order to accept this equipment, electrical upgrades, the chargers so we will have to bring in contractors to install the hardware at each one of the Divisions.

Major Willis said that takes us to the estimated cost and anticipated funding sources. As you can see you'll have a replacement slide, the slide that's actually in your color presentation is the correct slide so you have the new black and white full slide version of that cost breakdown. As you can see the first year, fiscal year 15, \$2,012,545 that number is the highest of all of the years simply because we're buying the hardware in the first year and the hardware is the camera. They're called ETM's, the electronic transfer modules that will allow us to charge the battery packs and upload the video and it includes the construction costs at the 13 Division Offices that it's going to take to mount these pieces of equipment, pull the additional power to run each of them, pull the network connections, add the switches, hire the architect, to do all of that work on the frontend to get all of these Divisions up and running. You can see in Fiscal Year 16, 17, 18 and 19 where the numbers fall as far as the continued licensing of each of the officers, we have to have a license for each camera which equates to a license for each officer to be able to utilize the system, upload their video electronically, transfer the video to us as well as paying to maintain the system and the maintenance of the hardware and the software etc. It is a large outlay as you can see.

Councilmember Kinsey said where is the capital funding coming from?

Mr. Carlee said Bill Parks can respond to that.

Bill Parks, Budget and Evaluation said its three components to the \$5.9 million in capital funding. \$3.4 million is coming from Risk Management Reserve, \$2 million is coming from the funds set aside for the Manager's Technology Reserve and \$500,000 is coming from savings in Capital Equipment Replacement Fund.

Ms. Kinsey said does that total the \$5.9 million?

Mr. Parks said yes ma'am.

Mayor Clodfelter said does the licensing cost continue after Fiscal Year 19? Are those ongoing for the life of the cameras?

Mr. Parks said yes if we continue to have this system it will be an ongoing and we'll re-contract again after Fiscal Year 19.

Mayor Clodfelter said so that \$960,000 is going to be an ongoing capital cost year after year.

Mr. Parks said yes sir.

Mr. Carlee said we'll also need to work out what the life cycle cost is and replacement of them as the technology wears out or is upgraded over time. It is obviously a significant investment in infrastructure.

Chief Monroe said to Councilmember Driggs question about the in car cameras that's one of the things that are being considered with these cameras.

Mr. Smith said just repeat the sources again.

Mr. Parks said \$3.4 million from the Risk Management Fund, \$2 million from the Manager's Technology Reserve in the Capital Program and \$500,000 from Capital Equipment Replacement Fund, Vehicle Replacement Fund.

Mayor Clodfelter said what will be the source of the ongoing licensing fees?

Mr. Carlee said those will actually be built into our base operating budget.

Mayor Clodfelter said so those will become General Fund Expenses rather than Capital Expenses after the five year period?

Mr. Carlee said yes sir.

Ms. Mayfield said with thinking about the fact that on the national level we're hearing from the White House that we're moving forward. Are we looking at group purchasing like we do with a lot of our other products where other communities or what are we looking at to try to consolidate or reduce some of these costs?

Major Willis said we submitted the RFP that went out and have received back some very competitive pricing. We've negotiated that pricing down to this number. The initial number I can honestly tell you was higher than this. We've done some pretty hard work negotiating with Taser to come down in the prices and again the unanticipated costs in that first year with the total construction piece again, it's a large number, it's not a total number but it was a large number that we were not expecting when we implemented this system for each of these officers.

Chief Monroe said as it relates to Taser doing a national contract, Ford doesn't do it for cars, they build a police package and everybody can go out and bid on it. We don't see where they're going to say we are going to bundle departments around the country together I don't see that.

Mr. Driggs said how is this being done in other cities? Are we out in front of this because this adds up in kind of present value terms so like a \$25 million dollar investment if you capitalize it all? How many other cities are doing this? Where are we in comparison with the rest of the country?

Chief Monroe said it's a fast moving train. I think we have been ahead of it but I think when you look at major cities, the most recent survey there's upwards of 35% to 40% of major cities have already started moving toward the body camera wear in some degree.

Major Willis said LA is implementing 7,000 cameras. They just signed a contract with Taser for 7,000 cameras in their Department.

Chief Monroe said if you look at every department around us whether it's Atlanta, D.C., Chicago, Philadelphia they're all moving in this direction.

Ms. Fallon said could there be some Homeland Security money available?

Chief Monroe said when you look at future funding to help support it or replacement I think those opportunities come up at those given times. I think it's a lot harder, I don't think you can future budget them. I think it has to be in the year in which you may need replacements or things of that nature that you can tap into federal dollars.

Ms. Fallon said there's a chance that we will get some of it overlaid or off laid and then we can buy some more.

Ms. Smith said when you get to FY17 walk through the capital, I'm trying to figure out the capital costs, it sounds like we have a license agreement in there, operating, management and some other things walk through again what comprises that million dollars and two is the price and structure with the other group that we didn't go with do they all have similar pricing structures.

Major Willis said they run the full gamut of how they package their costs, whether it's licensing fees, maintenance fees, hardware fees. Taser does it with a license for the camera. You have to have a license for the officer associated with the camera to be able upload the video and store it. The breakdown of the costing is after that first year of implementation there's no additional hardware purchase unless we add new employees over and above what we purchase so everything beyond that is storage related, maintenance related and licensing related so for each of the cameras with a license that comes with a certain amount of storage to store the 45 days' worth of video then the maintenance that's associated with the connection that we're making to our Digital Evidence Management System and the monthly costs that are associated to that company to maintain that connection as well as the maintenance of that Isolon storage that we have to locally to maintain that for long term.

Mr. Driggs said is there any data from anywhere that tells us how the quality of police has improved, how the citizens benefit, are there any metrics to support this investment? How do we measure that?

Major Wilson said anecdotally I can tell you from Greensboro they've seen an 80% reduction in citizen complaints. There is a study from Rialto, California that was done where an analysis was done of complaints, uses of force, injuries associated between officers and citizens to where they have seen a marked decrease in all of those categories because the officers are leveling the playing field by being able to wear cameras and capture the incidents from both perspectives.

Ms. Lyles said the question is how is this going to be integrated in the budget process because I'm assuming that this is your top priority but I want to make sure that I'm understanding where it fits and how it fits with your overall budget submission. Is this the capital outlay that you choose to put at the top of your list and when do we see it? Is this coming up?

Major Willis said the 26th.

Ms. Lyles said the 26th? Outside of the budget process; I'm just wondering what the rest of your request looks like verifying this is where we need to be going.

Chief Monroe said I think from a citizen engagement perspective I think this by far probably is one of our highest priorities as it relates to when you start talking about trust within the community. In order for us to do a lot of other things we have to continue to build upon that trust. Is this the only need within the Department? No, but I think we have to look at those other issues as they continue to develop but I do believe this is ... we had even before we went to the full implementation our initial strategy was a \$500,000 dollars to look at 125 throughout the Department and circumstances and situations here and around the country has just kind of pushed and driven this to a full implementation.

Ms. Lyles said I appreciate the connection to it with your Risk Management Reserve because I think in a large part this is about risk mitigation in some ways as well as public trust and confidence and if we can in some respects mitigate actions on either or both parts then I can see the investment being made.

Mayor Clodfelter said thank you so much for this. We appreciate it you gave a very thorough presentation.

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Mayor Clodfelter said we've got two other items and we've got three minutes to do them in so what we're going to do is we're going to do one of them downstairs as part of the Manager's report and we'll do the Executive Session item at the close of the evenings business downstairs.

The meeting was recessed at 6:59 p.m. to move to the Council Chamber for the regularly scheduled business meeting.

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BUSINESS MEETING

The City Council of the City of Charlotte, North Carolina reconvened for the Business Meeting on Monday, January 12, 2015, at 7:10 p.m. in the Meeting Chamber of the Charlotte Mecklenburg Government Center with Mayor Dan Clodfelter presiding. Councilmembers present were Al Austin, John Autry, Michael Barnes, Edmund Driggs, Claire Fallon, David Howard, Patsy Kinsey, Vi Lyles, LaWana Mayfield, Greg Phipps and Kenny Smith.

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INVOCATION AND PLEDGE

Councilmember Smith gave the invocation followed by the Pledge of Allegiance to the Flag.

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AWARDS AND RECOGNITIONS

ITEM NO. 7: NATIONAL MENTORING MONTH PROCLAMATION

Mayor Clodfelter said we do not have any speakers signed up for the public's portion of our agenda tonight but we do have several important recognitions that we want to make here at the beginning of the meeting. I'm going to start the first by reading a proclamation which proclaims this month to be the National Mentoring Month. We've got with us in the audience I see a number of folks who participated in the Mayor's Youth Mentoring Program as mentees. Will you all stand up, all you guys and girls? I thank you. I know we've got members of the Board of Directors of the Mayor's Youth Mentoring Alliance will you all stand up too so you can be recognized. I'm going to read a proclamation and then I'm going to ask Darryl Gregory who's Chair of the Board of Directors if he'll come down and accept the proclamation and make a very short presentation.

Mayor Clodfelter read the proclamation.

WHEREAS, each January, National Mentoring Month celebrates the contributions of mentors and encourages citizens to become mentors; and

WHEREAS, mentoring is an effective strategy that helps children and young adults by matching them with a caring, responsible adult who can provide guidance and direction, and build their confidence; and

WHEREAS, the City of Charlotte Mayor's Mentoring Alliance supports mentoring opportunities by increasing awareness of the need for mentors, training, and encouraging best practices to serve the youth in our community; and

WHEREAS, the Mayor's Mentoring Alliance has partnered with United Way's Project 1,000 to recruit and train 1,000 mentors; and

WHEREAS, the Mayor's Mentoring Alliance will recognize the commitment of mentors and those who support mentoring throughout our community on January 22, 2015, at the Mayor's Mentoring Alliance "Celebrating Our Mentors Mentoring Works" event; and

WHEREAS, Wells Fargo's Duke Energy Center and NASCAR Hall of Fame will recognize National Mentoring Month by lighting their buildings green, the color of mentoring awareness, during the evening of January 22, 2015:

NOW, THEREFORE, I, Daniel G. Clodfelter, Mayor of Charlotte, do hereby proclaim January 2015 as

"NATIONAL MENTORING MONTH"

in Charlotte and commend its observance to all citizens.

Chair Darryl Gregory, Mayor's Youth Mentoring Alliance said I'd like to take a quick moment to thank and acknowledge my fellow Advisory Board Members, two of which were not able to make it, they being Aaron Means, our Past Immediate Chair and Tasha Arrola, our Event Chair. The members of that Board that are present are Joseph Butler, our Membership Chair, Jennifer Colts-Hall, our Trainee Chair and Derek Long, our Secretary. This is all volunteer Advisory Board works very hard weekly and sometimes daily to help equip the over 40 mentoring organizations here in Charlotte-Mecklenburg by providing resources and training in their endeavors to providing mentors to every child that requests one. As you were so graciously acknowledged the mentees and mentors here with us tonight are from the Charlotte Police Department Activities League both the male and female mentoring group. I would also like to acknowledge the Neighborhood & Business Service Staff that greatly assists and guides us, Mrs. Dawn Hill, Youth Programs Manager, Angie Gober, Out of School and Mayors Mentoring Alliance Supervisor and Natasha Smith, our Youth Programs Assistant. As you may be aware Mayor Clodfelter, Charlotte has the second largest juvenile population in the state but we lead the state in serious infractions by all reporting agencies in terms of negative interaction with law enforcement so I'm sure you'll be able to acknowledge and appreciate the need for qualified mentors here in Charlotte-Mecklenburg so with that in mind I very much appreciate your support Mayor Clodfelter as well as with the City Council as we continue in our endeavors to provide mentors to the future of Charlotte-Mecklenburg.

Mayor Clodfelter said thank you and all your board members for doing the most important work in the City.

ITEM NO 8: NATIONAL WEAR RED DAY PROCLAMATION

Mayor Clodfelter said I'm going to ask Julia Allen from the American Heart Association to come down as I read the proclamation to accept the proclamation and she will speak to us briefly also.

Mayor Clodfelter read the proclamation.

WHEREAS, Heart disease is the number one killer of women yet, is often preventable; and

WHEREAS, cardiovascular diseases and stroke cause one in three women's deaths each year, killing approximately one woman every minute; and

WHEREAS, an estimated 43 million women in the U.S. are affected by cardiovascular diseases; and

WHEREAS, heart disease kills more women than all forms of cancer combined, but is often undiagnosed; and

WHEREAS, 90 percent of women have one or more risk factors for developing heart disease, yet only one in five American women believe that heart disease is her greatest health threat; and

WHEREAS, women comprise only 24 percent of participants in all heart-related studies; and

WHEREAS, since 1984, more women than men have died each year from heart disease and the gap between men and women's survival continues to widen; and

WHEREAS, women are less likely to call 911 for themselves when experiencing symptoms of a heart attack than they are if someone else were having a heart attack; and

WHEREAS, the American Heart Association's Go Red For Women movement has been impacting the health of women for ten years and more than 627,000 women's lives have been saved and 330 fewer women are dying every day; and

WHEREAS, in celebration of the 11th Birthday of National Wear Red Day on February 6, 2015, Go Red for Women is asking all women across America to Go Red by wearing red and speaking red:

NOW, THEREFORE, I, Daniel G. Clodfelter, Mayor of Charlotte, do hereby proclaim February 6, 2015 as

“NATIONAL WEAR RED DAY”

in Charlotte and commend its observance to all citizens.

Julia Allen, American Heart Association said I'm a volunteer with the American Heart Association and I have some actual employees who work very hard, if you guys will stand up, Lynn, Christy and Catherine. They work very hard.

Mayor Clodfelter said you're wearing red today. Do you wear red every day?

Ms. Allen said they wear red all the time. Again, my name is Julia Allen and I am a wife, mother and a two time heart attack survivor and I live here in Charlotte, NC. As you will see in the video in just a moment I was selected to be one of nine national spokeswomen in the Class of 2015 Real Women for the Go Red for Women Movement. Thank you so much for tonight's Wear Red Day Proclamation and thank you for helping the American Heart Association educate our women on heart disease. Now we'll see the video. (Video plays.)

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ITEM NO. 9: CHARLOTTE WATER STAFF RECOGNITION

Mayor Clodfelter said the next group we have are some of our own. I'm going to ask the award winners, I don't know who they are, they're going to be announced tonight but you may know who you are but your all employees of the Charlotte-Mecklenburg Utility Department. I'm going to ask you to come down and I'm going to ask Mike Osborne who's the past Chair of the North Carolina American Waterworks Association's Water Environment Association to make a brief introduction and then he's going to announce the winners of the various awards and they can all

come down if you will after he's called out your names if you'll come down and greet the Council and then we're going to take a group photograph of you up front.

Mike Osborne said I am the past Chair of the North Carolina American Waterworks Water Environment Association, a 3,300 member association of water and waste water professionals providing water education, training and leadership to protect public health and the environment. Each November our association recognizes outstanding performance by our members through our awards program. This past November Charlotte Water and its staff were recognized by their peers with multiple awards for their operational excellence and leadership in the water industry. Our first awardee is Jackie Jerrell. She was presented with the prestigious Arthur Sidney Bidell Award for her service and dedication to the association and industry. This is a national recognition and one of the highest honors bestowed by the Water Environment Federation, otherwise known as WEF. Jackie also serves on the highest governing board of WEF as a trustee which is an international level role. Next, Angela Lee was presented with the prestigious Warren G. Fuller Award for service and dedication to the association. This is a national recognition and one of the highest honors bestowed by the American Water Works Association. Bert Gallaher received the Kenneth J. Miller award for his years of service and dedication to the work of Water for People. The mission of Water for People is to help people in developing countries gain access to safe drinking water. Charlotte Water is the winner of the Waste Water Collections System of the Year Award for the second consecutive year. Here to receive the award are Ruben Linares, Jeffrey Baldwin and Joe Green as well as the field operators, if they would stand as well. Carolyn Ross was inducted into the select Society of Sanitary Sludge Shovelers in recognition of her service to the association and the industry. Mark Krouse received the AWWA Meritorious Operator of The Year Award and was recognized for his work which earned the National AWWA Section Education Award. Mark led the construction of a mobile back flow prevention training laboratory which has been used by many, many professionals. Charlotte Water's operations challenge team known as Operational Hazards won first place overall in the operations challenge competition and will represent North Carolina at the National Competition at WEFTEC in Chicago in October 2015. Members of that team are Ben Silvers, Jack Reese, Travis O'Leary, Clifton Messer and their Coach Andy Taylor. Ron Weathers, Barry Shearin and Barry Gullet were presented with the AWWA Silver Water Drop Award for 30 years of service to AWWA and the water industry. In closing, as evidenced by these awards Charlotte-Mecklenburg has an excellent utility in Charlotte Water and it is staffed by outstanding people.

Mayor Clodfelter said amen. We agree with you 100 percent.

Councilmember Autry said I just think it's great that so many of their colleagues came out this evening to share this award. That really speaks well to the cohesiveness at that Department.

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CONSENT AGENDA

Motion was made by Councilmember Howard, seconded by Councilmember Barnes, and carried unanimously to approve the Consent Agenda as presented with the exception of Item No. 42 which was pulled by staff.
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The following items were approved:

Item No. 22: 2014 Urban Areas Security Initiative Grant

Authorize the City Manager to accept a grant in the amount of \$2,400,000 from the U.S. Department of Homeland Security's 2014 Urban Areas Security Initiative Grant Program.

Item No. 23: Michael Baker Bridge Second Supplemental Agreement

(A) Adopt a resolution to authorize the City Manager to execute a second Supplemental Agreement with the North Carolina Department of Transportation in the amount of \$1,985,000 for right-of-way and construction funds for the replacement of Michael Baker Bridge, in which 80% of funds will be reimbursed by Federal Highway Administration in the amount of

\$1,588,000. (B) Adopt Budget Ordinance No. 5547-X appropriating \$1,588,000 in federal funds administered by the North Carolina Department of Transportation.

The resolution is recorded in full in Resolution Book 46, at Page 498.
The ordinance is recorded in full in Ordinance Book 59, at Page 224.

Item No. 24: Cherokee-Scotland Storm Drainage Improvement Project

Award the low-bid of \$6,367,160.73 to Onsite Development, LLC for the Cherokee-Scotland Storm Drainage Improvement project.

Summary of Bids

Onsite Development, LLC	\$ 6,367,160.73
Sealand Contractors Corp.	\$ 7,534,055.03
Hall Contracting Corporation	\$ 8,760,934.60
DeVere Construction Company, Inc.	\$10,137,672.86
Sanders Utility Construction Company, Inc.	\$10,151,426.76
Zoladz Construction Co. Inc.	\$12,095,010.00

Item No. 25: First Ward Storm Drainage Improvement Project

Award the low-bid of \$1,524,892.60 to Sealand Contractors Corp. for the First Ward Storm Drainage Improvement project.

Summary of Bids

Sealand Contractors Corp.	\$1,524,892.60
United Construction Inc.	\$1,613,752.80
Onsite Development LLC	\$1,636,067.40
Ferebee Corporation	\$1,728,933.80
Blythe Development Company	\$1,815,899.80
Carolina Cajun Concrete, Inc.	\$1,921,177.00
Zoladz Construction	\$2,042,700.00
Showalter Construction Company	\$2,365,110.00
Sanders Utility Corporation	\$2,839,995.95

Item No. 26: Ground Maintenance Services

Approve a three-year term landscaping maintenance contract totaling the amount of \$2,295,954.51 with the following vendors: Center City West: Champion Landscapes, Inc. (\$155,844), Government Center District: Taylor's Landscaping Services, Inc. (\$202,020), West District: Roundtree Companies, LLC (\$358,956), CATS Bus Park and Ride Lots: Roundtree Companies, LLC (\$291,023.31), Oaklawn Cemetery: Roundtree Companies, LLC (\$134,205.24), Median Maintenance, North A: The Byrd's Group, Inc. (\$194,855.48), Median Maintenance, North C: Champion Landscapes, Inc. (\$156,024), Median Maintenance, South A: The Byrd's Group, Inc. (\$243,864.72), Median Maintenance, South B: Champion Landscapes, Inc. (\$186,048), Median Maintenance, South C: The Byrd's Group, Inc. (\$208,845.76), and Median Maintenance, South D: A1 Services and John Todd Landscaping (\$164,268).

Item No. 27: Telecommunication Structure Services

Approve a contract in an amount up to \$265,000 with Professional Resources & Services, Inc. for engineering and maintenance services for existing telecommunications towers for a term of three years.

Item No. 28: Asphalt Paving and Rehabilitation Equipment

(A) Approve the purchase of a Leeboy asphalt paver from a cooperative purchasing contract as authorized by G.S. 143-129(e)(3), (B) Approve a contract with Carolina Caterpillar in the amount of \$157,097.50, (C) Approve the purchase of an Asphalt Zipper from a cooperative purchasing contract as authorized by G.S. 143-129(e)(3), and (D) Approve a contract with Asphalt Zipper Inc. in the amount of \$159,740.

Item No. 29: Transportation Dump Trucks

(A) Approve the purchase of dump truck bodies from a state contract as authorized by G.S. 143-129(e) (9), (B) Approve a contract with Godwin Manufacturing Inc. in the amount of \$90,083.37

for the purchase of three dump truck bodies per state contract #065C for the term of one year, (C) Approve the purchase of dump truck chassis from a cooperative purchasing contract as authorized by G.S. 143-129(e)(3), and (D) Approve a contract in the amount of \$378,585 with Grande Truck Center for the purchase of three dump truck chassis for a term of one year.

Item No. 30: Private Developer Funds Appropriation

Adopt Budget Ordinance No. 5548-X appropriating \$32,950 in private developer funds for traffic signal improvements with the following developers: LMI South Kings Development, LLC, Batson Cook, and Charlotte Latin Schools, Inc.

The ordinance is recorded in full in Ordinance Book 59, at Page 225.

Item No. 31: Traffic Signal Display Replacement Project

Award the low-bid of \$131,538 to ALS of North Carolina, Inc. for the Traffic Signal Display Replacement project.

Summary of Bids

ALS of NC, Inc. \$131,538.00*

* Only one bid was received.

Item No. 32: Airport Terminal Elevated Roadway Project

(A) Award a low-bid of \$756,800 to Zoladz Construction Co., Inc. for site work construction associated with the Terminal Elevated Roadway project, (B) Approve a contract in the amount of \$9,479 with Summit Engineering & Construction Services, Inc. for construction testing services associated with the Terminal Elevated Roadway project, (C) Award a low-bid of \$88,691 to Besco Electrical Corporation to reroute communication line conduits associated with the Terminal Elevated Roadway project, and (D) Adopt Budget Ordinance No. 5549-X appropriating \$854,970 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

Summary of Bids

Early Site Package: 25.A	Base Bid/ Unit Price	Owner Allowance 10%	Base Bid W/ Allowance
Zoladz Construction Co., Inc..	\$ 688,000.00	\$ 68,800.00	\$ 756,800.00
Dakota Contracting	\$ 748,176.20	\$ 74,817.62	\$ 822,800.00
State Utility Contractors	\$ 899,144.00	\$ 89,914.40	\$ 989,058.40
Sealand Contractors Corp.	\$1,212,117.00	\$121,211.70	\$1,333,328.70
Blythe Development Co.	\$1,374,211.15	\$137,421.12	\$1,511,632.27

Communication Package: 25.C	Base Bid/ Unit Price	Owner Allowance 10%	Base Bid W/ Allowance
Besco Electrical Corporation	\$ 80,628.00	\$ 8,062.80	\$ 88,690.80
Starr Electric	\$109,700.00	\$10,970.00	\$120,670.00
Vector Electric	\$113,200.00	\$11,320.00	\$124,520.00

The ordinance is recorded in full in Ordinance Book 59, at Page 226.

Item No. 33: Airport Real Estate Environmental Assessment Services

Approve contracts for environmental assessment services for the term of three years with the following firms: Roy Consulting Group Corporation, JWJ Consulting, LLC, and S&ME, Inc.

Item No. 34: Federal Aviation Administration Reimbursable Agreements

(A) Approve a Federal Aviation Administration Reimbursable Agreement in the amount of \$501,062.46 for a siting study to relocate an aircraft radar antenna, (B) Approve a Federal Aviation Administration Reimbursable Agreement in the amount of \$127,440.54 for a siting study to relocate two radio antennas, and (C) Adopt Budget Ordinance No. 5550-X appropriating \$628,503 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 59, at Page 227.

Item No. 35: Airport Gate Management System Implementation

(A) Approve the purchase of an AirIT Airport Gate Resource Management System, as authorized by the sole source exemption of G.S. 143-129(e) (6), (B) Approve a contract with AirIT not to exceed \$550,000 to provide system implementation, setup, and configuration of the AirIT Gate Resources Management System, and (C) Adopt Budget Ordinance No. 5551-X appropriating \$550,000 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 59, at Page 228.

Item No. 36: Airport Traffic Control Services Contract Amendment

Approve contract amendment #1 with Parking Unlimited, Inc. for airport traffic control services not to exceed \$51,675.

Item No. 37: Water Analytical Laboratory Equipment Replacement

(A) Approve a contract for the purchase of analytical laboratory equipment as authorized by the sole source exemption of G.S. 143-129(e) (6), (B) Approve a one-time purchase from Agilent Technologies, Inc. for the purchase of a replacement Gas Chromatograph/Mass Spectrometry System compatible with other existing Agilent equipment.

Item No. 38: Water Laboratory, Supplies, Equipment and Chemicals

(A) Approve the purchase of laboratory supplies, equipment, and chemicals, from state contract as authorized by G.S. 143-129(e) (9), and (B) Approve a contract with Fisher Scientific for the purchase of laboratory supplies, equipment, and chemicals per state contract #493A for a term of two years.

Item No. 39: Charlotte Water Chemical Treatment Project

(A) Award the low-bid of \$228,704.70 to DuPont Water Technologies for the purchase of a Chlorine Dioxide Generation System and sodium chlorite supply agreement for the term of one year, and (B) Award the low-bid of \$402,000 to Basinger Contracting Company for the installation of the Chlorine Dioxide Generation System, sodium chlorite storage and feed system, and associated equipment.

Summary of Bids

Chlorine Dioxide Generation System and Sodium Chlorite:

DuPont Water Technologies	\$228,704.70
Evoqua Water Technologies, LLC	\$260,311.80
GEO Specialty Chemicals	No Bid

Installation:

Basinger Contracting Company	\$402,000.00
Quate Industrial Service, Inc.	\$622,000.00

Item No. 40: McAlpine Creek Wastewater Engineering Report Services

Approve an engineering services contract not to exceed \$678,800 with Brown and Caldwell to provide a preliminary engineering report for the McAlpine Creek Wastewater Management Facility Secondary Clarifier Improvements project.

Item No. 41: Upper Taggart Creek Outfall Planning Services

Approve a professional services contract not to exceed \$107,100 with Parsons Brinckerhoff, Inc. for engineering services associated with the Upper Taggart Creek Outfall project – planning phase.

Item No. 43: Calibration Gases, Meters, and Sensors

(A) Approve a low-bid, unit price contract with Safety Resources, Inc. for gases, meters, and sensors for an initial term of three years, and (B) Authorize the City Manager to extend the contract for up to two additional, one-year terms with possible price adjustments as authorized by the contract.

Summary of Bids

Machine & Welding Supply Company	\$12,916.00
Safety Resource, Inc.	\$9,538.00

Item No. 44: Portable Toilet Rental and Services

(A) Approve unit price contracts for portable toilet rental and services for the term of three years to the following vendors: Porta-Jon of the Piedmont, LLC, A Sani-Can Service, Inc., and (B) Authorize the City Manager to extend the contracts for up to two additional, one-year terms with possible price adjustments as authorized by the contracts.

Item No. 45: Refund of Property and Business Privilege License Taxes

(A) Adopt a resolution authorizing the refund of property taxes assessed through clerical or assessor error in the amount of \$499,229.05, and (B) Adopt a resolution authorizing the refund of business privilege license payments in the amount of \$41,679.65.

The resolutions are recorded in full in Resolution Book 46, at Pages 499-502.

Item No. 46: Resolution of Intent to Abandon a Portion of Darby Avenue

(A) Adopt a Resolution of Intent to abandon a portion of Darby Avenue, and (B) Set a public hearing for February 9, 2015.

The resolution is recorded in full in Resolution Book 46, at Pages 503-506.

Item No. 47: Resolution of Intent to Abandon a Portion of Isenhour Street

(A) Adopt a Resolution of Intent to abandon a portion of Isenhour Street, and (B) Set a public hearing for February 9, 2015.

The resolution is recorded in full in Resolution Book 46, at Pages 507-509.

Item No. 48: Meeting Minutes

Approve the titles, motions, and votes reflected in the Clerk's record as the minutes of: November 17, 2014 Business Meeting; November 24, 2014 Citizens Forum/Business; December 1, 2014 Workshop / Citizens' Forum; December 8, 2014 Business Meeting, and December 15, 2014 Joint State Delegation Legislative Breakfast.

Item No. 49: In Rem Remedy

Item No. 49-A: 206 Lander Street

Adopt Ordinance No. 5552-X authorizing the use of In Rem Remedy to demolish and remove the structure at 206 Lander Street (Neighborhood Profile Area 88).

The ordinance is recorded in full in Ordinance Book 59, at Page 229.

Item No. 49-B: 1004 Wainwright Avenue

Adopt Ordinance No. 5553-X authorizing the use of In Rem Remedy to demolish and remove the structure at 1004 Wainwright Avenue (Neighborhood Profile Area 363).

The ordinance is recorded in full in Ordinance Book 59, at Page 230.

Item No. 49-C: 1301 Norris Avenue

Adopt Ordinance No. 5554-X authorizing the use of In Rem Remedy to demolish and remove the structure at 1301 Norris Avenue (Neighborhood Profile Area 363).

The ordinance is recorded in full in Ordinance Book 59, at Page 231.

Item No. 50: Property Transactions

Item No. 50-A: 9424 Dorcas Lane

Acquisition of 1.10 acres in Fee Simple at 9424 Dorcas Lane from Richard Scott Reber for \$163,000 for Aviation Master Plan.

Item No. 50-B: 9013 Snow Ridge Lane

Acquisition of .869 acre in Fee Simple at 9013 Snow Ridge Lane from Bank of America, N.A. for \$177,000 for Aviation Master Plan.

Item No. 50-C: 8928 Nations Ford Road

Acquisition of 3,078 square feet (.071 acres) in Sidewalk and Utility Easement, plus 4,861 square feet (.112 acres) in Temporary Construction Easement at 8928 Nations Ford Road from Judson W. Stringfellow for \$38,925 for Arrowood / Nations Ford Intersection Improvements, Parcel #2.

Item No. 50-D: 9101 Nations Ford Road

Acquisition of 475 square feet (.011 acres) in Sidewalk and Utility Easement, plus 6,445 square feet (.148 acres) in Temporary Construction Easement, plus 64 square feet (.001 acres) in Utility Easement at 9101 Nations Ford Road from Arrowood Nations Ford Property, LLC for \$13,850 for Arrowood / Nations Ford Road Intersection Improvements, Parcel #9.

Item No. 50-E: 2709 Commonwealth Avenue

Acquisition of 8,106 square feet (.186 acres) in Storm Drainage Easement, plus 2,175 square feet (.05 acres) in Temporary Construction Easement at 2709 Commonwealth Avenue from Morcom, LLC for \$34,175 for Lyon Court Storm Drainage Improvement project, Parcel #7.

Item No. 50-F: 425 Ashworth Road

Acquisition of 6,077 square feet (.14 acres) in Storm Drainage Easement, plus 2,451 square feet (.056 acres) in Temporary Construction Easement at 425 Ashworth Road from David K Maynard and Katherine Gordon Maynard for \$74,000 for McAlway / Churchill Storm Drainage Improvement project, Parcel #17.

Item No. 50-G: 100 Sylvania Avenue

Acquisition of 6,346 square feet (.146 acres) in Fee Simple (total take) at 100 Sylvania Avenue from Henok Mihtsentu for \$100,000 for North Tryon Business Corridor, Parcel #19.

Item No. 50-H: 2525 North Tryon Street

Acquisition of 26,923 square feet (.618 acres) in Fee Simple (total take) at 2525 North Tryon Street from Weinmiller, Inc. for \$479,250 for North Tryon Business Corridor, Parcel #48.

Item No. 50-I: 115 West Arrowood Road

Resolution of condemnation of 1,725 square feet (.04 acres) in Sidewalk and Utility Easement, plus 2,507 square feet (.058 acres) in Temporary Construction Easement, plus 1,052 square feet (.024 acres) in Utility Easement at 115 West Arrowood Road from WEC 2000b-CLF-7, LLC and any other parties of interest for \$39,025 for Arrowood/Nations Ford Road Intersection Improvements, Parcel #4.

The resolution is recorded in full in Resolution Book 46, at Page 510.

Item No. 50-J: 8925 Nations Ford Road

Resolution of condemnation of 1,260 square feet (.029 acres) in Sidewalk and Utility Easement, plus 6,351 square feet (.146 ac.) in Temporary Construction Easement, plus 3,447 square feet (.079 acres) in Utility Easement, plus 3,392 sq. ft. (.078 acres) in Miscellaneous Easement at 8925 Nations Ford Road from Sam's Mart, LLC and any other parties of interest for \$95,350 for Arrowood/Nations Ford Road Intersection Improvements, Parcel #6.

The resolution is recorded in full in Resolution Book 46, at Page 511.

Item No. 50-K: 115 East Arrowood Road

Resolution of condemnation of 1,759 square feet (.04 acres) in Sidewalk and Utility Easement, plus 3,910 square feet (.09 acres) in Temporary Construction Easement, plus 266 square feet (.006 acres) in Utility Easement and 1,010 square feet (.023 acres) in Fee Simple at 115 East Arrowood Road from BWN Investments, LLC and any other parties of interest for \$28,625 for Arrowood/Nations Ford Road Intersection Improvements, Parcel #7.

The resolution is recorded in full in Resolution Book 46, at Page 512.

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PUBLIC HEARING

ITEM NO. 12: PUBLIC HEARING ON A RESOLUTION TO CLOSE AN UNOPENED PORTION OF MADERIA AVENUE

Mayor Clodfelter declared the public hearing open.

There being no speakers, either for or against, a motion was made by Councilmember Barnes, seconded by Councilmember Kinsey, and carried unanimously to close the public hearing and adopt a resolution to close an unopened portion of Maderia Avenue.

The resolution is recorded in full in Resolution Book 46, at Pages 495-497.

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ITEM NO. 13: PUBLIC HEARING ON VOLUNTARY ANNEXATION

Mayor Clodfelter declared the public hearing open.

There being no speakers, either for or against, a motion was made by Councilmember Barnes, seconded by Councilmember Howard, and carried unanimously to close the public hearing and adopt Ordinance No. 5545-X with an effective date of January 12, 2015, to extend the corporate limits to include this property and assign it to the adjacent City Council district.

The ordinance is recorded in full in Ordinance Book 59, at Pages 218-222a.

Councilmember Driggs said I don't think there's a lot to say, this is the annexation related to a rezoning that we already approved about 90 acres near Providence Road and it's entirely voluntary.

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POLICY

ITEM NO. 14: CITY MANAGER'S REPORT

City Manager Ron Carlee said I do have a couple items Mr. Mayor, one which is a really good news story. The Knight Foundation which partners on a number of items with the city introduced a short while ago a Knight Cities Challenge. It was open to stimulate new ideas in the 26 cities that are served by Knight Foundation. They were looking for new ideas to help cities attract and keep talent, new ways to expand economic opportunity and new ways to engage with the public. This was open to everybody, anybody within the Knight Cities. We did extensive publicity about this within city staff and out into the community. The Knight Foundation received from Charlotte and other Knight cities over 7,000 applications. They narrowed those down among the 26 cities to 126 finalists and I'm happy to report to you that eight of the finalists are from Charlotte. In fact half of those eight were ideas submitted by City staff. There is an idea and I'll just go through these quickly, 21st Century Office Access in Charlotte and Beyond submitted by Center City Partners, Art on Asphalt submitted by a resident, Francine Greene, Connect, Occupy and Transform submitted by Kate Pierce of Land Design, Neighborhood Mashups submitted by Michael Salinder, you'll have to go to their website to find the interesting details of these and then from our own City of Charlotte we have Crown Town Fest, again I'm hoping I'm just pricking your interest here, submitted by Jason Lawrence of CATS, we have Porch Swings in Public Places, that's one of the wackiest ideas and it would be no surprise it was submitted by Tom Warshauer in Neighborhood & Business Services and he gave me a heads up on that one,

we have Take 10 Initiative by Alicia Dodd from Charlotte-Mecklenburg Storm Water Services and in the City Manager's Office our ICMA Fellow, Sarah Hazel was selected for her project The No Barriers Project. I think some of our City of Charlotte people are here, if they will stand who submitted. We now go into another phase on those 126 finalists. The Knight Foundation is making a \$15 million three year commitment to implement these ideas and I am looking forward to staff going through all 126 finalists and see what other ideas we can borrow from the other Knight cities.

Mayor Clodfelter said how many winners are selected at the end?

Mr. Carlee said I am not sure exactly what they're going to do in the end and I think they're giving themselves some flexibility as well.

Mayor Clodfelter said that's a great, great thing and its consistent with what Councilmember Autry observed about the spirit of Charlotte Water we have that all throughout our organization.

Mr. Carlee said these were all created out of the box ideas. It's really wonderful. The second item I have really picks up on something we had planned to do in the Dinner Briefing and that is to give you a very brief update on the Comprehensive Annual Financial Report. We of course are working with Governance and Accountability Committee on areas related to audit but it is an obligation and best practice for the full governing body to get an update on the company's annual financial report and to hear from our external auditor so let me turn it over to Randy Harrington and we'll probably move through this fairly quickly, but again if you have any questions or concerns along the way please let us know.

Chief Financial Officer Randy Harrington said it's my pleasure tonight to introduce the topic of the Fiscal Year 2014 Comprehensive Annual Financial Report and External Audit Presentation. As you know the Fiscal Year starts with budget development and budget adoption and the Fiscal Year starts on July 1. At the end of that Fiscal Year June 30 we produce the Comprehensive Annual Financial Report which represents the financial picture of the City on that June 30 end of Fiscal Year time frame. The State Statute requires publication of our financial statements and an independent, external review and audit with a presentation to the governing body which we're doing here tonight. The governance and accountability committee has been involved throughout the entire audit process and most recently receiving a presentation in November on the preliminary findings of the audit report. I will say a lot of work has gone into this effort and in producing the Comprehensive Annual Financial Report and supporting the audit process in general. I do want to recognize Teresa Smith and her fine staff, I think maybe if they would just stand up; this is a group that has worked extremely hard not only on producing this report but implementing ERP or Enterprise Resource Planning System so they have had a lot of work this past year and have done just an outstanding job. I just want to recognize them for their outstanding efforts. I also will add that the City of Charlotte has received the Government Finance Officer Association Certificate of Achievement for Excellence in Financial Reporting for 29 consecutive years. We hope that will be 30 after this particular production but that's quite an accomplishment for the staff and the dedication to transparent and good sound fiscal principles. Tonight without any more ado I do want to introduce the presenters who will take us through. We are going to condense the presentation and cut out the very first part and just lead right into the external audit report and then that will be handled by Eddie Burke who's the engagement partner with Cherry Bekaert, our external audit firm and then Robert Campbell the Financial Controller for the City who leads the Finance Office. He'll be following that up and talking a little about some of the responses related to a couple findings in the report. I'm pleased to tell you that we did receive an unmodified opinion which is a great opinion, that's the desired opinion. The two findings that we discussed are in both cases there were no misappropriations of funds and no misuse of funds. I do want to be very clear about that and both of them will touch on those here in just a second.

Eddie Burke, Cherry Bekaert said thank you very much for allowing me to be here for a few minutes and give you sort of a brief overview of the audit this year. I'd like to discuss very briefly our areas of focus where we spent the majority of our time and why we picked those particular areas. There were some findings in the prior year that I'd like to spend just a few minutes discussing on how they got resolved in the current year then I have results for the

current year and then some other matters that I'd like to discuss with you. We have completed the audit for June 30, 2014. Our signoff date on the financial statements this year was October 31, 2014. We conducted our audit in accordance with government auditing standards, circular A-133 and the State Single Audit Implementation Act. Our role in this process is really a couple of things, first to identify the standards that you are required to have your audit completed under, plan and perform an audit in accordance with those standards and third issue an opinion on the financial statements.

The areas of focus, these areas were picked primarily for a couple of reason, first either the dollar amounts involved or a conveyance that you are required to comply with this year or because it was required by a statute of some kind, either a federal statute or a state statute. There were ten areas that we focused on in the current year and all those areas received a lot of assistance with the City management throughout that process. There were actually five findings from the prior year. There were two material weaknesses, two significant deficiencies and one non-material, non-compliance. The material weaknesses were in the areas of capital assets and long term debt. The significant deficiencies was basically around the cash collection process and the controls around that and the final item was non-material, non-compliance, there was some ARRA funding that was received and administered last year where there were some reports not filed timely. I'm happy to say that management took all of those findings in the prior year very seriously and they were all addressed and completed in the current year.

As far as the current year results are concerned the City did receive an unmodified opinion on the financial statements. There were four opinions expressed this year. There was one on the financial statements, one in compliance with North Carolina General Statutes and the last two opinions had to do with the federal and state dollars that you administered and spent in the current year. There were two findings; there was a material weakness and a significant deficiency. The material weakness was in the area of construction and progress. Primarily what that covered was when an item should be expensed versus capitalized and secondly when that item should be reclassified out of construction and progress and capitalized and depreciated. The second item had to do with a vendor payment when we were doing audit procedures that had not been accrued at the end of the year from a compliance perspective but there were no findings. We found the City to be in compliance with North Carolina General Statutes and to be administering the federal and the state dollars in accordance with the requirements that go along with that.

Councilmember Driggs said could I just ask on the material weakness point for the \$50 million dollars was that corrected by making adjusting entries before these statements were prepared.

Mr. Burke said yes.

Mr. Driggs said so the numbers that appear here are the amended numbers.

Mr. Burke said that is correct.

Mr. Burke said there were two adjusting journal entries that we did propose, one having to do with construction in progress and the other having to do with the vendor invoice that had not been accrued at the end of the year. There were no past suggesting journal entries and in closing overall the city received a clean opinion. The overall control environment at the City I think is good and reliable. The City does need to address those two internal control findings that I just discussed. If you look at the financial statements I think you'll see along with the third party user that the City is financially sound at the end of the year. One final note to touch on very briefly is that there will be a reporting standard that will have to be addressed in the coming year. Management is aware of that and is currently in the middle of addressing that. There will be another standard in a couple of years that will affect the financial statements. That concludes my presentation and I'll turn it over to Robert.

Robert Campbell, Finance said I'm here to address the findings that Mr. Burke just reported on. The first finding is the overstated construction in progress assets that are the capital assets that were categorized incorrectly in the financial statements. The impact of that was a potential misclassification of capital assets as a potential to Councilmember Driggs point that problem was

corrected in the CAFR of the Comprehensive Annual Financial Reports so it is accurate. There were no funds spent inappropriately. No funds were misappropriated. We do not believe there was any intentional wrong doing or anything like that. We believe that the actions to be taken will address the issue. We believe that providing additional training to the departments will help clear this up. We have convened a group from all different departments to come together to review our capitalizations procedures and to take a look at the current capital asset policy to make sure we're in compliance and there's no changes needed to be made to make sure we stay in compliance. The accounting staff, Teresa Smith and her shop will go out into the departments at year end to make sure that they're actually reviewing the work before it's put into the financial statements so we believe that that will take care of the first finding.

The second finding was the understated payables and expenses for FY14. The issue was that certain invoices were charged to expense in the wrong fiscal year which resulted the impact being a potential understatement of expense applicable to the current fiscal year. Again, it was corrected so the CAFR that you will be looking at is correctly stated. No funds were spent inappropriately, no funds were misappropriated. This was really a function of the conversion to the new ERP system and some of our procedures did not get modified that needed to be modified to make sure that we detected these invoices and put them in the correct fiscal year. They went into 15, they should have been in the 14. The actions to be taken; accounting staff will use some new features that are in the ERP system, the financial system that will help us to identify those invoices and make sure they get into the correct fiscal year and again accounting staff will provide direct assistance to the departments at year end to make they understand how to do it and we look at the information before it goes into the financial statements. I'd be happy to take any questions.

Mayor Clodfelter said Mr. Harrington, do you have anything in wrap-up or if not we'll take questions at this point.

Mr. Driggs said could you talk about the implementation of the ERP system. Have we crossed over to that system now successfully and did these numbers reflect the implementation?

Mr. Campbell said yes sir, we crossed over last July and last July was when we switched over to the new financial system. These numbers actually came out of the old financial system because it was as of June 30 and so all of the data that was in the old financial system. This coming fiscal year we will use the new ERP system and the new features that are within it to produce the financial statements.

Mr. Driggs said so these numbers are from the old system still?

Mr. Campbell said yes sir.

Councilmember Phipps said for those that might be looking on TV on these two items that you say actions to be taken I think it goes without saying that we are already in the process right now with implementation of corrective action on each of these two items.

Mr. Campbell said yes sir, that's correct. We have a group of people looking at these right now and changing procedures to make sure that it will be correct when we get to the end of the fiscal year.

Councilmember Barnes said I have a question for Mr. Harrington. One statement, one question for confirmation; it appears that the City has maintained a AAA bond rating with all the agencies?

Mr. Harrington said correct.

Mr. Barnes said that is great news. Also, Mr. Harrington would you clarify, we didn't go through this at dinner obviously but on slides, at least on this presentation 4 and 5 it says that the City's General Fund revenues were \$572.1 million for Fiscal Year 14 and the expenditures were \$595.7 million?

Mr. Harrington said let me ask Teresa Smith, our Chief Accountant and have her answer that question.

Councilmember Lyles said I just want to say I appreciate you stepping up in front of those three guys.

Teresa Smith, Finance said the amount of expenditures also includes encumbrances so those are things that are not cash out the door yet. The commitment has been made for them but we haven't actually spent the money so that's why that large amount. I think the encumbrances were about \$14 million so we used about \$9 million of fund balance but \$14 million of that is related to encumbrances.

Mr. Barnes said so is that \$9 million plus the \$14 million which makes up the difference?

Ms. Smith said that's right.

Councilmember Howard said in addition Council to thanking Governance and Accountability for their work through this. I also thought it would only be right to recognize Randy and your team. If I wrote this all down right we maintained a AAA bond rating, we had a major leadership change, Randy taking on new roles and other folks leaving, we got a budget, we got a capital investment plan, a clean audit and you had to implement the ERP all at the same time. I just wanted to recognize you and your staff for doing that in a way that made our City proud, but thank you for your hard work on that.

Mr. Harrington said I appreciate that; and really and no credit to me, it all goes to the staff who did all the hard work.

Mayor Clodfelter said thank you all. Anything else? If not Mr. Manager then back to you because we're still on your report.

Mr. Carlee said that concludes my report. Thank you very much.

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ITEM NO. 15: 2015 CITY COUNCIL REGULAR AND BUDGET MEETING SCHEDULE AMENDMENT

Mayor Clodfelter said I'm not sure we need a full explanation of this; you have the schedule item in front of you. Councilmember Phipps do you want to say anything or is it covered in the material?

Councilmember Phipps said no I think it's a reasonable request. We had some conflicts in meeting times so this is an appropriate amendment adjustment to our schedule.

<p>Motion was made by Councilmember Phipps, seconded by Councilmember Barnes, and carried unanimously to approve the Council Budget Committee recommendation to amend the 2015 City Council Regular and Budget Meeting Calendar by rescheduling the March 18 Budget Workshop to March 17 due to Town Hall Day and the annual Community Streetcar Coalition Summit.</p>
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ITEM NO. 16: CIVIL SERVICE BOARD LEGISLATIVE REQUEST

Councilmember Driggs said you may remember we've already approved the State Legislative Agenda in which we requested that the number of seats on the Civil Service Board be increased from seven to nine. At our Legislative Meeting Representative Jeter suggested that maybe we should increase that number and give ourselves more discretion so what you see now is the amendment that would allow us to go as high as 11 without seeking any further authority from the State. The other thing that happened after the Intergovernmental Relations Committee voted

on that modification 4 to 1 was there was a meeting of the Civil Service Board and they made two recommendations. One of them was we should include a provision that says if we increase to it 11 we also have the authority to decrease it again so there is one line, line 15 in the draft you have that does that. The other suggestion they made was that the Civil Service Board itself have input or participate in any decision regarding the change. That did not actually come up for discussion at Committee so I guess I'm telling you personally that I do not recommend that we go that way and therefore what you see does not include any provision like that. I did talk this afternoon to the Chairman of the Civil Service Board and explained a bunch of reasons why that was something, a direction we didn't want to go so what you have right now is simply the thing asks the State to give us the authority to increase to 11 and subsequently to decrease again if we choose too with the number of seats on the board.

Motion was made by Councilmember Driggs and seconded by Councilmember Barnes to approve the Intergovernmental Relations Committee recommendation to restate the Civil Service Board legislative request to the General Assembly as follows: (A) Increase the membership of the Charlotte Civil Service Board from seven to nine members, and (B) Authorize the City Council to increase the membership of the Board from nine to eleven members.

Councilmember Howard said reasons why you wouldn't recommend the last request of the Civil Service Board?

Mr. Driggs said I think for one given that there 30 some odd boards and commissions you introduce all kinds of great general questions about governments if you start letting them decide how many seats are on them. That's an authority that we have. I did tell the Chairman today that if there is a need for a conversation about that then maybe we should have it but right now I recommended that we just get this done and take up the other question at another time. Personally I don't think it's something we ought to do.

Mr. Howard said okay, so the point is that we would take the input we just don't want it written into the Bill that we have to do.

Mr. Driggs said that's exactly right.

Mr. Howard said okay, alright.

Councilmember Phipps said I noticed that the vote out of Committee was split. In the future when we have split votes coming out of Committee can we include a sentence or two describing the concerns of the minority opinion? I know they take this approach in the Zoning Committee and I found it to be very useful in understanding what the issues were and the perspectives during the discussions. I was wondering if that's something that staff can do on a go forward basis as to document the minority positions on split votes that come out of Committee?

Mayor Clodfelter said that's a useful request and I think Mr. Manager that's probably not inappropriate and of course there may be times when one side or another doesn't want to state reasons and they don't have to be compelled to do so but if there are reasons given then that's a useful report.

Mr. Driggs said that doesn't modify the current issue.

Mayor Clodfelter said no it would not modify. I think that's just a general request from Councilmember Phipps about our write ups on all Committee recommendations. I take that not as unique to this but it's common to all Committee recommendations.

Councilmember Lyles said I think that's a great point and a great add. I don't think it's the responsibility of the staff to determine so I think it's one of those things that if we do decide to do that that each Councilmember or the Chair has that responsibility so it's a brief restatement that the Chair should request the Councilmember to state a reason and if not stated then none stated but rather than have the staff responsible for that.

Mayor Clodfelter said I think that's what was intended. They'll do the write-up but the information has to come from the Committee members.

The vote was taken on the motion and recorded as unanimous.

Mr. Driggs said I wanted also to mention that at that same meeting at the Intergovernmental Relations Committee we talked about steps that we could take to promote more interaction between members of Council and members of the General Assembly and we instructed Dana Fenton to come up with some dates that we could designate as dates for visits of members of Council to the General Assembly to try and formalize a little bit the process of having us go and spend time with them, asking them to introduce us to other members of the General Assembly as well just to try and get on a somewhat more personal footing with them and improve intergovernmental relations. I think you all have the sheet where Mr. Fenton has identified four blocks of two days. Not necessarily suggesting that members of Council would go for two days but those would be the times, February 17th and 18th, April 14th and 15th, May 5th and 6th and June 2nd and 3rd and the actual itineraries would depend on the General Assembly itself and its dates. We're trying to come up with dates that don't conflict with our Committee meetings here and we would also of course look to have contact with the delegation while they're here in Charlotte but the idea is to try and just take this notion of more contact and getting better acquainted and put some dates on it and formalize it. Today no action is asked or requested from Council I'm just alerting you to those dates and would ask all members of Council to consider on which of those dates they might be able to go to Raleigh and participate in this process.

Mayor Clodfelter said do you want them to communicate with you or with Mr. Fenton?

Mr. Driggs said well I think Mr. Fenton is coordinating unless he wants to say otherwise but either one of us will probably be creating a signup sheet and asking people to -

Senior Executive Assistant to the City Manager Dana Fenton said I'd be glad to coordinate and to also get out to all the Councilmembers again what those dates are.

Councilmember Kinsey said that's what I going to ask because we don't have the dates.

Mayor Clodfelter said I think it would be good to circulate that again. It may have fallen through the cracks and it would be good to get that in circulation. I encourage you all; I think this is a great idea. I, myself have had a series of one-on-one meetings now with just about everyone in the delegation. I haven't gotten to quite everyone yet but that's a very useful exercise just to have conversation when there's not a particular hot-button topic to talk about and so those have been very productive and I would encourage all of you to participate in what Councilmember Driggs is suggesting.

Mr. Phipps said would this be in lieu of Town Hall Day or in addition to Town Hall Day.

Mr. Driggs said Town Hall Day is being coordinated into this schedule so that's reflected in the dates that we've chosen.

Mayor Clodfelter said this is in addition too.

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ITEM NO. 17: CIVIL LIBERTIES PROPOSAL

Mayor Clodfelter said you have a proposed motion in front of you in your materials and we had a lengthy discussion of it at dinner. I'm going to open it up for further discussion here to see if there are additional items that Council wants to address. I do want to say though before I do that that I really want to acknowledge the work that a number of you on the Council have put into this already. There have been a series of meetings with members of the community. I've attended several of those. The staff has been at all of them, the Chief, the Manager's Office and a number of you have participated very actively in this so all though we will have a maker of a motion and

a seconder of motion tonight I really consider the way the Council's worked this issue in the last six weeks to be a true collective effort and I think that's a real mark of the strength of this body. I also want to single out, I didn't mean to neglect Mr. Hagemann too, he has put in in addition to the Manager's staff and Mr. Ratchford and to others on the City organization, the Chief has also put in Mr. Hagemann countless hours. We scratch our heads together on countless questions about this so as I say we're going to have a motion from someone here and a second from someone else but I'm going to treat this as more a collective Council action. Whatever you do I have a sense that I know your general direction. I don't know exactly what you're going to do but we'll open the floor.

Motion was made by Councilmember Howard and seconded by Councilmember Autry to Consider adopting the attached motion which: (A) Acknowledges the role the Charlotte-Mecklenburg Police Department plays in the application of fair and equal justice under the Constitution and the Police Department's desire to serve all and to continue to foster and maintain public trust with all members of our community, (B) Embraces principles related to Civil Rights including: arbitrary profiling; First Amendment rights; infiltrating and monitoring of groups; the gathering, dissemination, and retention of data and information; the enforcement of federal immigration laws; and the importance of transparency and accountability for maintaining public trust and confidence in law enforcement, (C) Directs the City Manager to have the Charlotte-Mecklenburg Police Department undertake a comprehensive review of its Directives, Standard Operating Procedures, training, and other policies and practices in light of the principles embraced by the City Council; and (D) Following the review, the City Manager and City Attorney, in cooperation with the Chief of Police shall prepare and recommend a proposed Civil Liberties resolution or ordinance for the City Council's consideration, following a City Council public hearing.

Councilmember Smith said I just want to go on record that I believe that we're doing this to help increase best practices within CMPD. Chief Monroe is supportive of this. I'm not supporting this because I necessarily think that CMPD has active racism pervasive through the entity. I think we can figure out a way to improve upon how they're doing their job. I just wanted it to be on the official record that I support CMPD and I think this will help improve CMPD by supporting this I'm not casting any negative light upon the Chief or the actions that there are doing and I thought that was worth noting.

Mayor Clodfelter said I think that's well said. We're taking this action not because we're problem free but we're also not taking this action because we're problem ridden. We're taking this action to sort of reaffirm fundamental values that we all have and the Department has and we want to be sure that those stay in front and center.

Councilmember Barnes said just a point of clarification to the point Mr. Smith just made. This proposal goes well beyond race. If you look at B it goes well beyond just race issues.

Mayor Clodfelter said and it goes into quite a number of areas involving not just the use of force but also intelligence gathering and the use and sharing of information collected by law enforcement. This is some very important civil liberties issues here.

Councilmember Kinsey said this is a lot of words but I have a feeling that somebody should read this so that the people out in TV land would know what we're doing here tonight unless there's something that can be put up on the screen.

Mayor Clodfelter said I don't know that we have anything we can put up on the screen so let me just read it if it's alright with you. The motion that was made and has been seconded is as follows:

(A) The Mayor and Council understand the critical and important role that the Charlotte-Mecklenburg Police Department plays in the application of fair and equal justice under the Constitution. To this end we express our deep appreciation and admiration for their commitment to all members of our community. We further recognize CMPD's desire to serve all and to continue to foster and maintain public trust with all members of our community. (B) The Mayor

and Council hereby embrace the following Civil Rights principles as policy guidance in support of CMPD's mission to protect the community. Number one arbitrary profiling by law enforcement based on race, color, religion, sex, national origin, sexual orientation, disability or political affiliation is unacceptable, item two a person's First Amendment rights to engage in political activity, to peaceably assemble and to protest and engage in peaceful demonstrations should be fully respected, the infiltration and monitoring or other responses of such activities unrelated to a law enforcement function is unacceptable, item 3 infiltrating or monitoring of a group by law enforcement for political purposes is unacceptable, item four the gathering, dissemination, and retention of data and information pertaining to members of the public by law enforcement other than for law enforcement purposes or to comply with state or federal law is unacceptable, number five it is not the responsibility of local law enforcement to enforce federal immigration laws and item six transparency and accountability are essential for fostering and maintaining public trust and confidence in law enforcement. To that end law enforcement shall be as transparent as public safety concerns permit and appropriate mechanisms for accountability should be established and maintained. (C) The City Manager is hereby directed to have the Charlotte-Mecklenburg Police Department undertake a comprehensive review of its Directives, Standard Operating Procedures, training, and other policies and practices in light of the principles enumerated in Section B and shall repeal, revise or amend the same as necessary to ensure that these principles are respected and (D) following the review directed in Section C the City Manager and City Attorney, in cooperation with the Chief of Police shall prepare and recommend a proposed Civil Liberties resolution or ordinance for the City Council's consideration, following a Council Public Hearing. I think that gets the action items but it also gets as I think Councilmember Kinsey was important to get the principles themselves stated.

Mr. Smith said point of clarification just for the viewing public, Item No. 5 involving immigration is already not tasked with CMPD so we're not flying in face of any sort of regulation or law there. I just wanted to make sure for the viewing public that they understood that.

Mayor Clodfelter said that is existing state of affairs. That is correct.

The vote was taken on the motion and recorded as unanimous.

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BUSINESS

ITEM NO. 18: NASCAR HALL OF FAME RELATED ITEMS

Deputy City Manager Ron Kimble said it's taken me two days starting nine o'clock yesterday morning to get back from Seattle but I'm here as of five minutes ago. I'm very pleased to be here tonight because there's been much spoken and much written in the last week and the weeks leading up to consideration of this action tonight and I've been asked by many of you and by the Manager to maybe go back in time to when this project came to the forefront back in 2005 and 2006 because how we put together a very strong public/private partnership for the NASCAR Hall of Fame back in 2005 and 2006 is the same reason that those same players have stayed together all these years and these same folks sat down in the last year to look at the operational side of the NASCAR Hall of Fame and we came up with what I believe is a very strong recommendation. That's for you to judge but we want to talk about both the construction side which was a public/private partnership which lead to the loans that have been much debated in the last couple of weeks and then how it leads into the operational solution that we've proposed for you.

Back in 2005 and 2006 it was a competition. There were seven communities and Charlotte wanted the NASCAR Hall of Fame. NASCAR was very strong in this community and we wanted to sink the roots deeper here; 85% of the teams call home here in the Charlotte region for NASCAR. It's a \$6 billion industry in the State of North Carolina, \$4.3 billion industry in the Charlotte region; many, many jobs, much economic spending, much economic return and a great industry that has great roots in this community and in this state and when we pursued the NASCAR Hall of Fame we did it with many, many partners both public and private. The City

was the principal player in terms of the financing with the public dollars that you see in your write-up tonight that's in your request for Council action; \$134.5 million of the new 2% tax at that point in time and using \$24 million from the existing convention center tax. Why that split? Well we built a ballroom, a brand new Crown Ballroom and we could use some of the Convention Center money for the ballroom but it was the NASCAR tax that led to the largest share of constructing the NASCAR Hall of Fame but that wasn't it because the State of North Carolina entered the picture and they were a very prominent and important player in the NASCAR Hall of Fame. They did three specific things to help the NASCAR Hall of Fame happen.

The General Assembly gave authorization to Mecklenburg County to pass a 2% NASCAR Occupancy Tax and that was voted on by the General Assembly. Senator Clodfelter at the time was a proponent and an action item for the General Assembly and he helped support that item in the General Assembly. The state also put \$5 million of non-equity formula money into the road improvements at the interchange because it was very important to them that those interchange modifications be done in a grand way that the City signed off on, the state signed off on and the Federal Highway Administration signed off on. The third thing the state did was they gave back land that the City had offered back in the seventies when the I-277 Interchange was constructed. The city provided a lot of that right-of-way; when we redid the interchange it recovered some of the land that had been given back in the 70's and that land became very important because it was the banks and the city and the CRVA, Charlotte Regional Visitors Authority that went to the State of North Carolina and asked them if they would be willing to give the land back to the City that was recovered from the interchange modifications. That was important because the banks then said we'll monetize that. We'll allow that amount of land to act as collateral for a \$20 million loan and the proceeds will immediately go into the construction of the NASCAR Hall of Fame so that's why \$20 million of a land loan was put forth by the banks in partnership with the City, the State, the CRVA to create the interchange improvements, recover the land and thereby create that land collateral for the state land loan and we could put \$20 million dollars of more money into the NASCAR Hall of Fame construction to take down the full construction cost of the facility. That land is still existent, we have sold one parcel; parcel five, we sold it for \$3.8 million dollars about a year ago. That \$3.8 million took down part of that \$20 million loan and the loan sits somewhere around \$16.2 million at this point in time and it continues to accrue interest but we now have parcel number one which is closest to the light rail line behind the NASCAR Hall of Fame and we have a contract for \$10.3 million that will close in 2015 and when that contracts closes that \$10.3 million will also take down a portion of the land loan so \$16.2 million minus \$10.3 million we're in about the \$6 million range for the remaining parcels, parcels two, three and four to pay off the loan plus the interest and as reported to you last Monday and in your materials any excess proceeds will be reimbursed to the state and the City of Charlotte in the same pro rata share as our construction costs were in the interchange improvement. That became the state land loan but it was very important because the state became a \$20 million participant in the construction cost of the NASCAR Hall of Fame and they did that plus the \$5 million plus allowed the Mecklenburg County to consider levying a 2% Occupancy Tax. Similarly we wanted private sector money involved in the construction of the NASCAR Hall of Fame. It was important that many public sector parties participate; State, County and City but we also wanted private money into the construction of the Hall of Fame. That gave rise to the \$19.1 million sponsorship loan. Before the Hall of Fame opened there were \$5 million worth of expenses in preopening expenses that somebody had to cover. We didn't have the funds at the time and the banks offered to step up and front \$5 million of preopening expenses from 2006 until 2010 and they did so through a loan, a portion of the sponsorship loan and that \$5 million was put forth, spent and became part of the loan with the promise that sponsorship dollars, brick sales and civic contributions would be the collateral for retiring not only that \$5 million in preopening expenses but also up to \$16.5 million of additional construction costs of the NASCAR Hall of Fame. That gave rise to a \$21.5 million potential loan for the NASCAR Hall of Fame from sponsorships, brick sales and from civic contributions.

The Hall of Fame when it was finally built was estimated to cost \$195 million. It only costs in the end \$192.6 million and so therefore there was \$2.4 million that did not have to be drawn on the last sponsorship loan because it was the last money in so instead of a \$21.5 million loan it became \$21.5 million minus the \$2.4 million that we did not have to spend in the estimated construction budget of the Hall of Fame thereby creating the \$19.1 million sponsorship loan

who's only collateral would be sponsorships, brick sales and civic contributions from the community but it became the way that the private sector put money into the construction of the Hall of Fame because the banks fronted it in the form of a loan with the promise that the only collateral that could be used to retire that loan to be those three things; sponsorships, brick sales and civic contributions.

We all know that we fell on pretty bad times in 2008 through 2012 and 2013 and we also know that the sponsorship dollars have not come in at the rate we had projected those sponsorship dollars to come in, but the City didn't want to take on that risk of those sponsorship dollars. The banks were much more involved in how sponsorships are created in communities because they themselves are sponsors at times so they were more experts in judging what kind of sponsorship dollars and what kind of brick sales and what kind of civic contributions could be created through the community and so they agreed to take on the risk of the \$19.1 million sponsorship loan. They did it with full knowledge, full appreciation for what they were doing. They wanted to be significant players and contributors to the success of the NASCAR Hall of Fame getting it off the ground in terms of its construction. They were proponents and advocates for the NASCAR Hall of Fame then. They were excellent partners, they were excellent contributors, they created the two loans with the risk associated with each of those two loans and they today continue to be strong advocates for the NASCAR Hall of Fame and when we decided about 14 months ago to sit down and try to figure out how we could come to a good resolution and solution for the operational issues and the shortfalls that we've had the last four years the banks were quick to the table to come and try and solve that equation, NASCAR came to the table to try and solve that equation, CRVA, Charlotte Regional Visitors Authority came to the table, the City came to the table and the partners sat down to try and figure out how we can arm wrestle the deficits in the NASCAR Hall of Fame on an annual basis. How could we come to grips with that and what solutions could we put forward.

The same partnership that created the construction dollars for the Hall of Fame were pretty much the same partners that now have come forward with an operational solution. The State is not necessarily a player in the operational side they were a player in the construction side, the County was a player because they passed the 2% tax to allow it to be levied and all the proceeds of the NASCAR tax to go to construction, acquisition, financing, maintenance and repair of the NASCAR Hall of Fame Complex without asking for any monies in return carve outs for Mecklenburg County as so the county was a player but we knew that the two banks, NASCAR, the City and the Charlotte Regional Visitors Authority needed to put our heads together because we wanted to make sure that this community didn't have to withstand those kinds of conversations about the operational deficits in the NASCAR Hall of Fame so we have spent over a year in conversations with each other, in discussions, some of them being pretty robust conversations among the five of us to try and find out how we could come to a significant conclusion and resolution of the operational side of the NASCAR Hall of Fame. As you know the sponsorship dollars are not going now to the Hall of Fame's bottom line. When those sponsorships are sold their going to have to go ultimately to the banks to retire the loan that they took the risk on and they know that the collateral is only sponsorships, brick sales and civic contributions. They willingly took that risk and they know that the sponsorship dollars are not coming in at the rate that was anticipated. Because of that they've done a business analysis; they understand that it's slow for the sponsorship dollars to come in and retire the loan. They also are backers and supporters of the NASCAR Hall of Fame because they know what NASCAR is as an industry in this particular community so they don't come begrudgingly to the table, they come willingly to the table to try and figure out a solution to the operational aspects of the NASCAR Hall of Fame. Similarly, NASCAR came to the table because NASCAR when we formed the original agreement back in 2006 their model is that they get royalties on almost everything that is sold and done in the NASCAR Hall of Fame and those royalties have been out there in the agreement since 2006; 2010, specifically when the NASCAR Hall of Fame opened and the royalties would accrue from the time of opening of the NASCAR Hall of Fame but the sales in the NASCAR Hall of Fame and the cash flow in the Hall of Fame has not allowed the Hall of Fame to make the royalty payments and so there are deferred royalties that exist on the books of the NASCAR Hall of Fame.

You also know by last week's presentation and the PowerPoint presentation in your attachment tonight that many of those royalty amounts were in the 10% of sales or 7.5% of sales, or 5% of

sales. NASCAR came to the table and said we want to be a player and we want to help solve the operational situation in the NASCAR Hall of Fame. It's in our best interest, it's in yours, it's in this community, it's in the banks and we want the opportunity to participate, we will come to the table and we will eliminate all past deferred royalties that are on the books, we'll strike a new deal on what kind of royalty payments will be made in the future. They have now come to the table with a proposal that says that after the operating revenues of the NASCAR Hall of Fame hit \$10 million aggregate in any single year then that is only the time thereafter every dollar above \$10 million in sales that there will be a 3% royalty that will be due to NASCAR on those particular sales. They are foregoing all of the past deferred royalties. We probably will not get to the \$10 million in operating revenues for a good number of years and so those savings where payments are not having to be made can go to the bottom line of the NASCAR Hall of Fame operations. Similarly if we adopt the banks proposal that we use NASCAR 2% Tax to retire a portion of the loan and they write off the remainder of the loan and interest then the sponsorship dollars can go to the bottom line operations of the NASCAR Hall of Fame and those two together, the royalty reduction and the sponsorships belonging to the Hall of Fame in the future can help almost bring the Hall of Fame to a break even proposition. They don't get all the way there; that's where the CRVA comes in. They have pledged and promised that they are going to constrain expenses and they are going to seek more robust and stronger revenues by some more aggressive marketing techniques, of bringing more events into the Hall of Fame and we have significant number of events that are already coming into the Hall of Fame. They need to close the remaining gap and they have pledged to do so by June 30th, 2016. We might be able to do it this year, we're going to give it the old college try but CRVA has indicated through the dollars that they have already initiated and collected in this fiscal year we're a long way towards closing that gap by June 30th, 2016. It's the combination of the City putting forth the offer of \$5 million from the NASCAR 2% Tax and when we have the capacity in the tax to do it. It's the combination of that with NASCAR's participation, with the two banks participation, with the Charlotte Regional Visitors Authority more aggressive expense constraining and revenue production all of these together are the operational partnership that we are putting forth to you in the form of a recommendation in order to close the operational gap on the NASCAR Hall of Fame.

We have realized many other things; NASCAR is an occupant of the NASCAR Office Tower. They have sunk significant dollars into the up fitting of that space; they have anchored themselves in that building. That building is throwing off significant County and City property tax by virtue of the fact that we were able to bring that to the table in three months' time in 2006 when we were negotiating. The NASCAR Hall of Fame's Crown Ballroom is an addition that is serving us well in the convention business as we indicated last Monday night there was a requirement that we build at least a 100,000 square foot addition to the existing Convention Center if we were to keep the taxes that we had, the 3% Occupancy Tax and the 1% Food Tax to help us with the convention industry. All of these came together, they were very important. The partnership was strong then, the partnership is as strong today as it was then and all the partners have come to the table willingly and with a solution that will help the bottom line of the NASCAR Hall of Fame. That's the presentation that we wanted to put forth and would be glad to answer as many questions as you have tonight because it's important that we spend the time necessary to get those answers.

Mayor Clodfelter said before we take questions do you want to take a breath? Let's open it up. That was the most impressive performance for someone's who's just been jet lagged for a couple of days.

Mr. Kimble said I had a lot of hours to practice.

Councilmember Phipps said Ron, since inception of the loan has there ever been an instance where the City of Charlotte either defaulted on the terms of the loan agreement with the banks or was otherwise unable to perform as agreed under the terms of the loan?

Mr. Kimble said we have been in full compliance with the terms of the loan as agreed to with the two banks, Wells Fargo and Bank of America. On the land loan we've made the payments when the land has sold, we've kept in constant communication with the banks on when the next piece of land will sell and we intend to make all payments under the land loan that are required.

Likewise, there was a redirection of royalties and sponsorships for a five year period when in 2008 there was an additional \$32 million that was requested to fund the construction of the NASCAR Hall of Fame. The requirement was that all sponsorships up to \$1 million a year will be redirected to the City for a five year period. In the first year there was a \$1,070,000 collected; a million went to the City and \$70,000 went to the banks as part of the prescribed payment to the banks on the sponsorship loan. In subsequent years; years two, three and four there have not been \$1 million realized in sponsorship sales so all those dollars came to the city to help fund that additional \$32 million in debt but we have made all required payments to the bank under the initial agreement and the amendment that we formed in 2008.

Councilmember Austin said Ron that was a great presentation. Thank you. Just a quick question would banks look at us differently from the perspective of relieving this loan and forgiving this loan? I know we talked a little bit about it in other sessions but I wanted to do it more publicly.

Mr. Kimble said the answer is no because they are supportive of this solution. They right now are supportive and in agreement with the solution that has been proposed with the \$5 million payment from the City's 2% NASCAR Tax Fund, Occupancy Tax Fund and the write off the remaining portion of the loan which is \$14.1 million principal and \$3.7 million in interest. They are supportive of this transaction.

Councilmember Driggs said I appreciate that presentation as well. It was incredibly well organized. I think we need to be clear about one thing and that is this is not a cause for celebration. The NASCAR Hall of Fame has completely failed to live up to all the projections on which its original capital structure was based and right now we're at a point where the attendance figures which were held out as the basis for our analysis have reach maybe half of what was originally predicted for it. I'm saying that just because conservatives don't like transactions like this. This is one of the reasons why not. I think too often it feels as if the City decides it would like something, it wants to do something and then the facts are just sort of bent in order to make it work so that the idea of not doing it comes off the table at an early stage in the process. This was a big reach from the offset but having said that I think some of the reactions that we've heard publicly to the solution fails to reflect a lot of what you've just explained to us so well. All of the parties who were responsible originally came together, recognized the situation we were in and basically allocated the pain. I think the thing the people need to understand is that the banks are not making a gift to the City and I think the word forgiveness is actually unfortunate in this context. What really happened was a pretty hard nose commercial negotiation in which the banks were forced to recognize what the value was of the claim that they had to those cash flows. They had no other claim and I think it's important also to understand the City is not renegeing in any way on an obligation and you did explain that quite well but just to be clear if the City had intended to stand behind that sponsorship loan there wouldn't have been a need for a sponsorship loan. The City could have just borrowed the money and contributed that funding. The structure was designed in such a way that there was no recourse to the City. The City wasn't liable and the banks are simply facing that fact. We all want to avoid a long term situation in which that loan is not getting repaid or only slowly in which the royalties that are due to NASCAR are not being paid. This is not a very functioning situation right now. I do give you credit and all of the parties credit for having come up with something that puts us back onto a more workable footing and puts behind us the mistakes of the past and therefore I will be approving this and recommending to my colleagues that we approve it. I just think that some of the suggestions about what the City is doing and what the banks are doing have somewhat missed the point and I hope that based on your explanation and what I'm trying to explain now people will get that.

Councilmember Fallon said Ron, thank you it was very comprehensive; but, let's go back to - this is not Charlotte's loan, right? This is a loan given to bricks and admissions we have no responsibility for it. Is that not so?

Mr. Kimble said the only collateral that is available to retire the sponsorship loan, the name sponsorship, are three things; sponsorships that are paid to the Hall of Fame, brick sales that are paid to the Hall of Fame and civic contributions that are collected by the community towards the bottom line to the Hall of Fame. The main recourse is that no other claims against any other collateral, that is the only collateral to retire that loan.

Ms. Fallon said so clearly this is not a City of Charlotte loan.

Mr. Kimble said it's a loan between an entity called One New Charlotte, which is an off shoot of the City of Charlotte but is not the City of Charlotte's debt specifically. It's a loan between One New Charlotte and Bank of America and One New Charlotte holds the collateral of the land and they hold the collateral of the sponsorships, the brick sales and the civic contributions.

Ms. Fallon said so what technically is our responsibility? That's what I'm getting at. What is this City Council, this City's responsibility to NASCAR now and to the banks?

Mr. Kimble said two loans but one will go away if your action is to have it go away for the Hall of Fame to pay over in the future if we don't do this pay over the sponsorships, the brick sales and the civic contributions to the banks for retirement of the sponsorship loan and for the City of Charlotte's One New Charlotte who holds the land to have the land proceeds when the land sells paid over to the banks until the loan principal balance and the interest is repaid and then any excess proceeds above that are paid back to the City of Charlotte and to the State of North Carolina in the pro-rata share of cost of improvements to the interchange modifications. That is our only two responsibilities under the loans. There is no other revenue that they can grab no other collateral, no other obligations of the City.

Mayor Clodfelter said that's a complicated answer. Let me put it a little more crudely. If not another sponsorship was sold, not another brick was sold, not another civic contribution was made from now to the end of time the City of Charlotte would not be in default on that loan and neither bank would have any right to ask the City of Charlotte to pay a dime on that loan. Correct?

Mr. Kimble said that is correct.

Mayor Clodfelter said that is the answer.

Councilmember Barnes said Mr. Kimble, welcome back and thank you for your presentation to the Council. I wanted to ask you a question and I'll make a statement too. Your description of the NASCAR Hall of Fame contract and the way we came to that contract reminds me of the many open and closed session meetings that we had back in 2005, 2006 and how complicated this project was at that time and obviously continues to be. While it's clear that it has not performed as we had hoped we are trying to make the most out of a challenging situation. As I understand it, it would take us about 40 years to pay off the loan at the current performance of the Hall and the revenues. Is that correct?

Mr. Kimble said yes, if we were at the similar sponsorship level we are today it would take in that range of time to fulfill the remaining \$19.1 million principal and growing interest because remember even when you pay a small amount the interest still accrues on the remaining balance so yes you are correct.

Mr. Barnes said and if we don't approve this item, tell us what that means for the Hall of Fame.

Mr. Kimble said it means that the sponsorship dollars if any of them sold, any brick sales, any civic contributions must first go to the banks to repay that loan and are not available to the bottom line operations of the Hall of Fame until that loan and its interest are paid off. Thereafter it becomes the property of the Hall.

Mr. Barnes said and what's the practical meaning of what you just described?

Mr. Kimble said that we won't get sponsorship dollars going to the bottom line operations of the Hall if you don't do this for that 30 to 40 year period.

Mr. Barnes said right, but does that mean that the Hall of Fame from an operational perspective does it hamper their ability to market and to do the things they need to do to make it a successful facility?

Mr. Kimble said it continues then for the Hall of Fame. We have to find a different way to solve the operational deficits of the Hall of Fame because that sponsorship dollar in this scenario that we've presented to you if the Hall keeps the sponsorships dollars is closing that gap down to zero on the operating pro forma of the Hall. We will not be able to close that operating deficit gap if we don't have the sponsorship dollars, the royalty dollars, savings and the work of the CRVA to constrain expenses and enhance their operational revenues.

Mr. Barnes said did you tell us the amount of past royalties that NASCAR is giving up?

Mr. Kimble said it's about \$3 million over a four year period.

Mr. Barnes said as it stands now the banks are in a position to get money when they may not get any money going forward because of the nonrecourse nature of the loan.

Mr. Kimble said they would get the annual amounts of sponsorship so very little money.

Mr. Barnes said which would be a small amount over the next 40 years.

Mr. Kimble said unless and until we can build a sponsorship back. It's based on our sponsorship sales.

Mr. Barnes said we're also in a position where there's no indication that the performance of the Hall of Fame is all of the sudden going to start sky rocketing in terms of attendance and sponsorships.

Mr. Kimble said no it will not sky rocket. In fact what we're trying to do; we think it is getting stabilized and we can grow it a little bit at a time. That is our goal.

Mr. Barnes said and the banks are willing participants in this arrangement?

Mr. Kimble said they are.

Mayor Clodfelter said one comment Ron; you've done an exceptional job of just pure sheer negotiating. As a lawyer who does this for a living it's good to see craftsmanship in it. I don't think enough is being said actually about the NASCAR piece of this. Back in 2005, 2006, I wasn't here, I was in a different role but I understood a lot about the deal and there were views in some quarters of the community that NASCAR was getting a very rich deal back then with the royalties structure that they insisted on so you could look at it in one sense that NASCAR was the one taking a big gamble on those attendance numbers because for them to ring the bell and get those kinds of royalties they would have had to have a very high attendance level, much beyond what they've got right now so I look at their agreement to forgive those royalties that didn't materialize and really give us a very sustainable royalty feature going forward. One that matches the current level of attendance, I view that as the real biggest financial contribution out of the whole thing.

Mr. Kimble said it's well stated and they are a significant helper to stabilizing and eliminating the operational deficit.

Mayor Clodfelter said as it should be. I mean this is after all the NASCAR Hall of Fame. It's not the Charlotte Hall of Fame and I think again they took the gamble and a lot of folks thought they had a very rich sweetheart deal and I think they've come back in a very responsible way and made a very serious financial concession.

Mr. Kimble said in response to your question with it is what has made Charlotte great, we have two, well its three; it's the two banks and NASCAR, private entities, stepping up big time to help government solve the operational bottom line deficit of a City owned CRVA facility, publicly owned, publicly operated that is a significant economic icon, brand and generator for this motor sports industry.

Mayor Clodfelter said I'm sorry. I didn't mean to launch you on another presentation.

Councilmember Lyles said it's always good Mayor to hear you say that you do this kind of work and you look at this deal and it passes the test that you would have personally and I think professionally. I also really wanted to ask a question here Ron. In the deal that is being put before us today or the recommendation it says that there will be a \$5 million payment and when you've been looking at the media coverage a lot of that has been what is the source of that \$5 million dollars, why and how can it be used so can you explain that?

Mr. Kimble said yes ma'am. The 2% Tax allowed by the General Assembly and past by Mecklenburg County in 2005, I believe it was, 2006, is a tax that must be restricted to the NASCAR Hall of Fame Complex which includes the Hall of Fame, the Ballroom and the parking associated with it and it can be only used for the five specific purposes that were in the legislation which is acquisition, construction, financing, maintenance and repair of that complex and it cannot be peeled off for other purposes and this \$5 million payment is part of financing of the construction of the NASCAR Hall of Fame.

Ms. Lyles said I think to the credit of this body when these kinds of contracts are made there are some very difficult decisions and this body made those decisions over the last several years and it's always hard to explain well why can't we pay for teachers. Well you know cities can't pay for teachers. Well why can't we use this to build a storm water project because that's an Enterprise Fund so it's always hard to kind of single out these kinds of points to say that one of Charlotte's success has been the very specific nature of some of our public/private partnerships and so while this one perhaps hasn't been as successful as some of our others I think that when you look at it there is a number of protections here for our community and while it may be very difficult and we're in a difficult position I don't know that there's another option that will allow this facility and this attraction to be as stable as it is today and for that I think the negotiations have been successful.

Councilmember Howard said I'm going to take what Councilmember Lyles said and I'm going to go a little further with it. I think one of the things that we have to do is look at this from a big picture standpoint. From a big picture standpoint we're the second largest banking center because of those banks. We have all those jobs because of those banks. They are extremely involved with almost every aspect of civic and private life in this community whether it's grants, the new Stem Center, you name it. Not only that but NASCAR. We heard the numbers a little while ago. We could talk about this one building but I think I heard it's over \$4 billion worth of investment over 80% of the teams are here. Let's put this in perspective these are our partners so I don't want to forget the times when they've come to our rescue with so many other things so to me this is about partnerships. When they're good we brag about them and when they're bad we need to all share in that and that's what we're doing tonight. I want to be careful not to leave here tonight and send the wrong message to the banking industry which is extremely important to this community or the NASCAR community industry which is extremely important in this community that we. This may not be the best thing we've ever done together but God knows we've done a lot of other things we should be proud of. As a matter of fact, I do remember that at the time that we were going through this NASCAR was talking about taking one of the races and moving it I think the All Star Race around. What do we get from NASCAR the Hall of Fame weekend alone in impact? Just throw a number out. Anybody? \$50 million in impact for just the All Star Race alone for jobs across this community; let's just keep this in perspective. I don't want to sit here and demonize any of the parties in this with one deal where they do so many other things. No it's not the best thing for us on this one thing. I think we should vote for this, thank the banks, thank NASCAR and move on and try to make this building a big a success as we can.

Mr. Phipps said initially I was conflicted about this particular vote in as much as I am a former regulator with the Office of the Comptroller with Currency and both Bank of American and Wells Fargo was in my portfolio so I would hate to think I spent a career working for the US Treasury only to be here tonight voting to approve loan charge offs at both those banks. It took me three times and discussions with Ron to get comfortable with what we were doing and the background and I'm comfortable with this particular proposal and I'm going to be supporting it tonight because it's much larger than just the NASCAR Hall I feel, I think it's the whole industry, the motor sports industry here in North Carolina, in Charlotte. I remember those days

back in 2005 when I was on the Council and we were lobbying to get the Hall to pick Charlotte, that racing belongs here, racing was built here so I'm going to be supporting it and I'm comfortable with it now that I've discussed it with not only people here in Charlotte but ethics officials as far away up in New York. I contacted them to see if I could be recused because I haven't been retired but maybe a little over a year and some limitations they have a two year period of certain things that you can do but I'm comfortable with it now and I would advise my colleagues to vote for it.

Councilmember Smith said Ron, great, that was a thorough, in depth presentation under I know hard circumstances for you and I know that because you came straight here you didn't go up and grab one of your ties you keep in your office so I know that you rushed here straight from the airport and I appreciate you getting back and I appreciate you kind of walking through all of that in detail. This is combination question and statement but in the presentation that you gave what I heard was the primary benefit to fast forwarding this \$5 million payment instead of paying it back slowly over time is to end the conversation of operational deficits with the NASCAR Hall of Fame with the promise that the CRVA will enhance revenue and constrain expenses?

Mr. Kimble said that is their participation, yes.

Mr. Smith said this will be a surprise to everybody. I am not going to get on board with this. I appreciate your hard work and efforts in trying to piece together a deal. One of my big frustrations Council on how we operate is you guys took 14 months to negotiate a deal. Had I participated I may have taken a different direction. We have a week to digest pretty weighty material and then subsequently render opinion without an opportunity to truly, truly massage and move it in another direction. I understand why you want to get this off your plate. Again, I appreciate your efforts but I won't be there for you.

Councilmember Mayfield said I support approval and staff's recommendation.

Councilmember Kinsey said Ron, thank you very much, the whole team, you brought back some memories tonight. I do have some thoughts that stem from my pondering this issue over the weekend and I'll admit reading some of what has been written. I'm going to talk a little bit about our partnership with the corporate community as my colleague, Mr. Howard started. I have been involved with many of the cultural and human services organizations in Charlotte for 40 plus years and I venture to say that in those 40 plus years there have been very few efforts in those two areas, the cultural and human services, that have not been supported in a huge way by our corporate community. They do it in different ways but most of it comes down to dollars. Some of it is throughout and out gifts, long term pledges, in kind donations, the loan of officers and staff with particular expertise in an area many times fundraising. I know forgiving a loan doesn't sound good to some people and some will say it's not the same and we'll never be happy with it. That's okay but I did feel that we needed to be reminded of how much our corporate citizens have contributed over the years and what a debt of gratitude we owe them. I have firsthand knowledge and experience with some of their involvement from the Charlotte Symphony Orchestra to the Blumenthal Performing Arts Center, the ImaginOn, Discovery Place, Carolina Theatre and the Cultural Campus and those are just a few that I've been involved with. This is not even to mention their partnership with the City, the County and other providers to address the need for housing for our homeless families and individuals so let me say just a simple thank you. It's inadequate but it's sincere to our partners for all they have done to make this City great. Although we are dealing with our two major banks tonight my thank yous extend to the many corporations and businesses large and small who day in and day out contribute to the quality of life in our City. I hope we never have to experience the loss of that support. I encourage my colleague's to support this motion to approve this action.

Motion was made by Councilmember Barnes and seconded by Councilmember Howard to (A) Approve the Second Amendment to NASCAR Hall of Fame Agreement between NASCAR, the Charlotte Regional Visitors Authority, and the City, (B) Approve the Second Amendment to Purchase, Transfer, and Agency Agreement between the City, the Charlotte Regional Visitors Authority, and One New Charlotte, LLC (the special purpose entity that entered into the Loan Agreement with Wells Fargo and Bank of America to fund the NASCAR Hall of Fame), (C) Authorize the City Manager to execute any associated documents required to effectuate the amendments listed above, and (D) Adopt Budget Ordinance No. 5546-X appropriating \$5,000,000 in proceeds from the 2% hotel and motel occupancy tax for transfer to One New Charlotte, LLC for application to the costs of acquisition, construction, repair, maintenance, and financing of the NASCAR Hall of Fame.

YEAS: Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps.

NAYS: Councilmember Smith

The ordinance is recorded in full in Ordinance Book 59, at Pages 223.

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ITEM NO 19: NOMINATIONS TO BOARDS AND COMMISSIONS

19-A. Charlotte Housing Authority: The following applicants received nominations for one appointment for an unexpired term beginning immediately and ending December 17, 2016:

Dimple Ajmera nominated by Councilmembers Autry, Barnes, Mayfield and Phipps.

Todd Collins nominated by Councilmembers Austin and Lyles.

Annette Ebright nominated by Councilmember Kinsey.

Thomas Rothrock nominated by Councilmember Fallon.

Stephanie Tyson nominated by Councilmember Howard.

Alexander Vuchnich nominated by Councilmembers Driggs and Smith.

19-B. Community Relations Committee: The following applicants received nominations for two appointments for unexpired terms beginning immediately and ending June 30, 2016:

Brenda Adams nominated by Councilmembers Austin and Phipps.

Takiyah Amin nominated by Councilmember Lyles.

Joshua Arnold nominated by Councilmember Driggs.

Namaine Coombs nominated by Councilmember Barnes.

Felicia Fletcher nominated by Councilmembers Austin, Howard, Mayfield and Phipps.

James Hildreth nominated by Councilmember Fallon.

Denise Howard nominated by Councilmember Autry.

Nehemie Owen nominated by Councilmember Autry.

Beth Pickering nominated by Councilmembers Barnes, Howard, Kinsey and Lyles.

Rodney Sadler nominated by Councilmember Fallon.

Diana Sanchez nominated by Councilmember Kinsey.

John White nominated by Councilmember Driggs.

19-C. Privatization/Competition Advisory Committee: The following applicants received nominations for five appointments for two-year terms beginning March 2, 2015, and ending March 1, 2017:

Antonio Briceno nominated by Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps.

R. Casey Celli nominated by Councilmember Driggs.

Robert Diamond nominated by Councilmembers Austin, Autry, Barnes, Driggs, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps.

Sarah Cherne nominated by Councilmember Smith.

Torrey Feimster nominated by Councilmembers Austin, Howard, Lyles and Phipps.

Mark Freitch nominated by Councilmembers Austin, Barnes, Driggs, Phipps and Smith.
Paisley Gordon nominated by Councilmembers Howard and Kinsey.
Morris McAdoo nominated by Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, Mayfield and Phipps.
Matt McDonald nominated by Councilmembers Barnes and Driggs.
Warren Neff nominated by Councilmember Fallon.
Katherine Stefan nominated by Councilmembers Driggs, Kinsey, Lyles and Smith.
Justin Trinca nominated by Councilmember Fallon.

Motion was made by Councilmember Barnes, seconded by Councilmember Austin, and carried unanimously to reappoint incumbents Antonio Briceno, Robert Diamond and Morris McAdoo by acclamation.

Mr. Briceno, Mr. Diamond and Mr. McAdoo were reappointed.

Councilmember Smith said I spoke with Paisley Gordon; I originally nominated him, and I meant to email everybody, he's got other boards he'd rather pursue so if you voted for Paisley and want to free up your vote moving forward.

Mayor Clodfelter said we were just taking the nominations.

Mr. Smith said you can pull him off the nominations.

Mayor Clodfelter said that nomination, Madame Clerk, is withdrawn.

19-D. Transit Services Advisory Committee: The following applicants received nominations for one appointment for a suburban employer served by the Charlotte Transit:

There were no nominations for this category.

Mayor Clodfelter said those nominations will remain open for that slot.

The following applicants received nominations for one appointment for a neighborhood organizational leader, for three-year terms beginning February 1, 2015, and ending January 31, 2018:

Michael Warner nominated by Councilmembers Austin, Autry, Barnes, Driggs, Howard, Kinsey, Lyles, Phipps and Smith.

Motion was made by Councilmember Barnes, seconded by Councilmember Kinsey, and carried unanimously to reappoint incumbent Michael Warner by acclamation.

Mr. Warner was reappointed.

Councilmember Lyles said may I ask this Clerk to send us the definition of a suburban employer served by the Charlotte Transit. What is the qualification for that? I don't know what that means and so I'm not clear about what that really means.

City Clerk Stephanie C. Kelly said I will consult with staff for that committee.

Ms. Lyles said can you just email that so as we talk to people. I thought I had a name that would qualify but I don't know what the qualifications really are.

Mayor Clodfelter said the nominations are still open so we can get you an answer to that and then you can consider your nominees.

Ms. Kelly said Mr. Mayor let me please go back to the nominations for applicants for that same committee that do not fit into the category, I do have nominees.

Mayor Clodfelter said well the vacancies that we have are for slotted categories, is that not correct?

Ms. Kelly said right, but we submit to you all applicants that we have and identify those that do not meet those qualifications for your consideration as well.

Mayor Clodfelter said do we have nominees of that sort?

Ms. Kelly said yes sir.

Mayor Clodfelter said let's just take those nominations and then Council can deliberate about what it wants to do with folks that don't meet the qualifying criteria.

Jeffrey Berlin nominated by Councilmember Smith.
R. Casey Celli nominated by Councilmember Driggs.
David Harris nominated by Councilmembers Fallon, Howard and Lyles.
Dwayne Heyward nominated by Councilmembers Fallon and Phipps.
Myron Taylor nominated by Councilmember Autry.

Mayor Clodfelter said the nominations are there, I would advise Council to think about how you want to go about ignoring your categories without a policy discussion about why you had the categories in the first place. You have those nominations; you can do whatever you want to do, of course, but Mr. Attorney, we also probably need to see whether we'd have to amend an ordinance or change a commission structure if we were going to put people in slots who don't meet the current qualifications.

Ms. Lyles said again, it's because I thought the person did meet the qualifications, so I don't know why they are not qualified; so before we do assume that these people are not qualified let us know why.

Councilmember Fallon said Mr. Hagemann are we allowed to do that? Change the qualifications?

City Attorney Bob Hagemann said depending on the board or committee, whether it's in your control or a joint board, the categories can be changed. Beyond that, what we have consistently articulated to you is at the end you are the judge of whether somebody meets the category. The Clerk's Office tries to screen but many of these categories are a little bit fuzzy and gray and ultimately staff does not tell you that you cannot appoint somebody to a slot on a committee. If you believe they meet that category, they meet that category.

Ms. Fallon said can it be challenged?

Mr. Hagemann said legally, it could be difficult, I'm not aware of anybody ever raising a challenge; certainly, no lawsuit that I'm aware of.

Ms. Lyles said it's like the ordinance; we are not going to sue ourselves.

Mayor Clodfelter said Mr. Hagemann I am aware of a lawsuit. I'm currently involved in on precisely that issue; where an appointed member of a commission did not meet the qualifications.

Mr. Hagemann said what I will also add here is Mayor, my guess is, I don't know...

Mayor Clodfelter said mine is a regulatory commission.

Mr. Hagemann said my guess is it's a state statutory category.

Mayor Clodfelter said it's in the City Charter.

Mr. Hagemann said well okay, we'll talk later.

Ms. Fallon said can we hold it in abeyance then, until we get somebody?

Mayor Clodfelter said we are holding this open. We've got all the nominations on the floor and no action has been taken so this is all open until further answers the question what that category means Councilmember Lyles asked and whether you are obligated to follow the category.

Ms. Lyles said I didn't ask that question, you asked that question.

Mayor Clodfelter said well I think that was a point of the question with Councilmember Fallon and Mr. Hagemann; so, we've got two questions pending on that.

19-E. Zoning Board Of Adjustment: The following applicants received nominations for three appointments, one as an at-large member and two as alternates, for three-year terms beginning January 31, 2015, and ending January 30, 2018 and one appointment for an at-large member to fill an unexpired term beginning immediately and ending January 30, 2017:

Walter Baucom nominated by Councilmembers Austin, Howard, Lyles and Mayfield.

Scott Browder nominated by Councilmember Austin, Autry, Driggs, Fallon, Howard and Smith.

Tyler Conner nominated by Councilmembers Austin, Autry, Barnes, Fallon, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith.

Jeff Davis nominated by Councilmember Barnes.

David Harris nominated by Councilmembers Autry and Phipps.

James Hildreth nominated by Councilmembers Fallon and Kinsey.

John Lambert nominated by Councilmembers Driggs, Kinsey, Phipps and Smith.

John Powell nominated by Councilmembers Austin, Autry, Barnes, Driggs, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith.

Bob Rapp nominated by Councilmembers Barnes and Fallon.

John White nominated by Councilmembers Driggs and Mayfield.

Councilmember Howard said so how does that work, you just named three positions and two are alternates, but we got just a list of names, so who gets the permanent spot if we just all voted? You got two people getting ten for instance; who becomes the permanent member?

Mayor Clodfelter said the two people that are currently serving are up for reappointment, you could put them in a different slot if you want to put them in a different slot.

Mr. Howard said they were two alternates.

Mayor Clodfelter said they were alternates, but you could make one of them a regular at-large member if you wanted to; these are not restricted slots.

Mr. Howard said but we just kind of voted. I don't know how we go back and chose one.

Mayor Clodfelter said you haven't yet voted on anything, we just took the nominations from the Clerk.

Ms. Kelly said those were just nominations.

Mr. Howard said but the point is when we vote next week we need to be able to say which one we are doing for what.

Mayor Clodfelter said that is correct.

Mr. Howard said the way it is set up now we can't do that. Next week we need to make sure we can say which ones that we want to be for what.

Mayor Clodfelter said no, we took the nominations in an open fashion, you can decide next week which of those you want to make the at-large member and which you want to make the alternates to the at-large. You can choose that at the time you vote.

Mr. Howard that's not normally the way our forms are set up; that's why I guess I'm trying to make sure next week we do that.

Mayor Clodfelter said Madame Clerk the request is that be made clear next week. I think what we ought to do Madame Clerk is perhaps next week take the vote first on the voting at-large member among our nominees and then that would then see who comes out on top for the voting slot and then Council would have then the two alternates to choose from next.

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ITEM NO. 21: MAYOR AND CITY COUNCIL TOPICS

Motion was made by Councilmember Kinsey and seconded by Councilmember Howard to expedite public hearings for Petition Nos. 2015-027; 2015-028; 2015-029; 2015-030; and 2015-032 by the Charlotte Housing Authority; add these petitions to the zoning agenda for public hearings in February and decisions in March.
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Councilmember Mayfield said what are we talking about?

Ms. Kinsey said it's Tall Oaks in Cherry.

Mayor Clodfelter said it's the Tall Oaks development.

Ms. Kinsey said and Planning staff approves.

Mayor Clodfelter said Planning staff supports acceleration.

The vote was taken on the motion and recorded as unanimous.

Councilmember Austin said I have two announcements of events in our community. McCrorey Family YMCA will be hosting their 21st Annual Martin Luther King Prayer Breakfast at the NASCAR Hall of Fame Crown Ballroom on Monday, January 19th at 8 a.m. For more information please call 704-716-6500. The other announcement is the North Carolina Local Barbers Association along with the Charlotte-Mecklenburg County Police Department invites everyone to an open Town Hall discussion to discuss community concerns regarding recent activities between the police and the African American community. The first meeting will be Sunday, February 1st, 3 p.m. to 5 p.m. at the Greenville Neighborhood Center. Everyone's invited to come out and join in the discussion.

Councilmember Howard said I passed out a piece of paper for you that from a group called City Protocol Society. As many of you know or all of you know I went with a group of leaders from Charlotte to a Smart City Conference to Barcelona in November. Ironically, not kind of funny Ron lost his clothes on that one and had to wear the same thing for two days just like that but it was a good trip and one of the groups we connected with is this City Protocol Society and they've actually put in a formal invitation to us to join so I'd like to refer this to the Economic Development Committee to review it further to see if we should participate. I think it's a great opportunity but I'll participate in the Committee conversation and explain more about why I think it makes sense especially given some of the objectives that came out of last year's retreat about being more globally competitive and engaged. I think this is a great first step and I'm again referring it to the ED Committee. I spoke to the Chairman earlier about it.

Councilmember Barnes said we'll be happy to take a look at it sir.

Mayor Clodfelter said without objection and with the consent and support of the Chairman of the Committee the referral will be made.

Councilmember Phipps said how much does this cost; should we defer it to the Budget Committee?

Mr. Howard said it is \$1,000.

Ms. Mayfield said I want to invite and remind everyone that we do kick off the MLK Memorial Celebration starting on this Thursday on Dr. King's Birthday January 15th, at Marshall Park at 12 noon there will be a 30 minute program where we'll acknowledge the legacy of Dr. King and then on Saturday morning we will have the Martin Luther King, Jr. Parade which will be followed by the Grow in the Dream community celebration which will be held at Johnson C. Smith University. We also have a religious service, a community awards ceremony and service on Sunday evening which will be held at the Halton Theatre and all of those are events that are free and open to the public. We also have a community giveback so for those of you that want to volunteer and show of your time you can get information at www.mlk.charlottenc.gov. Hopefully we will see everyone and I have the honor of being the Chair for the 2015 MLK Celebration so come on out.

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ITEM NO. 6: CLOSED SESSION

Motion was made by Councilmember Barnes, seconded by Councilmember Fallon, and carried unanimously to go into closed session pursuant to North Carolina General Statute 143-318.11(a) (4) to go into closed session to discuss matters relating to the location of an industry or business in the City of Charlotte, including potential economic development incentives that may be offered in negotiations.

Mayor Clodfelter said since we won't be coming back out into the Chamber afterwards if you are agreeable if we can adjourn this evening our meeting in honor and in memory of Roy Alexander, Jr. a longtime civic activist and volunteer and all things green and conservation oriented who passed away over the weekend. He was a great public spirited citizen and knew more about the ... of this community than I think just about anybody so if you would do so I hope we will adjourn in honor in his memory.

The meeting was recessed at 9:10 p.m. to move to the CH-14 for a closed session.

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ADJOURNMENT

The meeting adjourned at 9:32 p.m.



Stephanie C. Kelly, City Clerk MMC, NCCMC

Length of Meeting: 4 hours, 17 minutes
Minutes Completed: February 13, 2015