

The City Council of the City of Charlotte, North Carolina convened for a Dinner Briefing on Monday, January 26, 2015 at 5:14 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, Claire Fallon, Patsy Kinsey, Vi Lyles, LaWana Mayfield, and Greg Phipps.

ABSENT UNTIL NOTED: Councilmembers Ed Driggs and David Howard

ABSENT: Councilmembers Claire Fallon and Kenny Smith.

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ITEM NO. 1: MAYOR AND COUNCIL CONSENT ITEM QUESTIONS

Mayor Clodfelter said Madam Clerk, do we have any that are already pulled for a vote.

Deputy City Clerk Emily Kunze said no sir.

Councilmember Mayfield said there is a question of which Mr. Yi is going to give me further explanation on and that is Item No. 24.

Mayor Clodfelter said rather than do it at the end, if you've got the answers already Hyong to the ones that have been given to you, do you want to give them now?

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ITEM NO. 5: ANSWERS TO MAYOR AND COUNCIL CONSENT ITEM QUESTIONS

Assistant City Manager Hyong Yi said the question Ms. Mayfield asked was on Item No. 24, Airport Escalator and Elevator Maintenance Services Contract Agreement; it is Amendment No. 4 to an existing contract for elevator services, the maintenance contract and Councilmember Mayfield wanted to know basically why not put it back out for bid prior to going out for an amendment for an additional \$5 million. The reason why the Elevator and Escalator Maintenance Contract was not rebid; there are several reasons for it. First, the amendment represents additional services at the same favorable rates as the existing services maintenance contract; so, it is just a continuation of the contract which favors the Airport so they want to continue it. Second, the contract always anticipates future amendments to add refurbishments of existing equipment as needed and this allows the Airport to be proactive in terms of addressing their maintenance needs and scheduling the work and it shortens the schedule by which things gets replaced or fixed. Lastly, they have experience with all the major firms that do this type of work and Schindler, which is the company providing services on this contract, is a very good company that the Airport has had good experience with them as a service provider and have had good experience with them in terms of the rates that they have been charging. The Airport believes it is in their best interest to continue the contract at the favorable rates that they have already been getting.

Ms. Mayfield said thank you Mr. Yi, I just wanted to make sure there was clarification for the community as well because when we are looking at amendments, this being the fourth amendment and looking at the dollar amount of the amendment I just wanted to have an opportunity for there to be an explanation as to why we are moving forward with this particular organization.

Mayor Clodfelter said that was the only question we had so that means we have no items pulled for a vote.

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ITEM NO. 2: LYNX BLUE LINE EXTENSION – STATION FINISHES CONTRACT

Danny Rogers, Transit said I'm going to give you a preview of a couple items that are on your Business Agenda for this evening. The first one is the Station Finishes and Art Contracts; these two are combined primarily because most of the work that these artists will be doing will be installed by the Station Finishes Contractors and they are going at the same time. The second one is an important amendment to the Civil B/C Contract to accelerate the Lane Construction Contract to make sure that we can maintain our scheduled revenue service date of summer of 2017. The Civil B/C segment of the

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project is basically the roadway work along North Tryon extending from Old Concord Road out to UNC-Charlotte.

The Station Finishes Contract is probably one of the last big contracts that we will be having for the Blue Line Extension; it is worth about \$20.2 million which is actually a little bit over our project estimate. Contrast that with the contracts we were awarding this time last year or a little later, which were coming in significant earlier so the bidding environment has changed. A couple important things is the contract does meet its DBE goal which is important; something we are always looking for. On the artists contracts we are having eight contracts with artists for a total of \$1.9 million and this should be the last time that we come forward with art as a significant item. The Station Finishes Contract is basically taking the stations from the foundation all the way up to the top including the canopies, the benches, the handrails and other things like that. Many of these things will have art incorporated into them. I just want to point out that the art is part of the fixtures, it is not stand alone, it is something that has a functional value. This is consistent with the way we've been doing our projects; it is part of the FTA adopted art and transit program. The main thing there is it means it is eligible for federal funding which is good and it is also something we've been doing since it was passed by the MTC in 2002.

Another key thing is that what we are trying to do with this whole corridor and all of our corridors is create an environment that people will want to develop around and create a new corridor so a key piece of that is the aesthetics and how it fits into the framework and one of the things we adopted early on in this project was the Urban Design Framework for how we develop the light rail line which covered things on what the walls look like, how we treat the station finishes and that sort of thing, so art is a very important part of that.

Councilmember Kinsey said what does B/C stand for?

Mr. Rogers said it is a segment; we originally had three segments along the corridor, the first part being basically the railroad corridor from uptown out to Old Concord Road and then we had a small segment that went from Old Concord Road basically to the weave and then from the weave out was segment C, so ABC. We went through an analysis of what was the best way to move the project forward from a construction perspective and it was decided to combine B and C at that point so that is why it is B/C.

Councilmember Phipps said did we commission any local artists for these station finishes projects?

Mr. Rogers said actually most of the artists are local but that is not something we can do with the federal programs so it has to be open to all artists. It was convenient or a nice coincident that many of the artists we did end up having are local.

Mayor Clodfelter said anything else on the Station Finishes Contract? If not go ahead on the B/C.

Mr. Rogers said what we are doing is coming forward and asking for an Amendment to the Civil B/C Construction Contract and this is basically to speed up the work that is being done out there now. If you've been out Tryon Street you've seen there is a lot of construction going on and recently you've probably seen a lot more. We had some issues with trying to get things ready for the construction to work and now we are looking to have the contractor expedite the work so that we can maintain our schedule. We had some issues with getting the utilities relocated which has caused us to be about six months behind and what we are doing with this contract amendment is giving our contractor the ability to speed up their work so they can work in more places at one time to get back on a schedule that would have us delivering the project in the summer of 2017. The reason that we need to do this is one, when we started this project we knew that we wanted to get the project delivered as quickly as possible which means we went on an aggressive schedule. When we did that we knew there were several risks, one of them being utility relocations; we've known from the beginning that that was a big risk and it was something we were going to have to manage. We could have taken a different more conservative approach and a little more sequential in the work, but that would have made sure that we would have taken longer to finish. There were several reasons that it was better to try to be more aggressive and try to get the project done quicker. One is there was a large public demand looking for this project to be delivered as quickly as possible. Two, the magnitude of the project is so large, just the cost of money to keep the project going is very significant and third, and probably the most important one is that we knew we were in a very favorable bidding climate at that point. So getting these major

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contracts awarded early gave us the best chance to get good bids. In fact in this contract we got very favorable bids as well as the other two major ones that we let last year came in below the Engineer's estimate.

Councilmember Austin said you may have told me this in our meeting; you said the reason why we are behind is because the utilities need to be moved or there was a delay in doing that, correct? Has all of that utility movement already taken place or is there still more to do and will that still cause a delay?

Mr. Rogers said we are very close on the utilities; I got a report today that said they are in the last phases of getting the major utilities relocated. If you've been out Tryon Street there are two rows of poles all up and down it. They have about got the ability to move them off of the inside poles so we can pull the poles up. What we have committed to Lane is that they will all be down by March 1 and they are well ahead of that schedule at this point. We are pretty confident, as confident as you can be with utilities at this point.

Mayor Clodfelter said before you go ahead let me follow on the utility relocation question. When we talked about this and you sort of gave me an explanation of it before we talked about the fact that we don't have comprehensive maps of underground utilities in the City and it occurs to me as we are doing these projects like this and other major transportation projects, are we building a map as we go so that in the future, the next time we go back out to Old Concord Road and North Tryon Street we will now then have a map and know whose utilities are where underground and where they are. Are we making the map now as we go even though we don't have one prior.

Mr. Rogers said yes we are. Is that enough answer?

Mayor Clodfelter said that's good; that means we are doing that comprehensively with all of our major transportation projects.

Mr. Rogers said one of the other beneficial things we are doing with this project is creating a joint duct bank to put all the utilities in so they are all in similar locations. It will be mapped much better than it was in the past but when you start looking underground you find things you aren't expecting.

Mayor Clodfelter said we are doing that on a comprehensive basis with all of our projects when we do construction around the City.

Mr. Rogers said I believe that is correct; I know all the projects that we have.

Mr. Phipps said assuming that this passes tonight what kind of plans do we have to outreach to the business community along the corridor to get them prepared for the accelerated construction that will be going on there?

Mr. Rogers said we have a team in place that reaches out to the businesses. Our Construction Management Consultant has people identified for that role; we have people on City staff that are dedicated to that effort. They are out there working all the time. The construction impact is already out there so we are out there every day talking to businesses letting them know what is coming on and what to expect, when lane closures are going to happen. We are letting them know that this construction is getting ready to ramp up so that is ongoing now.

Councilmember Driggs arrived at 5:30 p.m.

Mr. Rogers said some of the reasons that we would want to consider this amendment are related to the costs; if we don't do anything we have imposed an impact on our contractor already because they bid this construction project based on a certain amount of assumptions about when they would be able to be out there and working. Many of the critical path locations have not been accessible to the contractor because the utilities are in the way; places like building a bridge over W. T. Harris Boulevard, building a bridge into Tryon Street. Those are two of the main places that they need to be working but that is probably two of the places where most of the utilities are. That has had a significant effect on them being able to build the project in the manner that they bid it on so their bids were based on being able to access certain areas and to be able to get through that quickly and efficiently and that allowed them to plan how their work would move and they could move one crew

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from one place to the next and it would be very efficient. Now we have crunched that all down into a very short period of time so instead of being able to sequentially move crews along, now they are having to bring in crews from everywhere so it is an impact on them and they would be due compensation for that because these delays are not caused by them; they were caused by others and so we would be on the hook for that. Similarly because we did have this aggressive schedule we have bid follow along contracts so you would have our Civil Contract and you have Track and Systems Contract, we have our Station Finishes Contract that we are talking about tonight. We have parking garages and they are all related and all have expectations of when things would be available so it just kind of builds on itself so not only will we have impacts on the current contractor, we have impacts on the follow along contractors. We'd also have impact on just the amount of time that we are paying our Construction Management Staff and those costs so when those all get added together that sum gets pretty large. Actually our studies show that the cost is equal to or greater than this amendment so it is pretty significant reason.

On top of getting it done quicker and avoiding some of those costs some of the other benefits include making good on our commitments. We've been working with the University; they've been a great partner. We've been telling them we are going to have this open in the summer of 2017 prior to school starting, before the football season so they can access the light rail at that point. I think probably the most important reason is it is not quantifiable from a dollar perspective, but it is real to the people out there; it is the impact along North Tryon Street and all those businesses that are having to suffer through this construction. The benefit of minimizing that time we think is very significant. After all is said and done we do this amendment we are still within the budget. These are just reasons that there is a cost associated with acceleration and the contractor realizes these costs; they are direct costs and they've got increased workforce, they are going to have more people out there working at the same time. They are going to have those people working longer hours so there is additional overtime. They have to bring in more equipment to be working at the same time; they can't take a crane and move it from one place to the next because they are going to be working all over the place at the same time so there is additional costs there.

Mr. Phipps said will you be doing any nighttime work?

Mr. Rogers said there will be some nighttime work in certain areas; they will be working longer days, probably not too many nighttime. Troy is telling me whether I'm right or wrong; he is our Construction Manager for Lane Construction. There will be some nighttime work just because you're moving in some girders over Harris Boulevard; you have to do it when traffic is light. Some of the other things are because there are going to be so many more crews out there they need additional management staff. The additional material and storage; they've got to bring it all in now and it is going to be all over the place, they can't just bring it in over a period of time and they also have to bring in crews from out of the area so they will have to have subsistence for them. The other item I think is very important is we worked with Lane to come up with how we can make sure this is a win/win situation for both of us. We need assurances that just because they say they are going to accelerate the work they are actually going to do it and we also need to make sure that they manage the project well, which we think they will, but there is a true risk. They have sub-contractors that are working for them and when they bid the project they assumed they would be working a certain amount of sequential nature so now they've got to work more so they have to have more resources and they may or may not be able to handle all of that. They may have to add sub-contractors; those sub-contractors come with new costs so there is some risk there is they have additional sub-contractors now and how much those costs are. If they can manage them effectively and see savings on that we share that savings so part of this cost may not be realized because they are doing to a good job of managing those subs and we are not going to realize this cost and we will share that savings. The other thing is we have incentives in there. We want to make sure that there is a significant reason for them to make these dates because it is very important to us and it is also important to them obviously, but if we put incentives into the project to make sure that they have reasons to makes those dates.

Councilmember Mayfield said you just make a statement that they are going to be looking at crews from other areas to come in to help with this potential overtime and acceleration. Are we looking at the opportunity of local?

Mr. Rogers said they will be looking primarily, a couple of things; first they have to meet their disadvantaged business enterprise goals, they set up to meet those and this one is probably our largest

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percentage for any of our contractors so they've got to meet those. They are going to be looking where they can find them and then they will look for what is cheapest to try to keep their costs down, but they are going to use whatever they can find and local would be the first choice I'm sure.

Ms. Mayfield said I like the idea of them using whatever they can find; I would support an idea of us utilizing our CBI Program and trying to identify and if that means the City being more proactive we need to work to identify as many local businesses as we can to take advantage of this opportunity opposed to an outside business coming in and benefiting financially off of this project.

Mr. Rogers said we will keep that in mind and share that as well. Well, Troy heard you. We do have incentives for them to meet it and if they meet the schedule they don't get these incentives; if they deliver the project two months early they get up to \$3 million in incentives to make that schedule and that is prorated down over that period of time. Basically here are the numbers; I think the key number here for the amendment is up to \$21,750,000. We may be less than that if they don't realize their incentives it will be less. If they manage their subs more efficiently then it will be less. The key number also is that when we bid this contract the Engineer's estimate was \$144 million and it came in at \$119 million so it is \$25 million difference which is still higher than the \$21.75 million amendment so this project remains in budget for that contract alone. We had similar savings for our Civil A Contract and our Track and Systems Contracts last year so we are significantly below budget on this. I think the \$1.16 billion budget was what is before the amendment and that is what we are after the amendment. Based on what we have seen so far we are very confident that we will be able to continue managing this project to stay within the budget.

Councilmember Autry said what kind of acknowledgement do we have to get or approval we have to go through with the FTA?

Mr. Rogers said we continuously work with the FTA and they are aware of this. One thing we demonstrate is going to cost the same or less to do the acceleration so we've had continuous conversations so we are good on that.

Councilmember Driggs said are we still on track to complete the entire project within the budget? Is this sort of going to ripple on and leave us short somewhere down the road?

Mr. Rogers said no sir I'm very confident in our budget. Like I said last year when we did these contracts, even with this, to me, a very large amendment, we are still within the budget and that one contract we had similar savings in our Track and Systems Civil A Contract so we are very much ahead of the game from a budget perspective, especially compared to historical projects. FTA has done studies of projects for a period of years and they have developed contingency drawdown curves of where you need to be at any certain point within the project and we are well above the high level that they are looking for, so we are in good shape from a budget perspective.

Mr. Driggs said Councilmember Smith, when I talked to him, had a question and since he is not here yet I would like to raise it and that is was the original contract award affected at all by what may now prove to be an over optimistic timetable? Is it possible that there was another contractor that was bidding on a more realistic timetable and came in second and now it turns out that that was actually the more prudent bid by a contractor? You could get into kind of a bait and switch situation.

Mr. Rogers said I understand what you are asking, but when we put the contracts out to bid we put a schedule in there with it so they cost it based on that schedule. All of the contractors were bidding on the same production.

Mr. Driggs said I mentioned in our conversation I'm a little troubled by the fact that we can have a circumstance over which the City has no control whatsoever and it ends up costing us \$20 million. Normally when you structure a project financed kind of deal you've got each step allocated to somebody and then each person's performance dictates their participation in the cost overruns. It looks here like something that had nothing to do with us is costing us \$22 million. Is there no way to create a structure where the utilities are more responsible to the timeliness of their participation in all of this?

Mr. Rogers said we certainly could have gone with a more conservative schedule that would have drawn the project out over a longer period of time. There are several risks with that as well; I mentioned earlier that we were in a very favorable bid environment so going out to bid early as we

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realized made a significant difference in how much it costs. If we had waited till the utilities were completed instead of estimating when they were going to be complete then we would have been bidding at a much later time. If you look at the Station Finishes Contract it is coming in over budget; that is a huge difference potentially so we had to make choices. We did meet with the utility companies at least three and a half years ago, we started meeting with them about how we would make these relocations work. We asked them would they meet this date and they said no, and we said can you and they said we will try so we just continue to work with them and try to identify ways to help them get to those dates. To be fair the utilities have come out recently and really put a lot of effort into finishing up to allow us to keep moving at this point. You have to take a choice, you want to be aggressive and give yourself the best opportunity for a schedule and take into consideration your bidding environment and we are very historically low bids coming in at that point so we had an opportunity to take advantage of that. Unfortunately on this one we realized the utility issues on the other contracts maybe not so much so we are still ahead of the game from a budget perspective. With this acceleration we still have the opportunity to meet that schedule.

Mr. Driggs said I see that advantage, it just seems to me that we should have enough experience with utilities by now to be able to anticipate a little more accurate than this how much time it is going to take them to do what is needed. It is what it is and I recognize the advantage of the timing of those contracts.

Mayor Clodfelter said I know of those utilities were put in the ground years and years and even decades even ago when we may have had different rules and different practices etc., but today for utility installation in the public right-of-way do we require the utilities to undertake a commitment or obligation to meet a schedule so we may have in the future for what we want to do with the right-of-way or pay us compensation if we incur costs as a result of their location in the right-of-way? It is what is public right-of-way that they are using so today our contracting practices for allowing the use of the right-of-way; do we require the utilities to compensate us for delays or costs that we incur in our own right-of-way?

Mr. Rogers said what we have run into is that we have franchise agreements with most of the utility companies; Duke and AT & T have been here for so long, many instances they were there before the road widened out so they have prior rights so they are a much different situation. But the telecoms and those types of utilities usually have franchise agreements which say they do have to relocate and there is not a lot of teeth to those.

Mayor Clodfelter said that may be a topic for a later discussion and another meeting.

Councilmember Barnes said I wanted to talk about Mr. Driggs or Mr. Smith's characterization of a bait and switch with the contracts, but as I understand it because we have not control over utility companies whether the winning bidder got the contract or some other bidder got the contract wouldn't have impacted what we are dealing with now because it was caused by a third party that we have no control over. If the telephone company or cable company had moved the utilities when we expected them to we wouldn't be dealing with this right now. When I became aware of it, I and some others made calls begging them to accelerate things and they did, but we are still a little bit behind. I don't think it is fair to suggest that there was some bait and switch here, I think that we found ourselves in a very favorable bidding environment, got some very favorable pricing and what this \$22 million will allow us to do is pay them to hire more people, bring in more equipment and work segments A, B and C all at the same time to get the project done by the summer of 2017. I don't view this as any sort of malfeasance on the part of our staff or Lane or the other contractors because there was some things going on that we could not control unfortunately, to the point that you were making. Had we been able to control them I can assure you these folks would have had the utilities out of the way much, much quicker.

Mr. Driggs said I wasn't accusing anybody of anything; I was just saying is it possible that a contractor comes in with an overly rosy estimate on how quickly the work can get done and then we find ourselves in this position. I'm not necessarily suggesting it is happening here; my general concern is I like to see people take responsibility for what happens so we don't find ourselves in a position where no doing of ours we are having to find another \$27 million.

Mr. Barnes said if I might Mayor, if the utilities had done what we expected them to do this wouldn't have happened. We would be opening by March 2017 and I don't think they are going to pay for it.

Mr. Driggs said I would just like to see them for it.

Councilmember Lyles said I think we could refer that to the Inter-governmental Committee.

Mayor Clodfelter said I think the issues are real but I agree with Mr. Barnes that this is not because anybody missed something or didn't do it right. I think our focus out of this needs to be on forward looking focus; it is the development of comprehensive maps so we know where all the utilities are because we don't now have that, so we know what utilities are where when we are doing a construction project. We need to go forward with that and anytime we are renewing a franchise agreement or granting a new franchise agreement we need to think carefully about what kind of conditions we put in about access to the right-of-way and future expenses. We can't go back and change history; like Danny said a lot of these utilities were put in probably before the street were put in so we have to deal with what is out there, but we can apply a different set of policies going forward. I think that is really what your point is getting at.

Mr. Phipps said did we have any similar challenges to the utility relocation in the SouthEnd along that line as we are having up here?

Mr. Rogers said I didn't do the South Corridor.

John Muth, Transit said a lot of the corridor was in that old rail corridor so it wasn't encumbered with utilities as North Tryon Street is. I don't think we had anywhere near the utility relocation that we are having on this one.

Mayor Clodfelter said because you are building on new track, not on existing track.

Mr. Muth said right we were on the old rail corridor adjacent to the Norfolk-Southern corridor down to the south.

Mr. Rogers said there are not a lot of utilities allowed in railroad corridors.

Mr. Phipps said I can tell you that it is critical that we take whatever steps are necessary to get this project back on track for on time delivery just for the benefit of all those businesses along Tryon Street that are already frustrated right now. Once we go through accelerated as opposed to sequential construction I would think that the demands on Tryon and the inconveniences will just escalate and hopefully we can control the level of complaints that might be coming our way.

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ITEM NO. 3: CHARLOTTE WATER RATE INFORMATION

Mayor Clodfelter said this is something we started in an earlier meeting and we've got more work to do and there is more work to do even after tonight.

City Manager Ron Carlee said you have in front of you the presentation we did back in December; this is just for your information. In the December meeting we were really talking to you about what we spend money on in the water and sewer system, particularly what drives the operating budget and what drives what is a very capital intensive budget to keep the system up to date. What we are going to talk about tonight is the rate methodology by which we pay for those things. We are not looking for a decision tonight, again this is background and based on a recent guidance previous meeting we'll propose to get any prospectus from you tonight and work with the Budget Committee to determine what scenarios we would specifically model to bring back to you during the budgetary process. What we want to do tonight is have a clear understanding among all members of the Council as to what the different variables are and different approaches may be in preparation for our work with the Budget Committee.

Charlotte Water Director Barry Gullet said just to frame this whole thing up, as the Manager said the policy question that is in front of you that we are going to be wrestling with between now and budget adoption really is the current rate setting methodology the right one and are we doing it at the right frequency. The goals for today are really to just give everyone some background so everybody is starting from the same place and the same understanding of how our rate methodology works and to start talking about some of those possible alternatives that we can look at and talk about going forward. The current methodology; there are really four steps in the process of setting rates and so what we are talking about today is the third box down. It is really the methodology, in other words we set rates according to a structured methodology that Council approved a few years ago and that is what we want to talk about today.

The rate structure really just determines how the costs of operating the utility system are distributed over the customer base. The purpose of the rates is really to recover the cost of operating, building, maintaining and sustaining the utility, but the rate structure can do other things for you in operating the system and maintaining the community. Here are some of the goals and I will point out a couple of these that I think are really, really important. They are all important but the consistency over time I think is really important. As I said in December it is really important that we have a plan and that we stick to that plan over a longer period of time so that folks kind of know what to expect; things are predictable and we have a revenue stream that we can rely on. Our rate structure is really based on recovering the full costs of service and when you look at it we have tiered residential structure that getting at some of those goals really subsidizes the users of the first tier of water, in other words, the first roughly 3,000 gallons of water that is used is subsidized for all of our customers by the customers who use more than that. That is an affordability component but it is not really based on the financial need; it applies to everybody across the board. But customers pay for the level of service they receive. There is a different cost of providing service at different levels and for different types of customers so the rate methodology really strives to assign those costs that are incurred by a particular class of customers to that class of customers. It also then provides an incentive for efficient use; some people call this the conservation message so that is another purpose of it.

For commercial and industrial customers, we don't put them through the tiered rate; their usage is generally more consistent across seasons and across day to day so we can provide service to them at a higher level more efficiently because of that uniformity. Then we have a fixed component of our bill that is not based on how much you use; it is based on how we make the service available to you. It is sort of like an access fee is what I've heard it called also. If you want to become a new customer to our system you pay a onetime fee to buy in to the capacity that is already built and then we charge a series of miscellaneous fees for other services that we provide to our customers. That is generally the basis of the overall methodology and the philosophy so then as I said earlier, we try to allocate the costs that are incurred by a particular group of customers for a particular service level to them. That is a pretty in depth process, it is pretty detailed; that is one of the things that we often use consultants to help us get right as we move through the budget and rate setting process, but we look at things like how much water or what is the average day demand. In other words that is kind of the base amount and then you have people who use a high amount of water but they only use it occasionally. Those would be those hot days in the summer so we have to have those pumps that we might not use all that often, but we have to have them there, we have to have built the pipelines large enough to accommodate them so they cost us more. They cost the system more to provide for and then there is that maximum hour. These are the folks that use water at a really, really high rate for a very short period of time every now and then or maybe on every day but only for an hour or two. Again you have to have that capacity to be able to meet that demand when it happens so we charge a higher rate for that level of service. We have a fee that recovers the customer service part, in other words servicing the account, mailing the bills, the kinds of things that we do just interacting with our customers. We provide fire protection services; there are private fire lines in most of the commercial and industrial buildings across our service area. We provide that service; we also provide the public fire hydrants so when there is a fire no-one gets a bill for that water. No-one gets a bill for the water that is used to put out a fire, but we all pay for it so it is part of our rate structure. Then there are some indirect costs and then we have the industrial users; these are folks that discharge wastewater back to us that is not like the wastewater that comes from our houses. It is not domestic wastewater; it is a higher strength so it requires more treatment, a higher level of treatment and makes our treatment process more expensive. We try to isolate those costs and charge those back to those customers that are incurring that costs.

I'm not going to read these to you but these are some terms that we talk about a lot so you might want to keep this sheet handy as we go through so you will be able to keep up with what these acronyms mean. This is just a slide that illustrate what the residential tiers are so you can see in the various tiers how much water is in each tier and how much we charge for water in that tier so it is cumulative so the first four CCF, roughly 3,000 gallons that a customer uses, they pay \$1.33 per each CCF. That is for all residential customers. If you move into the second tier that fifth CCF is billed at \$2.66 per CCF, per 748 gallons, so you can see how that works through there. I mentioned that tier one is subsidized; we recover that subsidy in tier two and tier three. Half of the subsidy is recovered by the tier two customers and half of it is recovered by the tier three customers.

Councilmember Lyles said I'm trying to recall, when you came in and did this presentation before there was some comment around this chart and where there is equitable issues and I'm trying to recall what the consultant said. Can you remind me?

Mr. Gullet said I think I have a slide coming up that will illustrate that; there is a slide coming up in a couple that I think will illustrate that but if it doesn't bring me back.

One of the important parts of our water and sewer bill is the fixed part that doesn't depend on how much customers use. A few years ago, actually in 2011, we implemented something called an availability fee; it is really easy to get the availability fee and the capacity fee confused so let me be real clear. The availability fee is charged every month to every customer; the capacity fee is what you pay one time when you buy in and put in a new service. Now we are talking about the availability fee, a monthly fixed fee and this is based on recovering 20% of our annual debt service; that is what the methodology pegs this fee to. That is the part down at the bottom; the first part up there is the fixed fee that I talked about earlier that covers our billing and customer service costs. For non-residential customers these are the commercial, industrial, institutional, the folks that are not residential. As I said earlier it is a uniform rate and it is paid by those groups of customers. Irrigation is sort of a special case; for a company, a business or a residence that has a separate meter for the irrigation of their lawn they start paying a water bill at tier three; they skip over tier one and tier two and so the first 748 gallons or first CCF of water they use is billed at tier three then they progress through tier three and they start paying tier four rates. But they don't pay a wastewater fee because that water is not coming back and remember our principle is pay for the service that you receive so you are not getting a sewer bill for irrigation meters.

Mayor Clodfelter said Barry, is my memory correct that now all the irrigation systems have to be separately metered?

Mr. Gullet said there was legislation that was passed a few years ago that requires all new in ground irrigation systems for lots that were plotted before a date, and I can't remember what the date is, but is fairly recently, they have to have a separate irrigation meter, but there are a lot of grandfathered systems that do not have separate water meters. Then we have a few what we call bought customers and I will give you an example, one is York County, where we sell water to another jurisdiction outside of our service area. We sell it to them through a big what we call a master meter; they distribute it and they resell it to their customers at their own rates. We charge them the tier three rate; it is a policy decision that was made some years ago to charge them the tier three rate for all the water that goes through that master meter.

Mayor Clodfelter said does the bulk rate apply to folks like bottlers?

Mr. Gullet said no it does not. The bottlers would pay the commercial, the non-residential rate, the uniform rate. Another part of the rate structure is how do we get our money back; how do we bill so the billing process we do monthly, you are going to hear a little bit more about some changes that we are going to make in the billing process right after I finish but there are a couple of key parts here. First of all the billing is monthly and it is a services bill; people call it their water bill but it has three things on it. It has your drinking water, you sanitary sewer and your storm water are all on that bill. This is an example of what the bill looks like so you can see how it is structured. It shows a 12-month history of usage; some of you get water bills and some of you may not get water bills if you are not a direct customer of ours and it shows the meter reading dates, it shows the tiers, how much water the customer used in each tier. This was a 7 CCF bill; this is a typical customer and then it shows how many gallons that is equal to and then it summaries their charges up here, but you can see the water,

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their sewer use fixed fees and availability fees and the storm water fee is stuck in right here and then the total bill.

This is where I think we can get to your question; what this chart shows is the relationship between consumption and revenue. If you look at that tiered residential rate structure you can see that most of the usage is in tier one. This is consumption and this is corresponding revenue so you can see that over half of the consumption is sold at tier one, but when you look at the revenue it is only about a fourth of the revenue. By contrast, look at tier four which is only 9% of the consumption but produces 30% of the revenue and the issue with this is that when we have variability in water usage because of weather or economy the first gallons that get cut are in tier four so it is highly variable, very hard to predict, but we depend on it for a very large component of our revenue. That is something that we need to work on. This is just a bill comparison showing how Charlotte Water bills compare to other utility systems; you can see we compare very, very favorably. We are right here; this line is the median of the water/sewer bills for those cities for that 7 CCF customer. This chart is a little different; this chart is showing the fixed part of the bill. In other words this is not the variable, the per CCF, this is how much of the bill they pay regardless of how much water and sewer service they use. The point with this bill is you can see they are really kind of two or three groups here; there are some folks down here who don't have much of a fixed component at all, then there is a group in the middle that have sort of a medium moderate fixed component and then you have this group which apparently had a very high fixed component of their bill. That is something to keep in mind as we go forward.

The capacity fee; remember this is the one-time fee, this is what customers pay when they get a new service and it doesn't matter whether they are in a new subdivision or whether they are on an infill lot or whether they are in a commercial area, they pay a capacity fee if they make a new hole in the water main and run a pipe to their place of business or their place of residence. It is based on the value of our system; it is proportional to a meter size, most residential meters are all the same size but when you get above that businesses have different size water meters depending on how much water they need. The larger the meter the more capacity we have to build into the system to serve them, the higher their capacity fee because they are going to use up more of the capacity that we have built into the system than that house is. This is a comparison of those residential capacity fees, in other words if you live in these various cities and towns this is how much you would pay. They don't all follow the capacity fee; different systems have different names for this but it is the same purpose and they do the same things and they are calculated in different ways in different cities, but you can see again there are a couple of groups here. There are some folks on the low end and there are some folks in the middle and there are some folks on the high end. Again you can see the median again here with these cities and you can see where Charlotte is; we are well below the median. When you look at those larger customers, those larger meters this is not an insignificant costs, this is actually pretty expensive. These are the various size meters so it starts with a one inch and goes up to an eight inch and I want to point out that when you get over to the right-hand side of this chart these bars actually continue way up; they go up about twice as high as this graph does, so we just ran out of graph. You can see how Charlotte compares in terms of what it costs to become a new customer, to build a new business, to build a new industry here versus what it costs in some other cities. These fees are good but they are highly variable; they are very dependent on the building activity that is going on. Let me show you how we got into a little bit of a problem a few years ago. We were cruising along in the early mid 2000's and Charlotte as you all know was growing like crazy; there were new houses being built everywhere, new businesses and so the revenue that we were getting from these capacity fees was increasing significantly every year and you can see we were up in the \$18 million to \$19 million range of revenue from this source and then the economy tanked and look what happened. It dropped all the way from almost \$19 million down to \$6 million. That was revenue that we had to make up through that variable part of the water rate so our existing customers basically picked up the difference in that decline. What is happening now is we are seeing the trend pick up again. We need to be really careful that we don't rely too heavily on over projecting revenue from this source and then we have something that is completely out of our control cause us not to get that revenue; something that impacts the economy, impacts building and changes the revenue structure.

The challenges that we are facing is the variability; predicting water sales is a no win game. If it is too dry and we have to go into any kind of mandatory or even voluntary water use restrictions that cuts down on usage. If it is too wet people don't water their grass and they don't use as much water so it is really hard to predict how much water we are going to sell. We have no control over how much water we sell. The only people who control how much water we sell are the people who turn their faucets

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and their sprinkler systems on and off so we pump what they use; we sell what they buy. There is a lot of variability there and that is a challenge. The tier four rates; we go back to the pie-chart that I showed you and remember how slender that slice was on the consumption side and how big it was on the revenue side. The trend is that tier four consumption is going down; tier two consumption is going down; tier three is about flat and the only one that is going up is tier one. If we keep trying to get more revenue out of tier four by raising the rates we are getting close to the point where – it is already diminishing returns but it is going to start decreasing revenue instead of increasing revenue.

Councilmember Howard arrived at 6:08 p.m.

Councilmember Lyles said so in tier one what you've got is a situation where over 50% of the consumption less than 25% of the revenue and the rates are subsidized and that amount is going up and where those other folks are subsidizing tier one they are going down. Something is out of whack.

Mr. Gullet said it is concerning; this rate structure was put into place during drought. The basic rate structure here was put into place during drought for a particular purpose and it served that purpose, but it is time to start looking at the long term sustainability of it and how do we make it work for the future going forward.

Ms. Lyles said the goals don't have anything in it about the idea of usage; the goals are recover full cost, equitable, affordable, encourage. Is the encourage efficient water use your capacity issue? I don't see that as a goal in your rate structure dealing with consumption or capacity or predictability of it.

Mr. Gullet said that is the consistency part has a lot to do with that; consistency and predictable.

Mayor Clodfelter said Barry, as an interesting observation of tier one and tier two, are you able to extract from those how much of that uptrend in one and downtrend in two may be related to conservation measures being implemented in households?

Mr. Gullet said I don't have any data to support that but antidotally we think that is a lot of the issue because new houses are being built and they quite honestly have very efficient plumbing fixtures in them and that cuts down on their water usage. There is also a lot of multifamily building that has taken place in our service area in the last five to 10 years and typically multifamily will use less water than large lot single family, even small lot dense single family. There are a lot of things that are driving these trends and I will also share with you that every time we go out to a conference or training session with our peers from across the country we all have the same story. This is not just a Charlotte trend; this is a national trend. This is what is going on in utilities all across the country and I believe it has a lot to do with those two things. It is the trend across the country to more dense housing in urban areas and it also a trend of more efficient water fixtures.

Mayor Clodfelter said that is the point. I don't want to look at that as sort of a bad thing.

Mr. Gullet said oh no, it is not a bad thing at all.

Mayor Clodfelter said it is a great thing and it means that our financial model needs to change.

Mr. Gullet said what we've got to do and the challenge that we face is line up our rate structure with our forecasting. We have avoided tens if not hundreds of millions of capital expenditures in the last five to eight years because of this declining water use. We have taken expansion projects out of our capital program because the growth that we saw in the 90's and 2000's that was just exponential has leveled off so it is saving us a lot of money, but we had this transition process that we have to go through to get our planning and our financial modeling and our rate structure lined up.

Councilmember Austin said I want to go back to slide #10; you indicated that we sell water to other cities at tier three rates. Do we increase that at any point when we are experiencing low water usage and charge them a premium rate and why did we choose tier three and not tier four to other cities?

Mr. Gullet said during drought time we go to those bulk customers and there aren't very many; we are talking about a few, York County is one of the larger ones. We have connections with Concord but
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they very rarely ever buy any water from us and we have some smaller connections where we have subdivisions that sort of lap over county lines and we have some small areas like that. Generally we go to them and they implement the same kind of restrictions that we do or more stringent. When we were selling water to Concord in the 2000's and we were in a drought their conservation measures were more stringent than ours. We do require them to do that. We used to sell it to them a lot cheaper than tier three and so the tier three rate was put in as a point where it was unlikely that they would profit from it, in other words we really didn't want to set up the situation where our customers were subsidizing their customers so tier three gets us to that point where we are getting our costs back. Because their usage is somewhat consistent we are able to do that.

Councilmember Driggs said I was struck by the fact this is a little bit like the problem with gasoline which people are using less of and it is creating less tax for roads. One thing that strikes me about this Barry is you've got a lot of volatility in your revenue and a small kind of stable revenue based on our current fees and on the cost side you have very low volatility. Is there a way to kind of put numbers on that; what percentage of your costs roughly is fixed or capital related versus the very quickly adjustable variable costs?

Mr. Gullet said I'm going to throw out some real ballpark numbers here so I might be a little bit off but I think about 80% of our costs are variable and about 20% are fixed operating expenses. Oh, I'm sorry I've got it backwards; I had it right in my head it just didn't come out right. On the revenue side it is about 20% fixed and about 80% variable.

Mr. Driggs said in a nutshell our problem is that if we try to kind of close that gap then that has implications for the pricing structure which would be politically sensitive and that is kind of what we are building up to.

Mr. Gullet said the fixed fee increases have a higher proportional impact on the low water users than they do on the people that are using a lot. That is one of the challenges.

Mayor Clodfelter said Mr. Gullet, let me do a time check with you; we've got about 15 minutes and we've got one other item but that is your item. I think Council is interested in this item; what do you want to do with the other one? Do you want carry on with this?

Mr. Gullet said I will tell you this; there are six slides in the other presentation and I think I'm getting close to the end here. I will try to go fast. This is a chart just to show you where the money comes from; the various places that the revenue comes from. You've seen this cart before in various forms; it just shows what we were talking about that over all our water sales are decreasing. We looked at this chart a minute ago so this gets us to really what we are building up to; this gets us to the things that we would like to hear and talk about and discuss and figure out which ones to do more detailed work on going forward. The rate methodology when you get down into the inner workings of it can be fairly complex so some of these models take a little bit of work in effort and time to do. We want to do the things that folks are interested in hearing and learning about so some of the things that we would put on the table for discussion; one is to isolate revenue streams for capital and operation and maintenance so that there is a closer tie between our rates and those two categories. The next thing is very similar which would be to set up a sinking fund or some other dedicated revenue stream type process to fund one or both of those categories. The third thing we will put on the table is what we were talking about earlier and it has to do with that tier one subsidy and what to do with that thing. Does it stay, does it go, do we change the number of tiers or do we just eliminate the subsidy? The next item is to consider the fixed component of the rates and Councilmember Driggs' point is should we look at expanding or increasing the fixed component and how do we do that. Another item that came up last year during the budget process and we talked about it again this year is the frequency of rate increases so it is possible to have a different frequency than we have. I think there are advantages and there are pros and cons, depending on your perspective and so we need to look and talk through and discuss those and come to some understanding about what to expect. Should we expect to do them annually or should we expect some other frequency? The last item on the chart is really to check out that capacity fee for new connections. Even though it is very volatile is there a way that we can restructure that or is there a way that we need to change that so that it becomes a more integral part of our revenue structure?

Councilmember Howard said what is not up there, but actually looking at a way to drive capital costs down through technology and other things as well. I would have to believe that technology is getting better for you as well.

Mr. Gullet said it is; technology is getting better and what technology allows us to do in a lot of cases is to hold down staffing levels in some cases but what it also does is it adds a different kind of expense so you offset one type of expense and a lot times the cost part is a wash, but effectiveness or the quality of the service that you provide goes up. You get more capabilities for the same dollar so there are challenges both ways, but we invest a lot into technology in our plants and in our business systems both.

Mr. Howard said I would just like to know if that has residual effect on this whole equation as well.

Mr. Gullet said that was really the December presentation when we talked about the capital investments and our operating expenses, but yes that was step one of that four-step process for setting the rates. The first step is to figure out how much money you need and then you go through the four steps to get the rates in the last step. There are some potential benefits of these items that we talked about.

Councilmember Mayfield said the concern I have is when we are looking at the potential options of how we move forward, is the reality of what this impact will be on those that are most in need. One, we think of our seniors when we think of those that are below the median income, when we look at our other studies that are going on so that we are having similar conversations and we are looking at the lack of upward mobility and we are still looking at our high unemployment rate more so in certain areas of the community than others. When we are looking at options of how we try to move forward to maintain the quality water service that we have I would like to see a few more options that do not consist of an increase or to the bear minimum of negative impact on those that are least likely to be able to absorb these types of changes.

Mr. Gullet said I understand Ms. Mayfield and that is one of our challenges; again the rate structure figures out how to distribute the costs and all these decisions have impacts on those groups that you just talked about. One point that gets brought up from time to time has to do with the relationship between low income families and low water usage and I don't have data in my head right this minute, but I will tell you that what we generally see is that is not real tight relationship and that a lot of times low income families are not the low water users because of various circumstances but there is not that tight of a relationship between low income families and using a lower amount of water. That was really one of the assumptions that drove that tier one subsidy. That is something that we need to look at; I get your point and I understand.

Councilmember Autry said do we know how many people are still on a well?

Mr. Gullet said we know how many people are on Charlotte Water and I'm not trying to be smart, but we don't track wells and the County tries to but the numbers that they publish, I will tell you, they don't line up in my head because there is census data out there about the total number of houses that are in the county and when you add the number of water services that we have and we know that because we mail them a bill every month; and you add the number of wells that the county says are out there, it goes way above the number of houses that the Census Bureau says are in our service area, so there is some misalignment there somewhere. I don't know which one of those is off, but something is off. There are still wells out there but I don't think there are a great number of them.

Mr. Autry said I've got one.

Mr. Gullet said I will also tell you that there are a lot of people who have wells and a Charlotte Water connection and that is fine as long as they don't connect them together.

Mr. Driggs said I just want to say that I'm impressed with the fact that we are below the median on a lot of those charts you showed for the costs, but we are also behind in terms of covering our costs. I assume that if we right size our pricing structure then that will change where we are relative to the median.

Mr. Gullet said not necessarily because again what would change where we are relative to the median is changing how much we are investing into the system. If we invest more than we would probably rise up; if we invest less we will drop down. I don't really want to make this a race to the bottom; what we need to fund is the right amount for our community and our system to make it work over the long period of time.

Mr. Driggs said the point I wanted to make was you're positioning this as we have to come up with a revenue structure that meets our costs and I'm saying we need to be pretty clear about how we arrive at what that costs requirement is too, and be accountable for that. Otherwise you could have a revenue structure that covers anything so that needs to be part of the theory.

Mr. Gullet said absolutely, I agree.

Ms. Lyles said one of the things I wanted to say is this has been referred to the Budget Committee for review and I would like to go back to the alternate approaches for further discussion and make sure that the Budget Committee has captured all of this and the one that I think has been added has been made the point by Mr. Howard and Mr. Driggs is that when we look at these approaches we need to look at the costs structure as well, but I wanted to check in with the Council to see if there is anything else or do we have agreement on this because we need to have some focus for our discussion in the budget session. The one bullet I think we would add to this is this includes the examination of the expense side as well. Is that fair?

Mayor Clodfelter said I think that is fair and I don't think that was going to produce the big dollar result people thing it is going to.

Ms. Lyles said all of these are open for discussion; is there anything that anyone would say absolutely I can't live with? I want us to spend our time appropriately.

Mr. Driggs said I think based on what Ms. Mayfield said; there is actually a poor relationship between the quantity of water consumed and the incidence of the costs. It is a separate topic and I think a difficult subject as to how we take into account the ability for people to pay for water. It is not part of the conversation we would have just based on this because we don't have anywhere in here a metric that takes about the ability of the particular household or user to pay for water.

Ms. Lyles said that is correct.

Mayor Clodfelter said hearing no objection we are going to let the Committee look at this list.

Mr. Mayfield said just piggy backing on my colleagues, because I'm more of a visual person anyway so an example, you drive through some of our neighborhoods the chances of seeing people out watering their grass, doing irrigation and things like that are going to be greater in some parts of the community than you are going to see in other parts. If we are looking at different structures those are things to take into consideration even though we are saying the tier one structure was to look at how much water usage is going on in a house, how deep of a dive do we really dig into it because to be perfectly honest, if Mother Nature is going to take care of my yard because I'm not going to be standing out there wasting water on the grass. If it rains it is good and if not you are not going to have a good time. There is a big difference in some areas opposed to others because some people use more water, but when we tell the community conserve on your water usage and the community agrees and goes above and beyond, but then the way we reward the community is we then increase your rates because now we are not figuring out how we are going to balance out the cost. I definitely agree we need to look at some more energy efficient ways, but keep in mind that if we go in that direction that is still going to cost upfront money because it is going to cost money to bring us into this new technology. It is that long-term discussion of how are we really working towards balancing how water is being paid for, knowing that we all need it and we all use it with different capacities. Also when you look at car washes, what is the billing rate of me taking my car to a self-service car wash versus a different car wash versus me washing my car at home and what is that impact?

Councilmember Phipps said one of the components on this monthly service bill has to do with the Storm Water and the impervious area of Storm Water. At some point I would like to get a feel for how that is computed and if that can be challenged in anyway by the homeowner.

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City Manager Ron Carlee said that is a different topic with a different department which is on your schedule and we will also be in Budget Committee to work through the models there.

Mayor Clodfelter said we had the first round of the presentation of that in last month's session. That was also sent to the Budget Committee.

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ITEM NO. 4: CHARLOTTE WATER BILLING CYCLE ALIGNMENT PROJECT

City Manager Ron Carlee said if you and the Council have no objection the next presentation on the change in Water/Sewer billing I will do downstairs for the Manager's Report.

The Dinner Briefing was recessed at 6:31 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 26, 2015, at 6:41 p.m. with Mayor Dan Clodfelter presiding. Councilmember present were Al Austin, John Autry, Michael Barnes, Ed Driggs, David Howard, Patsy Kinsey, Vi Lyles, LaWana Mayfield, Greg Phipps and Kinney Smith.

ABSENT: Councilmember Claire Fallon.

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INVOCATION AND PLEDGE

Councilmember Kinsey gave the Invocation. Boy Scout Troup #395 from Pine Valley Neighborhood led the Pledge of Allegiance.

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CITIZENS' FORUM

2015 Multi-Jurisdiction Hazard Mitigation Plan

Tom Drake, 502 Dallas Street, Huntersville, NC said I'm here tonight to talk about the threat posed to our nations electric grid by the 100-year geomagnetic storm. I want to first recognize Emergency Management Director, Jeff Dulin and his staff for being apparently the first in the country to include geomagnetic storms in a local jurisdiction's hazard mitigation plan. They are taking a leadership role and increasing public awareness of this threat. This threat was first documented in 1989 when a moderate size geomagnetic storm brought down the grid in Quebec and part of the northeast permanently damaging numerous extra high voltage EHV transformers in the process. The damage to the EHV transformers is significant because they are large custom built and expensive. The normal lead time to replace one is one-year. They also make up the backbone of the electric grid. Worldwide production is only about 200 per year. In 2008 a leading research developed a model to simulate the effects of a 100-year storm on today's electric grid. It showed 365 EHV transformers being damaged resulting in a collapse of the grid east of a line from Chicago to Memphis to Jacksonville, Florida and in the Pacific Northwest. Obviously no replacement transformers will be built in those regions. When the model went public the power industry predictably came under pressure to harden the grid instead of accepting the vulnerability and figuring out a pay for the hardening, the industry circled their wagons and denied the vulnerability. The crux of the problem is that no utility has ever been hit by a 100-year storm since the last one was in 1921 when there was no grid. As a result there are now three Bills in Congress to force hardening of the grid, when allowed votes have been narrowly unanimous, but none have made it through both Chambers. The Executive Branch is trying to use a rule making procedure; Maine has passed State Legislation to require hardening, other states have similar efforts including North Carolina. Electrification was voted the greatest engineering achievement of the 20th century.

Affordable technology exists to protect that achievement. The public will soon demand that grid vulnerability is a physical attack, cyber-attack, EMV attack and geomagnetic storms be addressed in a coordinated way. The grid is just too important to all of us.

The industry needs to get on board with developing the most cost effective measures to harden the grid and then we all need to pony up for the \$10 or so for our share. The 100-year storm is out there; it is not a question of if, just when. The only thing protecting us now is luck; there is a reason that sane people don't play Russian roulette and it is not the odds it is the stakes. The stakes are just too high to gamble with the grid so work with our State and Federal Delegations to get them on board, help Duke get over their institutional paranoia of regulations and rate hikes. Convince Duke that you don't need to kill the goose that lays the golden eggs you can just let it die of neglect.

Mayor Clodfelter said Mr. Drake is there pending legislation in North Carolina on this subject?

Mr. Drake said to my knowledge there has been a presentation made to one of the Legislative Committees, but I don't know that there is an actual Bill.

Mayor Clodfelter said that is something we will follow-up on also; thank you for coming tonight.

Sewage Sludge

Rodney Kindley, 2131 St. Stephens Church Road, Mt. Pleasant, NC said I am here tonight to voice my opposition to the dumping of C-MUD bio-solids on farmland in Cabarrus County. We have a local farmer, Phil Cline, who is currently in the process of applying for a permit that would allow him to proceed with this process. Mr. Cline, along with Hamill Construction Company and Carolina Stay Light were given citations from the North Carolina Department of Environmental Quality in December of 2014. They were charged with several environmental violations including operating a non-permitted waste site and allowing waste material to enter a nearby stream. Along with emissions control dust from Carolina Stay Light the dump site included plastic wrap, plywood, cut lumber, logging dust from poly-bulk bag and crushed metal barrels. The tributary leading to Little Buffalo Creek contained 22-foot of emission control dust build up in the bottom of the stream. This resulted in the loss of use of the channel for aquatic life. Simply put all the aquatic life in the stream died. Pure water has a pH of seven; below seven of course the water becomes ascetic; anything above seven water become alkaline. Downstream from the emission control dust the stream pH measured 9.5 which is the equivalent of baking soda. This is a prime example of when there is not monitoring of ground or surface water in and around a dump site the possibility of major contamination can occur. In essence we are leaving it up to the farmer to insure he is following EPA guidelines and procedures. I respectfully submit to you that this is a job he is not qualified to perform nor a responsibility that is not fully his to assume. Because the EPA's own website cannot state with certainty that all contaminants are removed from bio-solid waste I urge you to quickly and decisively deny the issuance of these permits now and in the future to preserve the quality of land and water in Cabarrus County.

Now I would like to address you from the heart of a grandfather. I have two lovely grandchildren who live here in the City of Charlotte. When they come to visit me in Cabarrus County, the tributary that runs behind my property is Little Buffalo Creek. I have in the past allowed them to play in the creek, to throw rocks, to look for crawdads, things that little boys do. But based on what I have read about the bio-solids and the possibility of contamination I would urge you as a grandfather to reconsider these permits.

Roy Riley, 11311 Klutts Road, Gold Hill, NC said I'm a retired Navy Captain of 30 years and I live in this neck of the woods and I would like to read this to you. "It looks like Phil Cline has been put on the bad actors list at North Carolina DNR meaning that since he has accumulated three notices of violation regarding the management of his farm and the Army Core of Engineers is now involved. It may re-evoked his sludge spraying application and exempt him from all future permit applications". My sources tell me that they are probably going to revoke his applications but we need to keep pushing since the official draft of the permit is set to be in next week. Given the severity of the multiple notifications of violations handed down to Phil Cline by three branches of North Carolina DNR. I believe that Phil Cline is negligent and too irresponsible to accept sewage sludge. Sewage sludge violations are self-reported. Many things like rain events after application of sludge requires the farmer or the public to report to DNR. Phil Cline has demonstrated neglect for the natural resources in

Cabarrus County/Gold Hill for seven to 10 years. He demonstrated that he has no concept of adhering to rules. Notices of violation were for land included in the permit application and there is strong possibility of more sites. Phil Cline may have been intending to combine this emission control dust with the sewage sludge as an achromatic soil pH stabilizer and it may contain toxic compounds at levels that would not be tested for since only the sewage sludge is tested. Notices of violations say that they are no longer any aquatic life downstream on Little Buffalo Creek. Destruction of all of our aquatic life in the waters of the state is a serious issue that demonstrates absolute negligence for the environment. I am requesting that Phil Cline has his application, including but not limited to the land he owns and land he leases or farms from the proposed sewage sludge program from Charlotte as well as already permitted site in Rowan County.

Mayor Clodfelter said Mr. Manager, Mr. Gullet I assume we are going to get a follow-up report on these notices of violation we are hearing about. Let's be sure we share the follow-up information with the people who are speaking tonight.

David Cole, Chester, SC said I would like to reiterate what Mr. Riley just spoke of. I'm in South Carolina and we have in South Carolina a federally protected species; the species of the Carolina Heel Splitter and it borders one field where Mr. Gullet's program has been granted to apply. I've worked pretty closely with the Fish and Wildlife Service Federal Agency and they came in and did a survey looking for the Heel Splitter; they knew the populations were there and at South Fork and Fishing Creek, they went up through the creek and they looked for that particular species; they didn't find any. This mussel has the same protection as the bald eagle. Folks such as Charlotte Water will say that it is perfectly safe it doesn't run off. I was there September 19th after Charlotte had their permittee come and spread the city toilet waste and industrial waste on these fields. The creek changed color; it rained after they spread and the creek changed from a nice aquatic normal color to a milky white color not two days after they spread. You have a problem with this program and I'm again asking and begging Charlotte to start doing the right thing. We are neighbors; I don't come up here and cause trouble and I don't want you coming to my community and causing trouble in my community. We have to find a way as neighbors to live together and to live in a way that doesn't cause problems. There are plenty of other things you can do with sludge. You the Poo to Power Plant in Cabarrus County; they produce green energy from your toilet waste. It is there, it is operating and they need more material. They can take 50% of Charlotte's waste at that plant and produce power. I'm asking the Council to please follow-up on them; I'm also asking the Council to start an exploratory committee to start looking at this problem and stop dumping your problems on your neighbors. In Rowan County the average income is \$44,000 a year; in Charlotte it is \$55,000 a year. In Chester County where I live it is \$33,000 a year. You are dumping your waste on people that are ill prepared to protect themselves from Charlotte Water. I'm asking you; I've been asking you and I'm asking you again to please cut it out.

Lance Riley, 6508 Reafield Drive said I just want to elaborate on some of the notices of violation; just be forewarned that this emission control dust containing lime of a pH known to be above 9.5. After a brief discussion on the phone with Jean Creech, Manager of the bio-solids application program, Barry, I'm sure you are familiar with her, she says oh, Mr. Cline is applying that as a soil stabilizer and when I said it is emission control dust, have you seen the notification of violation from DNR, three branches, not just one, not the water, not the solid waste, not the energy, but all three of them. She said are you recording this conversation. Emission control dust, this is what is being spread all over where you are trying to permit sewage sludge spreading. I believe that this agronomic application of this is in serious violation; we are waiting on tests to come back from NC DNR so I'm here to help; I'm here to extend a hand. I'm a Charlotte Mecklenburg resident but I had my interest in Gold Hill; my father lives there, my family lives there and my friends live there. I'm here to propose that we, you and I work together; we start an exploratory committee to stop this pollution because guess who is going to get the blame after all of this come down that there is metals and all kinds of things like this involved with this lime and you are going to apply sewage right on top of it. Who do you think is going to get the blame? Let's think about this realistically so I'm proposing that you form an exploratory committee including myself; I have a PhD in Aquatic Scientist from the University of Florida, I have over 20-years in the wastewater remediation research and development, fully qualified and I would like to lead your City to help you become better neighbors, better proprietors of the environment and not to deal with characters who will stick you with the blame. I believe that this is going to happen if you do not take action now and revoke these permit applications because the permit has not been set in stone. I'm urging you to do the ethical thing, form a committee, a righteous committee an un-patronized
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committee by the industries, by the developers, by everybody else that is on the committee, a soul authoritative committee to investigate what is going on, what is being applied, how you are applying it and what exactly the consequences are because I don't think you understand.

Mayor Clodfelter said Mr. Riley I'm going to ask you a question, not to give you more time because I'm not allowed to do that under the Council rules, so give me a fairly short answer. Where did the emission control dust come from?

Mr. Riley said Carolina Stay Light that is generated from lime that is made to catch metals and different organic acids that go into the atmosphere which are otherwise captured in the lime because of the ph.

Mayor Clodfelter let me tell everybody who is here on this subject that after you all talked to us last time we did commission Charlotte Water to get on with a conversation with WASI and they have had several meetings face to face at the plant to look at the bio-solids cake that is generated out of the Charlotte Water Plants and whether or not it could be adapted to be burned in the WASI incinerator. They are working on that and I understand we've got a report either today or a report is going to be released to us fairly soon about the results of what it would take to get those bio-solids burned in the incinerator. Mr. Gullet I think we should get a copy of that report to folks if we can when it is available and I'm going to talk with Councilmember Autry who Chairs our Environmental Committee about the suggestion you folks have made and we will talk about what we might be able to do. We are following up on your suggestions and we don't have the answers yet so hold your applause for now.

Councilmember Autry said what role does the City have in approving these permits?

Mayor Clodfelter said I think we are a permit applicant; I don't think we are a permit approval. Is that correct Mr. Gullet? These are state permit principles. We have some follow-up to do in addition to the follow-up that Charlotte Water has already done about the incinerator issue.

Hear4NC.org

Jane Jordan, 9510 Elizabeth Towns Lane said I would like to concede my time to Mr. Olie Masson who drove from the coast to be here tonight. I didn't know he would be coming with me tonight originally to talk to you about a wonderful non-profit to help homeowner's protection rights and homeowner's association. It is called Hear4nc. It is a lobby group to pass legislation in 2015.

Olie Madson, 2219 Brewster Drive, Myrtle Beach, SC said I've learned a lot of things and I've been doing this for six years and found out that 53% of the population is in an HOA and I think I know that 99% of them are unhappy. That results to five million people that are unhappy and there are different versions of what to do and how the documents should be done; none of it is right. What we did, we proposed a law; we had two laws in the legislature in the House, 883 and 887 last year and I'm going to Raleigh on Wednesday and looking for sponsors and we will have, two coming out of the Senate and two coming out of the House. Basically nobody knows how the association works, nobody knows the laws, most of the declarations are written wrong, the by-laws are written wrong and basically an association is a democracy and people just aren't use to it. It is hard to learn because we are used to representative government. Everyone is telling the homeowners what to do but they pay the bills, they own the land and they have the rights but it seems they are the last to get them. That is a big concern and we speak here once a month; we are down at the Morrison Library every third Monday we are here in Charlotte and would like to invite you. We have a newsletter coming out and it is very enlightening about what can be done.

Mayor Clodfelter Mr. Madson if you want to get e-mail addresses before you leave here tonight and make sure all of us know when your meetings are and when they are scheduled that would be helpful.

City Budget Process and Allocation

Vincent Frinsina, 3140 Edsel Place said I live in Windsor Park; first Ms. Kinsey, I dropped off something as I left on the phone from Andy Wingo. Second up is the cemetery; I spoke on this last year and what has happened since then and you did not know when I first spoke about it, I said contact the Mayor, City Manager or the City Attorney and I put a little square. That little square I cut out and

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put on a grave marker back then so hopefully that will raise a few eye brows now. That is an unmarked grave on a church that I had complaints from two African Americans and I personally saw children playing around a space heater. That church has been removed; many, many questions and I would like this to be handled out of your office Mr. Mayor. Property taxes are being assessed, why if it is a cemetery what changed it from not having property taxes to property taxes. Second, there is a clothing ben that I don't believe was authorized by the church that is sitting on the property. It is trapezoidal and it is collecting clothes; there are autos for sale a lot of times and somebody put limbs on this particular property that they have cut from another property and it is a whole mess. I would like to have someone really take a look at that and come out there with me to show where this grave is and hopefully, and I talked to Bob just last year and mentioned it because I'm still not sure if – that property has a lien for \$51,000 for tearing down the church. What happens to property that you can't dispose of in anyway shape or form? Next item up, I tried to put money into the City's budget where a lot of people were going ahead and trying to take money out for envelopes. I've talked to Kim Eagle about this; it is all on record. I'm going to be going through her and see if that works out on there. You all know about the Storm Water issues; I went to the County Building Enforcement with two other people and one of the same I always ask for the organizational chart. He was able to get me there but when I went to the City on Engineering and Land Management you couldn't even print one out. So what I'm going to ask from Mr. Carlee, make all of your departments print one out; you don't have to do it every time you change it and then offer to sell it to say look you can purchase it because the public does not have the ability to get a PDF and also print it on off size paper. This would be a quick service that you could do for people who come down who want to know about the organization. Lastly, I have been working with Debra Campbell on the Storm Water issue that I've had at my house and she said let's hit hard after the first of the year. November 24th of last year, 62 days I still have not gotten the response, not from Debra, Debra has done a great job but I've still not gotten a response. Are you in the construction business, are you contractors for that particular piece of property?

Mayor Clodfelter said you had a long list Mr. Frisina and I think we got it all but if not we will be back in touch with you.

Water Fluoridation Program in Charlotte

Phillip Alexander, 426 Marsh Road said I stand before the Council tonight in disbelief of the lack of response to the fact that toxic waste is being added to our water supply. I've cover the past year and presented evidence that should move any reasonable person's action. This lack of response shows a total disregard for the health of people of Mecklenburg County. Either the Council does not care about the people who they are supposed to represent or you are just not paying attention. For the record hydrofluoric acid is toxic waste and is classified as such by the EPA. Hydrofluoric acid eats through concrete and dissolves glass; these are not opinions there are facts. You can choose to ignore this subject or pass it off as the County's responsibility or invite me to attend briefings on fluoride that never take place. You can tell me to direct my questions to the Health Department who chooses to ignore the hundreds of studies linking fluoride to numerous health problems, including cancer, thyroid malfunction, arthritis and lower IQ's and has yet to provide any proof that hydrofluoric acid is safe. You can ignore the clear warning on the toothpaste and the warning on the safety material data sheet for hydrofluoric acid which clearly states do not ingest. You can ignore the fact that 90% of Western Europe does not practice fluoridation over health concerns. You can dismiss the fact that Israel banned fluoridation last year over health concerns. You can ignore the fact that people should have the most basic right to decide what they put in their bodies. I come to the Council with legitimate concerns about the safety of our drinking water and not one of you seem like you genuinely care. You have no problem spending money on giant TV's and sport arena upgrades but when confronted with a real problem there is complete inaction.

The Council is supposed to represent me and I can't even get my Representative to have a conversation with me on this subject. So I ask the Council is there any among you who have the courage to go against the grain and do the right thing; will any member of the Council take a serious look at the dangers of fluoridation and sit down with me outside of my allotted three minutes or is three minutes all the taxpayers are allowed to have their voice heard? At one of the first Council Meetings I attended a few years ago it was stated that the primary goal of the City Council was the safety of the citizens of Charlotte. At this point from my experience you have failed miserably at that goal. Ignore the evidence all you want, it will not protect you or your families from the waste that is being added to our water supply. You say it is the County's responsibility and not your decision to make, but it is your

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responsibility as humans to alert the public of the truth. You cannot claim you do not know the facts as I have presented much evidence over the past year. Tell the people that hydrofluoric acid is toxic waste and is added to their water supply and see what they have to say about drinking something that has never been tested or approved for human consumption. My words this evening are not intended to insult or belittle anyone; they are intended hopefully to spur you to action and inform the public of the facts.

Mayor Clodfelter said thank you Mr. Alexander; we continue to look.

Homeless Mission

Reverend Willie Simpson, P. O. Box 16537 said it has been a long time since I've been here and I just thank God I'm able to make it tonight. I passed some information to you about the homeless issue that I was here before; I don't know whether you got it or not. I wanted to get an update on whether there is anything more being done for the homeless; it is cold outside and it is will probably be colder if it snows or freezing rain and ice. I want you to look into that continually because from the media I gather that there were buildings that were built and purchased and wasting of millions of dollars. I've heard it, not unless the media is lying about it and I know for sure the Coliseum that was put up and torn down wasted maybe \$40 million to \$50 million. Surely you can do something for the homeless; all of you just looking at me now and those behind me, I'm going to give my P. O. Box; I'm a minister of the gospel and I want to reach out to you. P. O. Box 16537, Charlotte, North Carolina, 28297. That is Rev. Willie B. Simpson; you can write me or either send a donation and we will talk about helping the homeless. I see a lot of buildings out there that can be purchased and that we can house at least 100 homeless people that are out here in the cold, families. We waste a lot of money on buildings, arenas, we build it, we tear it down, what about the homeless. That is why I'm here and I want to add to this, my wife that I brought with me tonight from New York City, she is a writer; she wrote two books dealing with spiritual issues. Now there is a spiritual issue that is causing this problem in Charlotte and all over the world. We know about what they are doing in ISIS and all the other places, schools to toy guns being made to look real. There are a lot of issues I have on my mind I want to deal with but three minutes won't be enough time to explain it. Mayor, you probably need this; it is a letter to all my haters, my wife from New York City wrote this and that is to all the haters. I'm a hater too right now; I hate to see the homeless go unattended.

Mayor Clodfelter said thank you for your passion about the subject. You may know that two weeks ago the City, the County and about 40 non-profit agencies across the City kicked off an effort called Charlotte Housing First. The goal of that is to end chronic homelessness in this City by the end of 2016 and have everybody in a permanent safe housing. Everybody came tougher in that organization and we need, if we haven't already gotten you connected and plugged into those folks, we need to get you connected into them and we will do so because we are off and running on that. I think there is going to be another press conference about some developments on that I've heard a little later this week so all the organizations in the City and County governments are both coming together behind that effort. The goal is to get everybody off the streets by the end of next year.

Rev. Simpson said is there somebody here that could talk with me tonight about that?

Mayor Clodfelter said I don't know that there is somebody here tonight about it, but we've got your contact information for sure and we will make sure we follow-up and connect with you on that.

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CONSENT AGENDA

Motion was made by Councilmember Barnes, seconded by Councilmember Lyles, and carried unanimously to approve the Consent Agenda as presented.

The following items were approved:

Item No. 14: Police Motorcycle Repair Services

(A) Approve a unit price contract with Harley-Davidson of Charlotte for Police motorcycle repair services for an initial term of three years, and (B) Authorize the City Manager to extend the contract an additional one-year term with possible price adjustments as authorized by the contract.

Item No. 15: Police Information Technology Staffing Contract

Approve contract extension #1 with Modis Corporation to provide information technology services in the amount of \$151,000 for a term of one year.

Item No. 16: Charlotte Fire Department Fuel Vendor Transition

Approve fuel purchases made with Great Lakes Petroleum during the transition period from Great Lakes Petroleum to the newly awarded vendor, Quick Fuel Fleet Services.

Item No. 17: Barringer Drive Bridge Second Supplemental Agreement

(A) Adopt a resolution to authorize the City Manager to execute a second Supplemental Agreement with North Carolina Department of Transportation in the amount of \$2,328,000 for preliminary engineering, right-of-way, and construction funds for the replacement of Barringer Drive Bridge, in which 80% of funds will be reimbursed by Federal Highway Administration in the amount of \$1,862,400, and (B) Adopt a Budget Ordinance No. 5564-X appropriating \$1,862,400 in federal funding administered by the North Carolina Department of Transportation.

The resolution is recorded in full in Resolution Book 46, at Page 513.

The ordinance is recorded in full in Ordinance Book 59, at Page 249.

Item No. 18: Pipeline Inspection and Assessment Services

(A) Approve a one-year contract for pipeline inspection and assessment services totaling \$300,000 with the following vendors: Bio-Nomic Services, Inc. (\$250,000), Hydrostructures, P.A., (\$50,000), and (B) Authorize the City Manager to extend the contract for up to two additional, one-year renewals as authorized by the contract.

Item No. 19: Airport Rental Car Parking Deck Office Space

(A) Award a low-bid to Foard Construction in the amount of \$182,279.90 for the upfit of office space in the Rental Car Parking Deck, and (B) Adopt Budget Ordinance No. 5565-X appropriating \$182,279.90 from the Contract Facility Charge Fund to the Aviation Community Investment Plan Fund.

Summary of Bids

Foard Construction Company	\$182,279.90
BL Harbert Construction	\$197,340.00
The Bowers Group, LLC	\$225,280.00

The ordinance is recorded in full in Ordinance Book 59, at Page 250.

Item No. 20: Airport Surface Cleaning Services

(A) Approve a management agreement with Supreme Sweepers, LLC to provide surface cleaning services at Charlotte Douglas International Airport for a term of three years, and (B) Authorize the City Manager to extend the contract for two additional, one-year terms as authorized by the contract.

Item No. 21: Airport Telecommunications Antenna Site Lease Extension

Approve lease amendment #4 with Nextel South Corporation for a five-year lease for a telecommunications antenna on the Airport's Rotating Beacon Tower.

Item No. 22: Airport Telecommunications Contract Amendment

Approve contract amendment #1 in the amount of \$102,387.96 with AT&T Corporation for additional maintenance support for the Airport's phone system.

Item No. 23: Airport Medical Services

(A) Approve a one-year contract with Mecklenburg County Emergency Medical Service Agency for medical response services in the Airport Terminal in an amount not to exceed \$600,000, and (B)

Authorize the City Manager to extend the contract for two additional, one-year terms with possible price adjustments as stipulated by the contract.

Item No. 24: Airport Escalator and Elevator Maintenance Services Contract Amendment

(A) Approve contract amendment #4 in the amount of \$6,964,885.78 with Schindler Elevator Corporation for: 1. Additional maintenance to the service contract for elevators and escalators in the amount of \$5,418,033.78, and 2. A major infrastructure modernization project in the amount of \$1,546,852 to refurbish seven elevators, escalators, and moving walkways, and (B) Adopt Budget Ordinance No. 5566-X appropriating \$1,546,852 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 59, at Page 251.

Item No. 25: Water and Sewer Materials

(A) Approve the purchase of water and sewer materials by piggybacking on a previously bid contract as authorized by G.S. 143-129 (g), (B) Approve a unit price contract with HD Supply Waterworks LTD for the purchase of water and sewer materials for the term of three years, and (C) Authorize the City Manager to extend the contract for up to two additional, one-year terms with possible price adjustments as authorized by the terms of the contract.

Item No. 26: Charlotte Water Lab and Control Room Improvements

Award the low-bid of \$122,240 to Roper Construction Company for the Operations Lab and Control Room improvements and associated accessories.

Summary of Bids

Roper Construction Co.	\$122,240.00
Edison Foard	\$167,500.00

Item No. 27: Lee S. Dukes Water Treatment Plant Repair Services

Approve a contract with Carolina Tractor and Equipment Company to repair the engine and generator at the Lee S. Dukes Water Treatment Plant in an amount not to exceed \$400,000.

Item No: 28. Refuse Truck Replacement Repair Parts

(A) Approve the purchase of New Way and Loadmaster Original Equipment Manufacturer replacement and repair parts and related services as authorized by the sole source exemption of G.S. 143-129(e) (6), and (B) Approve a contract with Amick Equipment for the purchase of Original Equipment Manufacturer repair and replacement parts and services in the estimated annual amount of \$200,000 for the term of five years.

Item No. 29. Heavy Duty Truck Miscellaneous Parts

(A) Approve a unit price contract for the purchase of miscellaneous heavy truck and equipment repair parts for the term of three years to the following: Advantage Truck Center, Stone Truck Parts, and TruckPro, LLC, 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.

Item No. 30. Refund of Property Taxes

Adopt a resolution authorizing the refund of property taxes assessed through clerical or assessor error in the amount of \$19,652.09.

The resolution is recorded in full in Resolution Book 46, at Page 514-515.

Item No. 31. Exchange of Interests in Real Property for the Taggart Creek Sanitary Sewer Outfall Project

Approve an exchange of fee interest involving a City-owned parcel on Morris Field Drive (tax parcel identification 115-075-01) to Mecklenburg County, in exchange for two permanent and temporary sanitary sewer easements on Mecklenburg County owned parcels (tax parcel identification 143-031-07 and 115-075-03), and temporary access rights to a County-owned parcel (tax parcel identification 115-051-08) needed for Charlotte Water's Taggart Creek Sanitary Sewer Outfall project.

Item No. 32. Lease of Property at 5845 South Tryon Street to Leatherman's Golf Learning Center

Approve a five-year lease with two, five-year renewal options with Leatherman Golf Learning Center at 5845 South Tryon Street (tax parcel identification 167-061-01) beginning at \$6,500 per month with 3% annual rent escalations.

Item No. 33: Property Transactions – Condemnations and Acquisitions

Item 33-A: 4456 Back Creek Church Road

Acquisition of 4,726 square feet (.108 acres) in Temporary Construction Easement, plus 77 square feet (.002 acres) in Utility Easement and 1,912 square feet (.044 acres) in Fee Simple, plus 11,030 square feet (.253 acres) in Fee Simple within Existing Right-of-Way at 4456 Back Creek Church Road from Robert Michael Shoemaker, Deborah Elizabeth Knight and Estate of Robert Lamar Shoemaker and any other parties of interest for \$20,000 for Back Creek Farm to Market, Parcel #3.

Item 33-B: 3920 Back Creek Church Road

Acquisition of 180 square feet (.004 acres) in Storm Drainage Easement, plus 1,817 square feet (.042 acres) in Temporary Construction Easement and 232 square feet (.005 acres) in Fee Simple, plus 4,649 square feet (.107 acres) in Fee Simple within Existing Right-of-Way at 3920 Back Creek Church Road from Jose Sorto and Karen Sorto for \$14,500 for Back Creek Farm to Market, Parcel #37.

Item 33-C: 6347 Kelsey Drive

Acquisition of 1,570 square feet (.036 acres) in Sanitary Sewer Easement, plus 2,674 square feet (.061 acres) in Temporary Construction Easement at 6347 Kelsey Drive from Ethel Minter for \$18,300 for Briar Creek Relief Sewer Phase III, Parcel #97.

Item 33-D: 14919 Fred Brown Road

Acquisition of 50,081 square feet (1.15 acres.) in Sanitary Sewer Easement, plus 65,688 square feet (1.508 acres) in Temporary Construction Easement at 14919 Fred Brown Road from Robert W. Brown and Clara Brown; Paul E. Brown and Patricia Brown for \$15,600 for Charlotte Water Sanitary Sewer to serve Clarke Creek area, Parcel #8.

Item 33-E: 6701 Somersworth Drive

Resolution of Condemnation of 1,626 square feet (.037 acres) in Sanitary Sewer Easement, plus 2,075 square feet (.048 acres) in Temporary Construction Easement at 6701 Somersworth Drive from Joni R. Summers-Ruston and any other parties of interest for \$1,550 for Briar Creek Relief Sewer Phase III, Parcel #119.

The resolution is recorded in full in Resolution Book 46, at Pages 516.

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ITEM NO. 7: CITY MANAGER'S REPORT

City Manager Ron Carlee said I would like to ask Steve Miller from Charlotte Water to come update you on some work that we have been doing to improve the efficiency of water meter reading and timeliness of it which will result in some changes in the scheduling of water bills.

Steve Miller, Charlotte Water said I'm here to do a brief update related to our billing cycle alignment project. Back in October we were in front of Council and received approval to move forward with the project and since this project will impact each one of our 250,000 City services bills by way of changing the meter reading date and changing the bill date we had promised to come back and give everybody an update. Just as a refresher we currently have 19 bill cycles and will be optimizing to 17 bill cycles and our current bill cycles are not evenly distributed by the number of accounts we have in each cycle. For example one particular billing cycle, our smallest has 4,700 accounts and our largest has 27,000 accounts. What that means is that one particular day we may mail 4,700 bills and another day we will mail 27,000 bills and that provides for or causes a lot of inefficiency throughout the billing process. Also we will shorten the gap for when we read the meter to send the bill as part of this project. Currently we may read a meter and send a bill seven days later and worst case scenario we could mail the bill 30-days later.

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This is a graphical display of our current billing cycles to the left; that is the 19 cycles that we currently have and at the very top in the tan color, up in Davidson, that is one of the billing cycles and it runs all the way down the I-77 corridor and terminates in Pineville and that causes for a lot of operational inefficiency. If you look to the right is our proposed billing cycles or the 17 and they will be contiguous to each other and more consolidated efficient areas and they will have approximately 15,000 accounts per billing cycle. As I mentioned earlier in some of the billing cycles we have up to 30-days from when we read the meter and send the bill. That causes a lot of confusion for the customer; in our future state we will read the meter and send the bill 10 days later. That will help Charlotte Water along with the customer help identify leaks sooner which will reduce complaints and will also reduce the amount we do of leak adjustments. The efficiency gains that we have will allow us to respond to customer requests sooner than what we have the capacity to do currently.

The benefits that we have as a utility is not only to Charlotte Water, but this project will also benefit City Finance, it will benefit Storm Water and it will benefit CHARMECK 311 and also it is going to lay the foundation for the future of our metering strategy. Going forward all customers will have a new meter reading date and will have a new bill date. I did want to point out that during the transition month some customers may receive a bill sooner than what they normally do right now; however immediately after the transition we will be on a normal billing frequency where we send a bill every 30 days and it will happen immediately after the transition month. To close as we approach the transition we will execute our comprehensive communication plan with our customers and we will closely monitor each customer account and provide a high level of customer service to insure a smooth transition. That is our update with the billing cycle alignment and if you have any questions I'll be glad to answer them.

Councilmember Driggs said I just want to clarify no user of water is going to pay more as a result of this; is that right? So if you have a short bill cycle you pro rate the fixed costs and it doesn't have any impact on the total costs?

Mr. Miller said that is correct; everything is prorated so what our goal is and this is energy standard is to have the meter read and the bill; it is a 28, 33 day cycle so it is in that 20 to 33 days with us not doing meter readings on holidays or week-ends, we are not able to hit that 30-day mark exactly so it is prorated and it is always to the customer's benefit.

Councilmember Kinsey said I guess I have a similar question but if they receive a bill sooner, it is prorated, but then to get back on tract could they have a larger bill?

Mr. Miller said this project will not cause a larger bill for any customer at a residential or commercial and when I say sooner, right now we bill every 30-days, 20 to 33 days. The soonest any customer will be billed as part of this project would be 16-days so a customer may receive a bill and 16-days later receive another bill. That is the very worst case scenario and there are only 2,400 customers that would fit that scenario.

Councilmember Lyles said the bill that goes out that is going to be a partial bill, what will be included to explain that bill? Will there be an insert or an explanation?

Mr. Miller said yes, we are going to have a very comprehensive communication plan which actually begins in a couple weeks. It begins in February and will communicate by our website, we will communicate on the water bill like you mentioned and some other areas; we will communicate with customers yes, absolutely.

Ms. Lyles said if we could get that by e-mail or something that would be really helpful.

Councilmember Howard said in addition to getting that exactly what you send in our e-mail I would like to see kind of a point by point maybe on one page of plan so when we get calls we can explain how you communicating to them. In addition to actually seeing it can we get a point by point so that we can explain it to people when we get the e-mails or the calls?

Mr. Miller said yes, we will do that.

Councilmember Phipps said you indicated that with this new billing realignment it will help identify leaks on a more frequent or a quicker basis. Under the current plan I've had some constituents that call complaining about water leaks that have caused their bills to be absorbingly high. How does Charlotte Water work with those customers to minimize the amount of those bills if it is something out of the customer's control, how does work? Do they still have to pay a certain portion of it or how does that work now?

Mr. Miller said currently as we had in our presentation our worst case scenario we will read a meter and bill it 30-days later and that usage could be up to and even greater than two months prior to when the customer receives that bill. Going forward with the alignment project we will read the meter, send a bill 10-days later so on average customers in Charlotte Water will be able to identify a leak about 20-days sooner. That will reduce the number of complaints or high bills that we receive; however when a customer does have a leak and per our City Code, we do have a leak adjustment policy where for the two highest months that the customer experiences we will adjust 100% of the overage from their normal bill. We do have a leak adjustment policy which we enact now and out of that amount that we adjust off the customer's bill which is also lost water, that amount will be reduced because as a result of this project.

Councilmember Mayfield said following up on my colleagues that you will be sending information to Council, how soon can we expect that because District Representatives are constantly at neighborhood and community meetings so as soon as we can get this information in bullet form the better for us. Do you have any idea how soon we should be receiving that information?

Mr. Miller said the information is ready now so we will get it out very soon. I don't see any reason why it can't be out within the next week or two.

Ms. Mayfield said I'm looking at our new updated website for Charlotte Water and I notice on here where you can go to click on pay bill on line, are we going to be adding a feature for view bill on line outside of clicking to pay because that may also assist those who have access to internet but just periodically go in and view the bill themselves to prepare for the potential change.

Mr. Miller said right now we have just over 50% of customers that pay their bill in some electronic form or another and customers currently can view their bill through their bank. Most banks provide a service where you can see a view of your actual bill and what you see on the City website is our current citizen web portal and that was our first stage and we have several enhancements that are coming in the near future where that would be an option.

Ms. Mayfield said view bill on line will be an option.

Mr. Miller said yes, that is in our vision, absolutely.

Mr. Driggs said have you considered the possibility that a change in the billing date is going to cause confusion to some customers and might lead to an increase in late fees or penalties?

Mr. Miller said we are going to increase our level of customer service where that hopefully will not be a problem and we will relax our policies in some cases where it does become a hardship, but through our communication plan we plan for that not to be an issue.

Mayor Clodfelter said Mr. Manager, good report, do you have anything else?

Mr. Carlee said no sir; thank you for allowing us to do that here. It was a good opportunity to get the word out to the public.

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ITEM NO. 8: POLICY BODY WORN CAMERAS

City Manager Ron Carlee said the Police Chief, Rodney Monroe and Director of Finance and Management Service, Randy Harrington and Stephen Willis has been the lead staff person on this project. Before I turn it over to Chief Monroe to talk about operationally why we want to move forward with body worn cameras and we do a full deployment and to Randy Harrington to talk about

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the funding sources, there are a couple of things I would like to acknowledge to the Council. One, this is an extraordinary request outside of the budget cycle. I've been in local government business for a very long time now and this is easily the largest request that I've ever made outside of a budget cycle because philosophically I think budget decisions really should be made part of the budget cycle. However, what makes this an extraordinary case is I've come to believe in consultation with the Chief and looking at literature and situations going on across the country that there is a compelling need in terms of police and community relations to have video accessible in police and citizen contacts. The only reason why I would recommend deferring this proposal to within the budgetary process would be if we were seriously considering not doing body worn cameras. I believe we need to do body worn cameras for our officers in that any citizens that has an encounter with an officer is going to expect it and we need to be able to insure that there is equity and everybody has the access to an officer with video.

The second thing that I want to highlight that I think has not been understood very well or we have not explained very well and that is the question of why is the funding not phased in over a period of time. We take responsibility for not explaining that well. What you have in front of you is in fact a five-year phased plan; it is front loaded with some costs because we want to deploy the body worn cameras at the most rapid schedule that we can so that when someone in the public encounters an officer and they have the expectation that the officer has a camera, the officer will actually have a camera. We don't want to stretch out a period of time where there is inequity across the City and whether or not your encounter an officer with a camera it is essentially a lottery. It is just random; we want to have real consistency and the Chief will explain other compelling reasons there as well. My point here is that the funding is actually phased; nobody is being written a check for over \$7 million tomorrow after you approve this item. The funds are actually scheduled over a five-year period based on specific purchases and specific services and benchmarks along the way. Again it is slightly front loaded in the very beginning of the project, roughly \$2 million in our first fiscal year; \$1.8 million in the second year and then a million dollars a year thereafter.

We could have brought to you a fairly modest budget request to kick this program off, but we chose to do was to bring you a full costs to show you over a full five-year period if we go into a body cam program what the total costs will be so you see it up front. We have also identified resources in order to insure that we can implement it but I want you to know without doubt that we will look for any external sources, federal funds, grants that we may be able to apply for to seek along the way in order to offset our local funding. We would do that regardless and we are hopeful that we will be able to bring in some external funds but I can't guarantee them so what we have brought you is a full funding program that we will begin to scale back with alternative funds as they may become available. With that I will turn it over to the Chief and have him discuss with you a little bit from a law enforcement perspective why he has concluded that going with this technology and going with it with full deployment is important from his professional perspective.

Police Chief Rodney Monroe said after that I think we could just leave; but I would like to start out by saying in addressing the issue that myself as well as the entire command staff as it related to the men and women of the Charlotte Mecklenburg Police Department, I think we have one of the finest organizations in the country. I think that we have avoided a lot of the criticism that a lot of the other departments around the country have experienced over the last several months based on what we do each and every day and the investment that we make within our community each and every day and trying to stay out in front of issues and concerns of our community. I believe the men and women of this Department do an outstanding job each and every day in serving our citizens as evident by the recent Citizen's Satisfaction Survey that we've taken last year and are about to embark on another one where we are receiving over 79% support from our citizens. That is our minority community as well as our majority community and that is something that we all should be very proud of. As it relates to the community's expectation we believe that the community expects for us to have a highly professionally, well trained and accountable Police Department delivering services each and every day and when you look at how you move toward insuring some of that body worn cameras I believe are here; it is technology that has been developed over the years that not only gives citizens a sense of confidence as it relates to engagement with Police, but also the Police Officer. Every Police Officer that is confronted with a situation, whether it is the use deadly force or the use of force or in some circumstances just based on daily interaction with the community want to know that they have a certain level of protection as well. As it relates from both sides, I think that body worn cameras are something that we all can come to expect. Surely our citizens are becoming more and more expecting

of that and I feel that the time is here where we need to continue to capitalize on our community investment and look to move forward in this area.

Director of Financial and Management Services Randy Harrington said I will walk you through a couple slides related to the funding overview. The proposal for your consideration tonight includes a five-year full cost obligation as well as the initial appropriation or essentially an encumbrance of the capital funding sources up front to insure that we have a full project implementation. Given the interest to deploy body cameras as soon as possible we've looked at local sources but staff will continue to explore and seek other opportunities to offset this initial funding plan. Some of those include, as the Manager mentioned, State and Federal Grants, private grants and donations and then future asset forfeiture revenues. I want to point out that reserves are not being depleted in the proposed funding plan and there are no current capital projects that are being delayed or cut as a result of this funding proposal.

With a little more detail I will give you some overview of the overall funding plan. The two components of the capital and operating totals a little bit over \$7 million comprised of \$6.7 million of capital funding and approximately \$317,000 with operating funds. Broken down on the funding sources there are four components, one is a generous contribution from the Police Foundation of \$250,000; use of asset forfeiture fund in the amount of \$574,000; capital uses and they comprise three different sources totaling \$5.9 million and then future CMPD operating budget component which will be built into future operating budgets at around \$317,000.

Chief Monroe said there has been a lot of talk about how and when we move forward with this and I tell communities and I tell our officers each and every day we are always one critical incident away from facing some of the turmoil that we've seen and I think the more we can look to stay in front of those issues and protect our officers as well as protecting the citizen, I think it says a lot about us, not only as a Department, but as a City and the willingness to continue to advance ourselves in that manner.

Mayor Clodfelter said Chief, I want to thank you and your whole leadership team; I think we all thank you for your leadership on this and bringing this issue together and putting the package together as well as you have and Mr. Harrington for the finance side and you and your team as well deserve our thanks also. So however it all turns out, whatever the Council decides to do, we really appreciate all the work you have put into this. Do we have questions for the Chief or Mr. Harrington before we take motions?

Councilmember Austin said thank you Chief for all the work that you are doing and thank you for truly being a community Chief, thank you so much. A question about costs, our costs is about \$7 million for deploying 1,400 or so of these cameras. Other vendors that we got; what were the ranges of costs that we are looking at for them as well?

Major Steve Willis, Police said we didn't get into the level of detail that we are specifically in with this particular contract. We went through the RFP process and they submitted their proposal, then we did our field testing and selected this specific vendor and that is when we started going into the specific contract negotiations of that vendor. We did receive pricing from those vendors and they were all across, some were lower, some were somewhat equal to so it is really hard to say specifically what that costs was because we really delved into some pretty deep contract negotiations once we narrowed down to the specific vendor that had the specific equipment we needed.

Chief Monroe said a lot of that testing had to do with the durability of the camera, the options of wearing the camera and more importantly the security of the video itself once captured. Yes, pricing came in initially but after we tried to vet out those particular items that were of great concern the vendor that we chose by far had the better product.

Mr. Austin said is this particular vendor being utilized somewhere else in the country?

Chief Monroe said oh yes, probably 85% of the body worn cameras that are being deployed around the country are probably being deployed by this vendor.

Councilmember Driggs said Chief there is no question that we all support CMPD Officer and appreciate the work they do and I think it is pretty clear that the cameras are a good idea in the context of what is going on in the country. We've still got to look a little bit at how we pay for them and what the implications are. I'm wondering where are we in relation to other cities with the adoption of cameras? Is there some way we can quantify what percentage of big cities in the country have already implemented the cameras? Does this put us out front or where?

Chief Monroe said if you were to base it on the major city Chiefs which are about 65 of the top major cities within the country I would have to say just based on our conversations in our last meeting and the report that came out by major cities last year we were approaching over the 50% mark as it relates to major city Chiefs moving in this particular direction.

Mr. Driggs said so about as far along as we are or further?

Chief Monroe said I would probably say about 35% to 40% are further along.

Mr. Driggs said I actually get a little nervous when I hear that we can buy this and that we don't have to get by with less of anything else. I've explained to you that I don't care for the use of reserves because it makes it feel like there are no costs and there is a cost. I think we always need to be aware of the fact that if we make a new commitment like this it comes from somewhere. There is something we are going to be able to buy less of; there is going to be pressure at some point to raise taxes, you just don't pull \$7 million out of the air without consequences and I think the biggest concern if I'm describing correctly our conversation in Budget Committee was looking at how we are accounting for this, how it impacts the operating budget, whether there were any savings that might be realized by CMDP as a result of having the new technology, not having to respond to complaints or not having to pay settlements as a result of complaints. I think on the costs side there are questions that we should still be looking into without questioning the merit of the idea of buying the cameras.

Councilmember Autry said I guess my question is more for the City Manager and the City Attorney in that we have contractors, for instance at the Transit Center interacting with the public. Should those officers be required to wear body cameras also and is that something we can make a requirement of the contracts?

Mr. Carlee said that question came up today to me for the first time; we've really been focused on City Police Department. That is a question we will need to go back and explore, looking I think at each contract and the nature of the interaction between the contract of private police and our services and it may well be going forward that some of them we would want to have deployed with body worn cameras as well. That is not research or analysis that we've done yet, don't have any idea as to which ones that might be, how many officers or what the cost implications may be, but as this technology becomes more wide spread and more expected I think if you have private that are acting as public that same expectation is going to be there and it is that same protection. Again, part of the impact of the body worn camera based on what we've seen so far is de-escalation. It both changes the Police Officer's behavior and it changes the citizens' behavior as well and where there is conflict it is not a he said/she said, you actually have video evidence that helps you understand what really happened. When people know that is going to be there it does change how people act. So we have similar types of situations with private policy where we will need to make that assessment.

Councilmember Kinsey said I have some questions; a lot of them have to do with money. I certainly agree with what my colleague Mr. Driggs said and I have concerns, not concerns that we buy the cameras, we should buy the cameras and I have absolutely no problem with that. I have a huge problem with doing it outside the budget process. That is where I'm landing on that. We are in the budget process so it wouldn't delay the purchase that long, but we would have a better handle on the money that is needed and where it is coming from. Mr. Harrington, what is the balance in the capital fund reserves if this comes out of that?

Mr. Harrington said let me first touch on the three sources that were identified in the presentation; one is from Risk Management reserves. The Risk Management fund has approximately \$49 million of reserves that are identified for current and prior potential claims or cases that we have so this would take \$3.4 million of that, but I will say that these funds, the \$3.4, there is \$3.8 in total but we are going to be using \$3.4.

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Ms. Kinsey said you've lost me; from capital fund reserves we are taking \$5.9

Mr. Harrington said yes, there are three components of that \$5.9 million and it is comprised of \$3.4 million of Risk Management reserves and then \$2 million of technology capital investments and then \$500,000 of capital equipment replacement reserve.

Ms. Kinsey said we've been working away on our technology; what does this \$2 million do this reserve? What we would not be able, as Mr. Driggs said, what would we not be able to do?

Mr. Harrington said the source of funds for the technology portion of the technology capital investments currently has a balance of \$4.6 million so this proposal would use \$2 million of that and would leave a \$2.6 million balance.

Ms. Kinsey said so we will not be doing \$2 million worth of technical updates or whatever we were going to spend that money for?

Mr. Harrington said there is a long list of technology related capital projects.

Ms. Kinsey said down at the bottom under D it says the remaining balance of \$317,364 will be funded within future operating budgets. Who's operating budgets?

Mr. Harrington said CMPD.

Ms. Kinsey said under the fourth bullet down on the opposite page under additional project costs; what are the architectural fees for - \$58,190?

Mr. Harrington said I will ask Major Willis to comment on that.

Major Willis said because of the installations at the Division Offices will be pulling electrical power to power the charging units and the data transfer units, we have to hire an architect to draw the plans to put them out for bid to hire the electrician to be able to do the work.

Ms. Kinsey said so an electrical engineer wouldn't be doing that.

Major Willis said no ma'am the electrical engineering wouldn't be updating the architectural plans for each of the building and submitting the permits. That is all done through the architect.

Ms. Kinsey said under Personnel a half million dollars; contractor for year one converting to a full-time equivalent position or contractor for years two through five; the \$500,000 for the full five-years and then who picks up if we hire a full-time equivalent position?

Major Willis said that would remain within CMPD's budget as a full-time employee within the organization.

Ms. Kinsey said I think we all have to prioritize what we want and what we need and I think this should be prioritized, but I think it should be done within the budget process and I don't feel like I know enough about all of this. I'm not comfortable enough with it I guess is what I'm saying, so I will finish up with that. I may have to hold my nose but I'm not sure I can.

Councilmember Barnes said I wanted to ask a couple questions about the funding piece and also an evidentiary issue regarding the video data itself. I do want to begin by saying that I do support the item because I think it will create a level of accountability and transparency that people want from CMPD. It will make officers think about what they are doing and will make the general public think about what they are doing, so I think it is a good thing for the work that you all do for this City and we want to try to make people feel respected and feel like they are safe in Charlotte, so I think this is a good thing to do. Mr. Attorney, from an evidentiary perspective, one of the concerns that I have heard from people is that they won't be able to get to the information so Mr. Attorney or Chief could you talk about the public records laws as applied to the video evidence that would be collected on this system?

Chief Monroe said it is similar to the availability of the video as it relates to in-car camera. Currently there is a law that allows for any complainant in a particular case to review that video in addition to the Chief of Police allowing video to be released if it is in the best interest of public safety in the current law. That current law only speaks specifically to in-car camera but we are in the process of presenting that modification of that legislation to include body worn cameras as well.

Mayor Clodfelter said is that something we need to talk about including in the City's Legislative Package or is that underway independently?

Major Willis said it is on the February 9th Agenda.

Mr. Barnes said I clarified this with the Manager; there was a reference earlier to the asset forfeiture funds and as I understand it in 2016, 2017 and 2018 there is currently nothing noted there for asset forfeiture but the Chief has agreed to put in at least a minimum of \$100,000 for those years so that slide is not quite accurate. That would actually increase the asset forfeiture amount to \$874,000 and would reduce the contribution from the capital sources by \$300,000. Mr. Mayor when we get to it I'll make the motion to approve A, B, C and D with the amendment being made to D as just what I just described.

Mayor Clodfelter said let me hold motions and make sure we get all Council questions before we take motions.

Councilmember Howard said can you clarify?

Mr. Barnes said under asset forfeiture you notice it says \$250,000 for fiscal year 2015; zero for 2016, 2017 and 2018 and then \$324,880 for 2019 and Chief Monroe and the Manager have agreed to add \$100,000 for 2016, 2017 and 2018 from asset forfeiture funds. I think because you don't know how much you are going to get every year; it is generally more than \$100,000.

Chief Monroe said right, but we just can project it now, but we do have a commitment should it be available that that would be something that we –

Mr. Barnes said that clarifies a point that Mr. Harrington was making earlier.

Mayor Clodfelter said let's be clear, Mr. Harrington, Mr. Manager and the Chief, that is an adjustment to the item that we have before us?

Mr. Carlee said I think it is alright to put it in there as a target. Again we have to be very careful because of federal requirements and not looking as though we are going after people to generate asset forfeiture, but based on history we believe that \$100,000 target per year is reasonable and I also believe we will be able to offset with some other federal funding along the way, but by the same token we don't know exactly what they are. I expect at the end the net costs to the City are going to be less and I just don't want to be in a situation where I put a plan in front of you and it turns out being more.

Mr. Harrington said to add to what the Manager pointed out that in any further budgets where we have this opportunity we will reflect that offset and communicate that back to you as well.

Mayor Clodfelter said there will be annual budget ordinances and those will include any variations to what the plan that is adopted to night correct?

Mr. Harrington said correct.

Mayor Clodfelter said so as funds materialize from other sources we will see that in a budget action item in subsequent years and we won't be bound to what you are showing us tonight about 2018; we will decide that when we are in the 2018 budget, right?

Councilmember Lyles said I want to address the proposal to make the changes in the number because once we sign this we are obligated to have a funding source so I would agree that showing an estimated revenue that isn't there or recommended, I'm not quite sure that that helps the actual adoption tonight so Mr. Barnes what I would say is that we not include that in our actual ordinance

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tonight, but include it as something that we would direct as a principle for budget preparation in the future because I don't think you can really project those asset forfeiture funds in an ordinance like this to approve the actual plan that you have for the encumbrance. I wanted to just say that one of the things if you go out and look at the research and most recently the Police Foundation is doing research on body cameras and I was wondering about our participation and how we are going to do an assessment going forward. I know there is a lot of national attention paid to it and what is Charlotte doing in that regard, or what is CMPD doing?

Chief Monroe said we have met with a couple of organizations at a couple universities that are willing because we are just coming out of the gate that are looking to partner with us to evaluate not only the future use of body cameras, but actually the actual deployment policies and everything else associated with that roll out. We have not gotten the commitment, but that is what we are seeking to do is to partner with one of two organizations that would do that evaluation for us.

Ms. Lyles said I would really hope that we would be able to do the actual evaluation and research around it because I do believe it has been talked about as the premise that it also improves the behavior both of the officer as well as anyone involved in the video action or action that is taken by the officer. I think the idea of accountability and transparency is really important and I also think that our transparency still needs to be considered under North Carolina personnel rules and laws that we have to govern ourselves by and don't want to get in a position where people think, well I was stopped by the officer so tomorrow I'm going to watch it on the video. That is not something we are going to be doing; we are going to use this in accordance with your policies and the North Carolina State Law so I think explaining that and having that as part of our study is really important. I agree with several of the Councilmembers that in an ideal situation, when we have an expense of \$7 million over a term of effort that it is best when we look at this in the context of overall priorities especially when it comes to public safety, which is probably one of our number one mandates in terms of community decision making. In this case we've gotten a situation where we are faced with some national challenges as well as some local challenges so I'm going to support it, but I also think that whenever we can, in the context of an overall approach Chief, it works best.

Chief Monroe said I agree.

Councilmember Howard said a lot of my questions have been asked but I need to get my hands around the \$1.5 million and the \$1.7 million in the first two years. If we are purchasing all the cameras that we need to put on every officer with the \$1.5 million what is the \$1.7 million; what are we doing in FY16?

Major Willis said in the first year we are implementing all of the cameras and we are purchasing in the second year storage so that in the second year we are able to come off of cloud based storage. For year number two, Council approved a Digital Management System for CMPD; we are in the process of implementing that now. At the time it was approved we weren't going to have body cameras so we had to add additional storage to that system. That system will be built this year; it will be ready for body cameras in year two so there is money built into that for year two to pay for that additional storage. We are also going to be implementing the automated actions where the camera will automatically start recording when the blue lights are turned on and when the Taser is activated. There is money in there to pay for touching every police car to have those systems installed in the police cars so they will automatically activate the cameras.

Mr. Howard said so that happens in year 2016?

Major Willis said that is correct, yes sir.

Mr. Howard so all we are doing the first year is putting the cameras on everybody?

Major Willis said we are putting cameras on everybody; we are paying for the storage to store the video on the cloud and then we are doing construction in each of the Division Offices to be able to add the charging and up-load devices that have to put on the network to get the video to the cloud.

Mr. Howard said so we are building the data center in year 2016 really?

Major Willis said it is essentially being built in year 2015 under another project; we are adding onto it in year 2016. Once it is up and running and been proven on that premise we will add the additional storage and be able to move over the video and in year two we are essentially saving close to \$800,000 by not storing the video on the cloud. By going to local storage we are able to save that additional amount of money.

Mr. Howard said I think I've started to worry about kind of maintaining a new data center essentially. How do you do that over time; with the way that technology is changing is it not better to stay on the cloud?

Major Willis said it may be better to stay on the cloud to some extent, depending on how you look at it. It is a very expensive proposition to be on the cloud. For us to be able to go to the Digital Evidence Management System it is about \$300,000 to buy the additional storage to maintain the video. We are paying the vendor \$48,000 to build the integration to the system and then we are only paying them \$5,000 a year to maintain it. So, in the grand scheme of it, we are saving \$800,000 in storage by doing it locally because it is a system that we are already building to put in place.

Mr. Howard said this is going to be extremely expensive over time and since we are taking on the new effort I just want to make sure that we are being very studious about jumping into this. I think this is what my colleague Ms. Kinsey is talking about because we are jumping. I'm not sure we are making the best decisions about technology and other things because this is a long-term commitment and not a short-term commitment.

Chief Monroe said over time we could see reduced costs for the cloud, but currently with all of our in-car camera video that we bring in we manage that ourselves within the City through multiple servers. We look to do the same with the body cameras but having that Digital Evidence Management System which we put in play before we even started talking about body worn cameras which has put us ahead of everyone else. Meeting with the vendor to allow the vendor to now allow us to take control over that data has been an enormous costs savings to us that we wouldn't have had had we not already made that investment.

Mr. Howard said the \$1.7 million just jumped out to me if we are buying all the cameras; I just wanted to better understand what that is and that is another big expenditure. Since it was to buy all new cameras, I just wanted to make sure I understood what that was and what that costs was to the technology because I think over time that is going to change and I hope we are making the best decision about that.

Councilmember Phipps said as Chair of the Budget Committee I do share the concerns expressed by many of my colleagues around the dais inasmuch as we would have liked, or preferred as does the Manager, that this would have gone through the normal budget process inasmuch as we are pretty much headed in that direction in the next few weeks with the budget process. When we first started looking at the body cameras, I think it was back in 2012, was it the plan then to phase in the body cameras but I guess events that might have transpired over the summer forced us to take another look to maybe look for deployment at this time.

Chief Monroe said as we progressed as early as October and November of last year when we brought forth the initial grant from the Police Foundation as well as the commitment from asset forfeiture it was for approximately 150 cameras that we were looking to deploy. But in sight of all else that had been going on as we looked to figure out how do we now deploy that 150 absent 1,300 other officers we begin to have quite a bit of concern as it relates to the equality of how we deploy them. This would have been the first time outside of a specialized group that we would have deployed body worn cameras. The first two were within specialized confined units, but now we are looking to put them in patrol. So as recent as October and November that was the initial thought, but when you start looking at civil rights ordinances, you start looking at the temperature around the country it changed. We saw and thought an opportunity to change with it.

Mr. Phipps said you mentioned that 80% of the body cameras around the country will be handled by this particular vendor that we are going with; are you truly comfortable that this vendor has the capacity to be able to fulfill its obligations under the contract with that much volume of business going

on, not just with Charlotte, but across the country? It looks like we are putting all our cameras in one basket.

Chief Monroe said this is the same vendor that provides our Tasers and this is the same vendor that provides 90% to 100% of Tasers across the country. I believe this company has the ability to support, not only us, but the product that they are putting out there. It gives us that added feature of tying that camera directly to every officer's Taser.

Councilmember Smith said the first thing I want to let the record reflect and I want to thank the Police Foundation for their generous contribution of \$250,000 towards this venture. Mr. Ken ... is down here to show his support; thank you for your leadership on this. The City of Charlotte thanks you and I thank you for your generous gift. Public Safety is the core function of local government in my view. Since I've been in office this body has approved \$75 million for a streetcar, \$33 million for Time Warner Cable Arena, \$16 million for Bojangles and we have contemplated another \$25 million for Amateur Sports which I feel like they fall outside the scope of local government. With this vote tonight we have the opportunity to do more to protect our Police Officers and citizens at large than with any other action we will take. I support this and I ask my colleagues to join me in voting for this and again thank you for your leadership on this issue Chief.

Councilmember Mayfield said just a couple of clarifying questions but for disclosure I support us moving forward but I do have some questions regarding operating budget which was mentioned earlier. When we look at moving forward the dollars coming out of the operating budget, is that figure included in the numbers that is going to be presented to us for CMPD's budget which we should be discussing over the next couple of days? Is it included in that operating budget?

Chief Monroe said will be and in future years yes.

Ms. Mayfield said the second part to that discussion is there are a number of things that CMPD is doing in the community that has a major impact on how we are working with those that have been incarcerated and looking at how we reintroduce people back into the community. Will these particular expenditures; will this allocation hurt some of the other work that CMPD is doing or are we looking at the full picture of the impact of this part of policing as well as the community reengagement piece?

Chief Monroe said I believe that there are some sacrifices that we are going to have to make going forward. This does not capture all of the needs within CMPD, whether it is personnel or additional resources. I think that we are going to have to continue to move forward in these particular issues and each one will be presented in a manner in which we can all review, debate and hopefully ultimately decide.

Ms. Mayfield said the next questions and with this one I apologize; I'm not really sure where it falls but we also have a number of officers who are employed off duty so are we looking at the possibility of creating a costs if our officers who are assigned cameras, if they are utilizing those cameras or creating a fee structure where if that off duty officer is being employed by a business event, community or whatever it is that if they have their camera there is an additional fee that goes along with that, for that fee to come back directly into the CMPD operating budget to help offset these costs. One, are we looking at it or two can we consider it?

Chief Monroe said we are definitely considering an administrative cost associated with the officer. If you look at not just the camera but every piece of equipment that an officer takes with them to an off duty job to include the car, the radio and then even the costs that is associated with us managing. That pool keeps growing larger and larger and the management of the outside employment continues to grow and I believe that it is time for us to start to look at what that administrative costs is to the City to continue to administer that process.

Ms. Mayfield said following up with that while we are looking at those administrative costs are we also having a discussion regarding any particular fines that may be associated where however it is decided if an officer is utilizing any of these products that are being paid for through the CMPD operating budget; in essence the City of Charlotte operating budget, if they are utilizing that vehicle, those weapons, the cameras that there is a clear fine structure associated with it to help with the

administrative because that is a different piece where we said you can do it, but here are the guidelines if you go outside these guidelines there is a clear fine structure tied along with it.

Chief Monroe said we approve every officer that works off duty so if that is the direction that we move to prior to that officer being approved to work that off duty those things would be determined up front.

Ms. Mayfield said the last question regarding the comment from my fellow colleague regarding the capacity of this particular company, with them providing the cameras we say this is the same company that provide our Tasers so forgive me if I don't remember because I know a number years ago, we had some concerns regarding our Tasers function. Is this the new company that was identified after some challenges or are we looking at the same company where we had some challenges with the function of their Tasers that we are now getting ready to entrust with this type of investment from the City for them to be in charge of providing our cameras?

Chief Monroe said if you recall the Taser that we changed from operated exactly the way that it was intended and that it was purchased by us to operate, but through the advancement of it a newer model came out that put a maximum level of charge that each Taser could emit. We made the decision as a Department and as a City that we believed that was a better model value for our community so hence we made the decision that we wanted to advance ourselves into that newer model. Part of the five-year contract, should a different model or upgrade come into play over that five-year period we are entitled to that upgrade free. Now anytime you move outside of your warranty or maintenance agreement with any technology, you are then subject to whatever advancements or the costs to whatever advancements that may come out after that. I am 100%, not always with the costs, but with the technology, yes.

Mr. Howard said interesting question from Ms. Mayfield that made me think; so if we are approving the \$1.5 million tonight and all the rest of the expenditures will come up in their budget years, are we really approving the whole \$1.7 million tonight? Shouldn't we just consider what we need in 2016, 2017, 2018 and 2019 in those budget years?

Mr. Carlee said we are actually entering into a contract for the \$5.4 million and some of the other components although the actual schedule of payments will be spread over the five-year period. We are actually entering into a contract and we need to have reserve set aside, but the source of the funding can be varied as we have opportunities through asset forfeiture mentioned, Homeland Security funds I expect in the future will be available as well as perhaps some others.

Mayor Clodfelter said we will encumber these funds, but if you have other funds those will be substituted.

Mr. Carlee said we can make some shifts.

Mr. Howard a question to Mr. Barnes because I'm sure he is going to make another motion; so are you replacing \$300,000 and spreading that out or are you adding another \$300,000 to this budget?

Mr. Barnes said it was actually adding \$300,000 to the asset forfeiture contribution and reducing the capital contribution by a corresponding amount.

Mr. Howard said so the \$324,000 is still in year 2019?

Mr. Barnes said yes.

Mr. Carlee said I just needed to check because we have been trying to be responsive to issues that have been raised. Mr. Harrington, I was cross referencing the item with an earlier chart and it looked like asset forfeiture went from \$250,000 at one point up to the \$574,000 that we have in there now so had we made a change in asset forfeiture?

Mr. Harrington said no. Are you talking about the additional \$300,000 offered by Mr. Barnes?

Mayor Clodfelter said Mr. Manager I think the increase went in 2019; there was another \$324,880.

Mr. Carlee said that was an increase over an earlier one that we had.

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Mr. Barnes said I think this might answer it; in an earlier slide, either the Chief or Mr. Harrington noted an intent by the Manager and by CMPD to make asset forfeiture contributions as possible and I think to Ms. Lyles question our historical experience has been that we get much more than \$100,000 per year in asset forfeiture funds. For the sake of simplifying this exercise tonight and getting through this process I think if we leave it the way it is, if the Council is comfortable with it, I was trying to get us to actually draw down the capital contribution and increase the amount of money coming from another source, but if you want to leave it the way it is and take their word for it that they will contribute the asset forfeiture funds as allowed and as possible I'm fine with that as well. But I think the Chief was confident that he could contribute \$100,000 per year for those three years throughout this process.

Motion was made by Councilmember Barnes, seconded by Councilmember Howard, to (A) Approve a five year contract with Taser International in an amount not to exceed \$5,491,186 for hardware, software license, services, storage, and ongoing maintenance for the implementation and support of Body Worn Cameras; (B) Authorize the City Manager to approve contracts for additional purchases in an amount not to exceed \$1,551,058 for ancillary hardware, software, and services for the implementation and configuration of Body Worn Cameras; (C) Accept a donation from the Charlotte-Mecklenburg Police Foundation, in the amount of \$250,000, to be used for the Body Worn Camera project, and (D) Adopt Budget Ordinance No. 5563-X appropriating \$6,724,880 as follows: \$5,900,000 from capital fund reserves, \$574,880 from assets forfeiture funds and \$250,000 from the Charlotte Mecklenburg Police Foundation. The remaining balance of \$317,364 will be funded within the future operating budgets with an amendment to include the \$100,000 per year for FY16, FY17 and FY18 from asset forfeiture and reducing the capital contribution by a corresponding amount to take the capital down to \$5.6 million and the asset forfeiture contribution would go up to \$874,880 as available.

Mr. Phipps said I was wondering would we apply that same thing if we happen to get grants that we would apply for; would we apply those as a reduction from the capital if we did that?

Mr. Barnes said if I might Mr. Mayor, Mr. Phipps I think no grants are listed here as an opportunity so I don't know if the Manager would be thinking that. I think we are operating strictly within what the staff laid out for us and the potential for contributions within those sources.

Ms. Kinsey said I might be able to hold my nose and vote for this with \$100,000 in there; I don't know why we wouldn't be able to leave it in there if you can look at \$324,880 in the year 2019 and project that why not \$100,000 each year?

Mr. Carlee said would you repeat the question?

Ms. Kinsey said I said I could probably hold my nose and support this with \$100,000 from asset forfeiture in the years 2016, 2017 and 2018 and I did raise the question if we could project \$324,880 in year 2019 why not \$100,000 each year?

Mr. Carlee said we don't have a problem with that.

Mayor Clodfelter said I think the Manager has endorsed the restructured motion.

Ms. Lyles said I just want to say sometimes I'm really hesitant because my memory is not what it used to be, but I recall that asset forfeiture funds are governed strictly by a set of regulations that are federally imposed upon us to protect local communities from estimating revenues and causing police actions to go and purpose those revenues because it is projected in a future year. I don't remember if that has changed or not but I'm just curious if that intent of estimating future revenues for asset forfeiture is really compliant with the intent or the regulations stated, and if it is not then I would agree, but my recall is that there was a great deal of caution about that so that communities wouldn't go out and seize assets from citizens so that they could meet their project that year. That has been by concern and I don't know if anyone can address that and if the rules have changed or the intent has changed, I'm very comfortable with the motion. If it hasn't I would make a substitute motion to accept the recommendation as it is.

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Mayor Clodfelter said Chief you heard the question from Ms. Lyles; are we allowed to appropriate future asset forfeiture funds that we don't yet know whether we are going to have or not?

Chief Monroe said that is correct.

Mayor Clodfelter said we are or we are not allowed to do that?

Chief Monroe said we are not.

Mayor Clodfelter said we are not allowed to do that, by Federal law?

Chief Monroe said yes sir.

Ms. Kinsey said then why can they put in \$324,880?

Mayor Clodfelter said Ms. Kinsey asked the quite appropriate question that in the out year of 2019 you have \$324,880.

Chief Monroe said that should be appropriated now.

Mayor Clodfelter said from currently available funds?

Chief Monroe said correct.

Mayor Clodfelter said so Chief are you saying that the item before us really should have \$574,880 of currently available asset forfeiture funds in the present fiscal year appropriated.

Chief Monroe said in order to comply that needs to be loaded now or committed now.

Mayor Clodfelter said Mr. Harrington, do we have that?

Mr. Harrington said yes, and that is reflected in your budget ordinance under Section 4, the \$574,880.

Mayor Clodfelter said so that is exactly right so Councilmember Lyles needs to speak up so everybody understands what the point is and why everybody is getting confused by this chart.

Ms. Lyles said the chart on Page 6 is a schedule of expense; you must appropriate the entire amount to encumber this. All you are seeing in this chart is when it is going to be scheduled. That is why I'm very reluctant to add money where it is not shown; what we are actually doing is appropriating \$7,042,000 plus today; the chart shows when it will be expensed, but you have to by law encumber the amount of the contract and you must show that those revenues are there. It will show up in the asset forfeiture account of encumbrance of \$574,000 which I am sure is in the account now.

Mayor Clodfelter said otherwise you would not be requesting the action, correct?

Ms. Kinsey said this is exactly why we should be doing this through the budgeting process or have more time to talk about it and to understand it. This is very confusing; I am not the dumbest person in the world and not the smartest either, but it is just very confusing and we are spending a lot of money in the overall scheme of things; \$7 million is not like some we have spent but we really have not studied this as a Council and I hope we never do this again because it makes us look stupid and I don't like looking stupid even if I am. I hope we don't do this again because it is not pretty.

Mr. Barnes said may I amend my motion?

Mayor Clodfelter said I think it might be in order.

Councilmember Barnes amended his former motion, with Councilmember Howard in agreement, to approve A, B, C, and D with the understanding that in future years staff, CMPD and the Manager's Office will work to appropriate money from asset forfeiture funds as allowed in those out years and from other grant funds as may be available.

Chief Monroe said we will be applying for the federal grant for body cameras itself.

Mayor Clodfelter said I respect the Council getting into this and I want to say I think they have worked very, very hard on trying to get the pieces to come together on this and so perhaps some deference to the work of Mr. Harrington and the Chief on putting this financing structure together might be in order this evening if you want to do this.

Mr. Howard said my point was always seek out as much money in addition to what we are allocating tonight.

Mayor Clodfelter said I heard that commitment from the Manager in the opening statement that he made.

Mr. Howard said it is real easy to say that it is paid for and move on; I want to make sure that in the motion we made it clear where we can find it let's find it and that is what we expect.

Mr. Driggs said I just wanted to say I think it is pretty apparent that no-one here tonight has raised objections to the idea of body cameras; we recognize the value, we want to support CMPD. The position that a few of us, particular members of the Budget Committee are in is that now we have to make a decision whether we support the cameras and accept the funding structure that we don't like or else vote against it and look like we don't support the cameras. Personally I'm going to support the cameras if that is my choice; I feel like that is how we have to go, but I do want to register that this buy it now pay later sort of approach is something outside of our budget process and should be avoided.

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

Mayor Clodfelter said I want to say I commend you all for the work you've put in it; I comment you and I did that earlier but also the Council for the way you worked through this this evening. I know it is not a pleasant thing; I've been through an awful lot of budget cycles myself and so have all of you and the problem we all have is that the world doesn't fit neatly into budget cycles. Events don't respect budget cycles and sometime we have to respond to events as we have done and as you have done around this table before in ways that we would rather not do. If we had the ability to make events follow the world and follow the calendar or our budget, they don't and that is why we have reserves, that is why we have contingency funds; we should be cautious in using them but as I think as Mr. Smith reminded us and some of speakers reminded us earlier this evening we have already called upon such reserves and contingency funds outside the budget cycle for other types of expenditure. Mr. Manager, I respect what you said earlier, but I have a different recollection and in recent since I've been around we've used contingency and reserve funds for other out of budget cycle capital expenditures in the present year even.

Citizens have reminded us of that tonight on the Arena upgrades and on the restructuring of our Hall of Fame financing so I consider this every bit as important if not more important than any of those and I think you all do too consider it that way by your actions, else you would not have taken the action. I'm mindful of what you say about the budget process and I held my tongue so I didn't prompt another debate because we are going to move on to the next agenda item. Don't beat yourselves up too much, what you have done here is a responsible thing; it is not what you would want to do if you could control the calendar of the world, but we don't so I commend you for the work you did on this item tonight. It got a lot more attention than many budget items; yet, during the course of the normal budget cycle. Thank you Chief, thank you Mr. Harrington and your whole team, you did some great work on this and the community is going to benefit.

The ordinance is recorded in full in Ordinance Book 59, at Page 248.

ITEM NO. 9: LYNX BLUE LINE EXTENSION – CIVIL CONSTRUCTION CONTRACT AMENDMENT

Mayor Clodfelter said Mr. Manager I don't know what additional briefing you want to do on this item before we open it up to Council.

City Manager Ron Carlee said we have staff available to respond to any questions or if you want any contextual presentation. This is a budget amendment to enable us to keep the LYNX Blue Line not only within budget but also on schedule.

Mayor Clodfelter said unless members of Council feel an overwhelming need for another presentation I'm going to open it directly to your discussion.

Motion was made by Councilmember Howard, seconded by Councilmember Kinsey, to authorize the City Manager to negotiate and execute an amendment to the LYNX Blue Line Extension Project Civil B/C Construction Contract with the Lane Construction Corporation for a total amount up to \$21,750,000.

Councilmember Barnes said let's clarify a couple things; this is the \$21.75 million to get the Blue Line back on schedule; it will allow us to bring in extra people and equipment to allow segments A, B and C to all continue at the same time. It does not run the project over budget and it will keep us on schedule to open the line in the summer of 2017.

Councilmember Howard said I ran into Representatives from AT & T and Time Warner earlier and I just want to make sure that we have an action plan going forward. I assume there is a special committee of all public and private utilities that get together, but where we can make sure that we coordinate it because of course they say well it wasn't us so we can't keep doing the finger pointing because we still have a long way to go on this project. I would love to know Mr. Manager what do we do in the future to make sure that have some insurances that this issue is being addressed some kind of way.

Mr. Carlee said very much so. We are aggressively working with them on an ongoing basis and as things got really tight I will say that some of the utilities very much stepped up to the plate and made a really concerted effort to work with us and at the same time we appreciate that this is not the only work that they have to do. They have customers to respond to and they have storms that interrupt work for them so it is a partnership, one that we think is working well on what is probably one of the most complicated projects we will ever do as a City.

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

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ITEM NO. 10: LYNX BLUE LINE EXTENSION – STATION FINISHES CONTRACT

Motion was made by Councilmember Barnes, seconded by Councilmember Mayfield, to approve (A) Award the low-bid of \$20,177,750 to Edison Foard for the LYNX Station Finished construction of the LYNX Blue Line Extension project, and (B) Approve the following professional services contracts for an aggregate amount of \$1,894,000 to provide art fabrication, delivery, and oversight of art integration for the LYNX Blue Line Extension Project: 1) Artist Maria Artemis, \$150,000 for art at the Parkwood Station, 2) Artist Sharon Dowell, \$195,000 for art at the 25th Street Station, 11th Street and I-277 underpasses, 3) Artists Paul Sires and Ruth Ava Lyon, \$140,000 for art at the 36th Street Station, 4) Artist Chandra Cox, \$378,000 for art at the Sugar Creek and Old Concord Road Stations, 5) Artist Tom Stanley, \$160,000 for art at the Tom Hunter Station, 6) Artist Jackie Chang, \$180,000 for art at the University City Boulevard and JW Clay Boulevard/UNC Charlotte Stations, 7) Artist Shaun Cassidy, \$202,000 for art at the McCullough Station, and 8) Artist Mikyoung Kim, \$489,000 for art at the UNC Charlotte Station.

Councilmember Phipps said I wanted to know why the station finish at UNC Charlotte is so much more expensive than the other stations, some of which are multiple station finishes.

Danny Rogers, Transit said I am the Project Director for the Blue Line Extension; the UNCC Station is a signature station, very significant works around that, a lot of basically sculpture. It is the end of the line station so there is a lot more intention placed on that one.

Mr. Phipps said this station stop is on the campus so is the signature station for the campus?

Mr. Rogers said yes sir; if you recall UNCC has been a very important partner on this project. They have donated all the land to get to the station; part of the negotiation was that we would make a good effort to make sure that we put on their campus was consistent with what their expectations would be.

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

Mayor Clodfelter said I just want to add a little historical footnote; I was particularly pleased to see Item B-3 here. For those who remember the history of the turnaround of North Charlotte, how it became NoDa and you will remember Paul Sires and Ruth Ava Lyon so I think it is really fitting that they will be providing the art work for the 36th Street Station. I think that is really great and I commend everybody involved in selection process.

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ITEM NO. 11: APPOINTMENTS TO BOARDS AND COMMISSIONS

A. Charlotte Housing Authority the following nominees were considered 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 Vucnich, nominated by Councilmembers Driggs and Smith.

Results of the first ballot were recorded as follows:

Dimple Ajmera – 4 votes, Councilmembers Autry, Barnes, Mayfield and Phipps.

Todd Collins – 2 votes, Councilmembers Austin and Lyles

Annette Ebright – 1 vote, Councilmember Kinsey.

Stephanie Tyson – 1 vote, Councilmember Howard.

Alexander Vuchnich – 2 votes, Councilmembers Driggs and Smith

Since no nominee received 6 votes a second ballot was taken between Dimple Ajmera, Todd Collins and Alexander Vuchnich and recorded as follows:

Dimple Ajmera – 5 votes, Councilmembers Autry, Barnes, Kinsey, Mayfield and Phipps.

Todd Collins – 3 votes, Councilmembers Austin, Howard and Lyles.

Alexander Vuchnich – 2 votes, Councilmembers Driggs and Smith

No candidate received 6 votes therefore a third ballot was taken between Dimple Ajmera and Todd Collins and recorded as follows:

Dimple Ajmera- 7 votes – Councilmembers Autry, Barnes, Driggs, Kinsey, Mayfield, Phipps and Smith.

Mr. Ajmera was appointed.

B. Community Relations Committee the following nominees were considered 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.

Results of the first ballot were recorded as follows:

Brenda Adams, 3 votes – Councilmembers Austin, Mayfield and Phipps.
Takiyah Amin, 1 vote – Councilmember Lyles.
Joshua Arnold, 1 vote – Councilmember Driggs.
Namaine Coombs, 1 vote – Councilmember Barnes.
Felicia Fletcher, 4 votes – Councilmembers Austin, Howard, Mayfield and Phipps.
Denise Howard, 1 vote – Councilmember Autry.
Nehemie Owen, 1 vote – Councilmember Autry.
Beth Pickering, 4 votes – Councilmembers Barnes, Howard, Kinsey and Lyles.
Diana Sanchez, 1 vote – Councilmember Kinsey.
John White, 1 vote – Councilmember Driggs
None of the Above – 1 vote – Councilmember Smith.

Since no nominee received 6 votes a second ballot was taken between Brenda Adams, Felicia Fletcher and Beth Pickering and recorded as follows:

Brenda Adams, 2 votes, Councilmembers Austin and Phipps.
Felicia Fletcher, 10 votes – Councilmembers Austin, Audrey, Barnes, Driggs, Howard, Kinsey, Lyles, Mayfield, Phipps and Smith.
Beth Pickering, 6 votes – Councilmembers Autry, Barnes, Howard, Kinsey, Lyles and Mayfield.

Mr. Fletcher and Ms. Pickering were appointed.

C. Privatization/Competition Advisory Committee The following nominees were considered for two appointments for two-year terms beginning March 2, 2015 and ending March 1, 2017:

R. Casey Celli, nominated by Councilmember Driggs.
Sarah Cherne, nominated by Councilmembers Smith.
Torrey Feimster, nominated by Councilmembers Austin, Howard, Lyles and Phipps.
Mark Freitch, nominated by Councilmembers Austin, Barnes, Driggs, Phipps and Smith.
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.

Results of the first ballot were recorded as follows:

Sarah Cherne, 3 votes – Councilmembers Driggs, Kinsey and Smith.
Torrey Feimster, 4 votes – Councilmembers Austin, Howard, Mayfield and Phipps.
Mark Freitch 3 votes – Councilmembers Austin, Barnes and Phipps.
Katherine Stefan, 8 votes – Councilmembers Autry, Barnes, Driggs, Howard, Kinsey, Lyles Mayfield and Smith.

Katherine Stefan was appointed for one seat and a second ballot was taken between Sarah Cherne, Torrey Feimster and Mark Freitch and recorded as follows:

Sarah Cherne, 3 votes – Councilmembers Autry, Kinsey and Smith.

Torrey Feimster, 5 votes – Councilmembers Austin, Howard, Lyles, Mayfield and Phipps.
Mark Freitch, 2 votes – Councilmembers Barnes and Driggs.

Since no nominee received 6 votes a third ballot was taken between Sarah Cherne and Torrey Feimster and recorded as follows:

Sarah Cherne, 5 votes – Councilmembers Austin, Driggs, Kinsey, Mayfield and Smith.
Torrey Feimster, 5 votes – Councilmembers Austin, Barnes, Howard, Lyles and Phipps.

Mayor Clodfelter said this is a tie so they will carry this over until they have a full Council.

D. Transit Services Advisory Committee The following nominees were considered for two appointments, one for a suburban employer served by the Charlotte Transit and the other for a neighborhood organization leader, for three-year terms beginning February 1, 2015 and ending January 31, 2018:

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.

Results of the first ballot were recorded as follows:

Jeffrey Berlin, 1 vote – Councilmember Smith.
David Harris, 4 votes – Councilmembers Austin, Driggs, Lyles and Mayfield.
Dwayne Heyward, 2 votes Councilmembers Barnes and Phipps.
Myron Taylor, 1 vote – Councilmember Autry.
None of the above, 2 votes – Councilmembers Howard and Kinsey.

Since none of the nominees received 6 votes a second ballot was taken between David Harris and Dwayne Heyward and recorded as follows:

David Harris, 8 votes – Councilmembers Austin, Autry, Barnes, Howard, Kinsey, Lyles, Mayfield and Smith.

Mr. Harris was appointed.

E. Zoning Board of Adjustment The following nominees were considered for one appointment for an at-large member to fill an unexpired terms beginning immediately and ending January 30, 2017; one appointment for a three-year term beginning January 31, 2015 and ending January 30, 2018 and two appoints for alternate for three-year terms beginning January 31, 2015 and ending January 30, 2018:

Walter Baucom, nominated by Councilmembers Austin, Howard, Lyles and Mayfield.
Scott Browder, nominated by Councilmembers 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.
James Hildreth, nominated by Councilmembers Fallon and Kinsey.
David Harris, nominated by Councilmembers Autry and Phipps.
John Lambert, 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.

Results of the first ballot were recorded as follows:

Walter Baucom, 1 vote – Councilmember Lyles.
Scott Browder, 4 votes – Councilmembers Austin, Autry, Howard and Mayfield.
Tyler Conner, 6 votes – Councilmembers Austin, Barnes, Kinsey, Lyles, Mayfield and Phipps.

Jeff Davis, 1 vote – Councilmember Barnes.
John Lambert, 4 votes – Councilmembers Autry, Driggs, Howard and Smith.
John Powell, 3 votes – Councilmembers Kinsey, Phipps and Smith.
John White, 1 vote – Councilmember Driggs.

Mr. Conner was appointed for the three year at-large seat.

A second ballot was taken between Scott Browder and John Lambert and recorded as follows:

Scott Browder, 8 votes – Councilmembers Austin, Autry, Barnes, Driggs, Kinsey, Lyles, Mayfield and Smith.

Mr. Browder was appointed for the unexpired term.

The ballots for the two alternates were recorded as follows:

Walter Baucom, 1 votes – Councilmember Howard.
Scott Browder 5 votes – Councilmembers Barnes, Driggs, Kinsey, Lyles and Smith.
Tyler Conner, 1 vote – Councilmember Smith.
Jeff Davis, 1 vote – Councilmember Kinsey.
David Harris, 2 votes – Councilmembers Autry and Phipps.
John Lambert, 2 votes – Councilmembers Austin and Phipps.
John Powell, 7 votes – Councilmembers Austin, Autry, Barnes, Driggs, Howard, Lyles and Mayfield.

Mr. Powell was appointed as an alternate.

Councilmember Howard said Mr. Harris was just appointed to the Transit Services Advisory Committee; he can do two committees but he just got appointed.

Mayor Clodfelter said I think your policy tries to steer away from multiple appointments so that would leave us with Mr. Lambert who got two votes.

Motion was made by Councilmember Lyles, seconded by Councilmember Howard, and carried unanimously to appoint Mr. Lambert to the other alternate seat.

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ITEM NO. 13: MAYOR AND COUNCIL TOPICS

Councilmember Mayfield said I want to acknowledge that we are going to have some upcoming conversations so residents of District 3 please be on the lookout for information that will be coming in February. The Town Hall will be a discussion on gentrification, what it is and what it isn't and the impact on communities. We are in the process of planning that and I also want to acknowledge that the Greater Enderly Park, we will be having our monthly neighborhood meeting on February 3rd at Beatty Ray Thomas Center. That meeting will begin at 6:00 p.m.

Councilmember Lyles said I would like to express our condolences to Dianne English who heads our Community Building Initiative on the loss of her husband Roger English this past week and express our sympathy and support for her. I would like to recognize our own Councilmember LaWana Mayfield who chaired the Martin Luther King Day activities for this community. I had the opportunity to see her do marvelous work and have a tremendous amount of energy for that commitment to that event. It makes our City a better place and I want to say thank you Ms. Mayfield and the other committee members. I actually want to say thanks to the Manager; Terry Bradley does a fabulous job out at Community Relations. He was there every step of the way and just commend him for his work. You did a great job this year.

Councilmember Autry said I would like to remind the citizens of the City of Charlotte that the posted speed limit signs on our streets are there for a reason and when you navigate across the City and using our network of the Transportation Department please try to imagine that your children are playing on

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those streets. I just see way too much of this all the time and we are so focused on pedestrian safety and walkability; speeding on our streets does not make what is happening on the side of that road that much easier. I would just like folks to be cognizant of that.

Councilmember Driggs said I want to make sure that everybody is aware that the Ballantyne Breakfast Club is going to host its annual priorities meeting on February 14th at 9:00 at the Ballantyne Resort. This is a meeting where Representatives from State, County and City Government, from C-DOT, NC-DOT, CMS and many agencies are available to engage in small group conversations with citizens in response to their concerns etc. It is great access; if you have any issues you want to talk about with government that is the time, February 14th 9:00 at Ballantyne Resort.

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ADJOURNMENT

Motion was made by Councilmember Mayfield, seconded by Councilmember Barnes, and carried unanimously to adjourn the meeting.

The meeting was adjourned at 8:55 p.m.



Stephanie C. Kelly, City Clerk MMC, NC-CMC

Length of Meeting: 3 hours, 42 Minutes
Minutes Completed: February 17, 2015